

# U.S. Multinational Companies Operations in 1998

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**G**ROWTH in the combined domestic and foreign operations of nonbank U.S. multinational companies (MNC's) slowed in 1998, according to preliminary estimates from the annual survey of U.S. direct investment abroad conducted by the Bureau of Economic Analysis (BEA).<sup>1</sup> Current-dollar estimates of the worldwide gross product of U.S. MNC's—U.S. parents and their majority-owned foreign affiliates (MOFA's)—increased 1.2 percent in 1998, compared with a 5.8-percent increase in 1997 (table 1).<sup>2</sup> Two other key measures

of MNC operations also grew more slowly in 1998 than in 1997. MNC employment increased 2.3 percent after increasing 6.0 percent, and capital expenditures increased 5.4 percent after increasing 16.9 percent.

The slower growth in MNC operations in 1998 was most pronounced in the petroleum industry. In that industry, MNC gross product decreased 23 percent, as steep declines in the prices of petro-

1. This article presents highlights from the 1997 and 1998 annual surveys. More detailed estimates will be available later this year (see the box "Data Availability" on page 36).

2. An MNC comprises a U.S. parent company and its foreign affiliates. The examination of the foreign operations of U.S. MNC's primarily uses the data for MOFA's rather than for all foreign affiliates, because parents and MOFA's are usually under U.S. managerial control (whereas other foreign affiliates are usually under the control of foreign owners) and because the necessary data items for this analysis are collected only for MOFA's.

**Table 1.—Gross Product, Employment, and Capital Expenditures  
of Nonbank U.S. MNC's, U.S. Parents, and Foreign Affiliates, 1982–98**

	MNC's worldwide			Affiliates				MNC's worldwide			Affiliates		
	Parents and all affiliates	Parents and MOFA's	Parents	Total	MOFA's	Other		Parents and all affiliates	Parents and MOFA's	Parents	Total	MOFA's	Other
<b>Gross product</b>													
<b>Millions of dollars:</b>													
1982 .....	n.a.	1,019,734	796,017	n.a.	223,717	n.a.	1993 .....	24,222	22,760	17,537	6,685	5,223	1,461
1983 .....	n.a.	n.a.	n.a.	n.a.	216,683	n.a.	1994 .....	25,670	24,273	18,565	7,105	5,707	1,398
1984 .....	n.a.	n.a.	n.a.	n.a.	220,331	n.a.	1995 .....	25,921	24,500	18,576	7,345	5,924	1,421
1985 .....	n.a.	n.a.	n.a.	n.a.	220,074	n.a.	1996 .....	26,334	24,867	18,790	7,544	6,077	1,467
1986 .....	n.a.	n.a.	n.a.	n.a.	231,644	n.a.	1997 <sup>r</sup> .....	27,851	26,358	19,878	7,973	6,480	1,493
1987 .....	n.a.	n.a.	n.a.	n.a.	269,734	n.a.	1998 <sup>p</sup> .....	28,456	26,968	20,068	8,388	6,900	1,488
1988 .....	n.a.	n.a.	n.a.	n.a.	297,556	n.a.	<b>Percent change at annual rates:</b>						
1989 .....	n.a.	1,364,878	1,044,884	n.a.	319,994	n.a.	1982–97 .....	0.6	0.7	0.4	1.2	1.7	–0.5
1990 .....	n.a.	n.a.	n.a.	n.a.	356,033	n.a.	1989–97 .....	1.2	1.2	0.7	2.3	3.0	–0.1
1991 .....	n.a.	n.a.	n.a.	n.a.	355,963	n.a.	1996–97 .....	5.8	6.0	5.8	5.7	6.6	1.8
1992 .....	n.a.	n.a.	n.a.	n.a.	361,524	n.a.	1997–98 .....	2.2	2.3	1.0	5.2	6.5	–0.3
1993 .....	n.a.	n.a.	n.a.	n.a.	359,179	n.a.	<b>Capital expenditures</b>						
1994 .....	n.a.	1,717,488	1,313,792	n.a.	403,696	n.a.	<b>Millions of dollars:</b>						
1995 .....	n.a.	1,831,046	1,365,470	n.a.	465,576	n.a.	1982 .....	248,262	233,078	188,266	59,996	44,812	15,184
1996 .....	n.a.	1,978,948	1,480,638	n.a.	498,310	n.a.	1983 .....	n.a.	197,534	160,656	n.a.	36,878	n.a.
1997 <sup>r</sup> .....	n.a.	2,094,318	1,573,451	n.a.	520,867	n.a.	1984 .....	n.a.	203,791	168,692	n.a.	35,099	n.a.
1998 <sup>p</sup> .....	n.a.	2,119,380	1,608,645	n.a.	510,735	n.a.	1985 .....	n.a.	221,509	185,027	n.a.	36,482	n.a.
<b>Percent change at annual rates:</b>							1986 .....	n.a.	203,809	169,131	n.a.	34,678	n.a.
1982–97 .....	n.a.	4.9	4.6	n.a.	5.8	n.a.	1987 .....	n.a.	199,171	162,139	n.a.	37,032	n.a.
1989–97 .....	n.a.	5.5	5.3	n.a.	6.3	n.a.	1988 .....	n.a.	223,814	177,203	n.a.	46,611	n.a.
1996–97 .....	n.a.	5.8	6.3	n.a.	4.5	n.a.	1989 .....	276,790	260,488	201,808	74,982	58,680	16,302
1997–98 .....	n.a.	1.2	2.2	n.a.	–1.9	n.a.	1990 .....	n.a.	274,614	213,079	n.a.	61,535	n.a.
<b>Number of employees</b>							1991 .....	n.a.	269,221	206,290	n.a.	62,931	n.a.
<b>Thousands:</b>							1992 .....	n.a.	272,049	208,834	n.a.	63,215	n.a.
1982 .....	25,345	23,727	18,705	6,640	5,022	1,618	1993 .....	n.a.	271,661	207,437	n.a.	64,224	n.a.
1983 .....	24,783	23,253	18,400	6,383	4,854	1,530	1994 .....	328,240	303,364	231,917	96,323	71,447	24,876
1984 .....	24,548	22,973	18,131	6,418	4,842	1,576	1995 .....	n.a.	323,616	248,017	n.a.	75,599	n.a.
1985 .....	24,532	22,923	18,113	6,419	4,810	1,609	1996 .....	n.a.	340,510	260,048	n.a.	80,462	n.a.
1986 .....	24,082	22,543	17,832	6,250	4,711	1,539	1997 <sup>r</sup> .....	n.a.	398,037	309,247	n.a.	88,790	n.a.
1987 .....	24,255	22,650	17,986	6,270	4,664	1,605	1998 <sup>p</sup> .....	n.a.	419,620	323,181	n.a.	96,439	n.a.
1988 .....	24,141	22,498	17,738	6,404	4,761	1,643	<b>Percent change at annual rates:</b>						
1989 .....	25,388	23,879	18,765	6,622	5,114	1,508	1982–97 .....	n.a.	3.6	3.4	n.a.	4.7	n.a.
1990 .....	25,264	23,786	18,430	6,834	5,356	1,478	1989–97 .....	n.a.	5.4	5.5	n.a.	5.3	n.a.
1991 .....	24,837	23,345	17,959	6,878	5,387	1,492	1996–97 .....	n.a.	16.9	18.9	n.a.	10.4	n.a.
1992 .....	24,190	22,812	17,530	6,660	5,282	1,378	1997–98 .....	n.a.	5.4	4.5	n.a.	8.6	n.a.

<sup>p</sup> Preliminary.  
<sup>r</sup> Revised.  
n.a. Not available.

MNC Multinational company  
MOFA Majority-owned foreign affiliate

leum products outweighed increases in worldwide production and consumption of crude oil and petroleum products.<sup>3</sup>

The growth patterns of the domestic (U.S.-parent) and foreign (foreign-affiliate) operations of U.S. MNC's differed partly because of differences in local economic conditions. The gross product of U.S. parents increased 2.2 percent. Excluding the gross product of parents in the petroleum industry, parent gross product increased 4.6 percent, reflecting continued robust economic growth in the United States (current-dollar gross domestic prod-

uct (GDP) in the United States grew 6.2 percent in 1997 and 5.5 percent in 1998).

The gross product of MOFA's decreased 1.9 percent—the first decrease since 1993; the decrease reflected the fall in petroleum prices, a rise in the exchange value of the U.S. dollar (which lowers the dollar-denominated measures for affiliates whose books are kept in host-country currencies), and weak or negative economic growth in much of Asia and Latin America. In terms of affiliate gross product, the growth rate of real GDP in the top 5 Asian host countries averaged a negative 0.9 percent in 1998. In the top 5 Latin American host countries, real GDP increased, but the average growth rate, at 1.7 percent, was less than half that in the United States.

3. Crude oil prices fell 34 percent in 1998 on the basis of 12-month averages of the refiners' acquisition cost of domestic and imported crude oil from the Energy Information Administration of the U.S. Department of Energy. In contrast, worldwide production of crude oil increased only 2 percent.

### Key Terms

The following key terms are used to describe U.S. multinational companies (MNC's) and their operations. For a comprehensive discussion of the terms and the concepts used, see Raymond J. Mataloni, Jr., "A Guide to BEA Statistics on U.S. Multinational Companies," SURVEY OF CURRENT BUSINESS 75 (March 1995): 38–55.

#### U.S. MNC's

*U.S. multinational company (MNC).* The U.S. parent and its foreign affiliates. (In most of this article, an MNC is defined as the U.S. parent and its *majority-owned* foreign affiliates.)

*U.S. parent.* A person, resident in the United States, who owns or controls 10 percent or more of the voting securities, or the equivalent, of a foreign business enterprise. "Person" is broadly defined to include any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether organized or not under the laws of any State), or any government entity. If incorporated, the U.S. parent is the fully consolidated U.S. enterprise consisting of (1) the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation and (2) proceeding down each ownership chain from that U.S. corporation, any U.S. corporation whose voting securities are more than 50 percent owned by the U.S. corporation above it. A U.S. parent comprises the domestic operations of a U.S. MNC, covering operations in the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and all other U.S. areas.

*U.S. direct investment abroad (USDIA).* The ownership or control, directly or indirectly, by one U.S. person of 10 percent or more of the voting securities of an incorporated foreign business enterprise or the equivalent interest in an unincorporated business enterprise.

*Foreign affiliate.* A foreign business enterprise in which there is U.S. direct investment, that is, in which a U.S. person owns or controls (directly or indirectly) 10 percent or more of the voting securities or the equivalent. Foreign affiliates comprise the foreign operations of a U.S. MNC over which the parent is presumed to have a degree of managerial influence.

*Majority-owned foreign affiliate (MOFA).* A foreign affil-

iate in which the combined ownership of all U.S. parents exceeds 50 percent. MOFA's comprise the foreign operations of U.S. MNC's that are controlled by the U.S. parent or parents. In 1998, MOFA's accounted for 82 percent of the employment of all foreign affiliates of U.S. MNC's, up from 77 percent in 1989 (table 1).

#### Operations of U.S. MNC's

*Gross product.* The contribution to the gross domestic product of the country of operations, which is the goods and services produced by labor and property located in that country. Gross product, often referred to as "value added," can be measured as gross output (sales or receipts and other operating income plus inventory change) minus intermediate inputs (purchased goods and services). Alternatively, it can be measured as the sum of the costs incurred (except for intermediate inputs) and the profits earned in production. The gross product estimates presented here were prepared by summing cost and profit data collected in the annual and benchmark surveys of USDIA. For the derivation of the current-dollar estimates of gross product, see Raymond J. Mataloni, Jr., and Lee Goldberg, "Gross Product of U.S. Multinational Companies, 1977–91," SURVEY 74 (February 1994): 57.

*Capital expenditures.* Expenditures made to acquire, add to, or improve property, plant, and equipment (PP&E). PP&E includes land, timber, mineral and like-rights owned, structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and tangible and intangible exploration and development costs. Changes in PP&E due to changes in entity—such as mergers, acquisitions, and divestitures—or to changes in accounting principles are excluded. Capital expenditures are measured on a gross basis; sales and other dispositions of fixed assets are not netted against them.

*Employment.* The number of full-time and part-time employees on the payroll at yearend. If the employment of a parent or an affiliate was unusually high or low because of temporary factors (for example, a strike) or large seasonal variations, the number that reflected normal operations or an average for the year was requested.

Additional highlights of U.S.-MNC operations in 1998 follow:

- Worldwide production and the productive resources of U.S. MNC's remained concentrated in the United States: U.S. parents accounted for about three-fourths, and MOFA's for about one-fourth, of their combined gross product, capital expenditures, and employment. These shares have been relatively stable since 1989.<sup>4</sup>
- The real gross product of both parents and MOFA's increased modestly. For U.S. parents, the growth in current-dollar gross product exceeded U.S. price inflation. For MOFA's in manufacturing, real gross product increased 3.0 percent, and evidence suggests that the real gross product in other industries also increased.
- U.S. exports of goods that involve U.S. parents or their foreign affiliates decreased for the first time since 1982, the first year of this annual series. The decrease in MNC-associated exports partly reflected reduced shipments to Canadian affiliates in the transportation equipment man-

ufacturing industry and reduced shipments to Asian affiliates.

- MNC-associated U.S. imports of goods increased substantially. The increase mainly reflected shipments to U.S. parents from affiliates in the drug manufacturing industry and in the computer and office equipment manufacturing industry.
- Newly acquired or established MOFA's continued to be concentrated in countries with large and prosperous markets rather than in countries with low labor costs. Although low-wage countries have been attracting a rising share of the new investments, MOFA's in high-wage countries still accounted for 84 percent of the gross product of all new MOFA's.

The first part of this article analyzes the worldwide operations of U.S. MNC's, the second part analyzes their domestic operations, and the third part analyzes their foreign operations.

*Revisions to the 1997 estimates.*—The estimates of U.S.-MNC operations for 1997 were revised to incorporate the final results of the 1997 Annual Survey of U.S. Direct Investment Abroad.<sup>5</sup> The

4. In addition to examining changes from 1997, changes from 1989 are sometimes used to provide historical perspective; the year 1989 is a benchmark survey year for U.S. direct investment abroad, and until 1994, the estimates of gross product for U.S. parents (the basis for much of the analysis in this article) were available only for benchmark survey years.

5. The preliminary 1997 estimates were published in Raymond J. Mataloni, Jr., "U.S. Multinational Companies: Operations in 1997," *SURVEY OF CURRENT BUSINESS* 79 (July 1999): 8-35.

### Data on U.S. Direct Investment Abroad

BEA collects two broad sets of data on U.S. direct investment abroad (USDIA): (1) Financial and operating data of U.S. parent companies and their foreign affiliates, and (2) international transactions and direct investment position data.<sup>1</sup> This article presents the first set of data; the international transactions and direct investment position data appear in the following articles in this issue of the *SURVEY OF CURRENT BUSINESS*: Russell B. Scholl, "The International Investment Position of the United States at Yearend 1999"; Douglas B. Weinberg, "U.S. International Transactions, First Quarter 2000"; and Sylvia E. Bargas, "Direct Investment Positions for 1999: Country and Industry Detail."

The data on USDIA in this article are classified by International Surveys Industry (ISI) groups that were adapted from the *Standard Industrial Classification (SIC) Manual, 1987*—the classification system used until recently as the standard for industry classification in Federal economic statistics. The SIC system has been superseded by the 1997 North American Industry Classification System (NAICS). BEA has developed new ISI codes that are based on NAICS; these codes will be used for the data collected in the 1999 benchmark survey of USDIA.

*Financial and operating data.*—The data on the overall operations of U.S. parent companies and their foreign affil-

iates are collected in BEA's annual and benchmark surveys of USDIA. The data include balance sheets and income statements, employment and compensation of employees, research and development expenditures, sources of finance, trade in goods, and sales of goods and services. In addition, the gross product of U.S. parent companies and their majority-owned foreign affiliates is estimated from the data reported in these surveys.

Except in benchmark survey years, these data cover only nonbank U.S. multinational companies (MNC's); U.S. MNC's in banking (1987 Standard Industrial Classifications 6011, 602, 606, 6712, and 608) are exempt from reporting. All the financial and operating data are on a fiscal-year basis. The data cover the entire operations of U.S. parent companies and their foreign affiliates, irrespective of the percentage of U.S.-parent ownership.

*International transactions and direct investment position data.*—These data, covering bank and nonbank U.S. MNC's, are collected in quarterly surveys of USDIA. The data cover the cross-border transactions and positions between U.S. parents and their foreign affiliates, so they focus on the parent's share, or interest, in the affiliate rather than on the affiliate's size or scale of operations. The major items that are included in the U.S. international transactions accounts are direct investment capital flows, direct investment income, royalties and license fees, and other services transactions between U.S. parents and their foreign affiliates.

1. For a comprehensive discussion of these two sets of data, see Raymond J. Mataloni, Jr., "A Guide to BEA Statistics on U.S. Multinational Companies," *SURVEY* 75 (March 1995): 38-55. This guide is available on BEA's Web site; go to <www.bea.dog.gov> and click on "International, Articles."

year-to-year percent changes for two other key measures were revised less than 1 percentage point from the changes shown in the preliminary estimates: The increase in gross product was revised up 0.2 percentage point to 5.8 percent, and the increase in employment was revised down 0.1 percentage point to 6.0 percent. In contrast, the increase in capital expenditures was revised up 3.2 percentage points to 16.9 percent.

### Worldwide Operations of U.S. MNC's

This section examines worldwide U.S.-MNC operations and compares the domestic and foreign aspects of these operations.

#### Changes in gross product

Current-dollar gross product of U.S. MNC's grew 1.2 percent in 1998, to \$2,119 billion; the U.S.-parent component of U.S.-MNC gross product increased 2.2 percent, and the MOFA component decreased 1.9 percent. Available evidence suggests that after accounting for price and exchange-rate changes, the real gross product of both parents and MOFA's increased modestly. For U.S. parents, the 2.2-percent increase in current-dollar gross product exceeded the 0.6-percent rate of U.S. price inflation (as measured by the GDP implicit price deflator for all private U.S. businesses). For MOFA's, the 1.9-percent decrease in current-dollar gross product and a 3.2-percent average inflation rate in host countries suggests an inflation-adjusted decrease of about 5 percent; however, because the exchange value of the U.S. dollar increased more than 5 percent, it is likely that the real gross product of MOFA's actually increased at a modest rate.<sup>6</sup> A more formal calculation of the changes in real gross product of MOFA's in manufacturing also suggests a modest increase (see the section "Real gross product of MOFA's in manufacturing").

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### U.S.-MNC-associated trade in goods

In 1998, U.S.-MNC-associated trade—U.S. trade involving U.S. parents or their foreign affiliates—accounted for 64 percent of total U.S. exports of goods and for 39 percent of total U.S. imports of goods (table 2 and chart 1).<sup>7</sup> These large shares re-

6. In 1998, the weighted average (in terms of MOFA gross product) U.S.-dollar price of the currencies of 7 euro-area countries and of 16 other major host countries fell 8.0 percent. (Collectively, these countries accounted for 86 percent of total MOFA gross product in 1998.) This decrease lowered the dollar value of MOFA gross product by a similar amount when the data reported to BEA in dollars were translated from foreign currencies, as is believed to generally be the case.

The average rate of price inflation in these host countries was derived as a weighted average (in terms of MOFA gross product), using, in most cases, the GDP implicit price deflators for the countries.

Table 2.—U.S. Trade in Goods Associated with Nonbank U.S. MNC's, 1989, 1997, and 1998

[Millions of dollars, unless otherwise noted]

Line		1989	1997	1998
1	<b>MNC-associated U.S. exports, total</b>	<b>236,371</b>	<b>441,272</b>	<b>438,292</b>
2	Intra-MNC trade .....	89,539	186,526	185,372
3	Shipped by U.S. parents to their MOFA's	86,050	185,065	184,378
4	Shipped by U.S. parents to their other foreign affiliates .....	3,489	1,461	994
5	MNC trade with others .....	146,832	254,746	252,920
6	Shipped by U.S. parents to foreigners other than their own affiliates .....	133,813	220,730	221,139
7	Of which:			
8	Shipped by U.S. parents to their foreign parent groups .....	10,413	23,054	22,517
9	Shipped to foreign affiliates by U.S. persons other than their own parents	13,019	34,016	31,781
10	To MOFA's .....	11,437	27,689	26,256
11	To other foreign affiliates .....	1,582	6,327	5,525
11	<b>MNC-associated U.S. imports, total</b>	<b>201,182</b>	<b>350,822</b>	<b>355,976</b>
12	Intra-MNC trade .....	77,307	147,452	158,146
13	Shipped by MOFA's to their U.S. parents	71,283	143,841	154,763
14	Shipped by other foreign affiliates to their U.S. parents .....	6,024	3,611	3,383
15	MNC trade with others .....	123,875	203,370	197,830
16	Shipped to U.S. parents by foreigners other than their own affiliates .....	103,788	174,149	168,366
17	Of which:			
18	Shipped to U.S. parents by their foreign parent groups .....	32,398	67,336	65,663
19	Shipped by foreign affiliates to U.S. persons other than their own parents	20,087	29,221	29,464
20	By MOFA's .....	13,015	23,216	23,387
21	By other foreign affiliates .....	7,072	6,005	6,077
	<b>Addenda:</b>			
21	All U.S. exports of goods .....	363,836	689,182	682,138
22	U.S.-MNC-associated U.S. exports as a percentage of total (line 1/ line 21) * 100 .....	65	64	64
23	Intra-U.S.-MNC exports as a percentage of total (line 2/ line 21) * 100 .....	25	27	27
24	All U.S. imports of goods .....	473,647	869,704	911,896
25	U.S.-MNC-associated U.S. imports as a percentage of total (line 11/ line 24) * 100 .....	42	40	39
26	Intra-U.S.-MNC imports as a percentage of total (line 12/ line 24) * 100 .....	16	17	17
27	U.S. exports of goods by U.S. parent companies that are also U.S. affiliates of foreign companies .....	n.a.	59,537	75,276
28	U.S. imports of goods by U.S. parent companies that are also U.S. affiliates of foreign companies .....	n.a.	92,539	112,905

MNC Multinational company  
MOFA Majority-owned foreign affiliate  
n.a. Not available.

NOTE: The MNC-associated trade contains some duplication. See footnote 7 to the text.

flect the significant presence of U.S. MNC's in the U.S. economy and the global orientation of U.S. parents.<sup>8</sup>

U.S.-MNC-associated exports decreased \$3 billion, to \$438 billion, the first decrease since this annual data series began in 1982. Both intra-MNC exports and MNC exports to others decreased. The decrease in intra-MNC exports was concentrated in exports to Canada and Asia. The decrease in exports to Canada was mainly in transportation equipment manufacturing and reflected a temporary decrease in auto production by Canadian affiliates that was related to a labor strike. The decrease in exports to Asia was widespread by country and reflected a decrease in total U.S. ex-

ports to the region; affiliates that produced or distributed durable goods accounted for most of the decrease.

U.S.-MNC-associated imports of goods increased \$5 billion, to \$356 billion. The increase was more than accounted for by a \$10 billion increase in intra-MNC imports. The increase in intra-MNC imports was concentrated in imports from affiliates in Ireland, Eastern Europe, and Thailand. The increase in imports from Ireland was mainly in drug manufacturing. The increases from Eastern Europe and Thailand were mainly in computer and office equipment manufacturing.

### U.S. Parents' Operations

This section examines the changes in U.S.-parent gross product by industry and the U.S.-parent share of private U.S. GDP in 1989 and 1998.<sup>9</sup>

#### Changes in gross product

The gross product of all U.S. parents increased 2.2 percent in 1998, to \$1,609 billion, compared with an average annual increase of 5.3 percent in 1989-97 (table 3).

In 1998, U.S.-parent gross product increased most rapidly in transportation equipment manufacturing (9.9 percent), in "other" industries (8.3 percent), in wholesale trade (8.2 percent), and in

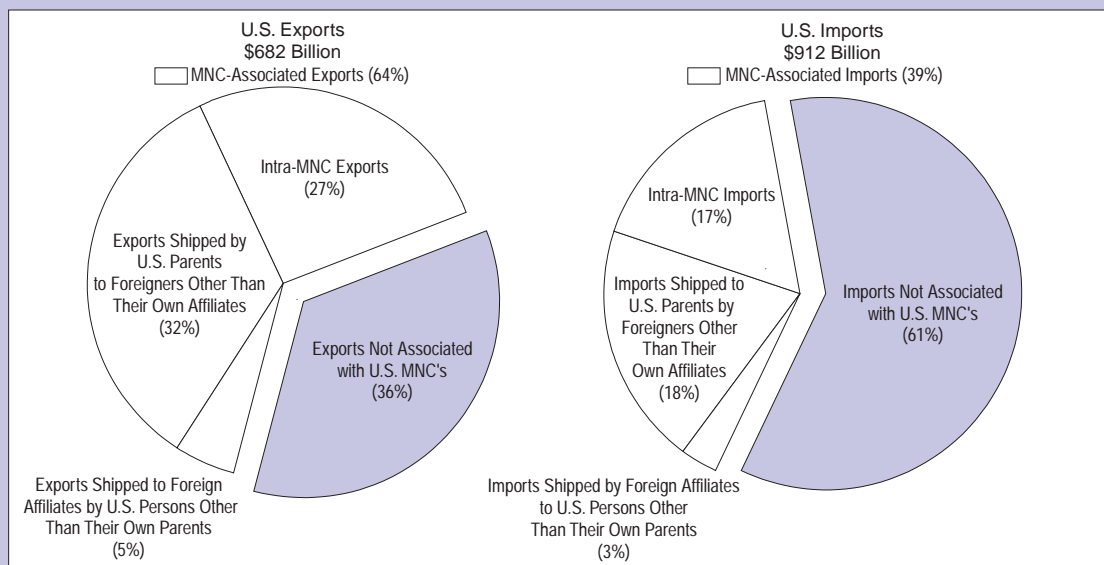
7. MNC-associated trade consists of intra-MNC trade (trade between U.S.-parent companies and their own foreign affiliates) and MNC trade with "others" (trade between U.S.-parent companies and foreigners other than their own affiliates and trade between foreign affiliates and U.S. residents other than their own parents). The MNC-associated shares of total U.S. trade are overstated to the extent that the trade with others includes trade between U.S.-parent companies and foreign affiliates of other U.S.-parent companies. Such trade cannot be separately identified, but in most cases, it would be reported twice on the annual survey—once for the U.S. parent that exports or imports the goods and once for the foreign affiliate that is involved. However, the effect of this duplication on the shares of total trade accounted for by MNC-associated trade is relatively small; even if all MNC trade with others were accounted for by duplicated transactions, the MNC-associated shares of total U.S. trade would differ from those given in the text and in table 2 by only a few percentage points.

8. MNC-associated trade accounts for an even larger share of U.S. trade in goods if trade involving U.S. businesses owned by foreign MNC's is included. In 1997—the latest year for which data are available—U.S. affiliates of foreign MNC's accounted for 20 percent of U.S. exports of goods and for 30 percent of U.S. imports of goods. However, as noted in footnote 9, these U.S.-affiliate shares overlap the U.S.-MNC shares because some U.S. parents are also U.S. affiliates of foreign companies. In 1998, trade of these U.S. parents accounted for 17 percent of MNC-associated exports and for 31 percent of MNC-associated imports. (See the addenda to table 2.)

9. A U.S. parent may be under the control of a foreign-parent company; in 1998, U.S. parents that were ultimately controlled by foreign parents accounted for 9 percent of the gross product of all U.S. parents.

CHART 1

### U.S. Trade in Goods Associated with U.S. Multinational Companies in 1998



MNC Multinational company  
 Note.—The MNC-associated trade contains some duplication. See footnote 7 to the text.  
 U.S. Department of Commerce, Bureau of Economic Analysis

services (8.0 percent).<sup>10</sup> U.S.-parent gross product decreased substantially in the petroleum industry (24.5 percent) and in electronics and industrial machinery manufacturing (6.1 percent).

The increase in transportation equipment manufacturing and the decrease in electronics manufacturing primarily reflected the reclassification of some U.S.-parent companies from electronics to transportation equipment.<sup>11</sup> The increases in "other" industries (mainly communication) and in wholesale trade primarily reflected the entry of U.S. companies that acquired or established their first foreign affiliate in 1998. The increase in the services industry was mainly in computer and data processing services and reflected strong demand; the increase also reflected the entry of new parent companies.

The substantial decrease in the petroleum industry was concentrated among parents involved in integrated petroleum refining and extraction; it reflected weak demand and the fall in petroleum prices. The decrease in industrial machinery man-

ufacturing partly reflected the industry reclassification of U.S.-parent companies.

### U.S.-parent shares of private GDP

U.S. parents accounted for 24 percent of the gross product of all private U.S. businesses in 1998, down slightly from 25 percent in 1989 and in 1997 (table 4).<sup>12</sup> The decrease was more than accounted for by U.S. parents in manufacturing.<sup>13</sup> In that industry, the U.S.-parent share fell to 58 percent in 1998 from 60 percent in 1997 and from 62 percent in 1989. The 1997-98 decrease mainly reflects the concentration of U.S.-parent companies in petroleum manufacturing—the major manufacturing industry in which current-dollar U.S. GDP had the largest percentage decrease (down 5 percent) in

12. Generally, at the all-industries level, the estimates of U.S.-parent gross product are conceptually consistent with the estimates of gross product for all U.S. businesses in the national income and product accounts. However, for individual industries, inconsistencies may result from differences in the basis for the industrial distribution of the estimates. The industrial distributions of gross product for all U.S. businesses are based on data collected from establishments, which are classified by the principal product or service produced at each establishment, whereas the industrial distributions of U.S.-parent gross product are based on data collected from enterprises (companies), which are classified by the principal product or service produced by all of their establishments combined. Because large companies usually have establishments that are classified in several different industries, the distributions of data by industry of establishment can differ significantly from those by industry of enterprise. In this article, U.S.-parent gross product as a share of the gross product for all private U.S. businesses is computed only at the highly aggregated level shown in table 4.

13. In table 4, unlike in other tables in this article, manufacturing includes some petroleum-related industries in order to be consistent with all-U.S. data on gross product originating by industry (see the note to table 4).

**Table 3.—Gross Product of Nonbank U.S. Parents by Major Industry for 1989, 1997, and 1998**

	Millions of dollars				Percent change at annual rates	
	1989	1997	1998	Change, 1997-98	1989-97	1997-98
<b>All industries</b> .....	<b>1,044,884</b>	<b>1,573,451</b>	<b>1,608,645</b>	<b>35,194</b>	<b>5.3</b>	<b>2.2</b>
Petroleum .....	93,128	125,800	95,015	-30,785	3.8	-24.5
Manufacturing .....	586,568	770,508	788,728	18,220	3.5	2.4
Food and kindred products .....	60,310	74,652	77,328	2,676	2.7	3.6
Chemicals and allied products .....	97,119	126,879	128,339	1,460	3.4	1.2
Primary and fabricated metals .....	37,556	41,950	43,693	1,743	1.4	4.2
Industrial machinery and equipment .....	70,887	93,786	89,822	-3,964	3.6	-4.2
Electronic and other electric equipment .....	56,139	97,774	91,818	-5,956	7.2	-6.1
Transportation equipment .....	121,141	165,702	182,179	16,477	4.0	9.9
Other manufacturing .....	143,417	169,766	175,549	5,783	2.1	3.4
Wholesale trade .....	22,587	50,384	54,519	4,135	10.5	8.2
Finance (except depository institutions), insurance, and real estate ...	50,535	83,867	82,725	-1,142	6.5	-1.4
Services .....	57,090	128,859	139,111	10,252	10.7	8.0
Other industries .....	234,975	414,033	448,547	34,514	7.3	8.3

**Table 4.—Gross Product of Nonbank U.S. Parents and Gross Product of All Nonbank U.S. Private Businesses by Major Industry for 1989, 1997, and 1998**

	Millions of dollars						Percent		
	1989		1997		1998		U.S.-parent share of gross product of all private U.S. businesses		
	Gross product of U.S. parents	Gross product of all private U.S. businesses <sup>1</sup>	Gross product of U.S. parents	Gross product of all private U.S. businesses <sup>1</sup>	Gross product of U.S. parents	Gross product of all private U.S. businesses <sup>1</sup>	1989	1997	1998
<b>All industries</b> .....	<b>1,044,884</b>	<b>4,101,607</b>	<b>1,573,451</b>	<b>6,302,747</b>	<b>1,608,645</b>	<b>6,671,592</b>	<b>25</b>	<b>25</b>	<b>24</b>
Manufacturing .....	671,911	1,080,915	879,365	1,458,986	866,861	1,498,129	62	60	58
Services .....	57,524	962,528	132,619	1,672,366	143,581	1,818,929	6	8	8
All other industries .....	315,449	2,058,164	561,467	3,171,395	598,203	3,354,534	15	18	18

1. For improved comparability with U.S.-parent gross product, gross product of all private U.S. businesses was adjusted to remove categories not applicable to nonbank U.S. parents—such as gross product of depository institutions. In addition, housing product of owner-occupied farm housing (part of farm product) and nonfarm housing product (part of real estate product) were removed because U.S. parents are not involved in these activities. Business transfer payments were also removed because few U.S. parents are in industries that receive most of the business transfer payments in the United States.

Note.—In this table, petroleum is not shown as a separate major industry. Instead, in order to be consistent with the all-U.S. data on gross product originating by industry, U.S.-parent gross product in the various petroleum subindustries is distributed among the other major industries.

Thus, manufacturing includes petroleum and coal products manufacturing; "all other industries" includes petroleum wholesale trade, gasoline service stations, petroleum tanker operations, pipelines, and storage; and services includes oil and gas field services. A significant portion of U.S.-parent gross product in petroleum and coal products is accounted for by integrated petroleum companies that have, in addition to their manufacturing activities, significant petroleum extraction activities; because the extraction activities cannot be identified separately in the U.S.-parent data, and to improve comparability between the estimates for U.S. parents and those for all U.S. businesses, they are included in manufacturing. For consistency, gross product estimates for the "oil and gas extraction without refining" industry are also included in manufacturing rather than in "all other industries," which includes mining.

1998. The decrease since 1989 reflects both the concentration of U.S. parents in slower growing industries, such as petroleum manufacturing, and the reclassification of some U.S. parents from manufacturing to other industries.

However, the U.S.-parent share in manufacturing was still higher (58 percent) than that in the services industry (8 percent) or in all other industries (18 percent) in 1998. The high share in manufacturing partly reflects the firm-specific intangible assets (such as patents or brand images) that allow these firms to earn profits that are sufficient to overcome the additional costs of producing in foreign markets. The low share in the services industry partly reflects the impediments to investing in some host countries; for example, U.S. direct investment in health care services, one of the largest service industries in the United States, is constrained or precluded in countries where the government plays a prominent role in the delivery of health care. In addition, some service industries that are characterized by small-scale production (such as dry cleaners and hair stylists) may lack the financial resources and the firm-specific advantages that often provide the basis for direct investment in other industries.

### Operations of Majority-Owned Foreign Affiliates

This section examines selected aspects of the operations of majority-owned foreign affiliates (MOFA's) of U.S. MNC's: The 1997-98 change in gross product, the country and industry distribu-

tions of newly acquired or established MOFA's, the MOFA shares of host country GDP, and the 1997-98 changes in the real gross product of MOFA's in manufacturing.

### Changes in gross product

The gross product of MOFA's decreased 1.9 percent in 1998, to \$510.7 billion, compared with an average annual increase of 7.2 percent in 1989-97 (table 5). The gross product of MOFA's in Europe increased, but this increase was more than offset by decreases in all the other geographic areas. The decreases mainly reflected the aforementioned changes in host-country economic conditions, in the exchange value of the U.S. dollar, and in petroleum prices.

In percentage terms, the gross product of MOFA's in Africa decreased the most, 21 percent, but the gross product of MOFA's in Asia and Pacific decreased 13 percent and that of MOFA's in the Middle East, 12 percent. The decreases in Africa and the Middle East were concentrated in the petroleum-extraction industry and reflected the drop in crude oil prices. In Asia and Pacific, the decreases were widespread by country and by industry and reflected either economic recession or weak economic growth in most host countries.

In Europe, MOFA gross product increased 2.0 percent; the increases were largest in Ireland, the United Kingdom, Switzerland, and the Netherlands. In Ireland, the increase was mainly in the drug industry and partly reflected the introduction of new pharmaceutical products by existing affiliates; the increase also reflected the acquisition or

Table 5.—Gross Product of Nonbank Majority-Owned Foreign Affiliates, by Major Area and Industry of Affiliate, 1989, 1997, and 1998

	Millions of dollars			Change, 1997-98	Percent change at annual rates	
	1989	1997	1998		1989-97	1997-98
<b>All areas, all industries</b> .....	<b>319,994</b>	<b>520,867</b>	<b>510,735</b>	<b>-10,132</b>	<b>7.2</b>	<b>-1.9</b>
<b>By major area</b>						
Canada .....	52,114	56,454	54,739	-1,715	1.2	-3.0
Europe .....	179,758	297,441	303,505	6,064	7.5	2.0
Latin America and Other Western Hemisphere .....	29,601	61,702	61,336	-366	11.1	-0.6
Africa .....	5,299	8,530	6,752	-1,778	7.0	-20.8
Middle East .....	4,891	4,294	3,764	-530	-1.8	-12.3
Asia and Pacific .....	46,875	90,924	79,129	-11,795	9.9	-13.0
International <sup>1</sup> .....	1,457	1,522	1,510	-12	0.6	-0.8
<b>By major industry</b>						
Petroleum .....	77,195	111,838	89,484	-22,354	5.4	-20.0
Manufacturing .....	172,008	254,623	251,442	-3,181	5.8	-1.2
Food and kindred products .....	13,643	25,640	26,570	930	9.4	3.6
Chemicals and allied products .....	32,059	52,695	55,040	2,345	7.4	4.5
Primary and fabricated metals .....	7,623	10,619	10,729	110	4.9	1.0
Industrial machinery and equipment .....	30,430	36,088	34,758	-1,330	2.5	-3.7
Electronic and other electric equipment .....	12,646	25,714	22,774	-2,940	10.7	-11.9
Transportation equipment .....	33,764	44,558	41,618	-2,940	4.0	-6.6
Other manufacturing .....	41,843	59,308	59,952	644	5.1	1.1
Wholesale trade .....	37,947	55,909	59,109	3,200	5.7	5.7
Finance (except depository institutions), insurance and real estate .....	3,439	22,534	22,912	378	30.8	1.7
Services .....	14,612	47,050	52,509	5,459	18.2	11.6
Other industries .....	14,793	28,913	35,279	6,366	10.1	22.0

1. 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.

establishment of new affiliates. In the United Kingdom, the increases were widespread by industry and partly reflected increased economic growth in goods-producing industries (as measured by host-country industrial production) and the acquisition or establishment of new affiliates in various industries. In Switzerland and the Netherlands, the increases were concentrated in wholesale trade and reflected increased sales to customers throughout Europe.

By industry, the decreases in MOFA gross product were largest in the petroleum industry and in electronics manufacturing. The decrease in the petroleum industry mainly reflected falling petroleum prices and depressed demand for petroleum products (especially in Asia), and the decrease in electronics manufacturing primarily reflected weak economic conditions and financial-market instability in Asia and Latin America. These decreases were partly offset by increases in "other" industries (mainly communication and retail trade) and services.

*Newly acquired or established MOFA's.*—Despite the weakness in ongoing MOFA operations, U.S. parents continued to acquire or establish new

MOFA's at a rapid pace. In 1998, the gross product of newly acquired or established MOFA's was \$7.3 billion, down from \$7.8 billion in 1997, but up significantly from \$5.0 billion in 1996 and \$4.8 billion in 1995 (tables 6 and 7). The rapid increases in new investments partly reflected opportunities created by the deregulation and privatization of some industries in host countries and the availability of funds for investment as a result of rising equity markets and strong economic growth in the United States.

In 1998, new MOFA's continued to be acquired or established primarily in high-wage countries.<sup>14</sup> These MOFA's accounted for 84 percent of the gross product of all new MOFA's. This tendency suggests that U.S. direct investment abroad is more attracted by access to large and prosperous markets than by access to low-wage labor. Among the high-wage countries, the United Kingdom accounted for the largest share (44 percent) of the

14. The distinction between "high-wage" countries and "low-wage" countries is based on the estimates of average hourly wages of production workers of MOFA's in manufacturing; the estimates were derived from data collected in the 1994 benchmark survey of U.S. direct investment abroad, and the analysis is restricted to host countries in which employment by manufacturing MOFA's totaled at least 10,000 employees in 1994.

Table 6.—Newly Acquired or Established Nonbank MOFA's by Major Area and Industry of Affiliate, 1998

	Number of newly acquired or established affiliates			Millions of dollars			Thousands of employees
	Total	Acquired	Established	Total assets	Sales	Gross product	
All areas, all industries .....	477	276	201	144,364	28,849	7,258	199.7
<b>By major area</b>							
Canada .....	38	23	15	8,839	2,285	573	9.3
Europe .....	263	165	98	92,148	17,860	5,245	103.1
of which:							
France .....	27	18	9	4,498	1,065	327	7.3
Germany .....	36	26	10	5,114	2,395	599	21.4
Netherlands .....	36	15	21	15,288	927	-16	3.6
United Kingdom .....	84	56	28	50,990	9,321	3,196	52.0
Latin America and Other Western Hemisphere .....	78	44	34	20,752	4,731	890	62.3
of which:							
Brazil .....	22	15	7	13,283	4,072	1,129	52.4
Mexico .....	14	8	6	1,649	276	25	6.7
Africa .....	7	1	6	215	206	26	1.0
Middle East .....	6	1	5	381	33	8	0.4
Asia and Pacific .....	85	42	43	22,028	3,734	517	23.6
of which:							
Australia .....	17	9	8	2,572	447	88	4.1
Japan .....	19	14	5	13,069	803	205	7.4
International <sup>1</sup> .....	0	0	0	0	0	0	0.0
Addenda <sup>2</sup> :							
High-wage country sample .....	309	193	116	111,722	20,791	6,102	119.9
Low-wage country sample .....	109	51	58	23,018	7,193	1,206	72.4
Non-sample countries .....	59	32	27	9,624	865	-50	7.4
<b>By major industry</b>							
Petroleum .....	21	15	6	8,607	722	-54	2.0
Manufacturing .....	175	125	50	23,388	11,255	3,134	91.4
Food and kindred products .....	7	5	2	4,097	1,183	552	18.4
Chemicals and allied products .....	30	19	11	2,770	1,452	331	6.4
Primary and fabricated metals .....	21	17	4	3,834	1,807	765	7.3
Industrial machinery and equipment .....	22	13	9	3,033	1,578	273	12.9
Electronic and other electric equipment .....	27	22	5	1,687	1,482	343	8.8
Transportation equipment .....	18	15	3	1,570	1,610	457	10.5
Other manufacturing .....	50	34	16	6,398	2,143	413	27.1
Wholesale trade .....	34	24	10	1,801	3,768	429	6.7
Finance (except depository institutions), insurance, and real estate .....	149	48	101	68,499	2,083	722	7.4
Services .....	54	39	15	11,694	2,578	761	45.4
Other industries .....	44	25	19	30,375	8,444	2,266	46.9

MOFA Majority-owned foreign affiliate

1. See footnote 1 to table 5.

2. The distinction between "high-wage" countries and "low-wage" countries is based on estimates of average hourly wages of production workers of MOFA's in manufacturing; the estimates were derived from data collected in the 1994 benchmark survey of U.S. direct investment abroad. To ensure the significance of the data underlying this distinction, the analysis is restricted to host countries in which employment by manufacturing MOFA's totaled at least 10,000 employees in

1994.

NOTE.—The data in this table cover only newly acquired or established MOFA's. They exclude data for businesses that were acquired or established during the year and were consolidated into existing foreign affiliates. They also exclude data for MOFA's that were exempt from reporting on the 1998 Annual Survey of U.S. Direct Investment Abroad, namely, those whose assets, sales, and net income were all below \$20 million in absolute value.



gross product of all new MOFA's. The United Kingdom is a favored location for MOFA operations partly because of its language and its cultural similarities with the United States, its relatively low level of market regulation (compared with most other countries in the region), and its duty-free access to customers in other member countries of the European Union.

New investments have been concentrated in high-wage countries, but low-wage countries have been attracting a rising proportion of these investments. Their share of the gross product of all new MOFA's grew from 4 percent in 1995 to 17 percent in 1998. Among these countries, Brazil accounted for the largest share (16 percent) of the gross product of all new MOFA's in 1998; although its economy was in recession, Brazil remained a favored location for MOFA operations, partly because its economy is by far the largest in Latin America.

Manufacturing continued to be the largest industry for new investments. In 1998, it accounted

**Table 7.—Gross Product of Newly Acquired or Established Nonbank MOFA's by Major Area and Industry of Affiliate, 1995–98**

	1995	1996	1997	1998
<b>All areas, all industries</b> .....	<b>4,781</b>	<b>4,979</b>	<b>7,822</b>	<b>7,258</b>
<b>By major area</b>				
Canada .....	630	372	391	573
Europe .....	3,856	3,371	6,053	5,245
<i>of which:</i>				
France .....	488	378	483	327
Germany .....	266	771	1,145	599
Netherlands .....	233	217	308	-16
United Kingdom .....	550	927	2,995	3,196
Latin America and Other Western Hemisphere .....	157	275	474	890
<i>of which:</i>				
Brazil .....	121	188	182	1,129
Mexico .....	18	45	-13	25
Africa .....	-105	161	202	26
Middle East .....	0	5	19	8
Asia and Pacific .....	240	675	685	517
<i>of which:</i>				
Australia .....	89	226	144	88
Japan .....	10	271	12	205
International <sup>1</sup> .....	3	121	0	0
<b>Addenda <sup>2</sup>:</b>				
High-wage country sample .....	4,534	3,842	6,490	6,102
Low-wage country sample .....	168	379	950	1,206
Non-sample countries .....	79	758	382	-50
<b>By major industry</b>				
Petroleum .....	114	596	332	-54
Manufacturing .....	3,141	2,563	4,060	3,134
Food and kindred products .....	26	149	188	552
Chemicals and allied products .....	1,803	931	573	331
Primary and fabricated metals .....	67	158	286	765
Industrial machinery and equipment .....	380	359	763	273
Electronic and other electric equipment .....	151	55	157	343
Transportation equipment .....	344	141	1,289	457
Other manufacturing .....	370	770	805	413
Wholesale trade .....	201	478	738	429
Finance (except depository institutions), insurance, and real estate .....	38	73	284	722
Services .....	339	879	899	761
Other industries .....	948	390	1,509	2,266

MOFA Majority-owned foreign affiliate

1. See footnote 1 to table 5.

2. The distinction between "high-wage" countries and "low-wage" countries is based on estimates of average hourly wages of production workers of MOFA's in manufacturing; the estimates were derived from data collected in the 1994 benchmark survey of U.S. direct investment abroad. To ensure the significance of the data underlying this distinction, the analysis is restricted to host countries in which employment by manufacturing MOFA's totalled at least 10,000 employees in 1994.

NOTE.—The data in this table cover only newly acquired or established MOFA's. They exclude data for businesses that were acquired or established during the year and were consolidated into existing foreign affiliates. They also exclude data for MOFA's that were exempt from reporting on the 1998 Annual Survey of U.S. Direct Investment Abroad, namely, those whose assets, sales, and net income were all below \$20 million in absolute value.

for 43 percent of the gross product of all new MOFA's.

### MOFA share of host-country GDP

In 1998, the share of host-country gross domestic product (GDP) accounted for by the gross product of MOFA's ranged from 16.1 percent in Ireland to 0.1 percent in India (table 8). The wide range in the MOFA shares reflected differences in the attractiveness, and in the openness to foreign direct investment, of host economies.

Since 1989, the MOFA share in Ireland has been the largest and the fastest growing (up 3.7 percentage points) of the selected host countries shown in table 8. About two-thirds of the increase was accounted for by affiliates in manufacturing (particularly drug manufacturing). A variety of factors attracted manufacturing affiliates, including lan-

**Table 8.—Gross Product of MOFA's as a Percentage of GDP of Selected Host Countries, 1989, 1997, and 1998**

	1989	1997	1998
Ireland .....	12.4	14.8	16.1
Singapore .....	8.0	9.7	9.2
Canada .....	9.5	8.9	9.1
United Kingdom .....	6.2	6.8	6.5
Honduras .....	5.6	6.4	6.2
New Zealand .....	2.3	4.5	5.5
Belgium .....	5.6	5.3	5.5
Netherlands .....	5.8	5.3	5.3
Australia .....	4.9	4.7	4.6
Hong Kong .....	5.0	4.1	4.5
Malaysia .....	4.6	5.0	4.2
Indonesia .....	4.2	2.5	4.2
Switzerland .....	2.9	3.1	3.7
Norway .....	4.6	4.1	3.5
Chile .....	2.7	4.0	3.4
Mexico .....	2.4	2.9	3.4
Philippines .....	2.4	2.6	3.2
Brazil .....	( <sup>1</sup> )	2.9	2.8
Germany <sup>2</sup> .....	3.0	2.7	2.6
Venezuela .....	1.7	3.2	2.6
France .....	2.3	2.6	2.5
Thailand .....	2.5	2.3	2.4
Argentina .....	( <sup>1</sup> )	2.3	2.4
Sweden .....	1.2	2.1	2.3
Costa Rica .....	4.0	5.7	2.3
Portugal .....	2.2	2.6	2.2
Italy .....	1.9	1.9	1.9
Spain .....	1.9	1.8	1.9
Finland .....	.9	1.8	1.8
Guatemala .....	1.9	1.6	1.7
Denmark .....	1.2	1.5	1.5
Peru .....	( <sup>1</sup> )	2.1	1.5
Ecuador .....	2.8	1.1	1.4
South Africa .....	.8	1.0	1.2
Israel .....	.8	1.0	1.2
Turkey .....	.4	1.1	1.1
Greece .....	1.2	1.1	.8
Egypt .....	1.1	1.2	.8
Japan .....	.5	.6	.6
Korea, Republic of .....	.3	.5	.5
China .....	(*)	.4	.3
India .....	.1	.2	.1

\* Less than 0.05 percent.

1. A share could not be calculated for this country for 1989, because the dollar-denominated estimate of host-country GDP was incompatible with the dollar-denominated estimate of MOFA gross product. Because the economy of the host country was experiencing hyperinflation in 1989, most MOFA's operating there translated their financial statements from host-country currency to dollars daily, in accordance with U.S. generally accepted accounting principles. These daily translations, which are used to derive the dollar-denominated estimate of MOFA gross product, are not comparable to the annual average exchange rate that is used to derive the dollar-denominated estimate of host-country GDP.

2. On October 3, 1990, the former German Democratic Republic became of the Federal Republic of Germany (FRG). Accordingly, the 1989 data shown in this table pertain to the FRG before unification and the post-1990 data pertain to the FRG after unification.

NOTE.—The countries are sorted in descending order of their 1998 values. Where two countries have the same 1998 value in the table, they were sorted using unrounded values. Host-country GDP data for all countries except Hong Kong are from the International Monetary Fund, International Financial Statistics, April 2000 Edition (Washington, DC: International Monetary Fund, 2000). Data for Hong Kong are from the Web site for the Census and Statistics Department of the Hong Kong Special Administrative Region.

GDP Gross domestic product

MOFA Majority-owned foreign affiliate

guage and cultural similarities with the United States, an educated workforce, wages and corporate income taxes that are relatively low for the region, and duty-free access to other markets in the European Union.

### Real gross product of MOFA's in manufacturing

Estimates of real gross product of MOFA's are prepared because changes in the current-dollar measures of MOFA operations can be strongly influenced by changes in prices and exchange rates.<sup>15</sup> These estimates of real gross product provide more meaningful comparisons across countries because they are based on purchasing-power-parity exchange rates rather than on market exchange rates, and they provide more meaningful comparisons across time because they are in chained (1993) dollars.<sup>16</sup>

15. For a summary of the methodology used to derive the real gross product estimates and for the estimates of real gross product for 1982-93, see Raymond J. Mataloni, Jr., "Real Gross Product of U.S. Companies' Majority-Owned Foreign Affiliates in Manufacturing," SURVEY 77 (April 1997): 8-17.

The real gross product of MOFA's in manufacturing grew slower in 1998 (1.4 percent) than in 1997 (7.3 percent) and in 1989-95 percent) (table 9).<sup>17</sup> The slower growth was more than accounted for by Asian and Latin American affiliates and reflected unfavorable economic conditions, including the Asian financial crisis and the economic recession in Brazil.

In contrast, in the 19 member countries of the Organisation for Economic Co-Operation and Development (OECD) shown in table 9, the real gross product of manufacturing MOFA's grew faster in 1998 (3.6 percent) than in 1989-97 (1.6 percent).<sup>18</sup> The rapid growth mirrored the growth in total

16. The 1993 (reference year) estimates of real gross product are based on purchasing-power-parity (PPP) exchange rates for 1993, the latest year for which PPP exchange rates were available on a timely basis and in enough detail to compute the real gross product estimates. In early 2000, the Organisation for Economic Co-Operation and Development released detailed PPP exchange rates for 1996, and these 1996 rates will be incorporated next year into the real gross product estimates for MOFA's.

17. Real gross product grew 1.4 percent in 1998, while the current-dollar gross product decreased 1.2 percent. The decrease in the current-dollar gross product reflected the dampening effect of the appreciation of the U.S. dollar.

Table 9.—Current-Dollar and Real Gross Product of Majority-Owned Foreign Affiliates in Manufacturing, by Country, 1989 and 1994-98

	Billions of current dollars							Percent change, at annual rates		
	1989	1994	1995	1996	1997	1998	Change, 1997-98	1989-97	1997-98	
<b>All countries</b> .....	<b>172.0</b>	<b>205.2</b>	<b>238.9</b>	<b>250.4</b>	<b>254.6</b>	<b>251.4</b>	<b>-3.2</b>	<b>5.0</b>	<b>-1.2</b>	
19 OECD countries .....	141.4	159.3	185.0	189.8	185.9	185.5	-4	3.5	-2	
Australia .....	6.9	5.8	5.9	6.8	7.4	6.7	-6	.9	-8.4	
Austria .....	.7	1.3	1.2	1.5	1.4	1.6	.2	9.3	13.9	
Belgium .....	5.0	6.8	8.3	7.5	7.2	7.4	.2	4.8	2.4	
Canada .....	28.9	25.3	26.9	25.9	27.9	27.5	-4	-4	-1.5	
Denmark .....	.4	.6	.7	.7	.7	.8	.1	9.2	13.9	
Finland .....	.1	.3	.4	.7	.9	1.0	.1	37.1	12.2	
France .....	11.8	16.5	18.9	20.7	20.0	19.3	-7	6.8	-3.6	
Germany <sup>1</sup> .....	25.8	36.7	41.0	40.4	39.4	38.7	-7	5.4	-1.7	
Greece .....	.2	.3	.4	.4	.4	.4	(*)	9.1	(*)	
Ireland .....	3.5	4.8	6.9	7.0	9.2	9.5	.3	12.8	3.2	
Italy .....	7.8	8.3	8.6	9.1	9.4	8.5	-9	2.5	-9.4	
Japan .....	7.7	10.9	12.6	13.3	8.6	7.5	-1.0	1.4	-11.9	
Luxembourg .....	.5	.7	.8	.6	.6	.6	(*)	2.3	(*)	
Netherlands .....	7.8	7.2	9.0	8.8	9.4	9.6	.2	2.4	1.9	
New Zealand .....	.3	.4	.4	1.5	1.9	1.7	-2	25.8	-8.0	
Norway .....	.1	.4	.3	.5	.4	.4	(*)	17.7	(*)	
Spain .....	5.7	5.5	6.4	6.1	6.7	7.4	.8	1.9	11.6	
Sweden .....	1.0	.8	2.7	2.4	2.2	2.2	(*)	9.9	(*)	
United Kingdom .....	27.4	26.7	33.6	35.7	32.3	34.6	2.2	2.1	6.9	
All other countries .....	30.6	45.9	53.9	60.5	68.7	65.9	-2.8	10.6	-4.1	
	Billions of chained (1993) dollars									
<b>All countries</b> .....	<b>160.1</b>	<b>171.4</b>	<b>185.7</b>	<b>197.1</b>	<b>211.4</b>	<b>214.4</b>	<b>3.0</b>	<b>3.5</b>	<b>1.4</b>	
19 OECD countries .....	126.1	125.8	131.9	136.9	143.0	148.2	5.2	1.6	3.6	
Australia .....	6.5	5.2	5.1	5.5	6.2	6.7	.5	-6	7.4	
Austria .....	.6	.9	.7	1.0	1.0	1.2	.1	7.6	14.7	
Belgium .....	4.7	5.3	5.4	5.2	5.7	6.0	.3	2.4	4.6	
Canada .....	27.4	25.0	25.3	23.9	25.7	26.7	1.0	-8	3.8	
Denmark .....	.3	.3	.4	.4	.4	.5	.1	5.7	14.4	
Finland .....	(*)	.2	.3	.5	.6	.8	.1	38.3	18.3	
France .....	9.5	11.6	11.6	13.4	14.5	14.3	-3	5.5	-1.9	
Germany <sup>1</sup> .....	23.3	26.2	25.3	26.0	29.0	29.2	.1	2.8	.5	
Greece .....	.3	.3	.3	.4	.4	.4	(*)	4.0	(*)	
Ireland .....	3.4	4.2	5.6	5.7	8.0	8.7	.7	11.1	9.0	
Italy .....	6.7	7.2	7.0	6.9	7.7	7.1	-6	1.9	-7.8	
Japan .....	5.0	5.4	5.7	7.1	5.0	4.8	-2	(*)	-3.5	
Luxembourg .....	.4	.5	.5	.5	.5	.5	(*)	1.6	(*)	
Netherlands .....	6.5	5.5	5.9	6.0	7.1	7.5	.4	1.1	5.2	
New Zealand .....	.3	.4	.4	1.3	1.7	1.9	.2	23.4	12.7	
Norway .....	.1	.2	.2	.3	.3	.3	(*)	15.7	(*)	
Spain .....	5.0	4.7	4.8	4.6	5.7	6.5	.8	1.8	14.5	
Sweden .....	.7	.6	1.7	1.4	1.4	1.5	.1	8.8	4.2	
United Kingdom .....	25.8	22.4	25.8	27.3	23.4	24.7	1.3	-1.2	5.8	
All other countries .....	33.9	45.6	53.9	60.0	69.1	66.6	-2.5	9.3	-3.6	
Residual .....	-3	-5	-3	(*)	-2.1	-1.4				

\* Less than \$50 million or 0.5 percent.  
1. See footnote 2 to table 8.

NOTE.—Chained (1993) dollar series were derived by extrapolating the base-year (1993) PPP-exchange-rate-based current-dollar value of the corresponding series by a Fisher quantity index. Because the formula for the Fisher quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not addi-

tive. The residual line is the difference between the total line and the sum of the most detailed lines.

For a summary of the methodology used to derive the chained-dollar estimates, and for the 1982-88 and 1990-93 estimates, see "Real Gross Product of U.S. Companies' Majority-Owned Foreign Affiliates in Manufacturing," SURVEY OF CURRENT BUSINESS 77 (April 1997): 8-17.

OECD Organisation for Economic Co-Operation and Development

host-country output; in 1998, industrial production in these countries grew 3.5 percent, compared with 1.7 percent in 1989–97 (chart 2).<sup>19</sup>

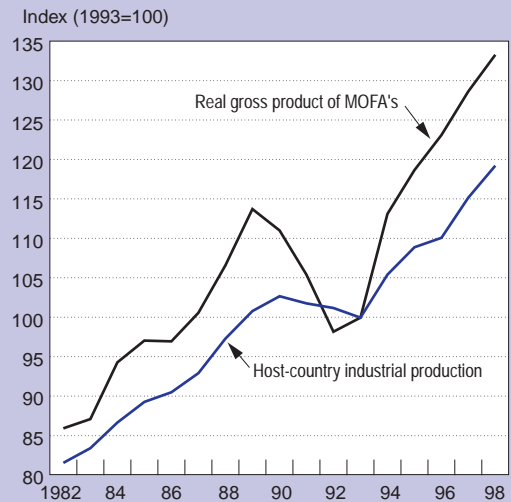
The real gross product of MOFA's in manufacturing increased \$3.0 billion in 1998. This increase was concentrated in the United Kingdom (up \$1.3 billion), Canada (up \$1.0 billion), Spain (up \$0.8 billion), and Ireland (up \$0.7 billion). The increase in the United Kingdom was widespread by industry and reflected increases both in total manufacturing output in the United Kingdom and in the acquisition and establishment of new affiliates. The increases in Canada and Ireland were concentrated in the chemicals industry and mainly reflected the introduction of new pharmaceutical products. The increase in Spain was concentrated in the primary and fabricated metals industry and mainly reflected the acquisition and establishment of new affiliates.

18. The estimates of the real gross product of MOFA's in manufacturing in individual countries are restricted to these OECD member countries because of source data limitations.

19. The changes in the estimates of the real gross product of manufacturing MOFA's tend to be more volatile than the changes in host-country industrial production, mainly because the changes in the real gross product of MOFA's are much more sensitive to the entry and exit of firms and because manufacturing MOFA's tend to be more heavily concentrated in cyclical industries (such as durable-goods manufacturing). These changes were especially volatile in 1989–94, primarily reflecting the economic recession and recovery in Europe.

CHART 2

### Real Gross Product of MOFA's in Manufacturing and Industrial Production in 19 OECD Countries, 1982–98



MOFA Majority-owned foreign affiliate  
OECD Organisation for Economic Co-Operation and Development

NOTE.—The 19 OECD countries covered in this chart are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Spain, Sweden, and the United Kingdom.

The composite index of industrial production was derived by weighting each country's index by the country's share in the cumulative dollar value of real gross product of MOFA's in manufacturing in 1982–98.

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

### Data Availability

This article presents a summary of the preliminary estimates of the worldwide operations of U.S. multinational companies (MNC's) from the 1998 Annual Survey of U.S. Direct Investment Abroad and the final estimates from the 1997 Annual Survey of U.S. Direct Investment Abroad. More detailed estimates, including the gross product estimates, will be available later this year on BEA's Web site, on diskettes, and in publications; the availability of these estimates will be announced on the inside back cover of the SURVEY OF CURRENT BUSINESS.

The results of the 1994 benchmark survey are available on BEA's Web site, on diskette, and in *U.S. Direct Investment Abroad: 1994 Benchmark Survey, Final Results*.

Detailed estimates of U.S.-MNC operations for 1983–93

and for 1995–96 and preliminary estimates for 1997 are also available on BEA's Web site at <[www.bea.doc.gov](http://www.bea.doc.gov)>; click on Catalog of Products, and look under "International Accounts Products," "U.S. Direct Investment Abroad."

For information on the diskettes, see the Catalog of Products, or for a copy of the catalog, call 1-800-704-0415 (outside the United States, call 202-606-9666).

For information on publications, see the Product Guide of the International Investment Division on the Web site, or write to the International Investment Division, BE-50, Bureau of Economic Analysis, Washington, DC 20230. Among the recent publications is a collection of BEA studies on international direct investment; see the inside back cover of the SURVEY.

Tables 10 through 14 follow.

Table 10.1.—Selected Data for Nonbank U.S. Parents, by Industry of U.S. Parent, 1997

	Millions of dollars											Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	Gross product	Compensation of employees		
		Total	Goods	Services	Investment income <sup>1</sup>							
<b>All Industries</b>	<b>8,811,175</b>	<b>4,886,330</b>	<b>3,309,783</b>	<b>1,360,396</b>	<b>216,151</b>	<b>328,065</b>	<b>309,247</b>	<b>106,800</b>	<b>1,573,451</b>	<b>899,352</b>	<b>19,877.7</b>	
<b>Petroleum</b>	<b>458,704</b>	<b>413,241</b>	<b>375,890</b>	<b>37,072</b>	<b>278</b>	<b>31,097</b>	<b>32,749</b>	<b>1,775</b>	<b>125,800</b>	<b>31,036</b>	<b>481.3</b>	
Oil and gas extraction	37,387	12,952	(P)	(P)	12	1,014	5,083	59	7,189	2,692	51.4	
Crude petroleum and gas	20,790	6,447	6,004	431	12	-145	2,526	(*)	3,429	747	10.3	
Oil and gas field services	16,597	6,505	(P)	(P)	0	1,159	2,557	58	3,760	1,945	41.0	
Petroleum and coal products	346,807	308,651	296,948	11,467	236	29,034	23,413	1,611	105,428	24,114	371.0	
Integrated refining and extraction	316,718	273,581	265,351	7,993	236	28,108	21,232	1,567	95,751	21,622	312.4	
Refining without extraction	25,617	31,450	(P)	(P)	0	813	2,020	5	8,651	1,910	45.1	
Petroleum and coal products, nec	4,472	3,620	(P)	(P)	0	113	161	39	1,026	582	13.5	
Petroleum wholesale trade	44,677	77,132	65,890	11,242	0	833	2,220	(P)	6,532	1,981	31.7	
Other	29,834	14,506	(P)	(P)	30	217	2,032	(P)	6,651	2,250	27.2	
<b>Manufacturing</b>	<b>2,714,340</b>	<b>2,244,144</b>	<b>2,085,502</b>	<b>116,678</b>	<b>41,964</b>	<b>161,202</b>	<b>117,458</b>	<b>94,791</b>	<b>770,508</b>	<b>465,967</b>	<b>8,646.8</b>	
<b>Food and kindred products</b>	<b>246,672</b>	<b>237,517</b>	<b>232,833</b>	<b>4,683</b>	<b>1</b>	<b>20,107</b>	<b>9,767</b>	<b>1,534</b>	<b>74,652</b>	<b>31,907</b>	<b>747.6</b>	
Grain mill and bakery products	70,527	54,416	54,397	18	0	1,418	2,298	529	16,300	7,079	135.8	
Beverages	118,619	98,441	94,427	4,014	1	14,715	4,882	637	38,972	13,334	272.8	
Other	57,527	84,660	84,009	651	0	3,973	2,587	369	19,379	11,495	339.0	
<b>Chemicals and allied products</b>	<b>486,585</b>	<b>334,757</b>	<b>328,405</b>	<b>5,830</b>	<b>521</b>	<b>39,657</b>	<b>23,215</b>	<b>22,750</b>	<b>126,879</b>	<b>67,681</b>	<b>980.6</b>	
Industrial chemicals	151,255	109,127	108,052	1,075	(*)	8,885	10,244	3,834	41,499	20,917	273.4	
Drugs	197,403	125,440	122,250	2,839	351	21,257	7,601	15,448	51,628	27,492	373.2	
Soap, cleaners, and toilet goods	76,413	52,641	51,254	1,227	160	6,149	2,786	1,582	17,486	9,713	171.2	
Agricultural chemicals	24,437	17,376	17,083	290	2	799	1,035	(P)	5,762	3,567	48.5	
Chemical products, nec	37,077	30,173	29,766	399	8	2,567	1,550	(P)	10,504	5,991	114.4	
<b>Primary and fabricated metals</b>	<b>125,074</b>	<b>125,158</b>	<b>123,325</b>	<b>1,804</b>	<b>29</b>	<b>6,184</b>	<b>5,522</b>	<b>1,093</b>	<b>41,950</b>	<b>27,126</b>	<b>613.5</b>	
Primary metal industries	59,164	65,657	(P)	(P)	26	3,270	3,195	502	20,776	12,874	281.1	
Ferrous	26,794	31,121	31,025	69	26	1,593	1,437	199	10,944	6,992	128.8	
Nonferrous	32,370	34,536	(P)	(P)	0	1,677	1,757	304	9,832	5,882	152.3	
Fabricated metal products	65,910	59,501	(P)	(P)	3	2,914	2,327	591	21,174	14,252	332.4	
<b>Industrial machinery and equipment</b>	<b>301,817</b>	<b>306,552</b>	<b>272,503</b>	<b>31,493</b>	<b>2,556</b>	<b>23,764</b>	<b>13,918</b>	<b>16,612</b>	<b>93,786</b>	<b>60,286</b>	<b>1,110.7</b>	
Farm and garden machinery	27,320	23,586	21,602	1,580	691	1,580	691	538	7,042	4,268	71.4	
Construction and mining machinery	40,582	34,113	32,287	1,205	621	2,455	1,561	668	11,379	6,449	122.8	
Computer and office equipment	147,586	162,680	134,935	26,135	1,610	13,925	7,988	12,509	41,987	27,681	424.0	
Other	86,329	86,172	83,680	(P)	(P)	5,804	3,679	2,897	33,378	21,889	492.5	
<b>Electronic and other electric equipment</b>	<b>438,540</b>	<b>305,772</b>	<b>265,885</b>	<b>24,794</b>	<b>15,093</b>	<b>26,357</b>	<b>22,474</b>	<b>19,138</b>	<b>97,774</b>	<b>60,550</b>	<b>1,179.9</b>	
Household appliances	11,004	15,913	15,913	0	0	366	462	201	4,267	2,847	74.2	
Audio, video, and communications equipment	69,191	79,896	76,288	3,607	0	1,814	4,453	8,437	23,895	17,733	305.5	
Electronic components and accessories	293,647	144,204	110,425	(P)	(P)	20,493	14,625	8,343	44,903	22,050	449.2	
Electronic and other electric equipment, nec	64,698	65,759	63,258	(P)	(P)	3,683	2,935	2,157	24,709	17,920	351.0	
<b>Transportation equipment</b>	<b>643,219</b>	<b>525,007</b>	<b>472,818</b>	<b>28,778</b>	<b>23,412</b>	<b>23,829</b>	<b>18,776</b>	<b>23,499</b>	<b>165,702</b>	<b>108,578</b>	<b>1,655.4</b>	
Motor vehicles and equipment	512,284	388,839	347,558	17,985	23,296	18,726	14,342	14,938	106,821	67,124	903.8	
Other	130,935	136,168	125,260	10,792	116	5,103	4,434	8,561	58,881	41,454	751.7	
<b>Other manufacturing</b>	<b>472,433</b>	<b>409,381</b>	<b>389,733</b>	<b>19,296</b>	<b>351</b>	<b>21,305</b>	<b>23,787</b>	<b>10,166</b>	<b>169,786</b>	<b>109,839</b>	<b>2,359.1</b>	
Tobacco products	3,451	5,308	5,274	34	0	588	60	9	1,227	385	9.4	
Textile products and apparel	30,193	36,025	35,926	84	14	1,954	1,517	102	14,857	9,971	309.2	
Lumber, wood, furniture, and fixtures	39,968	46,495	(P)	(P)	0	1,526	2,163	341	15,189	9,827	262.5	
Paper and allied products	131,079	96,025	95,208	707	110	3,295	7,557	1,436	39,732	22,622	422.0	
Printing and publishing	54,670	48,903	43,868	4,942	93	2,301	2,311	200	20,544	13,881	329.1	
Rubber products	24,801	25,413	(P)	(P)	0	1,177	1,493	574	10,521	7,577	144.7	
Miscellaneous plastics products	14,921	17,690	(P)	(P)	0	926	1,014	263	6,449	3,972	103.2	
Glass products	26,589	21,319	(P)	(P)	0	1,535	2,150	548	9,651	5,420	111.7	
Stone, clay, and nonmetallic mineral products	18,977	16,124	16,071	45	8	1,430	1,044	226	6,465	2,908	68.6	
Instruments and related products	111,298	81,470	71,922	9,543	5	5,610	3,788	6,178	39,551	29,809	509.5	
Other	16,485	14,609	13,543	946	120	962	690	291	5,578	3,466	89.2	
<b>Wholesale trade</b>	<b>211,422</b>	<b>395,355</b>	<b>382,297</b>	<b>11,896</b>	<b>1,161</b>	<b>7,454</b>	<b>10,094</b>	<b>1,955</b>	<b>50,384</b>	<b>32,049</b>	<b>733.6</b>	
Durable goods	123,618	206,694	197,271	8,720	704	2,524	6,567	1,485	24,717	17,230	333.8	
Nondurable goods	87,804	188,660	185,026	3,177	457	4,929	3,528	470	25,667	14,819	399.8	
<b>Finance (except depository institutions), insurance, and real estate</b>	<b>3,740,786</b>	<b>569,354</b>	<b>5,613</b>	<b>393,186</b>	<b>170,555</b>	<b>57,590</b>	<b>13,254</b>	<b>303</b>	<b>83,867</b>	<b>83,203</b>	<b>1,085.8</b>	
Finance, except depository institutions	1,547,328	175,219	(P)	93,177	(P)	16,929	4,462	(P)	41,829	39,972	336.8	
Insurance	2,175,687	390,500	5,092	297,219	88,190	39,896	8,665	(P)	40,800	42,215	732.6	
Real estate	8,213	3,633	(P)	2,790	(P)	-352	98	0	1,488	940	15.9	
Holding companies	9,558	1	1	0	0	1,116	28	0	-250	76	0.5	
<b>Services</b>	<b>334,845</b>	<b>248,353</b>	<b>24,614</b>	<b>222,932</b>	<b>808</b>	<b>14,715</b>	<b>21,707</b>	<b>6,064</b>	<b>128,859</b>	<b>89,731</b>	<b>3,008.1</b>	
Hotels and other lodging places	37,317	22,086	(P)	(P)	5	361	2,163	0	10,528	6,949	318.9	
Business services	133,443	106,201	14,489	91,044	669	7,607	7,367	5,724	59,141	43,783	1,505.7	
Advertising	11,526	6,635	0	6,635	0	470	220	0	4,148	3,337	51.4	
Equipment rental (except automotive and computers)	3,883	2,032	250	1,783	0	152	365	5	1,185	584	11.9	
Computer and data processing services	84,734	63,948	13,601	50,274	73	5,973	5,794	5,703	32,028	21,948	365.4	
Business services, not elsewhere classified	33,299	33,586	638	32,352	595	1,012	988	17	21,780	17,914	1,077.0	
Automotive rental and leasing	13,016	7,195	(P)	(P)	0	272	(P)	(*)	3,248	1,780	67.6	
Motion pictures, including television tape and film	65,668	(P)	(P)	(P)	0	(P)	2,590	5	12,910	4,657	210.5	
Health services	45,457	853	36,339	(P)	4	2,933	36	36	17,759	13,941	446.7	
Engineering and architectural services	7,839	12,794	1,288	11,502	4	146	223	135	5,670	5,127	84.3	
Management and public relations services	6,136	10,674	(P)	(P)	0	998	776	(P)	6,261	5,108	99.9	
Other	25,968	20,969	634	20,335	0	3,152	(P)	(P)	13,343	8,386	274.4	
<b>Other industries</b>	<b>1,351,077</b>	<b>1,015,883</b>	<b>435,867</b>	<b>578,631</b>	<b>1,385</b>	<b>56,007</b>	<b>113,984</b>	<b>1,913</b>	<b>414,033</b>	<b>197,365</b>	<b>5,922.0</b>	
Agriculture, forestry, and fishing	3,939	4,709	4,380	328	1	247	209	77	1,323	844	29.3	
Mining	23,204	13,861	13,732	91	38	1,003	1,715	42	6,220	3,225	50.9	
Construction	18,720	35,481	27,564	7,885	33	1,210	1,125	(P)	10,006	8,283	153.5	
Transportation	162,488	128,181	1,692	125,891	598	6,851	12,902	(P)	74,747	49,424	1,032.2	
Communication	510,242	273,304	20,630	252,407	267	23,539	65,503	1,480	136,815	56,476	1,039.8	
Electric, gas, and sanitary services	423,296	186,726	2,017	184,416	292	11,278	19,666	116	89,796	24,455	403.9	
Retail trade	209,188	373,622	365,851	7,613	157	11,880	12,863	47	95,156	54,657	3,212.4	

<sup>1</sup> Less than \$500,000 (±).

<sup>2</sup> Suppressed to avoid disclosure of data of individual companies.

1. Some parents and majority-owned foreign affiliates (MOFA's), primarily those in finance and insurance, include investment income in sales or gross operating revenues. Most parents and MOFA's not in finance or insurance

consider investment income an incidental revenue source and include it in their income statements in a separate "other income" category, rather than in sales. BEA collects separate data on investment income to ensure that—where it is included in total sales—it is not misclassified as sales of services.

Table 10.2.—Selected Data for Nonbank U.S. Parents, by Industry of U.S. Parent, 1998

	Millions of dollars											Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Re-search and development expenditures	Gross product	Compen-sation of employ-ees		
		Total	Goods	Services	Invest-ment income <sup>1</sup>							
<b>All Industries</b> .....	<b>9,700,441</b>	<b>5,026,348</b>	<b>3,329,653</b>	<b>1,430,669</b>	<b>266,025</b>	<b>350,183</b>	<b>323,181</b>	<b>114,201</b>	<b>1,608,645</b>	<b>926,214</b>	<b>20,067.6</b>	
<b>Petroleum</b> .....	<b>406,281</b>	<b>288,971</b>	<b>258,778</b>	<b>29,795</b>	<b>399</b>	<b>11,818</b>	<b>30,001</b>	<b>1,807</b>	<b>95,015</b>	<b>28,441</b>	<b>436.1</b>	
Oil and gas extraction .....	68,698	29,854	21,974	(D)	(D)	-24	7,463	367	10,764	4,813	72.9	
Crude petroleum and gas .....	49,034	20,803	19,900	(D)	(D)	-1,197	5,126	(D)	6,294	2,055	24.7	
Oil and gas field services .....	19,664	9,051	2,074	6,977	0	1,173	2,337	(D)	4,470	2,758	48.1	
Petroleum and coal products .....	276,850	194,924	184,512	10,183	229	10,836	19,471	1,321	71,839	18,705	297.7	
Integrated refining and extraction .....	247,287	159,930	152,460	7,248	222	10,127	17,104	1,278	62,324	16,269	235.8	
Refining without extraction .....	25,623	32,338	(D)	(D)	7	708	2,254	7	8,876	1,974	50.6	
Petroleum and coal products, nec .....	3,940	2,656	(D)	(D)	0	1	113	36	639	463	11.2	
Petroleum wholesale trade .....	26,553	(D)	(D)	(D)	0	(D)	(D)	(D)	5,534	2,228	40.7	
Other .....	34,179	(D)	(D)	9,051	(D)	(D)	(D)	(D)	6,877	2,695	24.9	
<b>Manufacturing</b> .....	<b>2,929,274</b>	<b>2,300,085</b>	<b>2,136,574</b>	<b>116,525</b>	<b>46,986</b>	<b>174,192</b>	<b>127,626</b>	<b>101,010</b>	<b>788,728</b>	<b>477,557</b>	<b>8,696.1</b>	
Food and kindred products .....	259,047	238,901	237,156	1,745	(*)	20,264	10,227	1,370	77,328	32,310	750.4	
Grain mill and bakery products .....	76,755	57,656	(D)	(D)	0	2,774	2,347	547	17,465	7,982	151.1	
Beverages .....	125,469	97,869	(D)	(D)	(*)	13,700	4,689	482	40,438	13,181	260.8	
Other .....	56,823	83,376	82,703	672	0	3,790	3,191	341	19,425	11,147	338.5	
Chemicals and allied products .....	506,677	344,098	338,400	5,357	341	43,907	25,200	25,540	128,339	68,718	965.7	
Industrial chemicals .....	145,266	101,836	100,838	929	69	8,602	10,762	4,241	37,925	20,589	256.2	
Drugs .....	217,717	133,489	130,955	2,438	96	27,302	8,348	16,725	55,785	29,116	366.8	
Soap, cleaners, and toilet goods .....	63,777	52,593	51,366	1,067	160	6,879	2,822	1,636	17,410	9,088	166.9	
Agricultural chemicals .....	31,590	18,212	17,917	293	2	-221	1,059	(D)	4,421	2,785	47.3	
Chemical products, nec .....	48,328	37,968	37,325	630	13	1,344	2,209	(D)	12,799	7,141	128.4	
Primary and fabricated metals .....	133,644	130,353	127,933	2,326	94	5,847	6,240	1,129	43,693	28,443	628.9	
Primary metal industries .....	64,820	67,656	65,903	1,662	92	3,132	3,554	477	21,680	13,762	292.2	
Ferrous .....	35,769	35,872	(D)	(D)	92	1,645	2,218	186	13,268	8,719	160.8	
Nonferrous .....	29,050	31,785	(D)	(D)	0	1,488	1,336	290	8,412	5,043	131.4	
Fabricated metal products .....	68,825	62,697	62,030	664	3	2,715	2,687	652	22,013	14,681	336.7	
Industrial machinery and equipment .....	323,021	308,843	270,286	35,662	2,895	14,476	14,971	16,226	89,822	61,952	1,092.1	
Farm and garden machinery .....	31,021	24,954	22,729	(D)	(D)	1,175	834	581	6,933	4,433	74.8	
Construction and mining machinery .....	50,681	39,591	37,479	(D)	(D)	1,547	1,869	839	11,861	7,316	134.8	
Computer and office equipment .....	154,404	157,583	128,006	28,000	1,577	8,772	8,545	11,967	37,910	26,911	396.2	
Other .....	86,915	86,715	82,072	4,492	151	2,982	3,723	2,839	33,118	23,292	486.4	
Electronic and other electric equipment .....	268,617	260,406	250,205	10,157	43	15,054	17,356	21,423	91,818	60,599	1,092.3	
Household appliances .....	13,431	18,068	18,068	0	0	-22	538	237	4,660	2,964	77.6	
Audio, video, and communications equipment .....	77,665	84,249	80,560	3,689	0	1,075	4,550	9,726	25,943	19,729	304.3	
Electronic components and accessories .....	104,450	85,470	(D)	(D)	43	8,905	8,073	8,939	33,667	18,748	329.7	
Electronic and other electric equipment, nec .....	73,071	72,619	(D)	(D)	(*)	5,096	4,195	2,521	27,548	19,158	380.7	
Transportation equipment .....	924,305	590,834	505,881	41,647	43,306	50,047	28,558	24,660	182,179	116,261	1,770.5	
Motor vehicles and equipment .....	560,303	372,888	330,804	15,921	26,163	33,591	17,820	14,564	105,621	66,280	883.2	
Other .....	364,002	217,946	175,077	25,726	17,143	16,457	10,738	10,096	76,558	49,981	887.3	
Other manufacturing .....	513,964	426,650	406,711	19,632	307	24,597	25,075	10,663	175,549	109,275	2,396.2	
Tobacco products .....	4,444	5,618	5,584	34	0	637	100	9	9,732	443	11.4	
Textile products and apparel .....	31,154	35,990	35,886	98	6	1,797	2,094	198	15,026	10,413	307.9	
Lumber, wood, furniture, and fixtures .....	42,827	50,222	(D)	(D)	138	2,250	1,981	388	16,546	10,320	264.0	
Paper and allied products .....	135,356	94,830	94,182	612	37	3,966	6,993	1,477	39,791	21,248	400.2	
Printing and publishing .....	55,875	49,272	43,941	5,222	108	4,636	2,089	189	23,740	14,471	333.2	
Rubber products .....	27,917	27,000	26,391	609	0	1,395	2,156	635	11,884	8,321	153.5	
Miscellaneous plastics products .....	20,369	19,614	(D)	(D)	0	841	1,149	273	7,012	4,202	109.9	
Glass products .....	29,663	21,509	21,416	92	1	1,346	1,974	587	9,084	5,330	113.0	
Stone, clay, and nonmetallic mineral products .....	18,188	15,352	15,306	38	8	909	1,009	190	5,733	2,751	63.2	
Instruments and related products .....	135,182	95,386	85,457	9,920	8	6,717	4,946	6,516	41,858	29,017	561.4	
Other .....	12,989	11,856	11,685	171	0	103	586	200	3,501	2,759	78.6	
<b>Wholesale trade</b> .....	<b>228,141</b>	<b>422,987</b>	<b>408,238</b>	<b>13,198</b>	<b>1,552</b>	<b>6,708</b>	<b>10,813</b>	<b>1,818</b>	<b>54,519</b>	<b>33,590</b>	<b>737.9</b>	
Durable goods .....	132,414	224,967	213,809	10,200	957	4,741	6,700	1,345	28,324	17,313	330.9	
Non-durable goods .....	95,727	198,020	194,428	2,997	595	1,967	4,114	473	26,194	16,276	407.0	
<b>Finance (except depository institutions), insurance, and real estate</b> .....	<b>4,227,232</b>	<b>628,088</b>	<b>5,807</b>	<b>408,053</b>	<b>214,227</b>	<b>54,615</b>	<b>15,214</b>	<b>(D)</b>	<b>82,725</b>	<b>91,660</b>	<b>1,199.6</b>	
Finance, except depository institutions .....	1,823,847	225,721	(D)	103,649	(D)	20,306	5,541	(D)	47,499	48,309	428.1	
Insurance .....	2,375,888	398,349	(D)	300,571	(D)	34,364	8,945	(D)	33,358	42,087	752.9	
Real estate .....	13,484	4,017	136	3,832	49	-100	688	0	2,084	1,193	17.9	
Holding companies .....	14,013	1	1	0	0	45	40	0	-215	71	0.5	
<b>Services</b> .....	<b>387,477</b>	<b>265,528</b>	<b>24,956</b>	<b>239,189</b>	<b>1,382</b>	<b>20,429</b>	<b>24,632</b>	<b>6,789</b>	<b>139,111</b>	<b>94,696</b>	<b>3,044.4</b>	
Hotels and other lodging places .....	32,849	19,609	(D)	(D)	1	1,294	2,599	0	9,685	5,943	332.8	
Business services .....	170,410	118,412	16,278	101,109	1,025	12,156	8,222	6,605	67,079	46,839	1,456.1	
Advertising .....	23,267	10,130	0	10,130	0	551	433	0	5,859	4,267	70.2	
Equipment rental (except automotive and computers) .....	7,106	2,155	136	2,019	0	111	310	4	1,479	646	14.7	
Computer and data processing services .....	105,317	73,005	15,640	57,250	115	9,888	6,477	6,593	38,398	24,471	399.4	
Business services, not elsewhere classified .....	34,721	33,121	503	31,709	910	1,606	1,002	7	21,342	17,454	971.9	
Automotive rental and leasing .....	12,415	7,627	(D)	(D)	0	567	(D)	(*)	3,645	1,842	68.5	
Motion pictures, including television tape and film .....	79,372	33,899	3,004	30,610	284	1,907	3,120	2	12,978	5,507	227.5	
Health services .....	43,217	36,153	921	35,211	22	187	2,757	(D)	18,636	13,672	418.1	
Engineering and architectural services .....	7,570	12,902	1,361	11,516	25	-42	208	24	4,790	4,681	67.7	
Management and public relations services .....	6,641	9,995	(D)	(D)	0	527	816	(D)	5,838	5,141	93.2	
Other .....	35,002	26,931	829	26,076	26	3,833	(D)	92	16,462	11,071	380.4	
<b>Other industries</b> .....	<b>1,522,035</b>	<b>1,120,689</b>	<b>495,300</b>	<b>623,910</b>	<b>1,479</b>	<b>82,421</b>	<b>114,893</b>	<b>(D)</b>	<b>448,547</b>	<b>200,269</b>	<b>5,953.5</b>	
Agriculture, forestry, and fishing .....	3,776	4,579	4,158	421	(*)	171	184	92	1,429	821	30.1	
Mining .....	26,797	13,608	13,452	116	40	-93	1,603	37	6,158	3,352	52.5	
Construction .....	15,632	28,678	22,483	6,148	46	1,252	850	7	6,462	4,919	109.2	
Transportation .....	152,876	128,743	1,825	126,402	516	5,699	13,844	21	73,691	50,227	1,030.6	
Communication .....	598,864	273,903	24,372	249,516	15	50,229	53,736	1,772	163,713	56,003	1,022.1	
Electric, gas, and sanitary services .....	498,339	262,441	27,267	234,443	732	9,690	29,969	304	96,921	28,184	442.4	
Retail trade .....	225,751	408,736	401,742	6,863	131	15,473	14,707	(D)	100,173	56,763	3,266.6	

\* Less than \$500,000 (±).

<sup>D</sup> Suppressed to avoid disclosure of data of individual companies.

1. Some parents and majority-owned foreign affiliates (MOFA's), primarily those in finance and insurance, include investment income in sales or gross operating revenues. Most parents and MOFA's not in finance or insurance consider investment income an incidental revenue source and include it in their income statements in a separate

"other income" category, rather than in sales. BEA collects separate data on investment income to ensure that—where it is included in total sales—it is not misclassified as sales of services.

Table 11.—Selected Data for Nonbank Foreign Affiliates, by Country of Affiliate, 1997 and 1998

	1997							1998						
	Millions of dollars							Millions of dollars						
	Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Compensation of employees	Thousands of employees	Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Compensation of employees	Thousands of employees
<b>All countries</b> .....	<b>3,416,071</b>	<b>2,350,939</b>	<b>159,738</b>	<b>220,543</b>	<b>176,673</b>	<b>261,373</b>	<b>7,972.5</b>	<b>4,000,842</b>	<b>2,443,350</b>	<b>155,292</b>	<b>217,153</b>	<b>187,610</b>	<b>271,386</b>	<b>8,388.0</b>
<b>Canada</b> .....	<b>290,443</b>	<b>271,792</b>	<b>13,734</b>	<b>70,026</b>	<b>69,769</b>	<b>31,010</b>	<b>937.5</b>	<b>313,647</b>	<b>263,849</b>	<b>10,666</b>	<b>67,776</b>	<b>70,577</b>	<b>30,511</b>	<b>935.3</b>
<b>Europe</b> .....	<b>1,932,621</b>	<b>1,211,126</b>	<b>81,103</b>	<b>59,570</b>	<b>29,487</b>	<b>144,259</b>	<b>3,301.7</b>	<b>2,302,253</b>	<b>1,331,199</b>	<b>90,889</b>	<b>63,782</b>	<b>36,638</b>	<b>154,985</b>	<b>3,532.2</b>
Austria .....	(P)	14,087	594	1,138	165	1,533	27.6	(P)	(P)	(P)	1,016	203	1,660	29.8
Belgium .....	79,275	53,280	2,831	3,695	1,196	7,538	132.7	97,234	58,170	3,538	3,692	1,786	7,796	134.7
Denmark .....	8,359	8,438	266	142	160	1,341	26.5	17,637	(P)	167	161	(P)	(P)	K
Finland .....	3,695	5,040	344	71	140	632	13.2	4,489	5,594	380	104	129	646	14.2
France .....	149,899	129,684	4,256	(P)	3,319	21,834	464.4	171,797	141,586	4,391	(P)	3,907	23,115	501.1
Germany .....	214,033	232,136	7,878	8,791	4,518	33,575	627.5	279,338	253,825	11,759	8,322	4,542	34,069	643.1
Greece .....	(P)	4,300	149	40	(P)	615	21.0	(P)	4,506	186	41	(P)	649	21.7
Ireland .....	57,700	30,462	8,576	1,629	2,850	2,113	65.8	82,782	48,062	12,271	1,908	5,624	2,384	70.4
Italy .....	65,623	73,977	2,344	2,741	(P)	9,130	198.7	75,764	74,055	2,919	2,572	1,478	9,418	203.4
Luxembourg .....	18,751	3,649	2,233	437	(P)	437	9.2	(P)	3,782	3,637	487	(P)	412	9.2
Netherlands .....	188,754	136,055	17,497	(P)	2,747	8,140	170.4	244,324	140,385	16,601	(P)	(P)	8,400	179.9
Norway .....	16,930	14,172	1,174	241	136	1,696	41.5	19,695	13,158	911	372	51	1,898	51.1
Portugal .....	6,293	8,183	462	158	114	777	32.2	8,380	8,897	616	154	(P)	875	34.8
Spain .....	35,335	44,697	1,728	(P)	768	5,928	158.6	46,041	50,323	3,032	(P)	836	6,287	165.8
Sweden .....	(P)	19,461	864	515	(P)	2,788	55.6	(P)	(P)	(P)	(P)	(P)	(P)	L
Switzerland .....	95,616	67,386	9,056	7,703	1,332	3,741	51.0	115,043	70,361	11,136	8,566	1,224	4,003	54.8
Turkey .....	5,148	9,723	210	215	125	559	30.9	6,471	9,008	357	352	160	671	38.0
United Kingdom .....	924,096	332,318	19,241	13,522	9,105	39,760	976.5	1,025,588	366,114	15,646	13,839	9,924	44,227	1,038.7
Other .....	30,402	24,077	1,401	436	174	2,122	198.5	38,888	31,533	644	521	2,063	2,618	227.4
<b>Latin America and Other Western Hemisphere</b> .....	<b>458,146</b>	<b>264,861</b>	<b>31,201</b>	<b>35,947</b>	<b>35,629</b>	<b>29,553</b>	<b>1,613.6</b>	<b>570,042</b>	<b>297,670</b>	<b>31,792</b>	<b>37,081</b>	<b>37,759</b>	<b>32,330</b>	<b>1,807.4</b>
<b>South America</b> .....	<b>174,919</b>	<b>133,246</b>	<b>10,174</b>	<b>10,060</b>	(P)	17,140	686.1	241,317	154,143	7,679	9,293	4,689	18,502	760.4
Argentina .....	37,166	23,531	890	1,528	173	2,883	106.4	42,301	24,181	761	1,788	235	2,845	114.7
Brazil .....	79,213	67,227	4,955	4,541	2,432	9,954	338.7	129,977	83,715	5,003	4,168	2,882	11,037	395.1
Chile .....	20,549	11,085	1,233	749	(P)	1,017	58.2	22,002	12,262	825	540	(P)	1,051	63.3
Colombia .....	10,586	10,686	1,008	810	151	1,027	51.8	14,849	9,996	386	(P)	129	1,086	55.4
Ecuador .....	2,059	2,183	54	(P)	302	135	13.6	2,346	2,102	66	(P)	254	154	14.1
Peru .....	5,755	3,983	489	(P)	223	443	18.0	6,160	3,920	5	440	233	438	17.9
Venezuela .....	16,073	12,309	1,489	1,671	176	1,439	88.6	19,031	13,466	627	1,453	154	1,640	88.0
Other .....	3,517	2,242	56	116	(P)	241	10.8	4,651	4,502	6	(P)	(P)	250	12.0
<b>Central America</b> .....	<b>116,222</b>	<b>95,236</b>	<b>10,455</b>	<b>24,364</b>	<b>27,624</b>	<b>11,271</b>	<b>876.2</b>	<b>137,767</b>	<b>106,961</b>	<b>11,210</b>	<b>25,665</b>	<b>28,800</b>	<b>12,635</b>	<b>996.2</b>
Costa Rica .....	3,006	2,323	306	(P)	842	199	26.6	(P)	(P)	(P)	(P)	964	234	25.2
Guatemala .....	875	1,378	67	(P)	141	106	12.7	1,247	1,532	41	115	199	127	14.1
Honduras .....	700	1,211	-8	165	251	136	24.3	797	-30	116	259	149	28.2	
Mexico .....	83,413	86,482	8,276	23,204	26,202	10,582	790.6	99,105	98,344	8,861	24,660	27,223	11,900	907.1
Panama .....	(P)	(P)	(P)	537	127	184	15.5	31,849	2,123	2,282	(P)	28	(P)	J
Other .....	(P)	(P)	(P)	86	60	64	6.5	(P)	(P)	(P)	72	126	(P)	I
<b>Other Western Hemisphere</b> .....	<b>167,004</b>	<b>36,380</b>	<b>10,573</b>	<b>1,523</b>	<b>1,142</b>	<b>51.3</b>	<b>190,959</b>	<b>36,565</b>	<b>12,903</b>	<b>2,123</b>	<b>4,271</b>	<b>1,193</b>	<b>50.7</b>	
Bahamas .....	1,841	956	229	70	(P)	48	1.8	2,304	680	230	122	(P)	56	1.7
Barbados .....	(P)	(P)	(P)	65	5	53	3.7	(P)	(P)	(P)	59	5	52	3.7
Bermuda .....	99,379	15,205	5,756	344	(P)	293	5.4	109,203	14,565	6,473	(P)	(P)	299	4.8
Dominican Republic .....	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	264	300	(P)	J
Jamaica .....	(P)	1,543	152	(P)	198	142	5.6	(P)	1,205	42	(P)	188	144	5.3
Netherlands Antilles .....	14,996	825	200	8	(P)	21	0.8	(P)	(P)	(P)	7	5	21	0.8
Trinidad and Tobago .....	2,342	1,133	86	47	(P)	73	4.8	3,548	1,174	-4	115	(P)	83	4.6
United Kingdom Islands, Caribbean .....	35,438	7,361	2,604	(P)	398	231	6.4	47,818	9,875	3,953	(P)	639	240	5.7
Other .....	(P)	(P)	(P)	(P)	(P)	(P)	G	3,082	3,542	107	(P)	(P)	(P)	G
<b>Africa</b> .....	<b>40,557</b>	<b>29,068</b>	<b>2,611</b>	<b>756</b>	<b>2,344</b>	<b>2,766</b>	<b>187.3</b>	<b>47,990</b>	<b>28,033</b>	<b>2,155</b>	<b>887</b>	(P)	<b>2,907</b>	<b>202.9</b>
Egypt .....	3,828	3,565	357	85	(P)	214	24.5	5,099	3,412	94	79	36	229	26.6
Nigeria .....	6,445	4,595	719	130	(P)	155	9.8	8,615	3,438	958	176	(P)	173	9.9
South Africa .....	12,923	11,543	735	291	33	1,780	103.7	13,774	12,320	538	382	(P)	1,888	114.8
Other .....	17,362	9,365	800	249	1,233	618	49.4	20,502	8,863	565	249	(P)	618	51.6
<b>Middle East</b> .....	<b>37,269</b>	<b>24,465</b>	<b>2,604</b>	<b>786</b>	<b>1,344</b>	<b>2,519</b>	<b>79.7</b>	<b>40,169</b>	<b>22,443</b>	<b>1,506</b>	<b>938</b>	(P)	<b>2,735</b>	<b>88.6</b>
Israel .....	10,190	8,495	623	(P)	(P)	1,230	47.9	11,593	8,857	629	(P)	1,061	1,373	54.8
Saudi Arabia .....	15,257	9,147	849	186	(P)	850	21.2	15,924	7,815	409	185	(P)	875	22.5
United Arab Emirates .....	1,909	(P)	(P)	175	4	195	4.6	2,092	2,747	188	327	6	221	5.1
Other .....	9,912	(P)	(P)	(P)	(P)	244	6.0	10,560	3,023	279	(P)	(P)	266	6.1
<b>Asia and Pacific</b> .....	<b>636,378</b>	<b>541,041</b>	<b>27,011</b>	<b>53,454</b>	<b>38,100</b>	<b>50,793</b>	<b>1,839.7</b>	<b>707,708</b>	<b>492,388</b>	<b>17,224</b>	<b>46,689</b>	<b>39,734</b>	<b>47,505</b>	<b>1,810.8</b>
Australia .....	99,297	74,597	4,519	4,770	1,329	9,563	314.4	96,615	65,874	2,629	4,761	1,290	9,098	291.0
China .....	18,592	15,235	1,124	2,056	1,742	1,305	178.0	23,610	17,434	389	2,107	(P)	1,526	215.7
Hong Kong .....	57,161	49,087	2,781	9,986	5,103	3,255	118.9	63,272	47,067	3,143	9,989	5,610	3,364	104.7
India .....	7,233	4,534	-14	240	88	434	26.2	9,297	5,262	-18	302	69	507	80.0
Indonesia .....	22,604	10,325	1,511	(P)	408	792	66.0	38,205	7,740	1,093	298	227	604	65.3
Japan .....	268,009	204,890	6,001	16,964	4,635	23,758	403.9	298,485	182,288	4,006	13,514	4,773	21,390	404.2
Korea, Republic of .....	17,952	22,494	733	2,282	348	1,798	59.6	20,215	17,894	53	1,530	390	1,597	59.3
Malaysia .....	18,697	19,510	1,894	2,874	(P)	1,307	138.6	20,366	18,304	-113	2,098	5,756	1,182	129.9
New Zealand .....	19,764	11,606	1,784	301	39	1,938	51.8	20,108	10,249	1,567	230	37	1,771	51.7
Philippines .....	10,014	8,778	607	(P)	1,074	728	91.8	10,000	7,819	645	1,472	1,234	582	75.3
Singapore .....	55,409	83,033	5,254	7,983	15,825	3,074	123.8	58,522	76,987	3,222	6,799	14,734	3,253	118.0
Taiwan .....	20,873	17,611	1,191	2,436	1,469	1,612	69.7	23,835	18,009	888	2,294	(P)	1,552	70.9
Thailand .....	17,054	16,805	-492											

Table 12.1—Selected Data for Majority-Owned Nonbank Foreign Affiliates, by Country of Affiliate, 1997

	Millions of dollars											Thous- ands of employ- ees	
	Total assets	Sales				Net income	Capital expendi- tures	Research and develop- ment expendi- tures	U.S. exports of goods shipped to MOFA's	U.S. imports of goods shipped by MOFA's	Gross product		Compensa- tion of employees
		Total	Goods	Services	Invest- ment in- come <sup>1</sup>								
<b>All countries</b> .....	<b>2,952,021</b>	<b>1,972,515</b>	<b>1,659,312</b>	<b>269,604</b>	<b>43,599</b>	<b>140,512</b>	<b>88,790</b>	<b>14,593</b>	<b>212,755</b>	<b>167,057</b>	<b>520,867</b>	<b>219,104</b>	<b>6,479.8</b>
<b>Canada</b> .....	<b>259,351</b>	<b>246,449</b>	<b>214,959</b>	<b>25,201</b>	<b>6,290</b>	<b>12,334</b>	<b>11,040</b>	<b>1,823</b>	<b>67,626</b>	<b>65,856</b>	<b>56,454</b>	<b>27,622</b>	<b>851.5</b>
<b>Europe</b> .....	<b>1,782,251</b>	<b>1,082,544</b>	<b>905,015</b>	<b>152,982</b>	<b>24,507</b>	<b>76,687</b>	<b>44,843</b>	<b>10,003</b>	<b>58,937</b>	<b>28,572</b>	<b>297,441</b>	<b>131,080</b>	<b>2,968.6</b>
Austria .....	7,648	13,598	12,329	1,206	63	547	436	77	1,138	165	3,932	1,501	27.3
Belgium .....	67,297	46,839	41,534	4,554	751	2,581	1,845	310	3,691	1,195	12,987	5,823	101.9
Denmark .....	7,545	7,988	6,108	1,748	132	281	331	(P)	142	160	2,470	1,283	25.4
Finland .....	3,662	4,982	4,404	507	71	337	199	51	70	140	2,141	609	12.8
France .....	131,462	119,902	103,570	14,962	1,371	4,569	4,189	1,281	4,919	3,213	36,869	19,935	419.0
Germany .....	179,070	183,603	161,300	19,847	2,456	6,422	7,238	2,940	8,771	4,505	57,336	30,680	579.3
Greece .....	2,692	3,935	3,586	284	65	104	97	7	40	(P)	1,320	373	11.7
Ireland .....	56,727	30,260	28,071	1,464	725	8,546	1,457	320	1,629	2,850	11,677	2,086	65.0
Italy .....	56,920	68,016	61,325	6,378	312	2,035	1,797	569	2,715	1,477	21,709	8,318	180.9
Luxembourg .....	17,988	3,348	3,225	81	42	2,250	127	(P)	437	(P)	1,063	398	8.4
Netherlands .....	175,336	113,841	98,675	11,517	3,650	16,020	2,601	480	11,335	6,742	19,162	7,556	158.6
Norway .....	15,573	12,912	10,975	1,849	88	1,112	1,760	23	227	135	6,248	1,533	37.9
Portugal .....	5,866	8,028	6,869	1,104	54	441	422	30	157	114	2,696	756	31.3
Spain .....	30,680	40,778	37,324	3,195	260	1,764	1,366	181	1,487	768	9,664	5,420	143.1
Sweden .....	16,925	16,640	13,623	2,891	127	1,192	640	405	510	421	4,741	2,389	45.4
Switzerland .....	94,783	66,668	61,413	4,277	977	9,041	741	230	7,693	1,332	7,977	3,602	47.7
Turkey .....	3,995	8,034	7,727	295	12	150	402	6	190	83	2,178	444	25.2
United Kingdom .....	888,132	314,839	225,855	75,833	13,151	18,508	17,232	2,843	13,440	9,038	89,055	36,938	896.5
Other .....	19,950	18,293	17,103	992	198	787	1,962	54	347	163	4,216	1,435	151.2
<b>Latin America and Other Western Hemisphere</b> .....	<b>359,242</b>	<b>209,503</b>	<b>176,799</b>	<b>27,286</b>	<b>5,418</b>	<b>23,056</b>	<b>11,355</b>	<b>663</b>	<b>34,031</b>	<b>33,923</b>	<b>61,702</b>	<b>21,492</b>	<b>1,217.2</b>
<b>South America</b> .....	<b>135,436</b>	<b>112,959</b>	<b>98,408</b>	<b>12,528</b>	<b>2,024</b>	<b>7,901</b>	<b>8,262</b>	<b>523</b>	<b>9,377</b>	<b>3,923</b>	<b>41,074</b>	<b>14,710</b>	<b>565.8</b>
Argentina .....	27,585	19,489	16,424	2,743	322	936	853	43	1,460	173	6,733	2,421	81.9
Brazil .....	66,720	58,580	52,724	4,637	1,219	4,126	3,673	437	4,253	2,393	23,642	8,867	298.8
Chile .....	15,298	9,275	7,563	1,425	287	999	697	7	619	472	3,027	805	41.2
Colombia .....	7,801	8,904	8,189	627	88	549	553	12	749	143	2,550	903	44.0
Ecuador .....	1,517	1,495	1,204	267	24	6	127	1	100	302	226	103	10.9
Paru .....	5,129	3,759	3,393	342	24	475	551	11	482	223	1,383	399	15.1
Venezuela .....	9,618	9,571	7,146	2,375	50	754	947	11	1,604	103	2,866	1,015	66.6
Other .....	1,769	1,886	1,765	111	10	56	135	1	110	115	646	196	8.2
<b>Central America</b> .....	<b>69,442</b>	<b>63,238</b>	<b>59,141</b>	<b>3,587</b>	<b>509</b>	<b>5,133</b>	<b>2,478</b>	<b>131</b>	<b>23,161</b>	<b>26,184</b>	<b>13,386</b>	<b>5,850</b>	<b>610.0</b>
Costa Rica .....	2,946	2,234	2,206	28	(*)	302	61	4	192	839	557	186	25.5
Guatemala .....	790	1,236	1,171	57	8	53	48	1	134	141	290	92	11.2
Honduras .....	700	1,211	1,087	121	3	-8	56	(*)	165	251	304	136	24.3
Mexico .....	40,759	54,951	51,457	3,018	476	3,666	2,209	126	22,057	24,766	11,816	5,206	527.8
Panama .....	23,554	2,283	1,998	265	21	1,065	54	1	527	127	126	171	15.0
Other .....	695	1,321	1,222	98	1	55	50	(*)	86	60	294	59	6.1
<b>Other Western Hemisphere</b> .....	<b>154,363</b>	<b>33,306</b>	<b>19,249</b>	<b>11,171</b>	<b>2,885</b>	<b>10,022</b>	<b>615</b>	<b>8</b>	<b>1,493</b>	<b>3,817</b>	<b>7,242</b>	<b>931</b>	<b>41.5</b>
Bahamas .....	1,634	861	785	67	8	206	7	(*)	70	(P)	183	39	1.5
Barbados .....	4,206	1,944	663	149	63	853	4	0	65	5	992	43	3.3
Bermuda .....	94,872	14,565	5,174	7,336	2,055	5,575	81	(*)	339	(P)	3,063	272	5.0
Dominican Republic .....	1,674	1,797	(P)	(P)	362	65	0	180	168	735	143	17.0	
Jamaica .....	3,302	1,438	1,366	67	3	157	75	(*)	197	198	379	118	4.8
Netherlands Antilles .....	11,360	379	68	50	260	218	11	0	7	(P)	-138	9	0.3
Trinidad and Tobago .....	2,021	993	891	95	7	56	273	0	(P)	(P)	618	56	3.3
United Kingdom Islands, Caribbean .....	32,561	6,585	4,354	1,832	399	2,535	52	8	(P)	(P)	398	1,191	4.1
Other .....	2,734	4,746	(P)	(P)	(P)	59	45	0	(P)	(P)	219	80	2.2
<b>Africa</b> .....	<b>30,263</b>	<b>22,182</b>	<b>19,906</b>	<b>2,144</b>	<b>133</b>	<b>1,914</b>	<b>3,339</b>	<b>26</b>	<b>701</b>	<b>2,340</b>	<b>8,530</b>	<b>1,650</b>	<b>102.1</b>
Egypt .....	3,189	2,843	2,457	386	0	266	490	1	51	(P)	921	160	11.9
Nigeria .....	6,380	4,494	4,278	216	0	717	807	(*)	130	(P)	2,951	150	8.1
South Africa .....	6,702	6,484	5,500	960	23	177	262	22	275	30	1,449	807	40.5
Other .....	13,993	8,362	7,670	582	110	754	1,781	2	246	1,232	3,209	533	41.7
<b>Middle East</b> .....	<b>14,979</b>	<b>9,656</b>	<b>7,180</b>	<b>2,402</b>	<b>74</b>	<b>1,023</b>	<b>916</b>	<b>208</b>	<b>534</b>	<b>822</b>	<b>4,294</b>	<b>1,409</b>	<b>44.1</b>
Israel .....	3,939	3,232	2,580	645	7	161	288	208	234	(P)	953	640	28.4
Saudi Arabia .....	4,426	1,157	147	996	14	162	33	(*)	25	0	392	372	7.7
United Arab Emirates .....	1,639	2,365	2,008	334	23	172	79	(*)	142	4	1,152	178	3.7
Other .....	4,975	2,903	2,446	427	30	528	516	0	132	(P)	1,798	219	4.3
<b>Asia and Pacific</b> .....	<b>492,903</b>	<b>397,491</b>	<b>335,454</b>	<b>54,861</b>	<b>7,176</b>	<b>24,701</b>	<b>16,946</b>	<b>1,869</b>	<b>50,922</b>	<b>35,544</b>	<b>90,924</b>	<b>35,422</b>	<b>1,284.3</b>
Australia .....	72,092	55,651	44,858	9,895	898	4,122	3,560	369	4,742	1,274	19,048	7,873	229.1
China .....	14,355	12,137	11,322	791	23	1,031	1,578	35	1,745	1,659	3,194	1,083	138.4
Hong Kong .....	54,875	47,265	39,504	6,425	1,336	2,589	1,316	82	9,964	5,089	7,053	3,071	108.0
India .....	3,624	2,612	2,341	229	42	23	300	22	162	85	684	216	38.8
Indonesia .....	16,048	9,273	8,675	557	41	1,470	1,556	5	446	399	5,352	591	51.3
Japan .....	200,603	114,126	88,400	22,651	3,075	4,154	2,190	1,089	15,496	2,444	26,578	13,227	178.6
Korea, Republic of .....	5,383	9,169	7,788	1,290	91	320	361	41	2,174	262	2,343	993	32.3
Malaysia .....	16,318	18,611	16,753	1,674	183	2,026	1,455	32	2,799	5,262	4,903	1,207	129.0
New Zealand .....	14,524	8,137	6,907	1,081	149	1,249	561	18	301	39	2,936	1,350	35.5
Philippines .....	7,316	7,662	6,967	598	97	557	459	12	1,341	1,029	2,124	530	57.5
Singapore .....	53,007	80,408	76,157	3,880	370	5,354	1,841	73	7,920	15,825	9,379	2,873	110.0
Taiwan .....	18,472	15,635	14,018	4,018	628	1,006	441	84	2,328	1,446	3,011	1,434	61.5
Thailand .....	12,783	14,745	13,005	1,514	226	669	890	5	1,451	712	3,493	801	99.3
Other .....	3,504	2,060	1,785	258	16	133	438	1	54	20	826	174	15.1
<b>International</b> <sup>2</sup> .....	<b>13,032</b>	<b>4,729</b>	<b>0</b>	<b>4,729</b>	<b>0</b>	<b>796</b>	<b>350</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>1,522</b>	<b>429</b>	<b>11.9</b>
<b>Addenda:</b>													
Eastern Europe <sup>3</sup> .....	18,372	17,012	15,989	842	180	669	1,911	48	334	134	3,901	1,322	144.0
European Union (15) <sup>4</sup> .....	1,6												

Table 12.2—Selected Data for Majority-Owned Nonbank Foreign Affiliates, by Country of Affiliate, 1998

	Millions of dollars											Thousands of employees	
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	U.S. exports of goods shipped to MOFA's	U.S. imports of goods shipped by MOFA's	Gross product		Compensation of employees
		Total	Goods	Services	Investment income <sup>1</sup>								
<b>All countries</b> .....	<b>3,434,808</b>	<b>2,027,782</b>	<b>1,657,587</b>	<b>323,918</b>	<b>46,277</b>	<b>136,957</b>	<b>96,439</b>	<b>14,986</b>	<b>210,634</b>	<b>178,150</b>	<b>510,735</b>	<b>228,318</b>	<b>6,899.9</b>
<b>Canada</b> .....	<b>284,995</b>	<b>242,668</b>	<b>209,454</b>	<b>27,285</b>	<b>5,929</b>	<b>9,992</b>	<b>12,298</b>	<b>1,771</b>	<b>65,988</b>	<b>67,601</b>	<b>54,739</b>	<b>27,475</b>	<b>862.1</b>
<b>Europe</b> .....	<b>2,093,970</b>	<b>1,148,312</b>	<b>928,680</b>	<b>193,054</b>	<b>26,578</b>	<b>84,422</b>	<b>49,665</b>	<b>10,580</b>	<b>62,802</b>	<b>35,463</b>	<b>303,505</b>	<b>138,862</b>	<b>3,145.2</b>
Austria .....	8,984	12,322	10,995	1,270	57	560	474	93	1,016	203	3,274	1,589	28.7
Belgium .....	83,382	50,926	45,274	5,002	649	3,170	1,837	326	3,689	1,786	13,653	5,973	102.8
Denmark .....	8,627	8,323	6,092	2,072	159	294	386	71	167	161	2,643	1,416	27.4
Finland .....	4,451	5,532	4,896	560	75	373	235	64	102	129	2,316	622	13.8
France .....	146,118	123,941	103,204	19,272	1,464	4,538	4,110	1,321	5,362	3,729	35,915	21,033	447.9
Germany .....	233,313	188,259	163,050	21,829	3,380	9,820	7,743	3,042	8,304	4,519	56,464	30,709	590.0
Greece .....	3,229	3,214	3,214	343	69	151	90	8	41	(P)	971	380	11.8
Ireland .....	81,840	47,862	41,360	5,425	1,076	12,226	1,980	261	1,908	5,624	13,669	2,359	69.8
Italy .....	64,933	68,038	59,966	7,520	551	2,166	2,191	586	2,548	1,473	22,433	8,588	184.5
Luxembourg .....	29,353	3,679	3,492	132	55	3,612	145	138	487	(P)	1,290	411	9.0
Netherlands .....	226,984	118,114	100,262	14,107	3,745	14,904	2,497	501	13,605	2,739	20,243	7,761	167.5
Norway .....	18,010	11,915	9,612	2,210	92	788	2,265	22	360	50	5,067	1,728	47.6
Portugal .....	7,387	7,391	5,973	1,310	109	489	353	35	153	(P)	2,321	825	33.2
Spain .....	38,332	43,877	40,057	3,568	252	2,471	1,575	198	1,345	836	10,563	5,628	146.9
Sweden .....	19,048	14,812	14,812	3,607	145	1,363	784	448	592	535	5,281	2,568	51.4
Switzerland .....	113,534	69,615	63,021	5,451	1,144	11,186	883	234	8,566	1,224	9,610	3,827	51.1
Turkey .....	4,423	7,410	7,032	344	34	222	341	6	306	113	2,121	489	29.5
United Kingdom .....	973,745	334,572	224,010	97,118	13,445	16,128	19,513	3,144	13,803	9,854	90,735	41,051	953.5
Other .....	28,276	24,347	22,010	1,912	77	-40	2,262	81	449	2,051	4,933	1,904	178.6
<b>Latin America and Other Western Hemisphere</b> .....	<b>434,375</b>	<b>230,736</b>	<b>187,055</b>	<b>37,014</b>	<b>6,667</b>	<b>22,728</b>	<b>13,166</b>	<b>753</b>	<b>35,677</b>	<b>36,271</b>	<b>61,336</b>	<b>23,805</b>	<b>1,416.4</b>
<b>South America</b> .....	<b>162,649</b>	<b>123,221</b>	<b>101,145</b>	<b>19,493</b>	<b>2,584</b>	<b>4,538</b>	<b>8,531</b>	<b>550</b>	<b>8,808</b>	<b>4,363</b>	<b>37,606</b>	<b>15,871</b>	<b>619.9</b>
Argentina .....	32,443	21,056	17,567	3,126	363	474	1,244	56	1,757	235	7,071	2,545	94.3
Brazil .....	84,673	64,555	52,930	10,045	1,580	3,239	3,912	448	4,015	2,753	21,922	9,715	341.5
Chile .....	16,789	9,673	7,552	1,740	381	761	505	6	423	405	2,487	824	44.2
Colombia .....	7,663	8,488	7,642	748	98	69	473	11	587	122	1,842	898	41.9
Ecuador .....	1,868	1,659	1,345	289	26	28	186	1	102	254	285	127	11.5
Peru .....	5,458	3,643	3,194	423	26	-8	662	11	413	233	910	403	14.9
Venezuela .....	11,554	10,129	7,098	2,947	84	-33	1,377	15	1,389	91	2,457	1,163	62.5
Other .....	2,201	4,018	3,817	175	26	9	173	2	122	269	632	197	9.1
<b>Central America</b> .....	<b>88,818</b>	<b>73,090</b>	<b>67,998</b>	<b>4,296</b>	<b>797</b>	<b>5,709</b>	<b>3,663</b>	<b>198</b>	<b>24,765</b>	<b>27,638</b>	<b>15,674</b>	<b>6,926</b>	<b>753.9</b>
Costa Rica .....	2,947	2,056	2,006	38	12	-80	269	6	231	964	240	227	24.7
Guatemala .....	1,145	1,409	1,306	79	24	31	37	1	114	199	315	112	12.5
Honduras .....	797	1,342	1,210	129	3	-30	56	0	116	259	333	149	28.2
Mexico .....	55,006	65,147	60,791	3,634	723	4,114	3,191	191	23,802	26,061	13,961	6,246	668.9
Panama .....	27,721	1,866	1,579	260	27	1,567	68	1	430	28	483	134	13.2
Other .....	1,202	1,271	1,107	157	7	107	41	(*)	72	126	342	60	6.3
<b>Other Western Hemisphere</b> .....	<b>182,907</b>	<b>34,425</b>	<b>17,912</b>	<b>13,226</b>	<b>3,287</b>	<b>12,481</b>	<b>972</b>	<b>5</b>	<b>2,104</b>	<b>972</b>	<b>8,056</b>	<b>1,008</b>	<b>42.7</b>
Bahamas .....	2,097	578	441	68	69	203	9	(*)	122	(P)	188	45	1.4
Barbados .....	4,185	2,293	535	1,568	191	1,196	4	0	59	5	1,333	42	3.2
Bermuda .....	104,775	14,047	3,458	8,602	1,986	6,476	54	0	59	(P)	2,850	263	4.2
Dominican Republic .....	2,060	1,985	1,319	665	1	392	21	0	264	300	822	168	18.7
Jamaica .....	3,442	1,090	1,018	69	3	42	71	0	166	188	279	115	4.5
Netherlands Antilles .....	14,419	662	625	483	3	231	12	0	7	5	35	16	0.4
Trinidad and Tobago .....	3,203	1,025	872	142	11	-35	450	0	111	(P)	424	64	3.1
United Kingdom Islands, Caribbean .....	45,960	9,531	7,027	1,964	540	3,884	227	5	(P)	639	1,832	218	5.1
Other .....	2,766	3,215	3,117	95	3	91	123	0	(P)	(P)	293	76	2.1
<b>Africa</b> .....	<b>35,867</b>	<b>20,830</b>	<b>18,260</b>	<b>2,444</b>	<b>126</b>	<b>1,551</b>	<b>3,836</b>	<b>35</b>	<b>856</b>	<b>1,542</b>	<b>6,752</b>	<b>1,846</b>	<b>111.2</b>
Egypt .....	3,681	2,723	2,371	352	0	30	501	2	73	36	656	158	12.9
Nigeria .....	8,562	3,366	3,102	253	11	959	695	(*)	174	(P)	1,821	168	8.5
South Africa .....	6,905	7,137	5,930	1,181	26	97	235	30	363	38	1,606	986	45.7
Other .....	16,719	7,604	6,857	658	89	465	2,405	3	246	(P)	2,669	534	44.1
<b>Middle East</b> .....	<b>16,591</b>	<b>9,340</b>	<b>6,253</b>	<b>3,015</b>	<b>72</b>	<b>784</b>	<b>1,077</b>	<b>157</b>	<b>696</b>	<b>855</b>	<b>3,764</b>	<b>1,476</b>	<b>49.5</b>
Israel .....	4,614	3,447	2,738	705	5	247	457	157	242	(P)	1,138	680	32.6
Saudi Arabia .....	4,954	1,680	1,550	14	14	250	30	(*)	35	0	533	350	8.2
United Arab Emirates .....	1,750	2,181	1,792	365	23	120	84	(*)	296	6	849	205	4.3
Other .....	5,273	2,033	1,568	435	30	166	507	0	123	(P)	1,245	242	4.5
<b>Asia and Pacific</b> .....	<b>558,121</b>	<b>371,509</b>	<b>307,885</b>	<b>56,720</b>	<b>6,905</b>	<b>16,796</b>	<b>16,200</b>	<b>1,690</b>	<b>44,615</b>	<b>36,419</b>	<b>79,129</b>	<b>34,477</b>	<b>1,305.4</b>
Australia .....	75,555	52,315	40,336	11,229	750	2,209	2,994	302	4,731	1,217	16,756	7,711	221.6
China .....	19,070	14,911	13,936	942	33	354	1,738	56	1,967	2,026	3,047	1,284	178.8
Hong Kong .....	61,498	45,907	37,566	6,773	1,568	3,115	975	38	9,963	5,595	7,342	3,238	95.7
India .....	5,121	3,213	2,787	383	43	131	397	23	222	62	340	300	45.2
Indonesia .....	18,540	6,819	6,208	584	27	963	1,449	4	249	224	3,936	425	50.3
Japan .....	232,322	103,644	77,238	23,600	2,806	3,133	2,149	1,030	12,185	2,003	23,648	12,458	187.8
Korea, Republic of .....	6,971	6,966	5,728	1,152	86	-70	319	34	1,320	153	1,544	866	32.6
Malaysia .....	17,369	17,470	16,154	1,194	122	143	1,179	30	2,009	5,750	3,206	1,096	121.2
New Zealand .....	15,312	7,226	6,111	952	164	1,024	470	16	230	37	2,921	1,332	36.7
Philippines .....	8,834	7,381	6,681	611	89	642	636	10	1,472	1,191	2,057	485	58.8
Singapore .....	55,911	74,234	70,530	3,394	310	3,355	2,008	63	6,757	14,733	7,774	3,066	105.2
Taiwan .....	21,702	16,429	11,543	4,262	625	832	376	80	2,228	1,165	2,698	1,373	62.4
Thailand .....	14,901	12,922	11,522	1,161	239	1,138	1,057	4	1,229	2,254	3,521	665	93.7
Other .....	5,015	2,073	1,547	483	44	-173	454	1	54	10	337	178	15.5
<b>International</b> <sup>2</sup> .....	<b>10,888</b>	<b>4,387</b>	<b>0</b>	<b>4,387</b>	<b>0</b>	<b>684</b>	<b>198</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,510</b>	<b>377</b>	<b>10.1</b>
<b>Addenda:</b>													
Eastern Europe <sup>3</sup> .....	26,925	23,160	21,408	1,692	60	-102	2,215	79	433	(P)	4,641	1,787	174.0
European Union (15) <sup>4</sup> .....	1,929,726												



Table 13.1.—Employment of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1997

[Thousands of employees]

	All industries	Petroleum	Manufacturing							Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries	
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other electronic equipment	Transportation equipment					Other manufacturing
<b>All countries</b> .....	<b>6,479.8</b>	<b>177.0</b>	<b>3,852.8</b>	<b>378.9</b>	<b>545.4</b>	<b>181.3</b>	<b>562.2</b>	<b>713.1</b>	<b>616.1</b>	<b>855.8</b>	<b>557.4</b>	<b>198.5</b>	<b>846.2</b>	<b>847.9</b>
<b>Canada</b> .....	<b>851.5</b>	<b>18.5</b>	<b>370.5</b>	<b>38.3</b>	<b>40.9</b>	<b>28.3</b>	<b>35.9</b>	<b>26.8</b>	<b>102.2</b>	<b>98.0</b>	<b>77.3</b>	<b>27.0</b>	<b>94.1</b>	<b>264.0</b>
<b>Europe</b> .....	<b>2,968.6</b>	<b>49.2</b>	<b>1,740.7</b>	<b>149.9</b>	<b>265.8</b>	<b>97.5</b>	<b>292.3</b>	<b>225.3</b>	<b>313.4</b>	<b>396.6</b>	<b>303.1</b>	<b>102.5</b>	<b>500.1</b>	<b>272.9</b>
Austria .....	27.3	.6	15.8	1.9	1.1	.2	2.2	1.9	5.4	3.1	6.7	.6	2.7	.9
Belgium .....	101.9	1.8	61.8	6.2	18.8	2.6	6.6	3.8	10.9	13.0	14.9	1.9	16.8	4.6
Denmark .....	25.4	.3	10.4	2.3	1.0	.5	1.6	1.6	.6	2.9	7.9	F	5.4	F
Finland .....	12.8	.4	6.3	.1	1.2	.9	.4	.8	.3	2.7	3.4	.1	.5	2.1
France .....	419.0	4.1	241.1	13.2	44.6	15.4	56.1	21.2	22.6	67.9	48.0	4.6	102.1	19.2
Germany .....	579.3	4.6	414.3	15.2	41.3	25.1	65.6	64.9	134.4	67.8	35.5	7.0	56.0	61.7
Greece .....	11.7	.5	6.6	3.2	1.7	.3	(*)	.1	0	1.2	2.7	.3	1.3	.3
Ireland .....	65.0	.3	55.3	2.2	8.1	1.2	11.0	14.8	.6	17.5	2.4	.6	4.1	2.3
Italy .....	180.9	3.2	123.8	8.3	24.1	6.5	28.0	16.1	14.6	26.3	22.5	2.0	19.0	10.4
Luxembourg .....	8.4	.1	6.6	0	0	.6	.2	0	0	5.8	.4	.1	.5	.7
Netherlands .....	158.6	3.9	80.3	9.6	14.7	5.8	11.5	10.4	8.3	19.9	23.3	14.3	28.3	8.4
Norway .....	37.9	5.8	6.5	1.9	1.0	.1	2.0	.4	.2	.9	4.1	.2	20.4	1.0
Portugal .....	31.3	.4	21.0	5.2	2.4	.1	.6	9.9	.9	1.8	5.1	A	3.5	G
Spain .....	143.1	.7	99.4	14.0	16.1	4.3	7.7	9.3	30.6	17.5	17.7	2.1	13.2	10.0
Sweden .....	45.4	.4	23.6	2.5	6.9	.1	4.9	1.6	2.0	5.6	11.9	1.3	4.7	3.5
Switzerland .....	47.7	1.1	16.6	1.6	2.7	.5	2.5	2.8	.2	6.4	13.7	1.4	12.0	3.0
Turkey .....	25.2	.6	13.1	2.9	1.8	.4	0	2.9	.4	4.6	8.3	.1	2.2	.9
United Kingdom .....	896.5	17.9	423.8	37.6	60.9	27.4	88.4	41.1	66.8	101.8	59.2	63.7	201.0	130.7
Other .....	151.2	2.7	114.4	22.2	17.0	5.7	3.0	21.8	14.7	30.0	15.4	1.1	6.4	11.2
<b>Latin America and Other Western Hemisphere</b> .....	<b>1,217.2</b>	<b>34.9</b>	<b>879.0</b>	<b>128.4</b>	<b>127.8</b>	<b>33.2</b>	<b>48.5</b>	<b>189.5</b>	<b>162.5</b>	<b>189.1</b>	<b>44.3</b>	<b>21.6</b>	<b>97.6</b>	<b>139.9</b>
South America .....	565.8	27.6	375.7	72.1	76.1	20.5	26.3	28.2	65.5	87.0	27.6	14.2	47.6	73.0
Argentina .....	81.0	6.0	46.1	12.2	11.6	1.7	.5	.5	10.9	8.7	4.3	2.5	10.7	11.5
Brazil .....	298.8	4.2	244.4	35.0	43.3	12.3	24.6	23.9	45.5	59.9	9.0	3.4	17.8	20.0
Chile .....	41.2	G	13.9	2.0	3.7	3.4	.4	.4	F	H	4.4	6.1	5.1	J
Colombia .....	44.0	4.6	20.5	5.5	6.6	1.1	.1	.8	G	H	3.0	.9	5.1	10.0
Ecuador .....	10.9	1.0	3.9	2.0	1.0	.3	0	0	0	.6	.9	.3	1.0	3.9
Peru .....	15.1	1.3	4.0	1.7	1.2	.3	0	0	0	.9	1.9	(*)	.5	7.4
Venezuela .....	66.6	8.5	39.8	12.0	8.2	1.6	.8	2.6	6.5	8.1	3.6	.9	7.1	6.6
Other .....	8.2	F	3.2	1.6	.4	0	(*)	0	0	1.0	.6	(*)	.3	H
Central America .....	610.0	4.0	485.1	54.9	48.5	12.5	22.2	161.2	97.0	89.0	14.5	4.0	42.7	59.7
Costa Rica .....	25.5	.1	11.7	2.2	1.2	.8	0	H	0	H	.6	0	.1	13.1
Guatemala .....	11.2	.4	5.4	1.8	1.8	.6	0	0	0	1.1	A	.2	1.5	H
Honduras .....	24.3	.1	10.2	6.2	.2	.1	0	0	0	3.7	.2	.2	0	13.7
Mexico .....	527.8	1.5	451.5	44.0	43.9	10.4	22.2	156.4	97.0	77.7	11.9	3.2	41.1	18.6
Panama .....	15.0	.9	2.3	.3	.8	.1	0	0	0	1.1	G	.3	.1	J
Other .....	6.1	1.0	4.0	.4	.5	.5	0	G	0	G	.4	.1	(*)	.5
Other Western Hemisphere .....	41.5	3.2	18.2	1.5	3.2	.2	(*)	.2	0	13.1	2.1	3.4	7.4	7.2
Bahamas .....	1.5	.1	.4	0	.2	0	0	0	0	.1	.1	(*)	.2	.7
Barbados .....	3.3	.2	.2	0	0	0	0	0	0	.2	.1	(*)	2.8	0
Bermuda .....	5.0	.2	.2	0	0	0	0	2	0	0	.8	2.6	1.2	0
Dominican Republic .....	17.0	.3	11.1	.8	.8	0	0	0	0	9.5	.3	.1	.5	4.7
Jamaica .....	4.8	.2	2.8	.1	.9	0	0	0	0	1.7	.2	.1	A	G
Netherlands Antilles .....	.3	(*)	.1	(*)	0	0	0	0	0	.1	.1	(*)	0	F
Trinidad and Tobago .....	3.3	1.1	.6	.4	(*)	.1	(*)	0	0	(*)	.2	.2	F	F
United Kingdom Islands, Caribbean .....	4.1	.1	2.6	0	G	.1	0	(*)	0	G	.3	.3	.9	(*)
Other .....	2.2	1.1	.5	.2	A	0	0	0	0	A	.0	(*)	.6	(*)
<b>Africa</b> .....	<b>102.1</b>	<b>17.6</b>	<b>55.9</b>	<b>H</b>	<b>12.4</b>	<b>4.0</b>	<b>4.3</b>	<b>3.0</b>	<b>1.4</b>	<b>K</b>	<b>8.0</b>	<b>.9</b>	<b>11.6</b>	<b>8.0</b>
Egypt .....	11.9	1.5	5.3	.3	2.3	.7	1.5	.5	0	.1	1.0	0	H	A
Nigeria .....	8.1	6.3	1.5	.1	1.4	0	0	0	0	0	.2	0	0	.1
South Africa .....	40.5	G	26.1	.7	5.7	1.4	2.6	2.5	1.4	11.6	4.1	.2	6.2	G
Other .....	41.7	I	23.0	H	3.0	2.0	.1	(*)	0	J	2.7	.7	G	5.9
<b>Middle East</b> .....	<b>44.1</b>	<b>6.8</b>	<b>14.9</b>	<b>G</b>	<b>1.4</b>	<b>.3</b>	<b>1.2</b>	<b>8.4</b>	<b>0</b>	<b>G</b>	<b>1.2</b>	<b>.4</b>	<b>18.0</b>	<b>2.7</b>
Israel .....	28.4	0	14.0	G	1.1	.2	1.1	8.4	0	G	.5	(*)	13.9	0
Saudi Arabia .....	7.7	1.6	.3	0	.3	(*)	0	0	0	0	.1	.1	3.3	2.3
United Arab Emirates .....	3.7	1.6	.3	0	0	(*)	0	0	0	.2	.6	.2	.7	.3
Other .....	4.3	3.5	.4	.2	.1	0	.1	0	0	.1	.1	.2	.1	.1
<b>Asia and Pacific</b> .....	<b>1,284.3</b>	<b>41.5</b>	<b>791.7</b>	<b>55.3</b>	<b>97.0</b>	<b>18.1</b>	<b>180.1</b>	<b>260.1</b>	<b>36.6</b>	<b>144.5</b>	<b>123.5</b>	<b>46.1</b>	<b>124.7</b>	<b>157.0</b>
Australia .....	229.1	5.1	99.9	19.4	16.6	3.1	13.5	2.8	21.0	23.4	17.4	6.5	41.2	59.1
China .....	138.4	1.2	115.1	3.7	16.6	4.0	12.2	58.2	4.9	15.5	7.8	.7	2.0	11.7
Hong Kong .....	108.0	.9	59.0	.2	2.5	H	1.5	32.9	.5	J	17.7	6.8	7.6	16.0
India .....	38.8	.3	30.6	2.9	4.3	F	12.0	3.2	G	6.2	4.5	.7	2.2	.4
Indonesia .....	51.3	12.5	21.1	1.2	5.6	.2	1.2	3.4	F	I	1.8	.9	.4	14.5
Japan .....	178.6	H	64.8	3.6	20.7	2.1	7.1	16.3	1.0	14.1	33.7	14.9	49.4	J
Korea, Republic of .....	32.3	A	16.8	1.1	2.6	.3	2.5	4.9	.6	4.8	6.3	.9	3.2	H
Malaysia .....	129.0	3.3	115.3	.8	2.6	.4	30.0	64.1	0	17.4	3.9	1.9	2.9	I
New Zealand .....	35.5	G	18.6	H	1.1	.3	.2	.1	(*)	J	3.0	.9	5.2	1
Philippines .....	57.5	1.3	45.0	8.0	7.3	.5	.6	21.7	0	6.9	4.3	G	A	H
Singapore .....	110.0	2.9	83.4	.3	2.5	.4	50.7	21.7	3.1	4.7	8.5	2.4	5.7	7.2
Taiwan .....	61.5	.1	34.6	1.5	6.0	.8	G	15.5	H	I	6.5	5.1	2.3	13.0
Thailand .....	99.3	5.5	81.0	8.2	4.4	.9	K	15.0	A	I	4.8	2.4	1.1	4.6
Other .....	15.1	3.0	6.6	G	4.3	.1	(*)	.3	.2	A	3.4	A	G	F
<b>International<sup>1</sup></b> .....	<b>11.9</b>	<b>8.6</b>												<b>3.4</b>
<b>Addenda:</b>														
Eastern Europe <sup>2</sup> .....	144.0	2.6	109.3	22.2	13.5	5.7	3.0	20.8	14.7	29.3	15.2	1.0	5.3	10.6
European Union (15) <sup>3</sup> .....	2,706.5	39.0	1,590.0	121.3	243.2	90.8	284.8	197.4	297.8	354.8	261.7	99.7	459.2	256.8
OPEC <sup>4</sup> .....	139.6	32.5	63.0	13.3	15.5	1.8	1.9	6.0	7.2	17.3	6.3	2.1	11.5	24.2

\* Fewer than 50 employees.

1. See footnote 1 to table 5.

2. See footnote 2 to table 11.

3. See footnote 3 to table 11.

4. See footnote 4 to table 11.

NOTE.—Size ranges are given in employment cells that are suppressed. The size ranges are A—1 to 499; F—500 to 999; G—1,000 to 2,499; H—2,500 to 4,999; I—5,000 to 9,999; J—10,000 to 24,999; K—25,000 to 49,999; L—50,000 to 99,999; M—100,000 or more.

Table 13.2.—Employment of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1998

[Thousands of employees]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other electric equipment	Transportation equipment	Other manufacturing				
<b>All countries</b> .....	<b>6,899.9</b>	<b>176.9</b>	<b>3,977.3</b>	<b>434.9</b>	<b>543.6</b>	<b>190.0</b>	<b>563.6</b>	<b>721.4</b>	<b>642.0</b>	<b>881.7</b>	<b>569.7</b>	<b>222.0</b>	<b>962.8</b>	<b>991.1</b>
<b>Canada</b> .....	<b>862.1</b>	<b>18.2</b>	<b>376.6</b>	<b>37.9</b>	<b>40.1</b>	<b>27.4</b>	<b>35.4</b>	<b>28.1</b>	<b>102.9</b>	<b>104.8</b>	<b>76.0</b>	<b>26.3</b>	<b>101.9</b>	<b>263.0</b>
<b>Europe</b> .....	3,145.2	50.1	1,794.4	160.8	256.9	108.7	301.8	239.1	322.0	405.1	313.3	108.3	574.1	305.1
Austria .....	28.7	.4	18.2	1.9	.9	.2	2.1	2.6	5.8	4.7	6.8	.6	1.9	.9
Belgium .....	102.8	2.0	61.2	8.3	16.4	3.0	6.2	4.4	10.6	12.3	16.3	2.3	16.3	4.8
Denmark .....	27.4	.4	10.5	2.0	1.0	.5	1.7	G	.6	H	8.8	F	6.2	F
Finland .....	13.8	.4	6.8	1.3	1.3	.7	.4	G	.3	H	3.9	.1	.5	2.1
France .....	447.9	3.2	239.1	12.6	44.1	16.0	55.7	21.1	26.0	63.7	49.1	7.3	129.7	19.5
Germany .....	590.0	5.1	414.2	14.2	32.7	25.0	66.8	70.4	126.2	78.9	36.2	9.6	63.7	61.2
Greece .....	11.8	.4	6.5	3.0	1.7	.7	(*)	.1	0	1.1	2.9	.3	1.4	.3
Ireland .....	69.8	.3	57.4	2.3	8.8	1.0	11.5	15.7	.7	17.4	2.6	1.5	4.4	3.6
Italy .....	184.5	3.1	116.4	5.3	23.7	6.3	18.4	16.7	17.9	28.1	21.7	2.2	30.9	10.1
Luxembourg .....	9.0	.1	7.0	.1	0	.7	.2	0	0	6.0	.4	.1	.7	.7
Netherlands .....	167.5	3.6	82.3	9.4	15.6	6.1	13.0	9.9	9.5	18.7	24.8	16.2	31.7	9.0
Norway .....	47.6	5.7	6.5	1.7	.8	.3	2.2	.4	.2	.9	4.1	.2	29.5	1.6
Portugal .....	33.2	.2	23.2	4.8	2.4	.1	.7	12.0	.8	2.3	5.6	A	2.6	G
Spain .....	146.9	.5	102.9	14.0	17.3	6.3	8.0	9.1	31.3	16.9	18.4	1.6	14.8	8.8
Sweden .....	51.4	.3	26.1	2.2	7.2	.4	5.5	2.0	2.6	6.2	12.1	1.3	5.0	6.6
Switzerland .....	51.1	1.1	16.2	1.7	2.8	.5	2.3	3.0	.2	5.7	15.1	1.1	13.0	4.5
Turkey .....	29.5	.4	13.5	1.6	1.9	.5	0	4.0	.4	5.0	8.5	.1	5.9	1.0
United Kingdom .....	953.5	17.5	460.4	54.2	60.4	31.1	100.9	41.5	70.3	101.9	58.9	61.4	210.4	144.9
Other .....	178.6	5.4	126.0	21.3	17.8	9.3	6.1	23.2	18.6	29.7	17.1	1.4	5.6	23.0
<b>Latin America and Other Western Hemisphere</b> .....	<b>1,416.4</b>	<b>34.4</b>	<b>950.9</b>	<b>174.5</b>	<b>129.8</b>	<b>31.8</b>	<b>56.3</b>	<b>189.5</b>	<b>177.1</b>	<b>191.8</b>	<b>46.5</b>	<b>26.2</b>	<b>122.2</b>	<b>236.2</b>
<b>South America</b> .....	619.9	27.3	364.5	69.8	77.5	19.8	29.1	26.0	60.2	82.1	28.9	17.9	77.1	104.2
Argentina .....	94.3	5.4	48.5	12.5	12.7	1.3	1.0	.5	11.9	8.6	5.1	2.8	20.7	11.9
Brazil .....	341.5	4.1	236.1	33.5	43.6	12.5	27.0	23.5	41.0	55.0	8.6	6.5	36.1	50.2
Chile .....	44.2	G	13.3	2.3	3.5	2.9	.4	.4	F	H	4.9	I	7.5	11.2
Colombia .....	41.9	4.7	18.4	4.7	6.5	1.1	.1	.7	G	H	3.5	1.4	4.7	9.3
Ecuador .....	11.5	F	5.4	2.0	1.0	.3	0	0	.5	1.5	.8	A	1.0	3.1
Peru .....	14.9	1.2	3.9	1.7	1.1	.1	0	0	0	1.0	1.8	.1	.5	7.4
Venezuela .....	62.5	8.8	35.4	11.7	8.6	1.6	.7	.8	4.7	7.2	3.6	.9	6.4	7.4
Other .....	9.1	.9	3.7	1.6	.5	0	(*)	0	(*)	1.6	.6	(*)	.2	3.7
<b>Central America</b> .....	753.9	3.8	566.0	103.1	48.9	11.9	27.2	163.3	116.9	94.5	15.3	4.6	38.7	125.5
Costa Rica .....	24.7	.1	12.7	2.2	1.2	.8	G	H	0	H	F	0	.1	J
Guatemala .....	12.5	.4	5.8	1.8	1.9	.6	0	0	0	1.5	F	.2	1.5	H
Honduras .....	28.2	.1	11.3	7.1	.2	.1	0	0	0	3.8	.2	.2	0	16.4
Mexico .....	688.9	1.2	530.4	91.3	44.3	10.1	K	158.5	116.9	L	12.8	3.9	37.1	83.6
Panama .....	13.2	.9	1.9	.3	.8	.1	0	0	0	.8	F	.3	.1	I
Other .....	6.3	1.0	3.9	.4	.5	.3	0	G	.4	G	.4	.1	(*)	.7
<b>Other Western Hemisphere</b> .....	42.7	3.2	20.4	1.6	3.3	.2	(*)	.2	0	15.2	2.3	3.7	6.5	6.5
Bahamas .....	1.4	.1	.4	0	.3	0	0	0	0	.1	A	(*)	.1	F
Barbados .....	3.2	.1	2.0	0	0	0	0	0	0	.2	.1	(*)	2.8	0
Bermuda .....	4.2	.2	.2	0	0	0	0	.2	0	0	.5	3.0	.4	0
Dominican Republic .....	18.7	.2	13.1	.8	.8	0	0	0	0	11.5	.3	.1	.5	4.5
Jamaica .....	4.5	.2	2.5	.2	.9	0	0	0	0	1.4	A	.1	.5	G
Netherlands Antilles .....	.4	.2	.1	(*)	0	0	0	0	0	.1	.1	(*)	0	0
Trinidad and Tobago .....	3.1	1.2	.7	.4	.1	.1	(*)	0	0	(*)	.2	.2	.6	.3
United Kingdom Islands, Caribbean .....	5.1	.1	3.0	0	G	.1	0	(*)	0	G	.8	.3	.9	(*)
Other .....	2.1	1.0	.4	.1	A	0	0	0	0	A	(*)	(*)	.6	(*)
<b>Africa</b> .....	<b>111.2</b>	<b>18.3</b>	<b>60.1</b>	<b>H</b>	<b>14.5</b>	<b>3.9</b>	<b>4.5</b>	<b>2.9</b>	<b>2.5</b>	<b>K</b>	<b>7.7</b>	<b>1.1</b>	<b>14.3</b>	<b>9.6</b>
Egypt .....	12.9	1.8	5.8	.3	2.5	.8	1.5	.5	0	.3	.9	0	4.3	.2
Nigeria .....	8.5	6.6	1.6	.1	1.4	0	0	0	0	.2	1.4	0	0	.1
South Africa .....	45.7	G	29.0	.5	8.0	1.3	2.8	2.4	2.2	11.8	4.2	.2	8.5	G
Other .....	44.1	I	23.8	H	2.6	1.8	.1	(*)	.3	J	2.5	.9	1.6	I
<b>Middle East</b> .....	<b>49.5</b>	<b>7.2</b>	<b>14.4</b>	<b>G</b>	<b>1.4</b>	<b>.3</b>	<b>.6</b>	<b>8.2</b>	<b>0</b>	<b>G</b>	<b>2.0</b>	<b>.4</b>	<b>21.4</b>	<b>4.0</b>
Israel .....	32.6	0	13.6	G	1.2	.2	.6	8.2	0	G	1.2	(*)	17.8	0
Saudi Arabia .....	8.2	1.3	.2	0	.2	(*)	0	0	0	0	.1	.1	3.0	H
United Arab Emirates .....	4.3	2.2	.2	0	0	(*)	(*)	0	0	.2	F	.2	.5	F
Other .....	4.5	3.7	.4	.2	.1	0	.1	0	0	.1	.1	.2	.1	.1
<b>Asia and Pacific</b> .....	<b>1,305.4</b>	<b>42.0</b>	<b>781.0</b>	<b>55.0</b>	<b>100.9</b>	<b>18.0</b>	<b>164.9</b>	<b>253.7</b>	<b>37.5</b>	<b>151.0</b>	<b>124.2</b>	<b>59.6</b>	<b>128.9</b>	<b>169.9</b>
Australia .....	221.6	4.9	93.9	18.0	19.1	3.9	9.4	2.6	20.2	18.7	6.6	44.8	52.7	22.5
China .....	178.8	1.4	142.4	5.1	18.9	3.7	17.6	74.0	4.7	18.3	5.6	1.0	2.6	25.9
Hong Kong .....	95.7	.8	43.7	.2	2.5	H	1.4	19.5	.5	J	17.6	9.5	7.6	16.5
India .....	45.2	.6	33.6	3.0	4.5	G	11.9	4.0	2.4	I	4.8	.8	4.7	.7
Indonesia .....	50.3	12.5	20.7	F	5.6	.2	1.1	3.2	.5	I	5.6	.7	.6	14.8
Japan .....	187.8	H	64.4	3.5	20.3	1.9	7.2	15.6	1.1	14.8	33.6	25.5	47.6	J
Korea, Republic of .....	32.6	.1	16.8	1.0	2.9	.6	2.1	4.1	.9	5.3	6.2	1.1	3.3	5.1
Malaysia .....	121.2	3.1	108.7	.9	2.5	.4	23.7	59.9	0	21.4	4.3	1.8	1.3	1.9
New Zealand .....	36.7	G	19.3	H	1.2	.5	.2	.1	(*)	J	2.7	.7	6.3	I
Philippines .....	58.8	1.2	46.3	8.2	6.0	.4	.8	24.0	0	6.9	4.2	G	.7	H
Singapore .....	105.2	3.0	75.1	.3	3.3	.4	46.5	16.5	3.7	4.3	11.3	2.5	5.5	7.8
Taiwan .....	62.4	.2	32.4	1.1	5.4	.8	G	15.0	H	H	7.0	5.4	1.7	15.7
Thailand .....	93.7	5.5	76.8	8.6	4.3	.8	K	14.9	(*)	I	4.0	1.9	1.0	4.5
Other .....	15.5	3.2	6.8	G	4.3	.1	(*)	.3	A	.2	3.1	A	1.1	F
<b>International<sup>1</sup></b> .....	<b>10.1</b>	<b>6.7</b>												<b>3.4</b>
<b>Addenda:</b>														
Eastern Europe <sup>2</sup> .....	174.0	5.3	123.8	21.3	17.7	9.3	6.1	21.7	18.6	29.0	16.9	1.4	4.2	22.5
European Union (15) <sup>3</sup> .....	2,838.4	37.5	1,632.1	134.4	233.6	98.0	291.2	208.6	302.7	363.7	268.4	105.5	520.0	274.9
OPEC <sup>4</sup> .....	137.4	33.8	58.1	12.8	15.8	1.8	1.8	4.0	5.2	16.6	5.5	1.8	10.5	27.7

\* Fewer than 50 employees.

1. See footnote 1 to table 5.

2. See footnote 2 to table 11.

3. See footnote 3 to table 11.

4. See footnote 4 to table 11.

NOTE.—Size ranges are given in employment cells that are suppressed. The size ranges are A—1 to 499; F—500 to 999; G—1,000 to 2,499; H—2,500 to 4,999; I—5,000 to 9,999; J—10,000 to 24,999; K—25,000 to 49,999; L—50,000 to 99,999; M—100,000 or more.

Table 14.1—Gross Product of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1997

[Millions of dollars]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other electric equipment	Transportation equipment	Other manufacturing				
<b>All countries</b> .....	<b>520,867</b>	<b>111,838</b>	<b>254,623</b>	<b>25,640</b>	<b>52,695</b>	<b>10,619</b>	<b>36,088</b>	<b>25,714</b>	<b>44,558</b>	<b>59,308</b>	<b>55,909</b>	<b>22,534</b>	<b>47,050</b>	<b>28,913</b>
<b>Canada</b> .....	<b>56,454</b>	<b>8,883</b>	<b>27,862</b>	<b>2,422</b>	<b>3,834</b>	<b>1,985</b>	<b>2,598</b>	<b>1,751</b>	<b>8,988</b>	<b>6,284</b>	<b>5,057</b>	<b>3,958</b>	<b>3,808</b>	<b>6,886</b>
<b>Europe</b> .....	<b>297,441</b>	<b>65,564</b>	<b>148,473</b>	<b>14,117</b>	<b>32,669</b>	<b>6,028</b>	<b>23,254</b>	<b>12,298</b>	<b>24,045</b>	<b>36,062</b>	<b>35,646</b>	<b>8,704</b>	<b>28,269</b>	<b>10,784</b>
Austria .....	3,932	1,249	1,415	222	99	15	183	131	572	194	855	53	282	79
Belgium .....	12,987	1,895	7,190	522	3,351	171	510	263	816	1,557	2,162	237	1,343	159
Denmark .....	2,470	332	736	169	95	29	79	109	54	201	988	( <sup>(b)</sup> )	305	( <sup>(b)</sup> )
Finland .....	2,141	585	850	6	183	73	25	238	38	289	578	4	46	77
France .....	36,869	5,901	20,038	1,844	4,990	1,220	4,819	1,323	1,437	4,405	4,622	687	4,717	904
Germany .....	57,336	7,051	39,400	2,244	4,818	1,657	6,207	2,688	10,022	11,763	3,522	1,787	3,703	1,873
Greece .....	1,320	603	403	150	180	11	2	9	0	51	162	69	63	20
Ireland .....	11,677	809	9,162	986	4,464	77	561	1,850	38	1,186	1,274	244	85	102
Italy .....	21,709	7,308	9,418	843	2,448	361	2,183	1,020	816	1,747	3,094	123	1,271	495
Luxembourg .....	1,063	174	620	0	0	41	10	0	0	569	151	64	43	12
Netherlands .....	19,162	3,311	9,407	1,233	2,036	349	731	1,037	864	3,157	4,000	-788	2,747	485
Norway .....	6,248	4,772	443	122	55	12	162	20	14	58	666	-223	478	112
Portugal .....	2,696	815	773	218	184	(*)	26	246	39	61	715	( <sup>(b)</sup> )	181	( <sup>(b)</sup> )
Spain .....	9,664	213	6,674	643	1,475	302	600	508	2,070	1,077	1,684	209	646	238
Sweden .....	4,741	308	2,151	232	998	5	294	71	132	420	1,429	103	502	250
Switzerland .....	7,977	757	3,055	161	839	56	244	197	22	1,535	2,509	261	1,208	187
Turkey .....	2,178	299	1,289	156	156	35	0	56	60	782	500	12	63	14
United Kingdom .....	89,055	29,160	32,343	3,926	5,924	1,489	6,572	2,148	6,723	5,560	6,105	5,636	10,461	5,350
Other .....	4,216	23	3,106	396	375	125	45	382	331	1,451	630	146	125	187
<b>Latin America and Other Western Hemisphere</b> .....	<b>61,702</b>	<b>6,569</b>	<b>39,497</b>	<b>5,618</b>	<b>8,803</b>	<b>1,732</b>	<b>2,263</b>	<b>2,637</b>	<b>9,435</b>	<b>9,009</b>	<b>4,199</b>	<b>2,864</b>	<b>3,497</b>	<b>5,075</b>
South America .....	41,074	4,859	27,219	4,177	5,441	1,437	1,294	1,103	6,710	7,056	2,146	559	2,361	3,930
Argentina .....	6,733	1,274	3,922	741	1,030	102	15	13	520	1,501	471	156	423	488
Brazil .....	23,642	1,400	19,277	2,497	3,319	992	1,248	1,017	5,469	4,736	890	127	1,484	463
Chile .....	3,027	( <sup>(b)</sup> )	816	171	192	216	9	9	( <sup>(b)</sup> )	( <sup>(b)</sup> )	173	183	125	( <sup>(b)</sup> )
Colombia .....	2,550	791	1,145	262	401	61	-1	19	( <sup>(b)</sup> )	( <sup>(b)</sup> )	212	30	118	254
Ecuador .....	226	80	72	24	28	4	0	0	15	22	10	6	36	36
Peru .....	1,383	235	191	72	61	15	0	0	43	100	15	15	828	15
Venezuela .....	2,866	573	1,613	315	386	48	23	45	482	315	187	33	160	300
Other .....	646	( <sup>(b)</sup> )	183	96	22	0	1	0	63	51	5	5	31	( <sup>(b)</sup> )
Central America .....	13,386	666	10,881	1,408	2,361	259	968	1,446	2,725	1,715	891	-243	594	597
Costa Rica .....	557	12	238	50	45	18	0	( <sup>(b)</sup> )	0	204	( <sup>(b)</sup> )	( <sup>(b)</sup> )	( <sup>(b)</sup> )	103
Guatemala .....	290	124	123	41	36	7	0	0	39	7	7	4	( <sup>(b)</sup> )	4
Honduras .....	304	31	129	101	4	2	0	0	0	22	2	-5	( <sup>(b)</sup> )	147
Mexico .....	11,816	182	10,242	1,201	2,239	218	968	1,369	2,725	1,521	536	23	576	257
Panama .....	126	127	83	8	25	9	0	0	40	( <sup>(b)</sup> )	-270	12	( <sup>(b)</sup> )	12
Other .....	294	189	67	7	13	3	0	( <sup>(b)</sup> )	0	13	2	2	21	21
Other Western Hemisphere .....	7,242	1,045	1,397	33	1,001	36	1	88	0	237	1,162	2,547	542	548
Bahamas .....	183	58	28	0	24	0	0	0	0	4	51	-7	25	28
Barbados .....	992	66	2	0	0	0	0	2	0	2	122	677	122	0
Bermuda .....	3,063	35	18	0	0	0	0	18	0	0	768	2,046	200	-4
Dominican Republic .....	735	49	217	16	24	0	0	0	0	177	22	1	7	438
Jamaica .....	379	47	114	2	74	0	0	0	0	37	121	6	( <sup>(b)</sup> )	( <sup>(b)</sup> )
Netherlands Antilles .....	-138	3	0	0	0	0	0	0	1	13	-150	-7	( <sup>(b)</sup> )	( <sup>(b)</sup> )
Trinidad and Tobago .....	618	577	-6	2	1	-13	1	0	0	2	8	6	( <sup>(b)</sup> )	( <sup>(b)</sup> )
United Kingdom Islands, Caribbean .....	1,191	34	1,000	0	( <sup>(b)</sup> )	50	0	69	0	( <sup>(b)</sup> )	54	-31	134	-1
Other .....	219	176	17	8	0	0	0	0	0	( <sup>(b)</sup> )	2	( <sup>(b)</sup> )	23	1
<b>Africa</b> .....	<b>8,530</b>	<b>6,083</b>	<b>1,289</b>	( <sup>(b)</sup> )	<b>378</b>	<b>160</b>	<b>91</b>	<b>85</b>	<b>33</b>	<b>321</b>	<b>105</b>	<b>403</b>	<b>329</b>	<b>329</b>
Egypt .....	921	757	73	-43	78	9	18	7	0	5	62	0	( <sup>(b)</sup> )	( <sup>(b)</sup> )
Nigeria .....	2,951	2,901	30	14	16	0	0	0	0	5	12	0	3	3
South Africa .....	1,449	( <sup>(b)</sup> )	702	37	204	61	70	77	33	220	197	6	337	( <sup>(b)</sup> )
Other .....	3,209	( <sup>(b)</sup> )	484	( <sup>(b)</sup> )	79	90	3	2	0	( <sup>(b)</sup> )	57	87	( <sup>(b)</sup> )	308
<b>Middle East</b> .....	<b>4,294</b>	<b>2,777</b>	<b>722</b>	( <sup>(b)</sup> )	<b>62</b>	<b>33</b>	<b>41</b>	<b>416</b>	<b>0</b>	( <sup>(b)</sup> )	<b>98</b>	<b>90</b>	<b>546</b>	<b>61</b>
Israel .....	953	(*)	659	( <sup>(b)</sup> )	39	27	35	416	0	( <sup>(b)</sup> )	32	-3	265	0
Saudi Arabia .....	392	90	25	0	24	(*)	0	0	0	12	5	241	20	20
United Arab Emirates .....	1,152	961	29	0	1	6	1	0	0	21	46	37	42	37
Other .....	1,798	1,726	10	3	-2	0	5	0	0	4	8	51	-1	4
<b>Asia and Pacific</b> .....	<b>90,924</b>	<b>20,771</b>	<b>36,779</b>	<b>3,268</b>	<b>6,950</b>	<b>681</b>	<b>7,841</b>	<b>8,527</b>	<b>2,057</b>	<b>7,455</b>	<b>10,587</b>	<b>6,814</b>	<b>10,526</b>	<b>5,446</b>
Australia .....	19,048	4,831	7,366	1,059	1,776	184	619	174	1,525	2,031	1,457	1,176	2,328	1,890
China .....	3,194	481	2,116	129	405	66	374	833	118	190	361	46	79	112
Hong Kong .....	7,053	600	1,434	29	192	( <sup>(b)</sup> )	79	697	18	( <sup>(b)</sup> )	1,991	1,417	575	1,036
India .....	684	50	514	48	129	( <sup>(b)</sup> )	159	8	( <sup>(b)</sup> )	168	59	10	33	206
Indonesia .....	5,352	3,805	363	23	136	9	18	74	( <sup>(b)</sup> )	( <sup>(b)</sup> )	50	31	24	1,079
Japan .....	26,578	( <sup>(b)</sup> )	8,550	1,153	2,736	186	658	2,084	68	1,664	3,659	2,428	6,187	( <sup>(b)</sup> )
Korea, Republic of .....	2,343	( <sup>(b)</sup> )	947	104	161	13	178	153	23	315	869	93	354	( <sup>(b)</sup> )
Malaysia .....	4,903	1,427	2,965	17	87	6	676	1,719	0	460	204	217	56	34
New Zealand .....	2,936	( <sup>(b)</sup> )	1,897	( <sup>(b)</sup> )	84	16	10	30	-9	( <sup>(b)</sup> )	225	-158	288	( <sup>(b)</sup> )
Philippines .....	2,124	423	1,189	275	397	24	6	363	0	124	177	( <sup>(b)</sup> )	( <sup>(b)</sup> )	( <sup>(b)</sup> )
Singapore .....	9,379	964	6,753	19	179	24	4,591	1,577	149	214	655	492	395	119
Taiwan .....	3,011	28	1,558	81	434	22	( <sup>(b)</sup> )	594	( <sup>(b)</sup> )	( <sup>(b)</sup> )	621	522	120	162
Thailand .....	3,493	1,816	1,043	69	190	38	( <sup>(b)</sup> )	211	( <sup>(b)</sup> )	( <sup>(b)</sup> )	219	334	32	48
Other .....	826	611	85	( <sup>(b)</sup> )	44	2	-1	10	-5	( <sup>(b)</sup> )	40	( <sup>(b)</sup> )	( <sup>(b)</sup> )	( <sup>(b)</sup> )
<b>International<sup>1</sup></b> .....	<b>1,522</b>	<b>1,190</b>												<b>332</b>
<b>Addenda:</b>														
Eastern Europe <sup>2</sup> .....	3,901	-35	2,992	396	300	125	45	359	331	1,437	582	124	66	172
European Union (15) <sup>3</sup> .....	276,822	59,713	140,581	13,238	31,244	5,800	22,803	11,642	23,619	32,235	31,341	8,508	26,394	10,285
OPEC <sup>4</sup> .....	13,805	9,364	2,062	352	564	63	44	119	511	409	299	122	464	1,493

Table 14.2—Gross Product of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1998

[Millions of dollars]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other electric equipment	Transportation equipment	Other manufacturing				
<b>All countries</b> .....	<b>510,735</b>	<b>89,484</b>	<b>251,442</b>	<b>26,570</b>	<b>55,040</b>	<b>10,729</b>	<b>34,758</b>	<b>22,774</b>	<b>41,618</b>	<b>59,952</b>	<b>59,109</b>	<b>22,912</b>	<b>52,509</b>	<b>35,279</b>
<b>Canada</b> .....	<b>54,739</b>	<b>7,508</b>	<b>27,452</b>	<b>2,533</b>	<b>4,887</b>	<b>1,768</b>	<b>2,327</b>	<b>1,759</b>	<b>8,281</b>	<b>5,898</b>	<b>4,947</b>	<b>3,407</b>	<b>4,139</b>	<b>7,285</b>
<b>Europe</b> .....	<b>303,505</b>	<b>53,708</b>	<b>150,634</b>	<b>14,399</b>	<b>33,211</b>	<b>6,642</b>	<b>22,538</b>	<b>12,312</b>	<b>23,779</b>	<b>37,753</b>	<b>40,655</b>	<b>11,225</b>	<b>33,960</b>	<b>13,324</b>
Austria .....	3,274	455	1,612	225	92	12	145	194	604	339	830	83	240	56
Belgium .....	13,653	1,948	7,362	805	2,861	302	561	259	960	1,616	2,382	504	1,265	192
Denmark .....	2,643	247	838	213	95	30	128	(D)	47	(D)	1,062	(P)	361	(P)
Finland .....	2,316	535	954	6	190	66	15	(D)	46	(D)	695	1	40	91
France .....	35,915	4,144	19,308	1,508	5,366	875	4,805	1,260	1,449	4,045	4,892	854	5,840	878
Germany .....	56,464	6,343	38,728	2,164	4,251	1,691	6,654	2,900	8,870	12,199	3,738	1,764	4,032	1,859
Greece .....	971	204	428	122	201	48	2	9	0	47	189	67	59	23
Ireland .....	13,669	832	9,459	982	5,892	61	-263	1,518	54	1,214	1,325	560	550	944
Italy .....	22,433	7,784	8,535	591	2,302	377	1,286	936	990	2,054	3,056	333	2,315	410
Luxembourg .....	1,290	164	629	10	0	38	13	(*)	0	568	328	105	52	12
Netherlands .....	20,243	2,434	9,582	1,220	2,513	87	722	719	994	3,328	5,516	-946	3,205	452
Norway .....	5,067	3,181	425	89	52	34	168	21	6	55	718	17	589	137
Portugal .....	2,321	150	831	207	185	(*)	313	29	69	809	(P)	179	(P)	(P)
Spain .....	10,563	49	7,447	624	1,698	846	661	510	2,113	996	1,687	242	910	228
Sweden .....	5,281	320	2,161	161	978	25	330	102	141	425	1,615	161	576	448
Switzerland .....	9,610	718	2,766	169	799	57	185	212	21	1,324	4,193	284	1,353	296
Turkey .....	2,121	38	1,339	69	170	59	0	62	26	953	637	19	72	16
United Kingdom .....	90,735	24,114	34,589	4,880	5,290	1,814	6,669	2,474	7,069	6,394	6,262	6,953	12,207	6,611
Other .....	4,933	47	3,641	356	276	221	429	341	362	1,656	722	94	116	313
<b>Latin America and Other Western Hemisphere</b> .....	<b>61,336</b>	<b>5,404</b>	<b>38,220</b>	<b>6,168</b>	<b>9,703</b>	<b>1,543</b>	<b>2,379</b>	<b>1,862</b>	<b>7,946</b>	<b>8,619</b>	<b>4,326</b>	<b>2,455</b>	<b>3,590</b>	<b>7,340</b>
South America .....	37,606	3,778	23,942	3,815	5,408	1,208	1,405	442	5,262	6,402	2,139	66	2,378	5,303
Argentina .....	7,071	1,305	3,986	755	1,022	100	54	8	527	1,519	502	114	535	631
Brazil .....	21,922	1,485	16,235	2,119	3,208	846	1,310	371	4,259	4,122	820	-174	1,413	2,143
Chile .....	2,487	(P)	753	217	183	138	9	(D)	138	(D)	222	(P)	158	888
Colombia .....	1,842	290	969	256	399	56	-1	20	(D)	(D)	228	30	72	253
Ecuador .....	285	(P)	108	25	28	4	0	25	26	28	28	(P)	6	59
Peru .....	910	19	230	71	102	2	0	0	55	114	-18	11	554	11
Venezuela .....	2,457	65	1,489	296	445	62	32	34	324	297	156	46	159	542
Other .....	632	120	174	77	22	0	1	0	(*)	74	70	11	23	234
Central America .....	15,674	787	12,129	2,318	2,596	292	973	1,325	2,684	1,942	526	278	596	1,358
Costa Rica .....	240	12	275	58	38	25	(P)	(P)	0	(D)	(D)	1	(*)	(P)
Guatemala .....	315	125	143	43	41	7	0	0	52	(D)	(D)	10	4	(D)
Honduras .....	333	53	148	103	4	2	0	0	39	2	4	(*)	126	(*)
Mexico .....	13,961	213	11,407	2,099	2,459	247	(P)	1,248	2,684	(D)	568	152	584	1,037
Panama .....	483	178	79	9	25	9	0	0	37	(P)	(P)	111	6	(P)
Other .....	342	206	79	7	29	1	0	0	0	(P)	14	-1	2	43
Other Western Hemisphere .....	8,056	839	2,149	35	1,699	44	1	95	0	275	1,661	2,111	617	679
Bahamas .....	188	11	20	0	17	0	0	0	4	(P)	55	21	(P)	(P)
Barbados .....	1,333	30	6	2	0	0	0	2	0	2	103	1,037	156	0
Bermuda .....	2,850	60	20	0	0	0	0	20	0	0	884	1,616	183	87
Dominican Republic .....	822	47	255	17	29	0	0	0	0	210	26	1	7	486
Jamaica .....	279	63	115	3	76	0	0	0	0	36	(P)	6	22	(P)
Netherlands Antilles .....	35	19	5	3	0	0	0	0	2	9	5	7	8	(P)
Trinidad and Tobago .....	424	342	39	3	35	-2	1	0	0	2	9	13	15	(P)
United Kingdom Islands, Caribbean .....	1,832	31	1,667	0	(D)	46	0	73	0	(D)	560	-624	198	(*)
Other .....	293	238	21	8	(P)	0	0	0	0	(D)	2	1	30	(*)
<b>Africa</b> .....	<b>6,752</b>	<b>3,925</b>	<b>1,388</b>	(P)	<b>446</b>	<b>138</b>	<b>98</b>	<b>87</b>	<b>61</b>	(P)	<b>324</b>	<b>59</b>	<b>535</b>	<b>520</b>
Egypt .....	656	466	98	-57	102	20	17	6	0	9	35	0	49	9
Nigeria .....	1,821	1,769	33	10	0	0	0	0	0	5	3	0	3	0
South Africa .....	1,606	(P)	736	21	241	71	78	79	44	203	226	-32	461	(P)
Other .....	2,669	(P)	512	(P)	94	47	3	2	17	(P)	59	89	25	(P)
<b>Middle East</b> .....	<b>3,764</b>	<b>1,919</b>	<b>811</b>	(P)	<b>72</b>	<b>31</b>	<b>40</b>	<b>474</b>	<b>0</b>	(D)	<b>114</b>	<b>-9</b>	<b>576</b>	<b>354</b>
Israel .....	1,138	(*)	753	(P)	47	25	34	474	0	35	-9	359	0	(P)
Saudi Arabia .....	533	102	25	0	24	(*)	0	0	0	(D)	-111	179	(P)	(P)
United Arab Emirates .....	848	665	22	0	1	5	1	0	0	14	44	35	(P)	(P)
Other .....	1,245	1,152	12	3	-1	0	5	0	0	5	8	66	2	5
<b>Asia and Pacific</b> .....	<b>79,129</b>	<b>15,911</b>	<b>32,935</b>	<b>3,215</b>	<b>6,721</b>	<b>608</b>	<b>7,375</b>	<b>6,280</b>	<b>1,551</b>	<b>7,185</b>	<b>8,743</b>	<b>5,775</b>	<b>9,709</b>	<b>6,056</b>
Australia .....	16,756	3,688	6,744	1,070	1,585	201	414	104	1,146	2,223	1,383	615	2,491	1,836
China .....	3,047	265	2,311	116	580	88	438	929	31	130	158	40	105	168
Hong Kong .....	7,342	508	1,157	31	201	(P)	77	477	17	(D)	2,150	1,607	485	1,434
India .....	340	99	552	69	149	(P)	146	23	-9	(D)	128	-548	88	21
Indonesia .....	3,936	2,391	310	(P)	209	9	4	32	-5	(D)	20	22	33	1,160
Japan .....	23,648	(P)	7,536	1,314	2,513	142	572	1,532	65	1,398	2,898	2,372	5,312	(P)
Korea, Republic of .....	1,544	(*)	839	64	147	12	209	145	11	250	268	97	274	66
Malaysia .....	3,206	1,072	1,795	9	52	6	328	959	0	441	143	119	42	35
New Zealand .....	2,921	(P)	1,745	(P)	75	20	10	7	-7	(P)	237	38	314	(P)
Philippines .....	2,057	372	1,189	203	372	-2	30	492	0	95	132	(P)	42	(P)
Singapore .....	7,774	868	5,286	27	274	19	3,745	763	181	277	578	543	359	140
Taiwan .....	2,698	22	1,426	41	363	33	(D)	582	(P)	(P)	503	473	108	166
Thailand .....	3,521	1,152	1,956	92	167	19	225	16	(D)	(P)	106	244	26	38
Other .....	337	29	90	(P)	35	2	-1	9	(D)	2	37	(P)	29	(P)
<b>International<sup>1</sup></b> .....	<b>1,510</b>	<b>1,109</b>												<b>401</b>
<b>Addenda:</b>														
Eastern Europe <sup>2</sup> .....	4,641	-37	3,585	356	273	220	429	307	362	1,637	659	81	52	301
European Union (15) <sup>3</sup> .....	281,773	49,723	142,462	13,716	31,914	6,271	21,755	11,676	23,364	33,765	34,386	10,810	31,830	12,561
OPEC <sup>4</sup> .....	10,501	5,681	1,890	343	688	76	40	66	319	358	252	19	407	2,251

\* Less than \$500,000 (±).

<sup>D</sup> Suppressed to avoid disclosure of data of individual companies.

1. See footnote 1 to table 5.

2. See footnote 2 to table 11.

3. See footnote 3 to table 11.

4. See footnote 4 to table 11.