

Bureau of Economic Analysis

Survey of Current Business

Table of Contents March 2000

Special in this issue

26. Accounting for Renewable and Environmental Resources

[Reprint of chapter 4 of Nature's Numbers: Expanding the National Economic Accounts to Include the Environment]

Last summer, a blue-ribbon panel of the National Academy of Sciences' National Research Council completed a congressionally mandated review of BEA's prototype integrated economic and environmental accounts. As part of its promise to inform users of the results of this evaluation, BEA is reprinting chapters from the panel's final report.

55. An Examination of the Low Rates of Return of Foreign-Owned U.S. Companies (PDF)

In 1988-97, the average rate of return on assets (ROA) of foreign-owned nonfinancial companies, at 5.1 percent, was 2.2 percentage points below that of U.S.-owned companies; over the period, the ROA gap narrowed to about 1 percentage point in 1997. Among several factors that may help explain the lower ROA of foreign-owned companies, age and market share were found to be significant, and industry mix and shifting of profits outside the United States using transfer prices were found to be relatively insignificant. These findings are based on newly developed estimates of the rate of return for foreign-owned U.S. nonfinancial companies that are disaggregated by industry and valued in current-period prices.

Regular features

1. Business Situation

Real GDP increased 6.9 percent in the fourth quarter of 1999, according to the "preliminary" estimate; the "advance" estimate issued last month had shown a 5.8-percent increase. The upward revision reflected upward revisions to consumer spending, to State and local government spending, to exports of goods, and to private nonfarm inventory investment. The price index for gross domestic purchases increased 2.3 percent in the fourth quarter, the same as the previously published increase.

11. Federal Personal Income Tax Liabilities and Payments, 1959-97

BEA's estimates of Federal personal income tax liabilities and payments have been revised, beginning with 1959, to incorporate the results of the recent comprehensive revision of the NIPA's and newly available tax return data from the Internal Revenue Service. Since 1992, the differences between liabilities and payments have generally been small; in 1997, payments exceeded liabilities by \$2.3 billion.

16. Federal Budget Estimates, Fiscal Year 2001

Each year, BEA prepares a "translation" of the administration's budget that puts the budget's receipts and outlays on a basis that is consistent with the framework of the NIPA's. For fiscal year 2001, the Federal current surplus on the NIPA basis would be \$171.1 billion, compared with the surplus of \$184.0 billion in the administration's budget. The budget estimate of receipts would exceed the NIPA estimate of current receipts by \$2.4 billion, and the NIPA estimate of current expenditures would exceed the budget estimate of outlays by \$10.5 billion.

Reports and statistical presentations

52. Errata: Industrial Composition of State Earnings in 1958-98

D-1. BEA Current and Historical Data

Looking Ahead

Revised NIPA and Related Estimates. Revised NIPA estimates for 1929-58 and revised estimates of fixed assets and consumer durable goods for 1925-98 that reflect the recent comprehensive NIPA revision will be presented in the April Survey.

BUSINESS SITUATION

This article was prepared by Larry R. Moran, Daniel Larkins, Ralph W. Morris, and Deborah Y. Sieff. R EAL GROSS domestic product (GDP) increased 6.9 percent in the fourth quarter of 1999, according to the "preliminary" estimates of the national income and product accounts (NIPA's), after increasing 5.7 percent in the third quarter (table 1 and chart 1); the "advance" fourth-quarter estimate of real GDP, reported in the February "Business Situation," had shown a 5.8-percent increase. The upward revision to real GDP reflected upward revisions to consumer

Real estimates are calculated using a chain-type Fisher formula with annual weights for all years and quarterly weights for all quarters; real estimates are expressed both as index numbers (1996=100) and as chained (1996) dollars. Price indexes (1996=100) are also calculated using a chain-type Fisher formula.

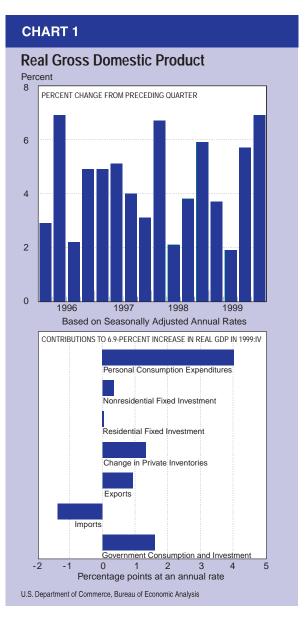
Table 1.—Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers

[Seasonally adjusted at annual rates]

	Billions	Billions of chained (1996) dollars						ange fr	
	Level	Char	nge fror qua	n prece irter	eding		19	•	
	1999 1999								
	IV	ı	II	III	IV	I	II	III	IV
Gross domestic product	9,050.9	78.7	40.7	122.0	150.3	3.7	1.9	5.7	6.9
Less: Exports of goods and services	1,077.0 1,426.7	-14.4 37.8		28.4 47.6	22.2 33.7	-5.5 12.5	4.0 14.4	11.5 14.9	8.7 10.0
Equals: Gross domestic purchases	9,377.5	125.9	70.8	138.7	160.6	5.8	3.2	6.3	7.2
Less: Change in private inventories Nonfarm Farm	68.7 74.0 –6.4			24.0 28.1 -4.7	30.7 32.8 –2.6		ı		
Equals: Final sales to domestic purchasers	9,302.9	144.2	103.0	114.4	130.7	6.7	4.7	5.2	5.8
Personal consumption expenditures Durable goods Nondurable goods Services Private fixed investment Nonresidential Structures Equipment and software Residential Government consumption expenditures and gross investment Federal National defense Nondefense State and local	6,120.3 846.6 1,810.6 3,473.0 1,615.8 1,242.0 243.4 1,008.0 376.1 1,570.8 557.9 362.0 195.9 1,012.7	92.6 22.8 36.9 34.5 33.4 21.9 -3.8 27.2 11.1 18.7 6 -3.5 2.8 19.3	17.3 14.2 42.7 25.1 20.2 -3.4	71.5 15.1 15.6 41.4 26.3 31.4 -2.4 35.7 -3.7 17.0 5.5 9.1 -3.6 11.5	87.0 25.4 31.3 32.4 8.5 7.7 -2.7 11.4 1.0 34.3 18.2 13.7 4.6 16.1	6.5 12.4 8.9 4.2 9.1 7.8 -5.8 12.5 12.9 5.1 5 -4.0 6.1 8.2	5.1 9.1 3.3 5.2 6.6 7.0 -5.3 11.2 5.5 1.3 2.1 -2.6 10.9	4.9 7.7 3.6 5.0 6.8 10.9 -3.8 15.7 -3.8 4.5 4.1 11.2 -7.1 4.8	5.9 13.0 7.2 3.8 2.1 2.5 -4.3 4.7 1.0 9.2 14.2 16.7 9.9 6.6
Addendum: Final sales of domestic product	8,976.3	96.9	72.7	97.9	120.5	4.6	3.4	4.5	5.6

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates usually are not additive. Chained (1996) dollar levels and residuals, which measure the extent of nonadditivity in each table, are shown in NIPA tables 1.2, 1.4, and 1.6. Percent changes are calculated from unrounded data. Percent changes in major aggregates are shown in NIPA table S.1. (See "Selected NIPA Tables," which begin on page D-2 of this issue.)

spending, to State and local government spending, to exports of goods, and to private nonfarm inventory investment; these revisions were partly offset by a downward revision to Federal Government spending. Real final sales of domestic product and real gross domestic purchases were each revised up less than GDP. (The sources of the revisions are discussed in the section "Revisions.")



Quarterly estimates in the NIPA's are expressed at seasonally adjusted annual rates. Quarter-to-quarter dollar changes are the differences between the published estimates. Quarter-to-quarter percent changes are annualized and are calculated from unrounded data unless otherwise specified.

The 6.9-percent increase in the fourth quarter was the largest increase in 3 1/2 years and was well above the 3.6-percent average annual growth rate for real GDP over the current expansion, which began in the second quarter of 1991.

The picture of the economy in the fourth quarter presented by the preliminary estimates differs somewhat from that presented by the advance estimates. The preliminary estimates showed the following:

- Real GDP growth accelerated in the fourth quarter. The acceleration was primarily accounted for by accelerations in government spending and in consumer spending and by a deceleration in imports of goods. These changes were partly offset by decelerations in private nonresidential fixed investment and in exports of goods.
- Real final sales of domestic product accelerated about the same as real GDP, as private inventory investment—which is not included in final sales of domestic product—increased sharply in both quarters.² Growth in real final sales of domestic product was more than 1 percentage point lower than growth real GDP in both quarters.

Table 2.—Contributions to Percent Change in Real Gross
Domestic Product

[Seasonally adjusted at annual rates]

		199	99	
	ı	II	III	IV
Percent change at annual rate:				
Gross domestic product	3.7	1.9	5.7	6.9
Percentage points at annual rates:				
Personal consumption expenditures	4.27	3.36	3.33	4.03
Durable goods	.96	.71	.62	1.02
Nondurable goods	1.68	.64	.73	1.44
Services	1.63	2.01	1.97	1.57
Gross private domestic investment	.67	36	2.25	1.72
Fixed investment	1.48	1.10	1.16	.39
Nonresidential	.94	.86	1.33	.34
Structures	18	16	11	12
Equipment and software	1.12	1.02	1.44	.46
Residential	.53	.24	17	.05
Change in private inventories	80	-1.46	1.09	1.33
Net exports of goods and services	-2.13	-1.35	72	43
Exports	61	.42	1.19	.93
Goods	74	.32	1.19	.79
Services	.13	.10	0	.15
Imports	-1.52	-1.77	-1.91	-1.37
Goods	-1.28	-1.59	-1.83	-1.07
Services	24	19	08	30
Government consumption expenditures and		,	.00	
gross investment	.87	.23	.81	1.61
Federal	03	.13	.26	.84
National defense	16	10	.42	.63
Nondefense	.13	.23	16	.21
State and local	.90	.10	.55	.76

NOTE More detailed contributions to percent change in real gross domestic product are shown in NIPA table 8.2. Contributions to percent change in major components of real gross domestic product are shown in tables 8.3 through 8.6.

- Real gross domestic purchases accelerated less than real GDP in the fourth quarter.³
- The largest contributors to the fourth-quarter increase in real GDP were consumer spending, government spending, and private inventory investment (table 2 and chart 1). The increase in GDP was moderated by an increase in imports.

The price index for gross domestic purchases increased 2.3 percent in the fourth quarter after increasing 1.7 percent in the third (table 3). The step-up was accounted for by an acceleration in prices of personal consumption expenditures (PCE) other than food and energy and by a smaller decrease in prices of private nonresidential investment in equipment and software; in contrast, prices of PCE energy goods and services and of private residential investment decelerated. The price index for gross domestic purchases excluding food and energy—food and energy prices are usually more volatile than many other prices—increased 1.9 percent after increasing 1.2 percent.

GDP prices increased 2.0 percent in the fourth quarter after increasing 1.1 percent in the third.

Real disposable personal income (DPI) increased 4.5 percent in the fourth quarter after increasing

Table 3.—Percent Changes in Prices

[Annual rates; based on seasonally adjusted index numbers (1996=100)]

	1999				
	ı	II	III	IV	
Gross domestic product	2.0	1.3	1.1	2.0	
Less: Exports of goods and services	5 -3.0	.7 5.2	1.3 6.2	2.6 4.6	
Equals: Gross domestic purchases	1.6	1.9	1.7	2.3	
Less: Change in private inventories					
Equals: Final sales to domestic purchasers	1.7	2.0	1.8	2.3	
Personal consumption expenditures Food Energy goods and services ¹ Other personal consumption expenditures	1.4 2.5 -2.5 1.4	2.2 1.2 26.9 1.3	1.8 2.1 14.2 1.2	2.5 2.3 11.9 2.0	
Private nonresidential fixed investment	9 1.3 -1.6	-1.4 2.2 -2.5	-1.3 3.4 -2.7	.1 3.6 9	
Private residential investment	4.0	3.6	4.1	2.8	
Government consumption expenditures and gross investment Federal National defense Nondefense State and local	3.8 8.6 7.6 10.4 1.4	2.9 .9 1.0 .7 4.0	3.3 1.8 1.8 1.8 4.2	3.2 2.8 2.6 3.2 3.4	
Addendum: Gross domestic purchases less food and energy	1.7	1.2	1.2	1.9	

Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.
 NOTE Percent changes in major aggregates are shown in NIPA table 8.1. Index numbers are shown in tables 7.1, 7.2, and 7.4.

Final sales of domestic product is calculated as GDP less change in private inventories.

^{3.} Gross domestic purchases—a measure of purchases by U.S. residents regardless of where the purchased goods and services were produced—is calculated as the sum of personal consumption expenditures, gross private domestic investment, and government consumption expenditures and gross investment.

2.9 percent in the third. The personal saving rate—personal saving as a percentage of current-dollar DPI—continued its downtrend, decreasing to 1.8 percent from 2.1 percent in the third quarter; the fourth-quarter rate is the lowest since 1959, the first year for which quarterly estimates are currently available.

Personal consumption expenditures

Real personal consumption expenditures (PCE) increased 5.9 percent in the fourth quarter after increasing 4.9 percent in the third (table 4 and chart 2). For eight consecutive quarters, the increases have exceeded the 3.8-percent average annual growth rate for PCE over the current expansion. The fourth-quarter step-up was accounted for by accelerations in expenditures for both non-durable and durable goods. Expenditures for services increased less than in the third quarter.

The step-up in PCE was consistent with movements in some of the factors considered in analyses of PCE (chart 3). As previously mentioned, real DPI increased more in the fourth quarter than in the third; the Index for Consumer Sentiment (prepared by the University of Michigan's Survey Research Center as a measure of consumer attitudes and expectations) remained high; and the unemployment rate decreased to 4.1 percent, the lowest quarterly rate in 30 years.

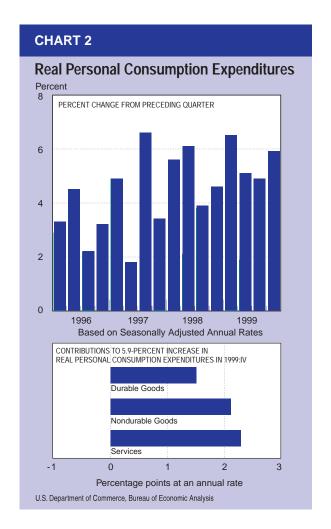


Table 4.—Real Personal Consumption Expenditures

[Seasonally adjusted at annual rates]

	В	Billions of c	hained (19	96) dollars	5	Percent change from preceding quarter			
	Level	Change from preceding quarter				1999			
	1999		199	99			199	19	
	IV	I	II	III	IV	I	II	III	IV
Personal consumption expenditures	6,120.3	92.6	73.4	71.5	87.0	6.5	5.1	4.9	5.9
Durable goods Motor vehicles and parts Of which: New autos New light trucks Furniture and household equipment Other	846.6 325.8 108.5 89.1 359.2 164.1	22.8 3.0 1.6 9 14.1 6.4	17.3 6.8 5.6 1.3 8.8 1.8	15.1 2.4 8 2.3 10.5 2.9	25.4 6.2 7.1 .2 13.2 6.5	12.4 3.9 6.5 -4.0 19.3 18.5	9.1 9.2 25.5 6.0 11.3 4.8	7.7 3.0 -3.2 11.0 13.0 8.0	13.0 8.0 31.0 1.2 16.3 17.3
Nondurable goods Food Clothing and shoes Gasoline, fuel oil, and other energy goods Other	1,810.6 873.2 318.0 144.9 473.9	36.9 4.1 19.1 1.0 13.2	14.2 5.1 2.1 1.0 6.0	15.6 5.4 4.8 .6 4.9	31.3 23.2 -3.6 .4 10.4	8.9 2.0 28.4 2.8 12.6	3.3 2.4 2.7 2.8 5.4	3.6 2.6 6.2 1.8 4.3	7.2 11.4 -4.5 1.0 9.3
Services Housing Household operation Electricity and gas Other household operation Transportation Medical care Recreation Other	3,473.0 834.2 361.4 130.6 230.5 243.9 889.5 237.1 907.2	34.5 6.4 8.6 5.4 3.2 1.6 3.4 5.6 9.1	42.7 4.7 4.8 1.1 3.6 2.2 6.4 6.6 18.1	41.4 5.4 5.6 3.2 2.5 2.5 8.9 7.4 11.8	32.4 5.7 -3.0 -4.8 1.6 1.5 8.6 4.7 14.6	4.2 3.2 10.3 18.5 6.0 2.8 1.6 10.9 4.3	5.2 2.3 5.6 3.5 6.7 3.6 3.0 12.7 8.7	5.0 2.7 6.4 9.9 4.4 4.2 4.2 13.8 5.5	3.8 2.7 -3.2 -13.4 3.0 2.5 4.0 8.3 6.7

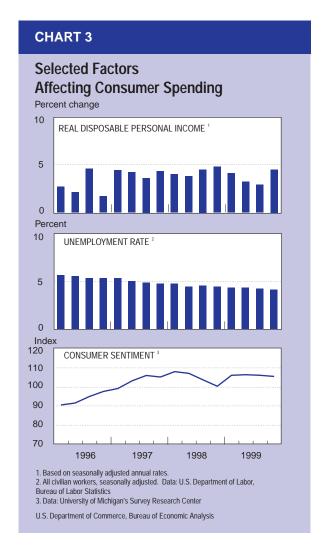
Expenditures for nondurable goods increased 7.2 percent after increasing 3.6 percent. The step-up was more than accounted for by an acceleration in food, but "other" nondurable goods also contributed. Gasoline and oil increased about the same in each quarter, fuel oil and coal decreased slightly more in the fourth quarter than in the third, and clothing and shoes decreased after increasing.

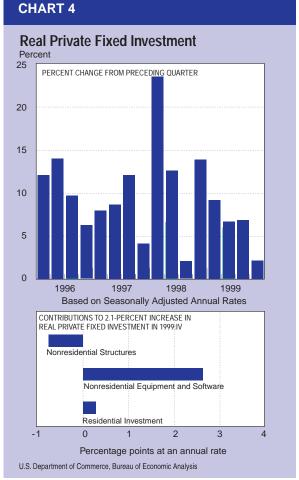
Expenditures for durable goods increased 13.0 percent after increasing 7.7 percent. The acceleration was widespread. An acceleration in motor vehicles and parts was more than accounted for by an upturn in new autos. An acceleration in "other" durable goods was largely accounted for by wheel goods and sporting equipment, which increased after no change.⁵ An acceleration in furniture and

household equipment was accounted for by furniture and equipment other than computers and software; computers and software increased less than in the third quarter.

Expenditures for services increased 3.8 percent after increasing 5.0 percent. The slowdown was primarily accounted for by a downturn in household operation, which was mostly accounted for by electricity and gas. Recreation decelerated, reflecting a downturn in motion picture admissions and a slowdown in casino gambling. Transportation also decelerated, reflecting a downturn in motor-vehicle leasing. Medical care and housing services both increased about the same in each quarter. "Other" services increased more than in the third quarter, primarily reflecting an upturn in brokerage and investment counseling. 6

[&]quot;Other" services includes personal care, personal business, net foreign travel, education and research, and religious and welfare activities.





^{4. &}quot;Other" nondurable goods includes tobacco, toilet articles, drug preparations and sundries, stationery and writing supplies, toys, film, flowers, cleaning preparations and paper products, semidurable house furnishings, and magazines and newspapers.

[&]quot;Other" durable goods includes jewelry and watches, ophthalmic products and orthopedic equipment, books and maps, bicycles and motorcycles, guns and sporting equipment, photographic equipment, boats, and pleasure aircraft.

Private fixed investment

Real private fixed investment increased 2.1 percent in the fourth quarter after increasing 6.8 percent in the third (chart 4). A deceleration in nonresidential fixed investment more than offset an upturn in residential investment.

Nonresidential fixed investment.—Real private nonresidential fixed investment increased 2.5 percent in the fourth quarter after jumping 10.9 percent in the third (table 5). Equipment and software decelerated sharply, and structures decreased more than in the third quarter.

Over the past four quarters, nonresidential fixed investment increased 7.0 percent, somewhat less than the 8.3-percent average increase over the current expansion. Some of the factors that affect investment spending showed strength over the past four quarters (chart 5). Over that period, real final sales of domestic product increased 4.5 percent, and over the first three quarters of 1999, domestic corporate profits increased at an average annual rate of 6.4 percent (estimates of profits for the fourth quarter are not yet available). In contrast, the capacity utilization rate was 81.0 percent in the fourth quarter of 1999, unchanged from a year ago, and long-term interest rates increased; for example, the yield on high-grade corporate bonds increased to 7.47 percent from 6.25 percent.

Investment in equipment and software increased 4.7 percent after jumping 15.7 percent. slowdown was accounted for by a downturn in transportation equipment—reflecting downturns in trucks, buses, and trailers and in autos and by a deceleration in information processing equipment and software. Industrial equipment increased more than in the third quarter, and "other" equipment decreased less. The deceleration in information processing equipment was largely accounted for by a slowdown in computers and peripheral equipment, but communication equipment and software also slowed.

Investment in nonresidential structures decreased 4.3 percent after decreasing 3.8 percent. The larger fourth-quarter decrease was accounted for by downturns in mining exploration, shafts, and wells and in utilities. Nonresidential buildings and "other structures" decreased less than in the third quarter.8

Residential investment.—Real private residential investment increased 1.0 percent in the fourth quarter after decreasing 3.8 percent in the third (table 5). The upturn was more than accounted for by single-family structures, which increased after

Table 5.—Real Private Fixed Investment

[Seasonally adjusted at annual rates]

	В	sillions of c	hained (19	96) dollar:	S	Percent change from preceding quarter			
	Level	Chanç	ge from pre	eceding qu	uarter	1999			
	1999 1999				<u> </u>	195	799		
	IV	ı	II III IV		IV	I	II	III	IV
Private fixed investment	1,615.8	33.4	25.1	26.3	8.5	9.1	6.6	6.8	2.1
Nonresidential Structures Nonresidential buildings, including farm Utilities Mining exploration, shafts, and wells Other structures	1,242.0 243.4 176.5 37.4 23.5 6.2	21.9 -3.8 8 6 -2.0 2	20.2 -3.4 -5.4 1 1.0 1.1	31.4 -2.4 -4.0 .5 1.7 8	7.7 -2.7 7 -1.1 8 1	7.8 -5.8 -1.8 -5.7 -30.1 -12.3	7.0 -5.3 -11.1 -1.5 19.5 100.1	10.9 -3.8 -8.4 5.3 35.6 -38.2	2.5 -4.3 -1.7 -10.5 -13.2 -5.5
Equipment and software Information processing equipment and software Computers and peripheral equipment ¹ Software ² Other Industrial equipment Transportation equipment Of which: Motor vehicles Other Other	1,008.0 538.5 242.0 155.5 177.6 154.7 200.6 162.8 129.4	27.2 21.9 15.1 3.8 6.9 -3.9 5.0 2.2 6.0	25.2 30.6 19.5 5.4 10.6 1.6 .8 3.7 -3.7	35.7 25.0 20.6 5.0 6.3 3.4 12.4 14.0 -3.2	11.4 12.5 8.5 3.5 2.9 4.7 -3.4 -7.2 7	12.5 21.0 38.6 11.7 19.6 -9.9 11.2 6.0 18.7	11.2 28.6 46.9 16.1 29.9 4.3 1.6 10.3 -10.2	15.7 21.6 44.5 14.3 15.7 9.8 28.7 41.0 -8.7	4.7 9.8 15.5 9.4 6.9 12.9 -6.5 -15.9
Residential Single-family structures Multifamily structures Other ³	376.1 195.9 22.8 157.4	11.1 6.5 2.2 2.3	5.1 0 4 5.6	-3.7 -4.1 0 .5	1.0 4.2 1 -3.3	12.9 14.4 48.7 6.1	5.5 1 -6.5 15.4	-3.8 -8.0 8 1.2	1.0 9.1 8 -7.9

^{7. &}quot;Other" equipment includes construction and agricultural machinery, mining and oilfield machinery, electrical equipment not included in other categories, furniture and fixtures, and service-industry machinery.

^{8. &}quot;Other" structures includes streets, dams and reservoirs, sewer and water facilities, parks, airfields, brokerage commissions on the sale of structures, and net purchases of used structures.

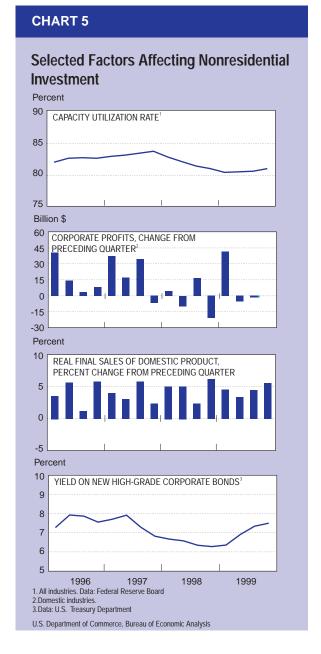
Includes new computers and peripheral equipment only.
 Excludes software "embedded," or bundled, in computers and other equipment.
 "Other" residential investment includes home improvements, new manufactured home sales, brokers' commissions on home sales, residential equipment, net purchases of used structures, and other residential structures (which consists primarily of dormitories and of fraternity and soror-

NOTE.—See note to table 1 for an explanation of chained (1996) dollar series. Chained (1996) dollar levels and residuals are shown in NIPA tables 5.5 and 8.9B (motor vehicles). Percent changes in major aggregates are shown in NIPA table S.1.

decreasing. Multifamily structures changed little in each quarter, and "other" residential investment turned down.⁹

Investment in single-family structures increased 9.1 percent after decreasing 8.0 percent. Multifamily structures decreased 0.8 percent in each quarter. "Other" residential investment decreased 7.9 percent after increasing 1.2 percent; a downturn in brokers' commissions—which largely reflected a larger decrease in sales of existing homes in the fourth quarter than in the third—more than offset an acceleration in home improvements.

^{9. &}quot;Other" residential investment includes home improvements, new manufactured home sales, brokers' commissions on home sales, net purchases of used structures, residential equipment, and other residential structures (which consists primarily of dormitories and of fraternity and sorority houses).

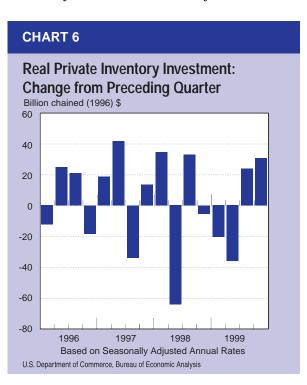


Inventory investment

Real inventory investment—that is, the change in private inventories—increased \$30.7 billion in the fourth quarter, as inventory accumulation stepped up to \$68.7 billion from \$38.0 billion; inventory investment had increased \$24.0 billion in the third quarter (table 6 and chart 6). The fourth-quarter increase in inventory investment was largely accounted for by retail trade.

Retail inventories increased \$42.1 billion after increasing \$14.1 billion. Inventories of durable-goods retailers increased \$28.1 billion after increasing \$11.8 billion; the step-up reflected both inventories of nonmotor-vehicle-durable-goods retailers, which increased \$13.6 billion after increasing \$2.5 billion, and inventories of motor vehicle dealers, which increased \$14.4 billion after increasing \$9.3 billion. Inventories of nondurable-goods retailers increased \$14.3 billion after increasing \$2.5 billion; about half of the step-up reflected an upturn in the inventories of apparel stores.

Manufacturing inventories increased \$10.2 billion after increasing \$1.7 billion. The step-up was largely accounted for by inventories of nondurable-goods manufacturers, which increased \$6.3 billion after no change. Chemical inventories increased after decreasing, and food inventories increased after little change. Inventories of durable-goods manufacturers increased \$3.8 billion after increasing \$1.8 billion. Inventories of electronic machinery increased substantially more than in



the third quarter, and a number of other durablegoods industries recorded smaller step-ups or upturns; in contrast, inventories of transportation equipment other than motor vehicles decreased more than in the third quarter, reflecting a step-up in the liquidation of aircraft inventories.

"Other" nonfarm inventories increased \$3.9 billion after little change. ¹⁰ Inventories of durable goods turned up, and inventories of nondurable goods accelerated.

Wholesale trade inventories increased \$16.7 billion after increasing \$25.1 billion. Inventories of nondurable goods turned down, more than offsetting an acceleration in inventories of durable goods.

Farm inventories decreased \$6.4 billion after decreasing \$3.8 billion. Crop inventories decreased more than in the third quarter, and livestock inventories decreased about the same as in the third quarter.

In the fourth quarter, the ratio of real nonfarm inventories to real final sales of domestic businesses

Table 6.—Real Change in Private Inventories

[Billions of chained (1996) dollars, seasonally adjusted at annual rates]

	Level					Change from preceding quarter			
	1998 1999				1999				
	IV	I	II	III	IV	I	II	III	IV
Change in private inventories	70.7	50.1	14.0	38.0	68.7	-20.6	-36.1	24.0	30.7
Farm	12.8	7.4	.9	-3.8	-6.4	-5.4	-6.5	-4.7	-2.6
Nonfarm Manufacturing Durable goods Nondurable goods Wholesale trade Durable goods Nondurable goods Retail trade Durable goods Retail trade Durable goods Of which: Motor vehicle dealers Nondurable goods Other Durable goods Other Durable goods Nondurable goods	58.2 12.0 6.8 5.3 17.2 15.5 16.0 7.6 -3 13.6 1.0	43.1 0 1.8 -1.8 9.5 11.8 -2.4 17.5 9.5 3.1 8.0 15.7 14.0	13.1 -8.3 -6.6 -1.7 11.1 11.0 .1 5.9 4.0 0 1.9 4.1 -2.0 6.3	41.2 1.7 1.8 0 25.1 11.1 14.0 14.1 11.8 9.3 2.5 .1 -1.0	74.0 10.2 3.8 6.3 16.7 19.3 -2.3 42.1 28.1 14.4 14.3 3.9 1.1 2.8	-15.1 -12.0 -5.0 -7.1 -7.7 -3.7 -3.8 2.0 -6.5 -4.5 8.3 2.1 .7	-30.0 -8.3 -8.4 1.1 1.6 8 2.5 -11.6 -5.5 -3.1 -6.1 -11.6 -3.7 -7.7	28.1 10.0 8.4 1.7 14.0 .1 13.9 8.2 7.8 9.3 .6 -4.0 1.0 -5.2	32.8 8.5 2.0 6.3 -8.4 8.2 -16.3 28.0 16.3 5.1 11.8 3.8 2.1
Addenda: Motor vehicles Autos Trucks	16.6 12.9 3.9	6.4 1.7 4.5	2.5 -7.9 9.2	13.3 3.3 9.4	18.1 7.7 9.9	-10.2 -11.2 .6	-3.9 -9.6 4.7	10.8 11.2 .2	4.8 4.4 .5

NOTE.—See note to table 1 for an explanation of chained (1996) dollar series. Chained (1996) dollar levels and residuals are shownin NIPA tables 5.11 and 8.9B (motor vehicles).

Table 7.—Real Exports and Imports of Goods and Services

[Seasonally adjusted at annual rates]

	В	sillions of c	chained (19	996) dollars	5	Percent change from preceding guarter			
	Level	Chan	ge from pr	eceding qu	ıarter				
	1999		199	99		1999			
	IV	I	II	III	IV	I	II	III	IV
Exports of goods and services Exports of goods 1	1,077.0 782.6	- 14.4 -17.8	10.0 7.7	28.4 29.2	22.2 19.3	- 5.5 -9.3	4.0 4.3	11.5 16.9	8.7 10.5
Foods, feeds, and beverages Industrial supplies and materials	58.7 161.9	-17.6 -4.9 -5.2	3.2 3.0	3.0 2.6	4 9.2	-9.3 -29.6 -13.1	25.9 8.5	23.3	-2.6 26.4
Capital goods, except automotive Automotive vehicles, engines, and parts	356.2 75.2	-7.6 -3.4	-1.2 3.5	23.7	4.1	-8.7 -17.1	-1.5 21.3	32.1 4.3	4.7 2.2
Consumer goods, except automotiveOther	83.1 48.0	.5 2.0	4 1	1.4 -1.5	2.8 2.7	2.8 19.2	-2.3 6	7.4 -12.2	15.1 26.1
Exports of services ¹	295.4	2.9	2.3	0	3.2	4.1	3.2	0	4.5
Imports of goods and services Imports of goods 1 Foods, feeds, and beverages	1,426.7 1,215.6 47.6	37.8 32.3	44.5 40.5 2.3	47.6 46.4 1.2	33.7 26.7	12.5 12.6 9.0	14.4 15.5 22.9	14.9 17.3 10.7	10.0 9.3 2.9
Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Petroleum and products Capital goods, except automotive	163.9 76.9 406.7	0 1.4 7.9	3.4 4.7 23.0	4.5 -2.6 19.5	4.9 -5.8 16.7	7.1 7.1 9.6	9.3 25.5 29.2	12.1 -11.6 22.8	12.8 -25.1 18.3
Automotive vehicles, engines, and parts	184.5 263.2	9.7 8.4	3.0 5.1	10.7 10.8	.4 11.6	26.5 15.7	7.1 8.9	27.1 19.2	.8 19.8
Other Imports of services ¹	75.2 212.3	2.6 5.6	1.5 4.3	2.1 1.8	.9 6.8	16.5 11.9	8.4 8.9	12.7 3.6	4.7 13.9

^{1.} Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services.

^{10. &}quot;Other" nonfarm inventories includes inventories held by the following industries: Mining; construction; public utilities; transportation; communication; finance, insurance, and real estate; and services.

was 2.09, the same as in the third quarter; over the current expansion, the ratio has fluctuated in the range of 2.07 to 2.17. The inventory-sales ratio that includes only final sales of goods and structures decreased from 3.71 to 3.70, its lowest level in more than 30 years. ¹¹

Exports and imports

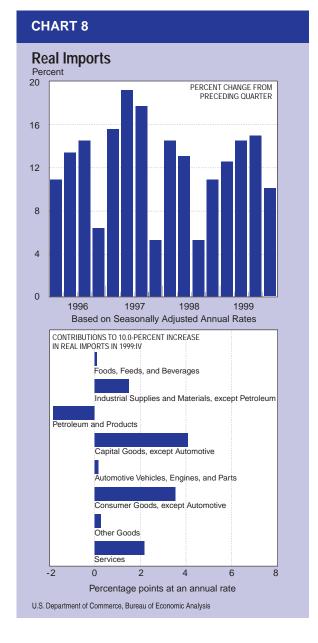
Real exports of goods and services increased 8.7 percent in the fourth quarter after jumping 11.5 percent in the third; exports of goods decelerated,

11. Use of the ratio that includes all final sales of domestic businesses in the denominator implies that the use of inventories in the production of services is similar to the use of inventories in the production of goods and structures. In contrast, use of the "goods and structures" ratio implies that the production of services does not use inventories. Because business final sales of services are large relative to final sales of goods and structures, the levels of the two ratios differ substantially. However, quarter-to-quarter changes is the two ratios tend to be similar.

CHART 7 Real Exports Percent PERCENT CHANGE FROM PRECEDING QUARTER 25 20 15 10 0 -5 -10 1996 1997 1998 1999 Based on Seasonally Adjusted Annual Rates CONTRIBUTIONS TO 8.7-PERCENT INCREASE IN REAL EXPORTS IN 1999:IV Foods, Feeds, and Beverages Industrial Supplies and Materials Capital Goods, except Automotive Automotive Vehicles, Engines, and Parts Consumer Goods, except Automotive Other Goods Services 0 2 3 4 Percentage points at an annual rate U.S. Department of Commerce, Bureau of Economic Analysis

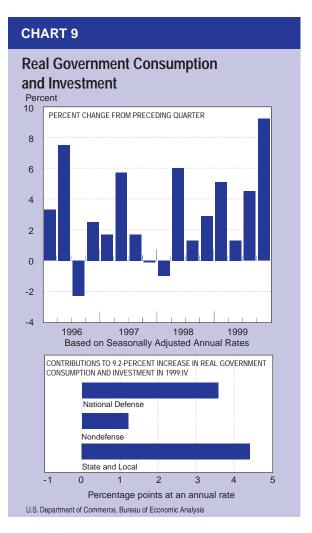
and exports of services accelerated (table 7). Real imports of goods and services increased 10.0 percent after jumping 14.9 percent; imports of goods decelerated, and imports of services accelerated.

Real exports of goods increased 10.5 percent after jumping 16.9 percent (chart 7). Most of the slow-down was attributable to a sharp deceleration in nonautomotive capital goods, primarily reflecting downturns in computers, peripherals, and parts and in telecommunication equipment and reflecting decelerations in semiconductors and in civilian aircraft, engines, and parts; however, a downturn in food, feeds, and beverages also contributed to the slowdown. Exports of industrial supplies and materials and of nonautomotive consumer goods accelerated.



Exports of services increased 4.5 percent after no change. Exports of travel turned up, and exports of "other private services" accelerated. 12

12. Exports of other private services includes education, financial, telecommunications, insurance, and business, professional, and technical.



Real imports of goods increased 9.3 percent after jumping 17.3 percent (chart 8). The slowdown reflected slowdowns in imports of automotive vehicles, engines, and parts and in computers, peripherals, and parts; a downturn in imports of civilian aircraft, engine, and parts; and a larger decrease in the imports of petroleum and products.

Imports of services jumped 13.9 percent after increasing 3.6 percent. Imports of travel and of royalties and license fees turned up, and imports of passenger fares and of "other private services" accelerated. ¹³

Government spending

Real government consumption expenditures and gross investment increased 9.2 percent in the fourth quarter after increasing 4.5 percent in the third (table 8 and chart 9). Spending by both the Federal Government and State and local governments increased more in the fourth quarter than in the third.

Federal defense spending jumped 16.7 percent after increasing 11.2 percent. Investment spending increased after little change; equipment and software stepped up, and structures changed little after decreasing slightly. Consumption spending increased more in the fourth quarter than in the third; the acceleration was more than accounted for by a step-up in services other than compensation of employees.

Federal nondefense spending increased 9.9 percent after decreasing 7.1 percent. Consumption expenditures increased after decreasing, largely reflecting an upturn in services. Investment spend-

Table 8.—Real Government Consumption Expenditures and Gross Investment

[Seasonally adjusted at annual rates]

	Е	Billions of o	chained (19	996) dollar	s	Percent change from preceding quarter			
	Level	el Change from preceding quarter					1999		
	1999	1999							
	IV	I	II	III	IV	,			IV
Government consumption expenditures and gross investment ¹	1,570.8	18.7	4.9	17.0	34.3	5.1	1.3	4.5	9.2
Federal National defense Consumption expenditures Gross investment Nondefense Consumption expenditures Gross investment	557.9 362.0 305.0 57.3 195.9 152.0 44.5	6 -3.5 -4.1 .7 2.8 1.7 1.3	2.8 -2.2 -4.6 2.5 5.0 1.3 3.8	5.5 9.1 9.1 1 -3.6 -2.3 -1.3	18.2 13.7 11.0 2.8 4.6 2.2 2.6	5 -4.0 -5.4 5.2 6.1 4.4 13.9	2.1 -2.6 -6.2 20.7 10.9 3.6 45.6	4.1 11.2 13.4 8 -7.1 -5.8 -12.0	14.2 16.7 15.7 22.9 9.9 5.8 26.9
State and local Consumption expenditures Gross investment	1,012.7 811.9 201.1	19.3 6.7 12.8	2.2 6.9 –4.9	11.5 7.6 3.9	16.1 7.0 9.4	8.2 3.4 31.6	.9 3.5 –9.7	4.8 3.9 8.6	6.6 3.5 21.1

Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditure.

^{13.} Imports of other private services includes education, financial, telecommunications, insurance, and business, professional, and technical.

NOTE.—See note to table 1 for an explanation of chained (1996) dollar series. Chained (1996) dollar levels and residuals are shown in NIPA table 3.8. Percent changes in major aggregates are shown in NIPA table S.1.

ing also increased after decreasing, reflecting an upturn in equipment and software.

State and local government spending increased 6.6 percent after increasing 4.8 percent. The stepup was more than accounted for by an acceleration in investment spending, which reflected an acceleration in spending for structures, largely for highways. Consumption expenditures increased slightly less than in the third quarter.

Table 9.—Revisions to Change in Real Gross Domestic Product and Prices, Fourth Quarter 1999

[Seasonally adjusted at annual rates]

	from pr	change eceding arter		ary estimate ance estima	
	Advance Prelimi-		Change in real GDP		Contri- bution to percent change
	Advance estimate nary estimate	Percent- age points	Billions of chained (1996) dollars	in real GDP Percentage points	
Gross domestic product	5.8	6.9 1.1 24.0		24.0	
Less: Exports of goods and services	7.6	10.5	1.8 2.9 6	4.6 5.2 5	.19 .22 02
Plus: Imports of goods and services Goods	10.6 9.9 14.3	10.0 9.3 13.9	6 6 4	-1.9 -1.8 1	.07 .06 .00
Equals: Gross domestic purchases	6.3	7.2	.9	18.1	
Less: Change in private inventories Farm Nonfarm				3.3 .8 2.6	.15 .03 .12
Equals: Final sales to domestic purchasers	5.2	5.8	.6	14.6	
Personal consumption expenditures Durable goods Nondurable goods Services	5.3 11.8 6.1 3.5	5.9 13.0 7.2 3.8	.6 1.2 1.1 .3	9.1 2.1 4.7 2.4	.44 .09 .22 .14
Fixed investment Nonresidential Structures Equipment and software Residential	1.5 2.5 -5.3 4.9 -1.2	2.1 2.5 -4.3 4.7 1.0	.6 0 1.0 2 2.2	2.3 .1 .6 7 2.1	.11 .01 .03 02 .10
Government consumption expenditures and gross investment Federal National defense Nondefense State and local	8.4 16.0 18.9 11.0 4.4	9.2 14.2 16.7 9.9 6.6	.8 -1.8 -2.2 -1.1 2.2	3.1 -2.2 -1.7 5 5.2	.16 10 07 03
Addenda: Final sales of domestic product Gross domestic purchases price index GDP price index	4.6 2.3 2.0	5.6 2.3 2.0	1.0 0 0	20.4	

NOTE.—The preliminary estimates for the fourth quarter of 1999 incorporate the following revised or additional major source data that were not available when the advance estimates were prepared.

Personal consumption expenditures: Retail sales for November and December (revised), consumers' share of new-car purchases

and November (revised) and December.

Wages and salaries: Employment, average hourly earnings, and average weekly hours for November and December (revised). GDP prices: Detailed merchandise export and import price indexes for October through December (revised), unit-value index for petroleum imports for November (revised) and December, housing prices for the fourth quarter, and consumer price indexes (revised to incorporate new seasonal adjustment factors).

Revisions

The preliminary estimate of a 6.9-percent increase in real GDP in the fourth quarter is 1.1 percentage points higher than the advance estimate (table 9); for 1978–99, the average revision, without regard to sign, from the advance estimate to the preliminary estimate was 0.5 percentage point.

The upward revision to real GDP primarily reflected upward revisions to PCE, to State and local government spending, to exports of goods, and to private nonfarm inventory investment; these revisions were partly offset by a downward revision to Federal Government spending.

The upward revision to PCE was largely to nondurable goods and services. The upward revision to nondurable goods was primarily to food, which mainly reflected the incorporation of revised Census Bureau estimates of retail sales for November and December. The upward revision to services was primarily to recreational services, which mainly reflected the incorporation of newly available data on State government gambling revenues for November and December, and to brokerage and investment counseling, which mainly reflected the incorporation of newly available trade source data on mutual funds sales for December.

The upward revision to State and local government spending was primarily to investment in highways and reflected the incorporation of newly available Census Bureau estimates of construction-put-in-place for December.

The upward revision to exports of goods was mainly to "other capital goods, except automotive" and primarily reflected the incorporation of newly available Census Bureau estimates for December.

The upward revision to private nonfarm inventory investment was mainly to retail motor vehicles and primarily reflected the incorporation of newly available trade source data on auto inventories for December.

The downward revision to Federal Government spending was mainly to defense spending and primarily reflected the incorporation of newly available detailed data from the Monthly Treasury Statement for December and Department of Defense financial reports for the fourth quarter.

The preliminary estimates of the increases in the price indexes for gross domestic purchases (2.3 percent) and for GDP (2.0 percent) were the same as the advance estimates.

The preliminary estimate of the increase in real DPI was 4.5 percent and that of the increase in current-dollar DPI was 7.1 percent, both of which were 0.1 percentage point lower than the advance estimates.

for December, average unit value for domestic new autos for December (revised), and consumers' share of new-truck purchases for December.

for December.

Nonresidential fixed investment: Construction put-in-place for October and November (revised) and December, manufacturers' shipments of machinery and equipment for November (revised) and December, and exports and imports of machinery and equipment for November (revised) and December.

Residential fixed investment: Construction put-in-place for October and November (revised) and December.

Change in private inventories: Manufacturing, retail trade, and wholesale trade inventories for November (revised) and December and unit inventory data for autos for December.

Exports and imports of goods and services: Exports and imports of goods for November (revised) and December.

Government consumption expenditures and gross investment: Monthly Treasury Statement detailed data for December, Department of Defense detailed financial reports for the fourth quarter, and State and local government construction put-in-place for October and November (revised) and December.

Federal Personal Income Tax Liabilities and Payments, 1959–97

By Thae S. Park

This article presents estimates of Federal personal income tax liabilities and estimates of Federal personal income tax payments for 1959–97 (table 1). The estimates reflect the in-

Table 1.—Federal Personal Income Tax Liabilities and Payments, 1959–97
[Billions of dollars]

	Feder	al personal income	taxes	Disposable perso	nal income (DPI)
	Liabilities basis ¹	Payments basis ²	Difference	Alternative DPI with NIPA Federal personal income taxes on a liabilities basis	Published DPI with NIPA Federal personal income taxes on a payments basis ³
1959	39.0	38.5	0.5	350.7	351.2
1960	39.9	41.8	-1.9	368.1	366.2
1961	42.7	42.7	.0	382.3	382.4
1962	45.4	46.5	-1.1	406.8	405.6
1963	48.8	49.1	-3	426.2	425.8
1964	47.8	46.0	1.8	461.2	463.0
1965	50.2	51.1	9	499.8	498.9
1966	56.8	58.6	-1.8	540.9	539.1
1967	63.7	64.4	7	576.9	576.2
1968	77.5	76.4	1.1	625.1	626.2
1969	87.4	91.7	-4.3	679.3	675.0
1970	84.5	88.9	-4.4	740.9	736.5
	86.1	85.8	.3	801.4	801.7
	94.3	102.8	-8.5	877.0	868.6
	108.9	109.6	7	979.6	979.0
	124.4	126.5	-2.1	1,074.3	1,072.3
	117.3	120.7	-3.4	1,184.9	1,181.4
	142.8	141.2	1.6	1,298.3	1,299.9
	161.0	162.2	-1.2	1,437.1	1,436.0
	189.6	188.9	.7	1,614.1	1,614.8
	216.1	224.6	-8.5	1,816.8	1,808.2
1980	252.3	250.0	2.3	2,017.4	2,019.8
	286.7	290.6	-3.9	2,251.8	2,247.9
	280.2	295.0	-14.8	2,421.5	2,406.8
	277.8	286.2	-8.4	2,594.4	2,586.0
	306.7	301.4	5.3	2,882.3	2,887.6
	331.5	336.0	-4.5	3,091.0	3,086.5
	374.9	350.1	24.8	3,237.7	3,262.5
	378.7	392.5	-13.8	3,473.3	3,459.5
	422.0	402.9	19.1	3,733.3	3,752.4
	440.0	451.5	-11.5	4,027.7	4,016.3
1990 1991 1992 1993 1994 1995 1996	453.4 455.4 483.1 508.5 540.3 592.9 664.5 740.8	470.2 461.3 475.3 505.4 542.5 585.6 662.9 743.1	-16.8 -5.9 7.8 3.1 -2.2 7.3 1.6 -2.3	4,310.4 4,480.7 4,746.8 4,932.2 5,167.7 5,415.2 5,676.2 5,985.1	4,293.6 4,474.8 4,754.6 4,935.3 5,165.4 5,422.6 5,677.7 5,982.8

This series is derived by the Bureau of Economic Analysis and is based on data from Statistics of Income, Individual Income Tax Returns.

corporation of the results of the comprehensive revision of the national income and product accounts (NIPA's) that was released in October 1999 and newly available tax return data for 1997 from the Internal Revenue Service (IRS).²

The first section of the article discusses the payments series, the derivation and the use of the estimates of tax liabilities, and the sources of the differences between liabilities and payments. The second section discusses the sources of the differences for selected years, and the third section discusses the sources of the revisions to the estimates for 1959–96.

Payments and liabilities

In the NIPA's, Federal personal income tax payments consist of three components: Withheld income taxes; declarations and settlements, or "nonwithheld" taxes; and refunds.³

Federal Personal Income Tax Payments, 1995–97
[Billions of dollars]

	1995	1996	1997
Federal personal income taxes	585.6	662.9	743.1
	501.6	548.6	595.1
	169.9	203.6	241.8
	85.9	89.3	93.8

Withheld income taxes are those withheld at the source of the income, mainly on wage and salary income. Declarations are estimated tax payments,

liabilities for 1959–97 is available on request; for information, write to the Government Division (BE–57), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230.

^{1.} The estimates of Federal personal income tax liabilities for 1997 are new, and the estimates for 1959–96 are revised. The previously published estimates of Federal personal income tax liabilities for 1959–92 appeared in the August 1996 SURVEY OF CURRENT BUSINESS; those for 1993–94, in the December 1997 SURVEY; and those for 1995–96 in the December 1998 SURVEY. The quarterly series for

^{2.} This series is presented in NIPA table 3.2 in the section "BEA Current and Historical Data" of the SURVEY OF CURRENT BUSI-NESS. All the estimates are available on the BEA Web site at <www.bea.doc.gov> and on the STAT-USA Web site at <www.stat-

usa.gov».

3. This series is presented in NIPA table 2.1 in "BEA Current and Historical Data." See also the BEA Web site.

NIPA National income and product account

^{2.} For more information on the comprehensive revision, see Brent R. Moulton, Robert P. Parker, and Eugene Seskin, "A Preview of the 1999 Comprehensive Revision of the National Income and Product Accounts: Definitional and Classificational Changes," Survey 79 (August 1999): 11–12 and Eugene P. Seskin, "Improved Estimates of the National Income and Product Accounts for 1959–98: Results of the Comprehensive Revision," Survey 79 (December 1999): 15–43. For tax return data for 1997, see Internal Revenue Service, Statistics of Income Bulletin (Washington, DC: U.S. Government Printing Office, Fall 1999). For tax return data for prior years, see Statistics of Income—Individual Income Tax Returns.

^{3.} The estimates of these components are published annually in NIPA table 3.4, most recently on page 68 in the December 1999 SURVEY. Quarterly estimates of Federal personal income taxes are published monthly in NIPA table 3.2 in the section "BEA Current and Historical Data." Estimates for earlier periods are available on the BEA Web site at <www.bea.doc.gov> and on the STAT-USA Web site at <www.stat-usa.gov>.

mostly on income that is not subject to withholding, such as capital gains and self-employment income; settlements are additional taxes that are paid when tax returns are filed or as the result of audits. Refunds of excess payments are recorded as negatives in the payments series when the refunds are made.

For certain analyses, payments data may not be the most appropriate basis of measurement. For example, households may base their consumption decisions, especially about major purchases, on disposable income that is calculated net of expected tax liabilities rather than net of actual tax payments. As a result, liabilities may be the more appropriate basis for analyzing the impact of taxes on consumption.

BEA estimates of Federal personal income tax liabilities are derived primarily from the estimates of "total income tax" from the IRS's *Statistics of Income: Individual Income Tax Returns (SOI). SOI* estimates of total income tax are the sum of income tax after credits, including a portion of the earned income tax credit, and the alternative minimum tax. The *SOI* estimates are adjusted so that the coverage of the liabilities series is comparable with that of the NIPA payments series.⁴ The data for these adjustments are from *SOI* and related publications and from the *IRS Data Book*.

The *SOI* estimates are raised by the addition of recapture taxes from the recomputation of investment, low-income housing, and other tax credits for the prior year; assessment from audits, net of refunds on amended returns (Form 1040X); and fiduciary income taxes.

The *SOI* estimates are reduced by the portion of the earned income credit that is used to offset social security and penalty taxes and by income taxes paid by U.S. citizens living abroad for 1 year or more. In the NIPA's, these citizens are considered residents of foreign countries.

The following paragraphs identify the sources of differences between liabilities and payments, for income that is subject to withholding and income that is not subject to withholding.

Income subject to withholding.—In the Internal Revenue Code, three types of withholding are provided—mandatory, optional, and backup.

Mandatory withholding applies to most wages and salaries, military retirement pay, supplemental wages, and certain other incomes, such as gambling winnings. For wages and salaries, liabilities differ from payments for several reasons. The most important reason is that the withholding tables that are issued by the IRS and that are used by employers to calculate the amounts to be withheld on wages and salaries are based on two simplifying assumptions.

The first assumption is that taxpayers use the standard deduction in calculating their income tax liabilities. However, taxpayers who itemize their deductions may be overwithheld if they underestimate the number of additional withholding allowances that are necessary to offset the excess of their estimated itemized deductions over the standard deduction. The second assumption is that each taxpayer's wages are constant throughout the year, so overwithholding may result if wages vary widely within the year and are therefore subject to varying withholding rates. In addition, overwithholding may result from the use of withholding for "forced savings" or from the failure to estimate growth in itemized deductions.

Overwithholding may also result when withholding for certain payments is based on flat rates rather than on the withholding-table rates. For example, at the option of an employer, withholding may be based on a flat 28 percent for supplemental wages (such as bonuses, commissions, and overtime pay) and on a flat 20 percent for taxable fringe benefits (such as company cars provided to employees and free or discounted commercial flights). For certain gambling winnings of more than \$5,000, withholding must be at a flat 28 percent.

When tax laws change, changes to withholding tables may differ from changes to liabilities either by timing or by amounts. Tax law provisions are usually effective on January 1, but the withholding tables are sometimes updated later. The withholding tables are usually updated to reflect changes in the standard deduction, exemptions, and tax rates, but they are not updated to

^{4.} The NIPA estimates of personal income taxes are derived primarily from financial statements of the Federal Government. BEA begins with the combined income and social security taxes, which are collected together. First, a timing adjustment is made to the combined collections; and then the social security tax portion is subtracted based on a tabulation of employment tax returns from the Social Security Administration. Other adjustments are also made, such as the elimination of interest charges on late taxes and of taxes paid by residences of foreign countries.

^{5.} Employees must fill out "Employee's Withholding Allowance Certificate" (Form W–4) so that their employers can withhold Federal income tax from their pay. Employees determine the number of withholding allowances based on estimated itemized deductions, on estimated adjustments to gross income, on the number of personal and dependency exemptions, and on filing status. Employees may submit new Form W–4's at any time to change the number of withholding allowances. These options provide them with some discretion over the effective rates at which taxes are withheld from their incomes.

^{6.} For example, in August 1993, the Omnibus Budget Reconciliation Act of 1993 created two new tax brackets of 36 percent and 39.6 percent, which applied to all income in 1993, but the withholding tables reflecting these new rates were not available to employers until January 1994.

reflect changes in the provisions affecting itemized deductions or adjustments to gross income.

Differences between liabilities and payments may also arise when withholding is the tax-payer's option, as is the case for pensions and annuities; unemployment compensation; certain Federal Government payments, such as social security and tier 1 railroad retirement benefits; and sick pay from other than an employer.

Backup withholding applies to all types of non-wage income that are subject to information reporting. For example, backup withholding is required if the recipient fails to furnish an accurate taxpayer identification number to the payor or if the recipient lacks certification that the income is not subject to backup withholding (this withholding was initiated in 1984 as a compliance measure). The backup withholding system requires a payor to deduct and withhold income tax from reportable payments, such as interest or dividends, at a 31-percent rate, and it may result in overwithholding if the income is actually taxed at a lower rate.

The net result of all of these factors has been persistent overwithholding of taxes on income subject to withholding, despite an attempt to reduce overwithholding by redesigning the withholding tables in 1992.⁷

Income not subject to withholding.—For income that is not subject to withholding (such as selfemployment income, capital gains, taxable social security benefits, and most interest, dividends, and pensions and annuities), liabilities differ from payments for two reasons. First, the proportion of the current year's liabilities that must be paid in estimated taxes in order to avoid a penalty is less than 100 percent. Second, settlements and the last installment of quarterly estimated taxes are for liabilities that are incurred in 1 year but that are paid to the U.S. Treasury Department in the next year; refunds also are made in the year after the liabilities were incurred. (Settlements, quarterly estimated taxes, and refunds are recorded in the payments series in the calendar year in which they are received or paid by the U.S. Treasury Department.) As a result, net payments of nonwithheld taxes during a year may not reflect that year's income. Therefore, nonwithheld tax payments (declarations and settlements) tend to be less than liabilities.

As noted below, overwithholding on wage and salary income tends to offset much of this shortfall, and the net difference between total payments

and total liabilities is smaller than the difference that would be expected by an examination of either withheld income taxes or nonwithheld income taxes.

In addition to the timing differences between payments and liabilities, there are measurement errors that cannot be isolated from the timing-basis differences. These errors include sampling and nonsampling errors with the *SOI* sample data, reporting and processing errors with the financial statements for the Federal Government and with employment tax return tabulations from the Social Security Administration, and estimating errors in the NIPA payments series and in the coverage adjustments made to the *SOI* data to derive the liabilities series.

Differences between liabilities and payments

BEA estimates of Federal personal income tax liabilities and the NIPA estimates of Federal personal income tax payments are derived from different source data. The BEA estimates of Federal personal income tax liabilities are derived primarily from the *SOI* estimates of total income tax, and the NIPA estimates of Federal personal income tax payments are derived primarily from the *Monthly Treasury Statement of Receipts and Outlays of the United States Government.* The most notable differences—in 1972, 1982–83, and 1986–90—usually reflect changes in tax laws.

For 1972, tax payments exceeded tax liabilities by \$8.5 billion. The excess payments primarily resulted from increases in withholding rates that were designed to eliminate widespread underwithholding. The new withholding tables effective for wages paid after January 15, 1972, resulted in overwithholding for wage earners unless they claimed one or more additional withholding allowances to offset the higher rates. However, many wage earners did not claim the additional withholding allowances, so payments greatly exceeded liabilities.

For 1982, tax payments exceeded tax liabilities by \$14.8 billion, and for 1983, by \$8.4 billion. The excess payments resulted primarily from provisions of the Economic Recovery Tax Act of 1981. The most important provision of this act was a three-stage reduction in personal income tax rates: 5 percent in October 1981, 10 percent in July 1982, and 10 percent in July 1983. Tax payments were reduced, primarily through cuts in withholding rates that were effective in October 1981, in July 1982,

^{7.} However, much of this overwithholding may not represent overwithholding for total income taxes (that is, total payments in excess of total liabilities), because individuals may choose to withhold more from their wages in order to cover tax liabilities on income not subject to withholding.

^{8.} The higher withholding rates were designed to result in overwithholding for wage earners who elected to take the standard deduction; overwithholding was much larger for wage earners who itemized their expenses and deductions. Overwithholding was built into withholding tables until 1991. New withholding tables introduced in 1992 largely removed the built-in overwithholding.

and in July 1983. However, these cuts were less than the reduction in liabilities, resulting in substantial excess payments, especially for 1982 and 1983.

For 1986–88, the differences resulted primarily from provisions of the Tax Reform Act of 1986 (TRA). Most of the provisions of the TRA were effective on January 1, 1987, but a few were retroactive to January 1, 1986.

For 1986, tax liabilities exceeded tax payments by \$24.8 billion. This substantial difference reflected unusually the large taxable capital gains declared in that year; these gains increased from \$68.3 billion in 1985 to \$132.8 billion in 1986, when the preferential tax treatment of long-term capital gains was repealed by the TRA. Under the TRA, capital gains were taxed at the same rate as ordinary income, but in 1987, the top rate was limited to 28 percent. Previously, long-term capital gains were taxed at only 40 percent of the ordinary income tax rates, so the top rate was 20 percent. Thus, many taxpayers accelerated realizations of capital gains into the fourth quarter of 1986. Because capital gains

Table 2.—Revisions to Federal Personal Income Tax Liabilities and Payments, 1959–96

[Billions of dollars]

	Li	abilities bas	sis	Pa	yments bas	sis		Difference	
Year	Pre- viously published	Revised	Revision	Pre- viously published	Revised	Revision	Pre- viously published	Revised	Revision
1959 1960 1961 1962 1963 1964	39.1 39.9 42.7 45.3 48.7 47.7 50.2	39.0 39.9 42.7 45.4 48.8 47.8 50.2	-0.1 0 0 .1 .1 .1	38.4 41.7 42.6 46.4 49.0 45.8 50.9	38.5 41.8 42.7 46.5 49.1 46.0 51.1	0.1 .1 .1 .1 .1 .2	0.7 -1.8 .1 -1.1 3 1.9 7	0.5 -1.9 0 -1.1 3 1.8 9	-0.2 1 1 0 0 1 2
1966 1967 1968 1969	56.7 63.6 77.4 87.2	56.8 63.7 77.5 87.4	.1 .1 .1 .2	58.4 64.1 76.2 91.1	58.6 64.4 76.4 91.7	.2 .3 .2 .6	-1.7 5 1.2 -3.9	-1.8 7 1.1 -4.3	1 2 1 4
1970 1971 1972 1973 1974 1975 1976 1977 1978	84.3 85.9 94.2 108.8 124.5 117.3 142.8 161.0 189.6 216.1	84.5 86.1 94.3 108.9 124.4 117.3 142.8 161.0 189.6 216.1	.2 .2 .1 .1 1 0 0 0	88.5 85.3 102.3 109.1 126.0 120.4 140.8 161.8 188.4 224.0	88.9 85.8 102.8 109.6 126.5 120.7 141.2 162.2 188.9 224.6	.4 .5 .5 .5 .5 .3 .4 .4 .5	-4.2 .6 -8.1 -3 -1.5 -3.1 2.0 8 1.2 -7.9	-4.4 .3 -8.5 7 -2.1 -3.4 1.6 -1.2 .7 -8.5	2 3 4 6 3 4 5 6
1980	252.2 286.7 280.3 278.0 307.1 332.9 375.2 379.6 422.9 441.6	252.3 286.7 280.2 277.8 306.7 331.5 374.9 378.7 422.0 440.0	.1 0 1 2 4 -1.4 3 9 9	249.5 290.1 295.0 286.8 301.9 336.7 350.7 394.1 405.6 453.2	250.0 290.6 295.0 286.2 301.4 336.0 350.1 392.5 402.9 451.5	.5 0 6 5 7 6 -1.6 -2.7	2.7 -3.4 -14.7 -8.8 5.2 -3.8 24.5 -14.5 17.3 -11.6	2.3 -3.9 -14.8 -8.4 5.3 -4.5 24.8 -13.8 19.1 -11.5	4 5 1 .4 .7 .3 .7 1.8
1990	455.3 457.1 484.5 509.5 540.4 594.0 665.8	453.4 455.4 483.1 508.5 540.3 592.9 664.5	-1.9 -1.7 -1.4 -1.0 1 -1.1	472.7 464.4 478.1 508.1 545.3 589.0 666.9	470.2 461.3 475.3 505.4 542.5 585.6 662.9	-2.5 -3.1 -2.8 -2.7 -2.8 -3.4 -4.0	-17.4 -7.3 6.4 1.4 -4.9 5.0 -1.1	-16.8 -5.9 7.8 3.1 -2.2 7.3 1.6	.6 1.4 1.7 2.7 2.3 2.7

are not subject to withholding, 1986 tax payments were little affected by the accelerated realizations.

For 1987, tax payments exceeded tax liabilities by \$13.8 billion. The excess payments reflected the settlements of the 1986 capital gains tax liabilities.

For 1988, tax liabilities exceeded tax payments by \$19.1 billion. The excess liabilities reflected continued increases in the incomes of partnerships and S corporations and in capital gains, for which taxes are not withheld. The large increase in the incomes of partnerships and S corporations—from \$24.3 billion in 1987 to \$57.1 billion in 1988—was affected by the TRA's phasing out of passive losses beginning in 1987.

For 1989, tax payments exceeded tax liabilities by \$11.5 billion. The excess payments partly reflected the settlement of the 1988 tax liabilities; the excess also reflected a decrease in capital gains (by \$8.1 billion) and a slowdown in the increase in the incomes of partnerships and S corporation (by \$6.0 billion), both of which limited the increase in tax liabilities. Moreover, because of the overwithholding inherent in the withholding system, tax payments tend to exceed tax liabilities when incomes not subject to withholding increase at a slow rate or decline.

For 1990, tax payments exceeded tax liabilities by \$16.8 billion. The excess payments primarily reflected a decrease in the income not subject to withholding. Taxable capital gains declined \$31.4 billion and taxable self-employment income declined \$9.9 billion as a result of a new deduction for one-half of self-employment tax owed. As in 1989, payments also exceeded liabilities largely because of a slowdown in income not subject to withholding.

For 1991–97, the differences between liabilities and payments were relatively small, despite numerous changes in the tax laws.¹⁰

Sources of revisions for 1959–96

The revisions to the annual series for liabilities and for payments for 1959–96 reflected the incorpora-

Beginning with 1990, if a taxpayer had income from self-employment and owed self-employment tax, the taxpayer was allowed to deduct one-half of that tax. The deduction was entered on Form 1040 as an adjustment to total income.

^{10.} The following major tax law changes affected liabilities during this period: The decrease in the maximum tax rate on net long-term capital gains from 28 percent for 1991 to 20 percent for 1997; the increase in the maximum tax rate on other types of income from 31 percent for 1991 to 39.6 percent for 1997; the increase in the maximum earned income tax credit from \$1,192 for one qualifying child for 1991 to \$2,210 for 1997; the phaseout of certain itemized deductions beginning with 1991; and the taxation of up to 85 percent of social security and equivalent tier 1 railroad retirement benefits beginning with 1994. Tax payments were changed to reflect liabilities changes by the introduction of new withholding tables and by changes in the minimum estimated tax payments requirements. As noted in footnote 8, new withholding tables introduced in 1992 largely removed the built-in overwithholding that was present in the tables since 1972.

tion of definitional and statistical changes made in the comprehensive revision of the NIPA's that was released in October 1999 and the incorporation of updated *SOI* estimates of total income from the *Statistics of Income Bulletin* (table 2).¹¹

The definitional changes to the NIPA payments series include the reclassifications of several Federal tax and contributions items. The refunds under the Federal Insurance Contribution Act (FICA) were reclassified as offsets against contributions for social insurance; previously, the FICA refunds were treated as offsets against personal income taxes. Penalties related to estimated taxes and to individual retirement plans were reclassified as personal nontaxes, and the excise taxes related to private pension plans were reclassified as business

nontaxes; previously, those penalties and excise taxes were treated as personal income taxes. These definitional changes were also made to the BEA liabilities series, so the differences between the two series were unaffected.¹²

Several statistical changes were incorporated into the liabilities series, beginning with 1959, and into the payments series, beginning with 1988. ¹³ Because the net amounts of statistical changes to the annual estimates of liabilities and of payments were small, revisions to the differences were also small.

^{11.} For details about the definitional changes for Federal Government taxes, see Moulton, Parker, and Seskin, "Definitional and Classificational Changes," 15. For *SOI* data, see Internal Revenue Service, *Statistics of Income Bulletin* (Washington, DC: U.S. Government Printing Office, Spring 1999).

^{12.} Previously, the items reclassified in the definitional changes were part of the adjustments made to *SOI* estimates of total income tax in the derivation of the liabilities series; these adjustments were made in order to make the coverage of the liabilities series comparable with that of the payments series.

^{13.} Statistical changes to the liabilities series included the incorporation of newly available source data on additional assessments from audits and revised source data for income taxes paid by U.S. citizens living abroad for 1 year or more. Statistical changes to the payments series included the incorporation of revised source data for interest paid on late taxes and for taxes paid by U.S. citizens living abroad for 1 year or more.

Federal Budget Estimates, Fiscal Year 2001

By Laura M. Beall and Sean P. Keehan

THE FEDERAL Budget of the United States Government, Fiscal Year 2001 that was released by the President shows a \$184.0 billion surplus, a \$17.3 billion increase over the projected \$166.7 billion surplus in fiscal year 2000. The surplus in fiscal year 1999 was \$124.4 billion. After adjustments that put these estimates on a consistent basis with the national income and product accounts (NIPA's), the current surplus would increase \$16.5 billion, to \$171.1 billion, in fiscal year 2001.

These Federal budget surplus estimates are derived from all Federal transactions—that is, all unified budget receipts and all unified budget outlays.² The fiscal year 2001 surplus reflects the administration's proposed legislation and program changes, the economic assumptions used in making the budget projections, and the laws that have already been enacted.³

This article summarizes the proposed legislation and program changes in the administration's budget and the budget estimates.⁴ It then presents

the budget receipts and outlays in the framework of the NIPA's, which are designed to show the composition of production and the distribution of the incomes earned in production. This framework, which differs in concept and timing from the budget, provides a means of gauging the effects of the Federal budget on aggregate measures of U.S. economic activity, such as gross domestic product, that are part of the NIPA's.

Proposed legislation and program changes

Receipts.—The fiscal year 2001 budget presents proposed legislation that would increase receipts by a net \$9.1 billion (table 1). The largest proposals are an increase in the per pack tax on cigarettes that would add \$4.1 billion to receipts and a transfer from the Federal Reserve to the U.S. Treasury that would add \$3.8 billion.

Proposals to limit the benefits of corporate tax shelter transactions by increasing the disclosure of certain transactions, codifying the judicially created economic substance doctrine, increasing and strengthening the understatement penalty on corporate tax shelter items, and penalizing all parties involved with tax shelter transactions would add \$2.3 billion to receipts.

Proposals to reinstate excise taxes for the Hazardous Substance Superfund Trust Fund, to convert Airport and Airway Trust Fund excise taxes to a cost-based user fee, and to reinstate corporate environmental taxes would each increase receipts by \$0.7 billion. The excise taxes for the Hazardous Substance Superfund Trust Fund are levied on petroleum, chemicals, and imported substances. Under the Airport and Airway Trust Fund proposal, excise taxes that are levied on domestic air passengers and cargo and on international arrivals and departures would gradually be reduced and a cost-based user fee for air traffic services would be phased in beginning in fiscal year 2001.

Corporate income tax proposals to repeal the lower-of-cost-or-market inventory accounting method for valuing ending inventories and to modify the rules for how life insurance companies

^{1.} Executive Office of the President, Office of Management and Budget, *Budget of the United States Government, Fiscal Year 2001* (Washington, DC: U.S. Government Printing Office, 2000).

^{2.} Other presentations of the Federal budget distinguish between off-budget and on-budget transactions or between the trust funds surplus and the Federal funds deficit. The off-budget surplus, which consists of the social security trust funds and the Postal Service fund, is \$147.8 billion in 2000 and \$159.6 billion in 2001. In 2000, the on-budget surplus of \$18.9 billion is the difference between the total surplus and the off-budget surplus; in 2001, the on-budget surplus of \$9.0 billion is the difference between the total surplus and the off-budget surplus and the reserve for a proposed plan to ensure medicare solvency (\$15.4 billion) that is in the administration's budget. In the trust funds/Federal funds breakdown, the proposed surplus generated from all trust funds—such as social security, medicare, and unemployment compensation—would amount to \$224.3 billion in 2000 and \$241.3 billion in 2001. The Federal funds measure, which consists of all transactions that are not classified in trust funds, would show deficits of \$57.6 billion in 2000 and \$57.3 billion in 2001. There are no equivalent measures of these presentations in the NIPA's.

^{3.} Estimates of the administration's proposed legislation and program changes are the difference between the "current-services" estimates, which are included in the budget, and the actual budget. The current-services estimates, which are based on the economic assumptions underlying the budget, are designed to show what Federal receipts and outlays would be if no changes are made to the laws that have already been enacted, with the exception that excise taxes dedicated to trust funds are assumed to be extended for all years, including the years after the law is to expire. In concept, these estimates are neither recommended amounts nor forecasts; they form a baseline with which administration or congressional proposals can be analyzed.

^{4.} The article on the Federal budget estimates is usually published after the release of the Federal budget; see "Federal Budget Estimates, Fiscal Year 2000" in the March 1999 SURVEY OF CURRENT BUSINESS. This article provides updated fourth-quarter 1999 estimates that incorporate information that became available since the release of the budget, as well as more detailed estimates of receipts and expenditures than are shown in the NIPA estimates published in Analytical Perspectives: Budget of the United States Government, Fiscal Year 2001.

can capitalize policy acquisition costs would each add \$0.5 billion to receipts.

In addition, over 70 smaller proposals would increase receipts by a total of \$2.6 billion.

Partly offsetting the proposed \$16.0 billion increase in receipts are proposed tax credits and other tax law changes that would decrease receipts \$6.9 billion. There are several proposals that would reduce personal income taxes. A proposal to remove nontaxable forms of income when determining

Table 1.—Relation of Current-Services Estimates to the Budget

[Billions of dollars]

	Fiscal	year
	2000	2001
Receipts		
Current-services estimates	1,955.7	2,009.9
Plus: Proposed legislation	.6	9.1
Tobacco tax	.4	4.1
Treasury Limit benefits of corporate tax shelter transactions Reinstate Hazardous Substance Superfund excise	0	3.8 2.3
taxes Convert airport trust fund taxes to user fee system	.2	.7 .7
Reinstate environmental tax imposed on corporate income		.7
Repeal lower-of-cost-or-market inventory accounting method		.5 .5
Modify rules for life insurance policy acquisition costs Other	.2	2.6
Subtotal: Provisions that increase receipts	.8	16.0
Simplify the earned income tax creditSimplify tax law and modify alternative minimum tax	2	-2.3 9
Education incentives	1 0	7 5
itemize Replace Harbor Maintenance Tax with user fee Other	0	5 5 -1.4
Subtotal: Provisions that decrease receipts	2	-6.9
Equals: The budget	1,956.3	2,019.0
Outlays		
Current-services estimates	1,776.2	1,838.8
Plus: Program changes	13.4	-3.7
Commerce and housing credit	0	-3.3
National defense Education, training, employment, and social services	6.3	-3.1 -1.9 -1.5
Veterans benefits and services	1.8 .8	-1.5 -1.0
MedicareIncome security	0 2.2	9 8
Net interest	.3	0
General science, space, and technology	0	.3 .3
Administration of justice	0.3	.5 .7
General government	.1	.8
International affairs	.5	1.0
Transportation	0 .7	1.3 3.5
Other	.3	.4
Equals: The budget	1,789.6	1,835.0
Current-services surplus or deficit (-) Proposed changes, receipts less outlays Administration budget surplus or deficit (-)	179.5 -12.8 166.7	171.2 12.8 184.0

^{1.} Allowances are included in budget totals to cover certain budgetary transactions that are expected to increase or decrease outlays, receipts, or budget authority but are not reflected in the program details. Allowances include funding for emergencies, such as natural disasters, and for unforeseen defense and nondefense costs.
Source: The Budget of the United States Government, Fiscal Year 2001.

eligibility for the earned income tax and to increase the credit rate for families would reduce receipts by \$2.3 billion. A proposal to simplify several provisions of tax law and modify the alternative minimum tax would reduce receipts by \$0.9 billion. An increase in the tax credit for post-secondary education and the exclusion of graduate education assistance from gross income would reduce receipts by \$0.7 billion. A proposal to allow a partial deduction of charitable contributions by taxpayers who do not itemize would reduce receipts by \$0.5 billion.

A proposal to reduce customs duties by modifying international trade provisions would reduce receipts by \$0.5 billion. This proposal involves extending the provisions in the Generalized System of Preferences that eliminate duties on certain goods from eligible developing countries.

A proposal to replace the Harbor Maintenance Tax with a cost-based user fee would reduce customs duties by \$0.5 billion. The user fee would raise less revenue than would have been raised by the Harbor Maintenance Tax, which was ruled unconstitutional.

Numerous smaller proposals would reduce receipts by a total of \$1.4 billion. Of these, proposals to increase the standard deduction for married couples with two incomes to twice the amount of the deduction for single filers and to modify the child care tax credit would reduce receipts by \$0.4 billion. A proposal to lower Federal employee retirement contributions would reduce receipts by \$0.4 billion. Proposals to promote energy efficiency would reduce receipts by \$0.2 billion.

Outlays.—The fiscal year 2001 budget proposes program changes that would decrease total outlays by a net \$3.7 billion. The largest reduction is \$3.3 billion for commerce and housing credit, resulting from lower budget outlays for the 2000 decennial census. A proposal to repeal the law that delays the last payday in September 2000 would reduce national defense outlays by \$3.1 billion.⁵ Similar proposals to repeal pay and benefit delays largely account for a \$1.5 billion decrease in veterans benefits and services, a \$1.0 billion decrease in allowances, and a \$0.8 billion decrease in income security. Proposed legislation to reduce lender subsidies and to improve management and collection of defaulted loans would reduce outlays for education, training, employment, and social

^{5.} As a result of the law, the last payday in September would actually fall in October 2000, thereby making it part of the budget for fiscal year 2001. The proposed repeal returns that payday to the budget for fiscal year 2000.

Compensation in the NIPA's is recorded on an accrual basis. Therefore, these laws do not impact the NIPA estimates.

services by \$1.9 billion. The program changes to medicare brought about by savings proposals such as cost sharing for laboratory services and by proposals to insure program integrity would decrease total outlays by \$0.9 billion.

The largest increase in outlays would be a \$3.5 billion increase in agriculture, primarily from proposed legislation that would provide financial assistance to farmers if prices fall. Outlays for transportation would increase \$1.3 billion, based on changes to airports and airways, highways, and mass transit programs. Outlays for international affairs would increase \$1.0 billion, from program changes affecting international development and humanitarian assistance, international security assistance, and conduct of foreign affairs. Outlays for general government would increase \$0.8 billion, from program changes affecting central fiscal

Table 2.—Budget Receipts by Source

[Billions of dollars]

		Level for t	iscal year		Change from preceding y			
	1998	1999	2000	2001	1999	2000	2001	
Budget receipts	1,721.8	1,827.5	1,956.3	2,019.0	105.7	128.8	62.8	
Individual income taxes Social insurance taxes and	828.6	879.5	951.6	972.4	50.9	72.1	20.8	
contributions	571.8	611.8	650.0	682.1	40.0	38.2	32.1	
Corporation income taxes	188.7	184.7	192.4	194.8	-4.0	7.7	2.4	
Excise taxes	57.7	70.4	68.4	76.7	12.7	-2.0	8.3	
Miscellaneous receipts	32.7	34.9	42.5	39.9	2.3	7.6	-2.6	
Estate and gift taxes	24.1	27.8	30.5	32.3	3.7	2.7	1.8	
Customs duties	18.3	18.3	20.9	20.9	0	2.5	0	

Source: The Budget of the United States Government, Fiscal Year 2001.

Table 3.—Budget Outlays by Function

[Billions of dollars]

		Level for t	fiscal year		Change from preceding fiscal year			
	1998	1999	2000	2001	1999	2000	2001	
Budget outlays	1,652.6	1,703.0	1,789.6	1,835.0	50.4	86.5	45.5	
Social security	379.2	390.0	406.6	425.7	10.8	16.6	19.1	
National defense	268.5	274.9	290.6	291.2	6.4	15.8	.6	
Income security	233.2	237.7	251.3	259.7	4.5	13.6	8.4	
Medicare	192.9	190.4	202.5	220.5	-2.5	12.1	18.0	
Net interest	243.4	229.7	220.3	208.3	-13.6	-9.4	-12.0	
Health	131.4	141.1	154.2	166.7	9.6	13.1	12.5	
Education, training, employment, and social								
services	54.9	56.4	63.4	67.5	1.5	7.0	4.1	
Transportation	40.3	42.5	46.7	49.5	2.2	4.2	2.8	
Veterans benefits and services	41.8	43.2	46.8	46.4	1.4	3.6	3	
Administration of justice	22.8	25.9	26.8	31.4	3.1	.8	4.6	
Natural resources and environment	22.4	24.0	24.5	25.0	1.6	.5	.5	
Agriculture	12.2	23.0	32.0	22.4	10.8	9.0	-9.6	
General science, space, and technology	18.2	18.1	18.9	19.6	1	.7	.8	
International affairs	13.1	15.2	17.1	19.6	2.1	1.8	2.5	
General government	13.4	15.8	15.0	15.4	2.3	7	.4	
Community and regional development	9.7	11.9	11.1	10.2	2.1	8	9	
Commerce and housing credit	1.0	2.6	5.6	2.9	1.6	3.0	-2.7	
Allowances 1			.8	-1.0	0	.8	-1.8	
Energy	1.3	.9	-1.6	7	4	-2.6	1.0	
Undistributed offsetting receipts 2	-47.2	-40.4	-43.1	-45.6	6.7	-2.6	-2.6	

operations and legislative branch discretionary programs. Outlays for health would increase \$0.7 billion, primarily from proposed legislation to extend medicaid eligibility to parents whose children are covered under medicaid or the State Children's Health Insurance Fund.

The budget estimates

In the budget, receipts in fiscal year 2001 are projected to increase \$62.8 billion, to \$2,019.0 billion (table 2). Receipts in 2000 are projected to be \$1,956.3 billion, up \$128.8 billion from 1999. Most of the increase in 2001 is accounted for by projected increases in social insurance taxes and contributions and in individual income taxes. The projected increases in 2000 and 2001 are based on administration economic assumptions. 6 The administration assumes the economy will grow 2.9 percent in 2000 and 2.6 percent in 2001. In addition, unemployment is projected to remain unchanged in 2000 and to increase slightly in 2001. Inflation and interest rates are projected to remain relatively low.

Excise taxes would increase \$8.3 billion after decreasing \$2.0 billion in 2000. The decrease in 2000 is accounted for by a projected decrease in excise taxes on motor fuels; provisions of the Taxpayer Relief Act of 1997 delayed deposits of excise taxes on alternative motor fuels from fiscal year 1998 to fiscal year 1999. The increase in 2001 largely reflects the proposed increase in the tobacco tax, the reinstatement of the hazardous substance excise tax, and the phasing-in of the cost-based user fee for air traffic services.

Miscellaneous receipts would decrease \$2.6 billion after increasing \$7.6 billion. These changes are primarily based on projected deposits of earnings by the Federal Reserve System.

Under the budget proposals, total budget outlays in fiscal year 2001 are projected to increase \$45.5 billion, to \$1,835.0 billion (table 3). Outlays in 2000 are projected to be \$1,789.6 billion, up \$86.5 billion from 1999. The projected increase in 2001 is mostly accounted for by increases in four areas:

- Social security. An increase of \$19.1 billion is accounted for by an increase in currentservices outlays for old-age and survivors insurance benefits. This increase reflects cost-of-living adjustments and assumptions about inflation and about the number of beneficiaries in these programs.
- Medicare. An increase of \$18.0 billion is accounted for by an increase of \$18.9 billion

Allowances are included in budget totals to cover certain budgetary transactions that are expected to increase or decrease outlays, receipts, or budget authority but are not reflected in the program details. Allowances include funding for emergencies, such as natural disasters, and for unforeseen defense and nondefense costs.
 Undistributed offsetting receipts are collections that are governmental in nature and that are not credited to expenditure accounts. Undistributed offsetting receipts fall into two categories: Receipts from performing business-like activities, such as proceeds from selling Federal assets or leases; and shifts from one account to another, such as agency payments to retirement funds. Source: The Budget of the United States Government, Fiscal Year 2001.

^{6.} See "Economic Assumptions," Analytical Perspectives: 3-15.

- in current-services outlays, based on expected increases in health services.
- Health. An increase of \$12.5 billion is mainly accounted for by a \$12.0 billion increase in current-services outlays, based on projected increases in drug prices, in home- and community-based services, and other health services.
- Income security. An increase of \$8.4 billion is more than accounted for by an \$11.4 billion increase in current-services outlays. Most of the increase is accounted for by increases in unemployment insurance programs, civilian employee and military retirement, and other income support programs.

These increases are partly offset by decreases in two areas:

- Net interest. A decrease of \$12.0 billion is mostly accounted for by the decrease in the Federal debt and the lower interest rate on the remaining debt.
- Agriculture. A decrease of \$9.6 billion is more than accounted for by a decrease of \$12.4 billion in current-services outlays. The decrease primarily reflects emergency funding for farm income stabilization in fiscal year 2000 that is not anticipated for fiscal year 2001.

Relation between budget and NIPA estimates

The Bureau of Economic Analysis (BEA) prepares estimates of the Federal sector in the framework of the national income and product accounts (NIPA's). Unlike the budget, which is a financial plan of the government on a cash basis, the NIPA's facilitate macroeconomic analyses of the impact of changes in Federal current receipts, current expenditures, and gross investment on gross domestic product and its components. BEA makes adjustments to the budget estimates in order to provide estimates of Federal current receipts and current expenditures that are consistent over time with NIPA components. As part of the comprehensive revision released in October 1999, two major changes were made to the definitions and classifications used to measure the Federal sector that affect the relationship between the budget and the NIPA estimates.⁷

- Government employee retirement plans, which were previously classified as social insurance funds within the government sector, are now treated similarly to private pension plans. This reclassification leads to several differences between the budget and the NIPA's. For example, employer contributions to the plans are classified as personal income (other labor income); previously, they had been classified as government current receipts (contributions to social insurance). Benefits paid by the plans are treated as transactions within the personal sector; previously, they had been classified as government current expenditures (transfer payments to persons).
- Certain transactions, which mainly represent transfers of existing assets, are removed from government current receipts and expenditures and reclassified as capital transfers.
 These transactions include certain investment grants-in-aid to State and local governments, investment subsidies to businesses, and estate and gift taxes.

One major conceptual difference between the budget and the NIPA's is in the treatment of government investment in fixed assets; in the NIPA's, government consumption expenditures excludes investment in fixed assets but includes a depreciation charge on past investment as consumption of fixed capital. Transfers of nonproduced assets, such as the sale of land, are excluded from the NIPA's because they do not affect current production. The NIPA's also exclude transactions with residents of Puerto Rico and the U.S. Territories, whose product and income are by definition not included in the NIPA's, and transactions of the Federal Communication Commission Universal Service Fund, which pass through a nonprofit institution that is regulated by the Federal Communication Commission.

NIPA current receipts differ from budget receipts because of differences in coverage, in netting

^{7.} These adjustments are shown in NIPA table 3.18; this table, reflecting the comprehensive revision, is scheduled to be published in the April Survey. For a detailed discussion of these adjustments, see Brent R. Moulton, Robert P. Parker, and Eugene P. Seskin, "A Preview of the 1999 Comprehensive Revision of the National Income and Product Accounts: Definitional and Classificational Changes," Survey 79 (August 1999):11–14. For estimates of the effects of these adjustments, see Eugene P. Seskin, "Improved Estimates of the National Income

and Product Accounts for 1959–98: Results of the Comprehensive Revision," SURVEY 79 (December 1999): 29–30.

For a detailed discussion of other adjustments, see *Government Transactions*, Methodology Paper No. 5 (November 1988), which is available from the National Technical Information Service, accession no. PB 90–118480, and at BEA's Web site, at <www.bea.doc.gov>.

For changes since the publication of this paper, see Robert P. Parker, "A Preview of the Comprehensive Revision of the National Income and Product Accounts: Definitional and Classificational Changes," Survey 71 (September 1991): 24–25; "Preview of the Comprehensive Revision of the National Income and Product Accounts: Recognition of Government Investment and Incorporation of a New Methodology For Calculating Depreciation," Survey 75 (September 1995): 33–41; and "Improved Estimates of the National Income and Product Accounts for 1959–95: Results of the Comprehensive Revision," Survey 76 (January/February 1996): 1–31.

^{8.} Additional differences between the treatment of these plans in the budget and in the NIPA's existed prior to the comprehensive revision.

and grossing (which provide additional information on items that are recorded on a net basis in the budget), and in timing. For most years, the differences between NIPA current receipts and budget receipts primarily reflect capital transfers received, personal and business nontaxes, and supplementary medical insurance premiums. 9 For 2001, NIPA current receipts would be below budget receipts by \$2.4 billion; capital transfers received would remove \$32.2 billion, other netting and grossing differences would add \$24.6 billion, and supplementary medical insurance premiums would add \$23.2 billion (table 4).

Similarly, NIPA current expenditures differ from budget outlays because of differences in coverage, in netting and grossing, and in timing. Coverage differences include the exclusion of capital transfers paid and Federal employee retirement plan transactions; the NIPA treatment of government investment in fixed assets; the exclusion of financial transactions, such as loans; and the exclusion of sales of nonproduced assets, such as the radio spec-

Table 4.—Relation of Federal Government Current Receipts in the NIPA's to the Budget

[Billions of dollars]

		Fiscal year	
	1999	2000	2001
Budget receipts	1,827.5	1,956.3	2,019.0
Less: Coverage differences	39.2 3.4	42.7 3.6	44.6 3.7
employee retirement plans 2 Capital transfers received 3 Financial transactions Other 4	4.5 27.7 0 3.7	4.3 30.3 0 4.5	3.9 32.2 0 4.8
Netting and grossing differences	-37.0	-39.5	-41.4
Supplementary medical insurance premiums	-21.6	-21.7	-23.2
the world ⁵ Other ⁶	6.2 -21.6	6.4 -24.2	6.4 -24.6
Plus: Timing differences Corporate profits taxes	16.3 5.5	0 3.2	.8 5.5
Federal and State unemployment insurance taxes	.2	0	1
social security contributions Excise taxes Other	16.1 -5.2 3	-2.8 .2 5	-4.3 .7 -1.0
Equals: Federal Government current receipts, NIPA's	1,841.6	1,953.1	2,016.6

^{1.} Consists largely of contributions for social insurance by residents of U.S. territories and

trum. For 2001, NIPA current expenditures would exceed budget outlays by \$10.5 billion; capital transfers paid would remove \$37.3 billion, Federal employee retirement plan transactions would add \$31.3 billion, and loan disbursements less loan repayments and sales would remove \$27.0 billion (table 5).

Table 5.—Relation of Federal Government Current Expenditures in the NIPA's to the Budget

[Billions of dollars]

Fiscal year

	i iscui yeui				
1999	2000	2001			
1,703.0	1,789.6	1,835.0			
12.7 10.6	27.9 11.1	40.0 11.8			
-32.0 -46.9	-32.1 -48.7	-31.3 -49.6			
-62.6 77.3	-63.7 80.2 .1	-65.1 83.3 .1			
-13.3	-28.9	-17.5			
2.3 2.4 31.3 12.5	5.4 9.6 35.0 29.5	2.8 15.9 37.3 24.4			
21.3 -3.2	32.5 -1.0	27.0 3			
0 -5.6	0 -2.0	0 -2.3			
-1.0 0 -1.0 1	-1.6 0 -1.6 1	-3.3 2 -3.0 1			
-37.0	-39.5	-41.4			
-21.6	-21.7	-23.2			
6.2 -21.6	6.4 -24.2	6.4 -24.6			
2.5	-2.7	9.0			
.7 0 1.3	4 0 -2.6	3.4 0 5.4			
.5	.2	.3			
1,729.9	1,798.4	1,845.5			
	1999 1,703.0 12.7 10.6 -32.0 -46.9 -62.6 77.3 .1 -13.3 2.4 31.3 12.5 21.3 -3.2 0 -5.6 -1.0 0 -1.1 -37.0 -21.6 6.2 -21.6 2.5	1999 2000 1,703.0 1,789.6 12.7 27.9 10.6 11.1 -32.0 -32.1 -46.9 -48.7 -62.6 -63.7 77.3 80.2 .1 .1 -13.3 -28.9 2.3 5.4 2.4 9.6 31.3 35.0 12.5 29.5 21.3 32.5 -3.2 -1.0 0 0 -5.6 -2.0 -1.0 -1.6 -1 -1.1 -37.0 -39.5 -21.6 -21.7 6.2 6.4 -21.6 -24.2 2.5 -2.7 0 0 1.3 -2.6 .5 .2			

^{1.} Consists largely of transfer payments, subsidies, and grants-in-aid to residents of U.S. territories and Puerto Rico.

of Economic Analysis

^{9.} Personal and business nontaxes, which are included in "other" netting and grossing differences in table 4, are classified as receipts in the NIPA's and netted against outlays in the budget.

These transactions are included in the NIPA personal sector.

Consists of estate and gift taxes.
 Consists largely of Treasury receipts from sales of foreign currencies to Government agen-

cies.

5. Taxes received from the rest of the world are included in receipts in the budget and netted.

5. Taxes received from the rest of the world are included in receipts in the budget and netted.

b. Taxes received from the rest of the world are included in receipts in the budget and netted against expenditures (transfer payments) in the NIPA's.
6. Includes proprietary receipts that are netted against outlays in the budget and classified as receipts in the NIPA's. Also includes some transactions that are not reflected in the budget data but are added to both receipts and expenditures in the NIPA's.
Sources: The Budget of the United States Government, Fiscal Year 2001 and the Bureau of Economic Analysis.

^{1.} Consists largely of transfer payments, subsidies, and grants-in-aid to residents of U.S. terriories and Puerto Rico.
2. These transactions are included in the NIPA personal sector.
3. Consists of transactions (not included in the budget totals) that record all cash flows arising from post-1991 direct loan obligations and loan guarantee commitments. Many of these flows are for new loans or loan repayments; consequently, related entries are included in "Loan disbursements less loan repayments and sales."
4. Consists largely of agencies or accounts such as the Postal Service and the Federal Financing Bank that, in some time periods, were not included in the budget.
5. Net investment is gross investment less consumption of fixed capital for government enterprises and general government.
6. Consists of investment grants to State and local governments and maritime construction subsidies. Does not include the forgiveness of debts owed by foreign governments to the U.S. Government; this forgiveness is classified as a capital transfer paid by the United States and is excluded from both budget outlays and NIPA current expenditures.
7. Consists of net sales of land other than the Outer Continental Shelf and, beginning with 1995, the auction of the radio spectrum.
8. Consists largely of net expenditures of foreign currencies.
9. Taxes received from the rest of the world are included in receipts in the budget and netted against expenditures (transfer payments) in the NIPA's.
10. Includes proprietary receipts that are netted against outlays in the budget and classified as receipts in the NIPA's. Also includes some transactions that are not reflected in the budget data but are added to both receipts and expenditures in the NIPA's.

Sources: The Budget of the United States Government, Fiscal Year 2001 and the Bureau of Economic Analysis.

In the NIPA framework, budget outlays for national defense and nondefense are reflected in both consumption expenditures and gross investment. For national defense, the budget outlays differ from the NIPA estimates for four principal reasons. First, some defense outlays, primarily disbursements for foreign military sales, are treated as exports in the NIPA's. ¹⁰ Second, NIPA expenditures are recorded on a delivery basis, and budget outlays are recorded on a cash basis; thus, in the NIPA's, all work-in-progress except shipbuilding and structures are included in the change-inprivate-inventories component of gross domestic product. Third, in defense outlays, the cost of the military retirement program is measured as the cash payment from the military personnel appropriation account to the military retirement trust fund. In the NIPA's, a payment is added to amortize the unfunded liability for military retirement ben-

Table 6.—Relation of National Defense Consumption Expenditures and Gross Investment in the NIPA's to National Defense Outlays in the Budget

[Billions of dollars]

		Fiscal year	-
	1999	2000	2001
National defense outlays in the budget	274.9	290.6	291.2
Department of Defense, military Military personnel Operation and maintenance Procurement Aircraft Missiles Ships Weapons Ammunition Other Research, development, test, and evaluation	261.4 69.5 96.4 48.8 16.5 3.1 6.7 2.9 1.2 18.5	277.5 73.5 103.8 48.0 15.7 3.2 5.8 2.7 1.2 19.3	277.5 75.1 109.3 51.0 17.1 3.4 6.4 2.9 1.1 20.1
Other Atomic energy and other defense-related activities	9.3	14.8	4.5
Plus: Consumption of general government fixed capital	62.2 21.7 .2 .2	63.0 21.7 6 .2	63.5 22.4 3.1 .2
Less: Grants-in-aid to State and local governments and net interest paid	3.2 5	3.3 -1.0	3.5 -1.2
Equals: National defense consumption expenditures and gross investment, NIPA's	356.6	372.7	378.1
$\textit{Less}. \ \ \text{National defense gross investment} \ ^1 \ \dots \dots$	51.9	56.9	60.9
Equals: National defense consumption expenditures, NIPA's	304.7	315.8	317.2

^{1.} Gross investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in Federal Government consumption expendi-

efits earned by military personnel for service before 1985, and a payment is also added to amortize the unfunded liability for defense civilian retirement benefits; these payments are recorded in the budget as intergovernmental transactions. Fourth, the NIPA measure includes general government consumption of fixed capital; this item accounts for most of the difference between the budget outlays and the NIPA estimates for national defense (table 6).

The differences between the budget and NIPA estimates of receipts, of outlays, and of the current surplus or deficit that result from the adjustments detailed above are summarized in table 7. For 2001, the budget surplus exceeds the NIPA surplus by \$12.9 billion, primarily because timing adjustments raise NIPA expenditures more than NIPA receipts.

Fiscal year 2001 NIPA estimates

In the NIPA framework, the current surplus would increase \$16.5 billion, to \$171.1 billion, in fiscal year 2001, after increasing \$42.9 billion in fiscal year 2000 (chart 1). The slowdown is due to a sharp deceleration in current receipts, mostly in personal tax and nontax receipts and in corporate profit tax accruals. Current expenditures also slowed, as a sharp deceleration in consumption expenditures and a downturn in subsidies less current

Table 7.—Relation of Administration Budget and NIPA Estimates of Federal Government Current Receipts and Expenditures

[Billions of dollars]

Leve	l for fiscal	year		
Actual	Estim	nates		
1999	2000	2001	2000	2001
1,827.5 1,703.0 124.4 1,841.6 1,729.9 111.7	1,956.3 1,789.6 166.7 1,953.1 1,798.4 154.7	2,019.0 1,835.0 184.0 2,016.6 1,845.5 171.1	128.8 86.5 42.3 111.4 68.5 42.9	62.8 45.5 17.3 63.5 47.0 16.5
	D	ifferences		
-14.1 -26.9 12.7	3.2 -8.8 12.0	2.4 -10.5 12.9	17.3 18.1 7	8 -1.7 .9
	Actual 1999 1,827.5 1,703.0 124.4 1,841.6 1,729.9 111.7	Actual Estim 1999 2000 1,827.5 1,956.3 1,703.0 1,789.6 124.4 166.7 1,841.6 1,953.1 1,729.9 1,798.4 111.7 154.7	1999 2000 2001 1,827.5 1,956.3 2,019.0 1,703.0 1,789.6 1,835.0 124.4 166.7 184.0 1,841.6 1,953.1 2,016.6 1,729.9 1,798.4 1,845.5 111.7 154.7 171.1 Differences -14.1 3.2 2.4 -26.9 -8.8 -10.5	Actual Estimates preceding years 1999 2000 2001 2000 1,827.5 1,956.3 2,019.0 128.8 1,703.0 1,789.6 1,835.0 86.5 124.4 166.7 184.0 42.3 1,841.6 1,953.1 2,016.6 111.4 1,729.9 1,798.4 1,845.5 68.5 111.7 154.7 171.1 42.9 Differences -14.1 3.2 2.4 17.3 -26.9 -8.8 -10.5 18.1

^{1.} The NIPA current surplus or deficit reflects the treatment of government investment that was introduced in January 1996. Current expenditures include (1) consumption of fixed capital for general government in consumption expenditures, and (2) consumption of fixed capital for government enterprises as an expense in the calculation of the current surplus of government enterprises. Gross investment in fixed assets by general government and by government enterprises is not classified as a current expenditure in the year the asset is purchased but is classified, instead, as an expenditure over the service life of the asset.
Sources: The Budget of the United States Government, Fiscal Year 2001 and the Bureau of Economic Analysis.
NIPA National income and product accounts

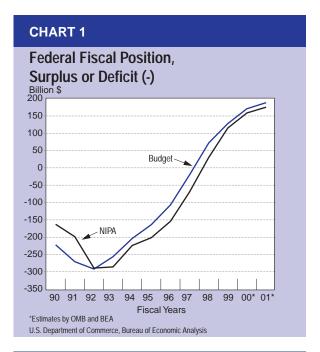
 $^{10. \ \} The \ production \ of \ military \ equipment \ is \ initially \ recorded \ in \ the \ change$ in private inventories, and when the equipment is delivered, a decrease in private inventories is recorded. For sales of equipment to foreign governments, the decrease is offset by an increase in exports; for sales to the U.S. Government, the decrease is offset by an increase in government consumption expenditures and gross investment.

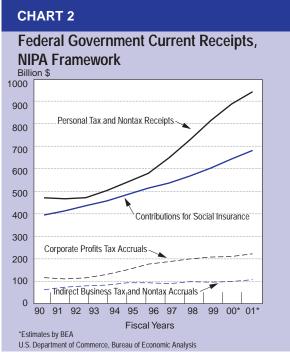
Sources: The Budget of the United States Government, Fiscal Year 2001 and the Bureau

NIPA National income and product accounts

surplus of government enterprises more than offset an acceleration in transfer payments.

In the NIPA framework, Federal current receipts would increase \$63.5 billion, to \$2,016.6 billion, in fiscal year 2001, after increasing \$111.4 billion in fiscal year 2000 (chart 2). The slowdown is more than accounted for by a deceleration in the tax base that would increase current receipts \$54.1 billion after increasing \$110.9 billion (table 8). The tax base is estimated using administration economic assumptions and does not include the impact of any proposed legislation. Within current receipts,





personal tax and nontax receipts would increase \$20.8 billion after increasing \$53.9 billion; the slowdown is mostly due to a deceleration in wages and salaries. Corporate profits tax accruals would increase \$1.5 billion after increasing \$11.7 billion; the deceleration is more than accounted for by a downturn in the tax base, according to administration economic assumptions on the level of corporate profits. These decelerations would be partly offset by a slight acceleration in indirect business taxes; the acceleration is more than accounted for by the proposed increase in the tobacco tax.

In the NIPA framework, Federal current expenditures would increase \$47.0 billion, to \$1.845.5 billion, in fiscal year 2001, after increasing \$68.5 billion (chart 3). The deceleration is attributable to a downturn in subsidies less current surplus of government enterprises and to slowdowns in nondefense consumption expenditures and in national defense consumption expenditures. Subsidies less current surplus of government enterprises would decrease \$10.3 billion after increasing \$2.4 billion; the turnaround is mainly due to a downturn in agriculture subsidies (table 9). Nondefense consumption expenditures would increase \$1.6 billion after increasing \$12.3 billion, and national defense consumption expenditures would increase \$1.4 billion after increasing \$11.1 billion. In contrast, transfer payments would increase \$48.3 billion after increasing \$30.5 billion; the acceleration is attributable to accelerations in social security and medicare.

Quarterly pattern.—Seasonally adjusted quarterly estimates of NIPA current receipts and current

Table 8.—Sources of Change in Federal Government Receipts, NIPA Framework

[Billions of dollars]

	Change from preceding fisc year				
	1999	2000	2001		
Total receipts Due to tax bases Due to proposed legislation	119.8	111.4	63.5		
	119.8	110.9	54.1		
	0	.5	9.4		
Personal tax and nontax receipts Due to tax bases Due to proposed legislation	73.8	53.9	20.8		
	73.8	54.2	25.9		
	0	4	-5.2		
Corporate profits tax accruals Due to tax bases Due to proposed legislation	2.8	11.7	1.5		
	2.8	11.6	-7.4		
	0	.1	8.9		
Indirect business tax and nontax accruals Due to tax bases Due to proposed legislation	2.9	8.1	8.8		
	2.9	7.3	3.2		
	0	.8	5.6		
Contributions for social insurance	40.3	37.8	32.4		
	40.3	37.8	32.4		
	0	0	0		

Sources: The Budget of the United States Government, Fiscal Year 2001 and the Bureau of Economic Analysis.

expenditures that are consistent with the budget estimates of receipts and outlays for the fiscal year

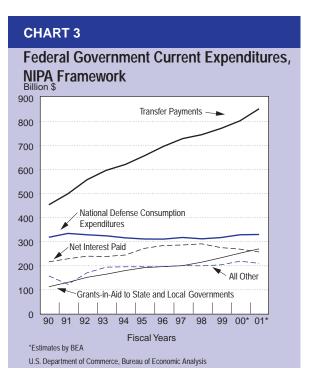


Table 9.—Sources of Change in Federal Government Current Expenditures, NIPA Framework

[Billions of dollars]

	Change from	m preceding	fiscal year
	1999	2000	2001
Total current expenditures	35.9	68.5	47.0
Consumption expendituresNational defense	11.4 4.9	23.4 11.1	3.0 1.4
Pay raise and locality pay ¹ Other Nondefense	4.9 6.5	3.5 7.6 12.3	4.8 -3.4 1.6
Pay raise and locality pay ¹ Other	6.5	2.4 9.9	2.8 -1.1
Transfer payments Social security Medicare Supplemental security income Earned income and child care credits Veterans benefits Unemployment benefits Other	14.1 10.8 -1.9 2.0 3.2 .8 1.0 -1.8	30.5 16.3 11.5 1.1 .1 .9 .4	48.3 18.7 19.4 1.3 .1 1.1 2.8 4.9
Grants-in-aid to State and local governments	17.5 6.8 2.7 2.5 3.1 3 2.8	18.4 8.1 3.6 3.5 1.9 .9	17.5 8.7 .1 3.6 2.2 1.0 1.8
Net interest paid	-14.9	-6.3	-11.4
Subsidies less current surplus of government enterprises	7.7 10.8 -1.5 3	2.4 2.1 .6 .3	-10.3 -8.1 .9 2
enterprises: Postal Service surplus Other surplus of government	1.5	.5	2.1
enterprises	2	.1	.9

^{1.} Consists of pay raises and locality pay beginning in January 2000 Source: Bureau of Economic Analysis.

are shown in table 10. The NIPA estimates of current receipts reflect the quarterly pattern that results from the enacted and proposed legislation, from the administration's projected quarterly pattern of wages and profits, and from the use of a methodology to derive quarterly estimates of declarations and settlements (estimated income tax payments and final settlements) less refunds. 11 The NIPA estimates of current expenditures reflect the quarterly pattern that results from the enacted and proposed legislation that would adjust pay for Federal Government employees and provide costof-living increases in social security. The quarterly estimates do not control to the fiscal year estimates, but instead are estimated changes based on the published level of the fourth quarter of 1999. Because of the limited information available to estimate the quarterly patterns, they should be viewed as rough approximations; over the course of the year, BEA will provide more reliable estimates in NIPA table 3.2.

In the NIPA framework, the current surplus increases in the first three quarters of 2000, decreases in the fourth quarter of 2000 and the first quarter of 2001, and then increases through the third quarter of 2001. The increase in the first quarter of 2000 is due to an increase in current receipts, particularly in contributions for social insurance, and a decrease in current expenditures, primarily because of a decrease in subsidies less current surplus of government enterprises. The decrease in the current surplus in the fourth quarter of 2000 is mainly due to an increase in transfer payments, mostly because of an increase in transfer payments to the rest of the world. The increase in the current surplus in the second quarter of 2001 results from increases in personal taxes and contributions: current expenditures increase only slightly.

Table 10 follows.

^{11.} The methodology, which was adopted during the 1998 annual revision of the NIPA's, separates estimated income tax payments and final settlements into estimated taxes, final settlements, back taxes, fiduciary taxes (taxes paid by estates and trusts on income earned), and refunds. For final settlements, back taxes, and refunds—which are primarily based on tax liabilities for previous years—the full amount of the annual changes are recorded in the first quarter (in January) of the year, and the monthly and quarterly estimates are held at that level throughout the rest of the year. See Eugene P. Seskin, "Annual Revision of the National Income and Product Accounts," Survey 78 (August 1998):29–31.

Table 10.—Federal Government Current Receipts and Expenditures, NIPA Framework

[Billions of dollars; calendar year and quarters at seasonally adjusted annual rates]

		1			-	-											
		Fiscal	year estir	nates 1	Calend	ar year						Quarter					
Line					Pub- lished	Esti- mated		Publi	shed					Estimated			
Line		1999	2000	2001				199	992			20	00			2001	
					1999 ²	2000	I	=	=	IV	Ι	=	III	IV	_	II	III
1	Current Receipts	1,841.6	1,953.1	2,016.6	1,870.7	1,967.4	1,826.5	1,853.1	1,883.1	1,919.9	1,929.2	1,954.8	1,982.8	2,002.8	2,008.0	2,024.8	2,041.8
2	Personal tax and nontax receipts ³	887.8 705.1	941.7 752.3	962.4 787.4	900.0 712.7	939.6 750.0	877.9 689.1	892.1 704.5	908.0 721.3	922.1 735.9	920.2 736.0	934.5 745.1	947.0 754.8	956.6 764.1	948.7 772.1	957.5 781.8	967.1 791.6
4 5	Declarations and final settlements less refunds Proposed legislation	173.4	179.6 4	164.5 -5.8	178.5	179.7 4	180.3	178.9	177.6	177.0	174.4 4	179.6 4	182.2 4	182.4 4	166.1 -5.8	165.0 -5.8	164.5 -5.8
6 7	Other Nontaxes	173.4 9.3	179.9 9.8	170.3 10.5	178.5 8.9	180.0 9.9	180.3 8.5	178.9 8.8	177.6 9.0	177.0 9.3	174.7 9.8	179.9 9.9	182.6 9.9	182.8 10.0	172.0 10.4	170.8 10.7	170.4 10.9
8 9	Corporate profit tax accrualsFederal Reserve Banks	210.9 26.0	222.7 28.0	224.2 29.5	222.0 24.1	235.7 27.1	212.6 23.5	218.1 23.7	222.4 24.6	234.9 24.6	232.1 25.9	234.4 26.9	237.8 27.8	238.3 27.9	236.8 28.0	235.6 27.6	235.2 27.3
10	Proposed legislation		0	3.9		1.0	23.5				0	0	0	3.9	3.9	3.9	3.9
11 12	OtherOther corporate profit tax accruals	26.0 185.0	28.0 194.7	25.6 194.7	24.1 197.9	26.2 208.5	189.1	23.7 194.4	24.6 197.9	24.6 210.3	25.9 206.2	26.9 207.5	27.8 210.0	24.1 210.3	24.1 208.8	23.8 207.9	23.4 207.9
13 14	Proposed legislationOther	185.0	.1 194.6	5.2 189.5	197.9	1.4 207.2	189.1	194.4	197.9	210.3	.1 206.1	207.4	.1 209.9	5.2 205.2	5.2 203.6	5.2 202.8	5.2 202.7
15	Indirect business tax and nontax accruals	99.4	107.5	116.4	101.5	110.4	99.5	100.0	101.5	105.0	106.9	108.0	112.0	114.5	115.5	118.0	119.1
16 17	Proposed legislationOther	99.4	.8 106.7	6.4 110.0	101.5	2.2 108.2	99.5	100.0	101.5	105.0	0 106.9	0 108.0	3.2 108.8	5.5 109.0	5.5 110.0	7.3 110.7	7.5 111.6
18 19	Contributions for social insuranceOld age, survivors, disability, and hospital	643.4	681.2	713.6	647.2	681.9	636.5	642.9	651.2	658.0	670.0	677.9	686.1	693.4	707.0	713.8	720.5
20 21	insurance Tax on wages and salaries (FICA, gross) Proposed legislation	587.9 555.4	623.6 589.0 0	652.5 616.1 0	589.1 557.3	621.3 587.5 0	578.8 547.7	584.9 553.4	593.0 561.0	599.5 567.2	610.8 577.8 0	617.7 584.2 0	624.9 591.0 0	631.6 597.1 0	643.0 607.9 0	649.5 614.0 0	655.8 620.1 0
22 23	Base increases		.9 .9	4.8 3.8		3.8 3.8					3.8 3.8	3.8 3.8	3.8 3.8	3.8 3.8	7.8 3.8	7.8 3.8	7.8 3.8
24 25	January 2001 Other	555.4	588.1	1.0 611.4	557.3	583.8	547.7	553.4	561.0	567.2	574.0	580.5	587.2	593.4	4.0 600.1	4.0 606.2	4.0 612.3
26 27	FICA RefundsVoluntary hospital insurance	-1.5 1.4	-1.8 1.4	-1.9 1.4	-2.5 1.4	-2.8 1.3	-2.5 1.4	-2.5 1.4	-2.5 1.4	-2.5 1.4	-2.8 1.3	-2.8 1.3	-2.8 1.3	-2.8 1.3	-2.9 1.4	-2.9 1.4	-2.9 1.4
28 29	Tax on self-employment earnings (SECA) Base increases	32.7	35.0 .6	36.8 .9	32.9	35.2 .6	32.3	32.7	33.1	33.4	34.5 .6	35.0 .6	35.4 .6	35.9 .6	36.6 .9	36.9 .9	37.2 .9
30 31	OtherSupplementary medical insurance	32.7 20.1	34.4 20.2	35.9 21.6	32.9 20.2	34.6 20.6	32.3 20.0	32.7 20.1	33.1 20.2	33.4 20.4	33.9 20.5	34.4 20.6	34.9 20.7	35.3 20.7	35.7 22.5	36.0 22.5	36.3 22.5
32 33	Unemployment insurance Other	26.8 8.7	28.3 9.1	30.4 9.1	28.7 9.2	30.5 9.6	28.3 9.3	28.5 9.3	28.8 9.1	29.0 9.1	29.5 9.2	30.2 9.5	30.8 9.7	31.3 9.9	31.8 9.8	32.2 9.7	32.6 9.6
34	Current Expenditures	1,729.9	1,798.4	1,845.5	1,755.8	1,815.2	1,728.9	1,735.0	1,749.3	1,809.9	1,804.7	1,807.5	1,811.5	1,837.1	1,857.2	1,858.7	1,869.2
35 36	Consumption expenditures ³	463.8 304.7	487.2 315.8	490.3 317.2	474.8 310.8	486.1 313.0	467.0 304.6	465.2 300.8	475.0 312.1	492.0 325.6	486.1 314.1	488.6 315.3	483.7 309.8	485.9 312.9	497.3 321.7	493.6 318.9	492.2 317.3
37 38	Pay raises and locality pay		3.5 3.5	8.3 5.2		4.8 4.8					4.4 4.4	4.4 4.4	5.2 5.2	5.2 5.2	9.3 5.2	9.3 5.2	9.3 5.2
39 40	January 2001 Other	304.7	312.3	3.1 308.9	310.8	308.2	304.6	300.8	312.1	325.6	309.7	310.9	304.6	307.7	4.1 312.4	4.1 309.6	4.1 308.0
41 42	Nondefense Pay raises and locality pay	159.1	171.4 2.4	173.1 5.2	164.0	173.1 3.2	162.4	164.4	162.9	166.3	172.0 3.2	173.3 3.2	173.9 3.2	173.1 3.2	175.6 5.8	174.7 5.8	174.9 5.8
43 44	January 2000		2.4	3.2 2.0		3.2					3.2	3.2	3.2	3.2	3.2 2.6	3.2 2.6	3.2 2.6
45	Other	159.1	169.0	167.9	164.0	169.9	162.4	164.4	162.9	166.3	168.8	170.1	170.7	169.9	169.8	168.9	169.1
46 47	Transfer payments (net)	741.2 732.6	771.7 762.3	819.9 808.3	754.4 744.0	793.9 783.9	743.4 736.6	749.7 740.5	754.8 746.4	769.7 752.3	782.1 771.7	784.8 779.6	792.1 787.5	816.5 796.7	827.9 817.1	834.6 826.2	843.9 836.2
48 49	Social Security Regular	377.1 377.1	393.3 386.4	412.0 395.2	380.6 380.6	400.7 391.4	377.6 377.6	379.2 379.2	381.9 381.9	383.7 383.7	396.7 387.4	399.5 390.3		404.4 395.2	416.2 396.8	417.6 398.3	418.9 399.5
50 51	Benefit increases January 2000		7.0 7.0	16.9 9.3		9.3 9.3					9.3 9.3	9.3 9.3	9.3 9.3	9.3 9.3	19.4 9.3	19.4 9.3	19.4 9.3
52 53	January 2001	207.1	218.7	7.6 238.1	215.8	232.4	211.3	213.8	217.2	221.0	225.7	230.2	234.6	239.0	10.1 244.1	10.1 249.8	10.1 256.3
54 55	Unemployment benefits	20.9	21.3 24.6	24.1 25.7	20.5 24.0	20.6 25.2	20.7 24.0	20.5	20.4 24.0	20.3	19.9 25.0	20.2 25.1	20.7	21.5 25.3	22.4 26.0	23.5	24.6 26.4
56	Railroad retirement	8.5	8.3	8.6	8.2	8.1	8.2	8.2	8.2	8.2	8.2	8.1	8.1	8.2	8.5	8.5	8.5
57 58	Military medical insurance	2.0 15.7	1.8 15.9	1.8 17.1	2.0 15.6	1.9 16.3	2.0 15.8	2.0 15.7	2.0 15.3	2.0 15.5	2.0 16.0	1.9 16.1	1.9 16.2	1.9 17.0	1.9 17.3	1.9 17.5	1.9 17.7
59 60	Black lung benefits Supplemental security income	1.0 28.1	1.0 29.3	.9 30.6	1.0 26.8	.9 27.6	1.0 26.9	1.1 26.9	1.0 26.8	1.0 26.6	1.0 27.4	.9 27.5	.9 27.6	.9 27.8	.9 28.7	.9 28.8	.9 28.9
61 62	Earned income and child care credits	26.1 22.4	26.2 21.9	26.3 23.1	26.7 22.8	26.8 23.3	26.7 22.3	26.7 22.6	26.7 22.9	26.7 23.2	26.8 23.1	26.8 23.2	26.8 23.3	26.8 23.6	27.0 24.1	27.0 24.6	27.0 25.1
63	To rest of the world (net)	l 8.5	9.4	11.7	10.5	10.0	6.8	9.2	8.5	17.4	10.4	5.2	4.5	19.8	10.8	8.4	7.7

Table 10.—Federal Government Current Receipts and Expenditures, NIPA Framework—Continued

[Billions of dollars; calendar year and quarters at seasonally adjusted annual rates]

Property	-						L. L. Control of Seasonary adjusted difficult ratesy											
Index			FISCAL	year estir	nates 1								Quarter					
1999 2000	Line														Estimated			
6 Grants in aid to State and local governments 2238 2421 2596 2255 2464 2199 2157 2306 2356 2404 2436 2494 2522 2577 2607			1999	2000	2001	1000 3	2000		199	92			20	00			2001	
66 Material deletine: — 4.1 2.6 4.1 2.4 2.9 2.4 2.7 2.6 2.1 2.7 2.9 2.8 3.3 4.1 4.5 4.5 4.5 Material deletine: — 2.9 3.1 3.3 3.3 3.3 3.3 3.3 3.3 3.3 3.3 3.3						1999 -	2000	I	II	III	IV	I	II	III	IV	I	II	III
Economic affairs																	260.7	
Economic affairs	66	National defense	2.9	3.1	3.3	3.3	3.2	3.1	3.2	3.3	3.5	3.0	3.0	3.0	3.7	3.2	3.2	3.2
General economic and labor																	3.2	
Energy	69	General economic and labor	4.3	5.4	5.8	4.4	5.5	4.4	4.4	4.3	4.5	5.5	5.7	5.6	5.1	5.9	6.1	6.0
Natural resources																		
Space	72	Natural resources	1.7	1.9	1.7	1.8	1.9	1.3	1.5	2.7	1.7	1.8	1.6	2.6	1.5	1.6	1.5	2.3
Housing and community services 10.6 11.6 12.0 10.6 11.7 10.2 10.6 11.7 10.9 11.7 12.0 11.5 11.6 12.1 12.3 12.1 12.1 12.1 12.1 12.0 12.6 12.9 12.9 12.5																		
Medicaid	75 76	Housing and community services																
Education	77		107.9	115.9	124.6		118.1	107.3	106.1	113.6	115.5	113.3	115.7		124.2	121.8	124.4	128.2
Education	78 79																	
Welfare and Social services	80	Education	19.4	22.9	23.1	19.2	23.0	19.9	17.4	19.2	20.2	24.0	23.5	23.9	20.4	24.1	23.7	24.0
83 Offier		Welfare and social services																
Subsidies less current surplus of government enterprises																		
enterprises — 364 38.8 28.5 38.3 35.0 32.6 39.5 29.0 51.9 37.8 35.4 34.2 32.6 27.3 26.0 25.3 38.5 86 Subsidies — 40.5 43.6 36.2 43.3 43.0 37.5 44.4 34.1 57.0 42.9 40.7 39.6 38.1 36.2 34.9 43.2 87.4 Agriculture — 19.1 21.1 13.0 21.7 18.0 15.6 22.9 12.8 35.3 20.9 18.4 17.1 15.4 13.4 12.0 11.2 12.0 19.0 19.0 19.0 19.1 21.1 13.0 21.7 18.0 15.6 22.9 12.8 35.3 20.9 18.4 17.1 15.4 13.4 12.0 11.2 12.0 19.0 19.0 19.0 19.0 19.0 19.0 19.0 19	84	Net interest paid	264.8	258.5	247.1	262.8	253.9	266.0	264.8	259.9	260.7	258.3	255.2	252.1	249.8	246.8	243.7	240.6
86 Subsidies 40.5 43.6 36.2 43.3 40.3 37.5 44.4 34.1 57.0 42.9 40.7 39.6 38.1 36.2 34.9 34.2 87.4 Apriculture 19.1 12.1 13.0 21.7 18.0 15.6 22.9 12.8 35.3 20.9 18.4 17.1 15.4 17.8 12.0 12.1 28.8 Housing 20.6 21.3 22.2 20.7 21.2 21.0 20.7 20.5 20.6 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.7 21.2 21.0 20.7 20.5 20.6 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.7 21.2 21.0 20.7 20.5 20.6 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.7 21.2 21.0 20.7 20.5 20.6 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.7 21.2 21.0 20.7 20.5 20.6 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.7 21.2 21.0 20.7 20.5 20.6 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.7 21.2 21.0 20.7 20.5 20.6 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.7 21.2 21.0 20.7 20.5 20.6 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.7 21.2 21.0 20.7 20.5 20.6 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.7 21.2 21.0 20.7 20.5 20.6 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.9 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.9 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.9 20.9 20.8 21.1 21.3 21.6 21.8 21.9 22.0 20.9 20.9 20.8 21.1 21.3 21.1 21.1 10.1 0.1 0.1 20.1 20.1 20.1 2	85		26.4	20 0	20 5	20 2	25.0	22.6	20.5	20.0	51.0	27.0	25.4	2/1.2	22.6	27.2	26.0	25.2
Housing Register		Subsidies	40.5	43.6	36.2	43.3	40.3	37.5	44.4	34.1	57.0	42.9	40.7	39.6	38.1	36.2	34.9	34.2
Note Content surplus of government enterprises 4																		
Postal Service	89	Other	.8	1.2	1.0	.9	1.2	.8	.8	.8	1.1	1.2	1.2	1.2	1.1	1.0	1.0	1.0
Tennessee Valléy Authority 3.0 3.1 3.2 2.9 2.9 2.8 2.8 2.9 2.9 2.9 2.9 2.9 2.9 3.0 3.0 3.1 3.1	91	Postal Service	-1.6	-1.1	1.0	-1.2	-1.3	-1.2	-1.2	-1.2	-1.1	-1.2	-1.3	-1.3	-1.3	1.8	1.7	1.6
Other	92	Federal Housing Administration	3.2			3.6	4.0	3.4		3.6	3.7	3.8	3.9	4.1	4.3		4.8	
Current surplus or deficit (-) 5																		
Addenda: Gross investment 6	95	Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
97 Gross investment 6 92.2 102.9 112.5 95.7 105.1 90.4 94.9 101.3 102.6 101.5 107.7 108.6 109.8 112.2 115.4 98 National defense 51.9 56.9 60.9 53.7 57.3 51.2 53.5 53.4 56.7 56.6 54.2 59.3 59.1 59.6 61.2 63.8 99 Nondefense 40.3 46.1 51.6 42.0 47.8 39.2 42.9 41.5 44.6 45.9 47.3 48.4 49.4 50.2 51.0 51.7 100 Consumption expenditures and gross investment 556.0 590.2 602.8 570.5 591.2 557.4 561.6 569.8 593.2 588.7 590.1 594.5 607.1 594.5 607.1 580.1 381.3 380.1 381.1 101 National defense 356.6 372.7 378.1 364.5 370.4 355.8 354.3 365.4 </td <td>96</td> <td>Current surplus or deficit (-) 5</td> <td>111.7</td> <td>154.7</td> <td>171.1</td> <td>114.9</td> <td>152.2</td> <td>97.6</td> <td>118.1</td> <td>133.8</td> <td>110.0</td> <td>124.5</td> <td>147.3</td> <td>171.3</td> <td>165.7</td> <td>150.7</td> <td>166.2</td> <td>172.6</td>	96	Current surplus or deficit (-) 5	111.7	154.7	171.1	114.9	152.2	97.6	118.1	133.8	110.0	124.5	147.3	171.3	165.7	150.7	166.2	172.6
98 National defense 51.9 56.9 60.9 53.7 57.3 51.2 53.5 53.4 56.7 56.6 54.2 59.3 59.1 59.6 61.2 63.8 100 Consumption expenditures and gross investment 556.0 590.2 602.8 570.5 591.2 557.4 561.6 569.8 593.2 588.7 590.1 594.5 607.1 605.8 607.7 101 National defense 356.6 372.7 378.1 364.5 370.4 355.8 354.3 362.4 382.3 370.8 369.5 369.1 572.0 381.3 380.1 381.1 102 Nondefense 199.4 217.5 224.6 206.1 220.9 201.6 207.3 204.4 210.9 217.9 220.6 222.4 222.5 225.8 225.7 226.6 103 Capital transfers received (net) -3.6 -4.7 -5.0 -5.7 -2.7 -4.8 -9.7 -2.9 -4.2 -5.	07		02.2	102.0	110 5	05.7	105 1	00.4	0/ 4	04.0	101.2	102 (101 E	107.7	100 /	100.0	112.2	115 /
Consumption expenditures and gross investment National defense 356.0 590.2 602.8 570.5 591.2 557.4 561.6 569.8 593.2 588.7 590.1 591.4 594.5 607.1 605.8 607.7	98	National defense				53.7		51.2	53.5	53.4		56.6	54.2	59.3	59.1	59.6	61.2	63.8
101 National defense 356.6 372.7 378.1 364.5 370.4 355.8 354.3 365.4 382.3 370.8 369.5 369.1 372.0 381.3 380.1 381.1 102 Nondefense 199.4 217.5 224.6 206.1 220.9 201.6 207.3 204.4 210.9 217.9 220.6 222.4 222.5 225.8 225.7 226.6 103 Capital transfers received (net) -3.6 -4.7 -5.1 -5.0 -5.7 -2.7 -4.8 -9.7 -2.9 -4.2 -5.3 -6.3 -7.0 -6.3 -5.9 104 Capital transfers received 27.7 30.3 32.2 28.7 29.9 27.1 29.7 26.2 31.8 30.5 29.7 29.4 29.9 30.7 31.5 32.2 105 Estate and gift taxes 27.7 30.3 32.2 28.7 29.9 27.1 29.7 26.2 31.8 30.5 29.7	99	Nondefense	40.3	46.1	51.6	42.0	47.8	39.2	42.9	41.5	44.6	45.9	47.3	48.4	49.4	50.2	51.0	51.7
Nondefense																		
104 Capital transfers received 27.7 30.3 32.2 28.7 29.9 27.1 29.7 26.2 31.8 30.5 29.7 29.4 29.9 30.7 31.5 32.2 105 Estate and gift taxes 27.7 30.3 32.2 28.7 29.9 27.1 29.7 26.2 31.8 30.5 29.7 29.4 29.9 30.7 31.5 32.2 106 Less: Capital transfers paid 31.3 35.0 37.3 33.8 35.6 29.9 34.5 36.0 34.7 34.7 35.0 35.7 36.9 37.0 37.3 38.1 107 Grants-in-aid to State and local 31.3 35.0 37.3 33.8 35.6 29.9 34.5 36.0 34.7 34.7 35.0 35.7 36.9 37.0 37.3 38.1 108 Transportation 28.6 32.0 34.0 30.7 32.2 24.9 24.1 26.0 25.7 23.3 26.																		
104 Capital transfers received 27.7 30.3 32.2 28.7 29.9 27.1 29.7 26.2 31.8 30.5 29.7 29.4 29.9 30.7 31.5 32.2 105 Estate and gift taxes 27.7 30.3 32.2 28.7 29.9 27.1 29.7 26.2 31.8 30.5 29.7 29.4 29.9 30.7 31.5 32.2 106 Less: Capital transfers paid 31.3 35.0 37.3 33.8 35.6 29.9 34.5 36.0 34.7 34.7 35.0 35.7 36.9 37.0 37.3 38.1 107 Grants-in-aid to State and local 31.3 35.0 37.3 33.8 35.6 29.9 34.5 36.0 34.7 34.7 35.0 35.7 36.9 37.0 37.3 38.1 108 Transportation 28.6 32.0 34.0 30.7 32.2 24.9 24.1 26.0 25.7 23.3 26.	103	Capital transfers received (net)	-3.6	-4.7	-5.1	-5.0	-5.7	-2.7	-4.8	-9.7	-2.9	-4.2	-5.3	-6.3	-7.0	-6.3	-5.8	-5.9
106 Indicated the control of	104	Capital transfers received	27.7	30.3	32.2	28.7	29.9	27.1	29.7	26.2	31.8	30.5	29.7	29.4		30.7	31.5	32.2
107 Grants-in-aid to State and local governments 31.3 35.0 37.3 33.8 35.6 29.9 34.5 36.0 34.7 35.0 35.7 36.9 37.0 37.3 38.1 38.1 38.1 38.2 38.1 38.2 38.	106	Less: Capital transfers paid																
108 Transportation 28.6 32.0 34.0 30.7 32.5 26.9 31.0 33.2 31.8 32.0 32.4 33.7 33.7 34.0 34.5 109 Highway 23.0 25.8 27.7 23.3 26.2 20.7 23.4 24.9 24.1 26.0 26.2 26.8 25.9 27.9 28.2 28.8 110 Other transportation 5.6 6.2 6.3 7.4 6.3 6.2 7.6 8.2 7.7 5.8 5.8 5.7 7.8 5.8 5.8	107	Grants-in-aid to State and local	31 3	35.0	37 3	33.8	35.6	29 9	34.5	36.0	34 7	34 7	35.0	35.7	36.9	37 0	37.3	38 1
110 Other transportation		Transportation	28.6	32.0	34.0	30.7	32.5	26.9	31.0	33.2	31.8	31.8	32.0	32.4	33.7	33.7	34.0	34.5

^{1.} Fiscal year estimates are the sum of quarterly values not seasonally adjusted and are consistent with the

and because of corrections.

budget proposals.

2. Published estimates, both calendar year and quarters, appear in NIPA tables 3.2 and 3.7B elsewhere in this issue. BEAS estimate of corporate profits tax accruals for the fourth quarter of 1999 will not be available until the release of the final estimate of gross domestic product on March 30, 2000. The value shown is derived from the

budget.

3. The Budget of the United States Government, Analytical Perspectives, Fiscal Year 2001, "National Income and Product Accounts," page 363 contains incorrect fiscal year estimates of personal tax and nonsumption expenditures; these estimates carried through to the budget estimates for current receipts, expenditures, and the surplus. These changes were made because of additional data received after the budget was released

and because of corrections.

4. Most transportation grants-in-aid to State and local governments are classified as capital transfers paid (see addenda); however, water and railroad transportation grants are still classified as current-account transactions.

5. See footnote 1 in table 7.

6. Gross investment consists of general government and government enlerprise expenditures for fixed assets; inventory investment is included in Federal Government consumption expenditures.

Sources: The Budget of the United States Government, Fiscal year 2001 and the Bureau of Economic Analysis. FICA Federal insurance contributions act

NIPA National income and product accounts

SECA Self-employment contributions act

Accounting for Renewable and Environmental Resources

LAST SUMMER, a blue ribbon panel of the National Academy of Sciences' National Research Council completed a congressionally mandated review of the work that the Bureau of Economic Analysis (BEA) had published on integrated economic and environmental accounts. The panel's final report commended BEA for its initial work in producing a set of sound and objective prototype accounts. The November 1999 issue of the Survey of Current Business contained an article by William D. Nordhaus, the Chair of the Panel, that presented an overview of the major issues and findings and a reprint of chapter 5, "Overall Appraisal of Environmental Accounting in the United States." Chapter 3, "Accounting for Subsoil Mineral Resources" was reprinted in the February 2000 issue; chapter 4, "Accounting for Renewable and Environmental Resources" is reprinted below.

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The previous chapter reviewed issues involved in extending the national accounts to include subsoil assets. This chapter focuses on two other aspects of environmental accounting: renewable and environmental resources. BEA has proposed covering these two categories of resources in future work on integrated accounting. As discussed in Chapter 1, Phase II of that work would focus on different classes of land (e.g., agriculture, forest, and recreation land), on timber, on fisheries, and on agricultural assets such as grain stocks and livestock. Phase III would address environmental resources, including, for example, air, uncultivated biological resources, and water.

The general principles set forth in Chapter 2 indicate that increasingly severe obstacles are likely to arise as the national accounts move further from the boundaries of the market economy. The discussion in this chapter confirms the premise that BEA's Phase III raises the most difficult conceptual, methodological, and data problems. This finding presents a dilemma that must be faced in expanding the accounts: Should follow-on efforts focus on those resources that can be most easily included given existing data and methods, or should BEA focus on including those resources that would have the largest impact on our understand-

ing of the interaction between the U.S. economy and the environment? The panel's investigation, while based on data that are highly imprecise and in some cases speculative, suggests that the development of the accounts proposed for Phase III would be likely to encompass the most significant economy-environment interactions. This observation is tempered by the realization that to date nothing approaching adequate comprehensive environmental accounting for a country of the complexity of the United States has yet been undertaken. For BEA or the federal government to prepare a full set of environmental accounts would require a substantial commitment.

This chapter provides a review of the issues involved in accounting for renewable and environmental resources. It is not intended to be a comprehensive review of work in this area. Rather, it delineates the issues that are involved in environmental accounting and presents two important specific examples that illustrate these issues. The first section reviews BEA's efforts in environmental accounting to date. Next, we analyze how stocks and flows of residuals from human activities relate to natural sources of residuals, natural resource assets, stocks, flows, and economic activity. The third section examines issues involved in accounting for renewable and environmental resources. The chapter then turns to general issues associated with the physical data requirements of environmental accounting and with valuation. We next investigate in greater detail the cases of forests and air quality to illustrate how augmented accounting might actually be done. The chapter ends with the panel's conclusions and recommendations in the area of accounting for renewable and environmental resources. Appendix B identifies potentially useful sources of data for developing supplemental accounts identified by the panel in the course of its investigation.

BEA EFFORTS TO DATE IN ACCOUNTING FOR RENEWABLE AND ENVIRONMENTAL RESOURCES

This section reviews BEA's initial design for its supplemental accounts for natural-resource and

environmental assets. A more complete evaluation of BEA's efforts on forests is included later in the chapter. As discussed in Chapter 2, a critical issue involved in the development of augmented accounts is setting the boundary. How far from the boundary of the marketplace should

the purview of the environmental accounts extend? Table 4–1 shows BEA's tentative decisions on how it proposed to structure its supplemental accounts (BEA's Integrated Environmental and Economic Satellite Accounts [IEESA] from Bureau of Economic Analysis, 1994a: Table 1). Phase II

TABLE 4-1 IEESA Asset Account, 1987

[Billions of dollars]

This table can serve as an inventory of the estimates available for the IEESA's. In decreasing order of quality, the estimates that have been filled in are as follows: For made assets, estimates of reproducible tangible stock and inventories, from BEA's national income and product accounts or based on them, and pollution abatement stock, from BEA estimates (rows 1–21): for subsoil assets, the highs and lows of the range based on alternative valuation methods, from the companion article (rows 36–41): and best available, or rough-order-of-magnitude, estimates for some developed natural assets (selected rows 23–35 and 42–47) and some environmental assets (selected rows 48–55) prepared by BEA. The "n.a."—not available—entries represent a research agenda.

					Change		
		Opening Stocks	Total, Net (3+4+5)	Depreciaton, Depletion, Degradation	Capital Formation	Revaluation and Other Changes	Closing Stocks (1+2)
	Row	(1)	(2)	(3)	(4)	(5)	(6)
PRODUCED ASSETS							
Made assets	1	11,565.9	667.4	-607.9	905.8	369.4	12,233.3
Fixed assets		10,535.2	608.2	-607.9	875.8	340.2	11,143.4
Residential structures		4,001.6	318.1	-109.8	230.5	197.4	4,319.7
Fixed nonresidential structures and equipment		6,533.6	290.1	-498.1 -19.2	645.3	142.9	6,823.7
Natural resource related	6	503.7 241.3	23.1 8.4	-19.2 -7.0	30.3 10.6	12.0 4.7	526.8 249.6
Conservation and development	7	152.7	3.6	-4.4	5.3	2.7	156.4
Water supply facilities	8	88.5	4.8	-2.5	5.3	2.0	93.3
Pollution abatement		262.4	14.7	-12.2	19.7	7.3	277.1
Sanitary services		172.9	12.8	-5.6	13.7	4.8	185.8
Air pollution abatement and control		45.3 44.2	.6 1.3	-4.1 -2.5	3.5 2.6	1.3 1.2	45.9 45.5
Other		6.029.9	267.0	-478.9	615.0	130.9	6.296.9
Inventories		1,030.7			30.1	29.2	1,090.0
Government		184.9			2.9	3.8	191.7
Nonfarm		797.3	62.4		32.7	29.7	859.7
Farm (harvested crops, and livestock other than cattle and calves)		48.5	-9.9		-5.5	-4.4	38.6
Corn		10.2 5.0			-1.1 -1.0	1.4	10.5 4.9
All wheat		2.6			-1.0 2	.2	2.6
Other		30.7			-3.2	-6.9	20.6
Developed natural assets		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
•							
Cultivated biological resources	23	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Cultivated fixed natural growth assets Livestock for breeding, dairy, draught, etc		n.a. n.a.	n.a. n.a.	n.a. n.a.	n.a. n.a.	n.a. n.a.	n.a. n.a.
Cattle		12.9	2.0	n.a.	3	2.3	14.9
Fish stock		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Vineyards, orchards	28	2.0	.2	n.a.	0.0	.2	2.2
Trees on timberland	29	288.8	47.0	-6.9	9.0	44.9	335.7
Work-in-progress on natural growth products		n.a.			n.a.	n.a.	n.a.
Livestock raised for slaughter		n.a.			n.a.	n.a.	n.a.
CattleFish stock		24.1 n.a.			0.0 n.a.	7.5 n.a.	31.6 n.a.
Calves		5.0			5	1.4	5.9
Crops and other produced plants, not yet harvested		1.8			.1	.2	2.1
Proved subsoil assets	36	270.0 - 1,066.9	57.8 - 116.6	-16.7 - 61.6	16.6 - 64.6	58.0119.6	299.4 - 950.3
Oil (including natural gas liquids)		58.2 - 325.9	-22.5 - 84.7	-5.130.6	5.8 - 34.2	-23.188.3	35.7 - 241.2
Gas (including natural gas liquids)		42.7 - 259.3	6.6 - 57.2	-5.620.3	4.1 - 14.9	8.151.8	49.4 - 202.2
CoalMetals		140.7 - 207.7 (*) - 215.3	2.2 - 3.4 67.2 - - 29.5	-5.47.6 22.2	4.4 - 6.3 2.2 - 9.2	3.22.1 65.2 - 22.5	143.0 - 204.2 38.5 - 244.8
Other minerals		28.4 - 58.7	4.38	22.2 49	.10	4.61	32.8 - 57.9
Developed land	42	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Land underlying structures (private)	43	4,053.3	253.0	n.a.	n.a.	n.a.	4,306.3
Agricultural land (excluding vineyards, orchards)	44	441.3	42.4	n.a <u>.</u>	-2.8	45.2	483.7
Soil		n.a.	n.a.	5	n.a.	n.a.	n.a.
Recreational land and water (public)		n.a.	n.a.	9	.9	n.a. 29.4	n.a.
Forests and other wooded land	41	285.8	28.8	n.a.	6	29.4	314.6
NONPRODUCED/ENVIRONMENTAL ASSETS							
Uncultivated biological resources		n.a. n.a.	n.a. n.a.	n.a. n.a.	n.a. n.a.	n.a. n.a.	n.a. n.a.
Timber and other plants and cultivated forests		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other uncultivated biological resources		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Unproved subsoil assets	52	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Undeveloped land	53	n.a.	n.a.	-19.9	19.9	n.a.	n.a.
Water (economic effects of changes in stock)			n.a.	-38.7	38.7		
Air (economic effects of changes in stock)	55		n.a.	-27.1	27.1	n.a.	

n.a. = Not available

slightly simplified for this report.

^{*}The calculated value of the entry was negative.

of BEA's development of supplemental tables focused on assets listed in rows 22–35 and 42–47 of Table 4–1, while Phase III considers rows 48–55. Because BEA has not completed Phases II and III, actual decisions on what will be included have yet to be made. Each of the following sections of this chapter considers an element of how to draw the line. While an ideal set of accounts would contain "everything," this chapter examines practical issues that arise in constructing actual accounts based on available data and tools. As will be seen, the practical is likely to fall far short of the ideal.

Pollution Abatement and Control Expenditures

One particular entry in the environmental accounts—pollution abatement and control expenditures—has been the subject of detailed investigation by BEA for many years. These items are shown for 1987 in rows 5–12 of Table 4–1. The Bureau of the Census began collecting these data and BEA reporting them in 1972 (with some breaks in the series); these efforts were suspended in 1995 because of budget cuts. Reporting of these costs does not extend the accounts, but rather reorganizes the existing accounts to provide a better indication of the interaction between the environment and the economy.

The limitations of these data are well recognized and were discussed in Chapter 2. Many of the costs included in the data overstate the cost of pollution control, while other pollution-reducing costs are omitted because they involve changes in processes. There is also controversy about the extent to which stringent pollution control regulations may have a chilling effect on innovation and technological change. Finally, little thought has been given to the appropriate treatment of purchases of emission permits, which are likely to become a more important feature of environmental regulation in the future. Despite their limitations, however, data on pollution abatement are likely to be among the most precise of the data in the environmental accounts, and they have been extremely useful for understanding trends and levels in control costs and for examining how environmental programs have affected productivity. The panel finds that the data on pollution abatement expenditures are valuable and, as noted in the final section of this chapter, recommends that funds be provided to improve the design and recommence collecting these data.

Other Sectors of the Proposed Accounts

As reported by BEA, the quality of actual entries in published supplemental accounts for Phase II and III assets ranges from relatively good to conceptually defective. For Phase II assets, estimates within the category "developed land" are described as "of uneven quality" (p. 45). According to BEA, agricultural land values are "relatively good and are based on U.S. Department of Agriculture estimates of farm real estate values less BEA's estimates for the value of structures" (p. 45). BEA has not attempted to estimate the value of recreational land, but has entered federal maintenance and repair expenditures as an investment (see Table 4–1) and "assumed that these expenditures exactly offset the degradation/depletion of recreational land" (p. 45). BEA indicates that this assumption is made only for purposes of illustration and is "not to imply any judgment about the true value of degradation/depletion" (p. 45). A more detailed discussion of BEA estimates for timber and land in forests is presented later in this chapter.

For Phase III assets, BEA has entered "n.a." for most of the items, indicating that these estimates have not yet been developed. Entries for investment in and degradation of water, air, and undeveloped land are included, however. As in the case of developed recreational land, BEA has assumed that maintenance exactly offsets degradation, noting that this assumption provides entries that "are simply place markers" (p. 46). In the panel's view, the use of maintenance expenditures as degradation costs is highly misleading, and this procedure should not be followed in the future. Entering "n.a." would be more accurate. The panel notes, however, that these estimates do not necessarily reflect BEA's planned approaches, but were included by BEA to show the current state of data and research.

Regarding future plans, the United Nations System of Integrated Environmental and Economic Accounting (SEEA) "does not recommend that the stock of air—which is truly a global common—or water be valued; instead it recommends that valuation be limited to changes in these assets—their degradation and investments in their restoration" (p. 46). It should be emphasized that the entries for environmental assets in Table 4–1 are highly oversimplified. Some components of air quality, such as greenhouse gases and stratospheric ozone, are truly global assets and services; others, such as reductions in urban smog, are local and regional

^{1.} All quotations in this section are from the Bureau of Economic Analysis 994a).

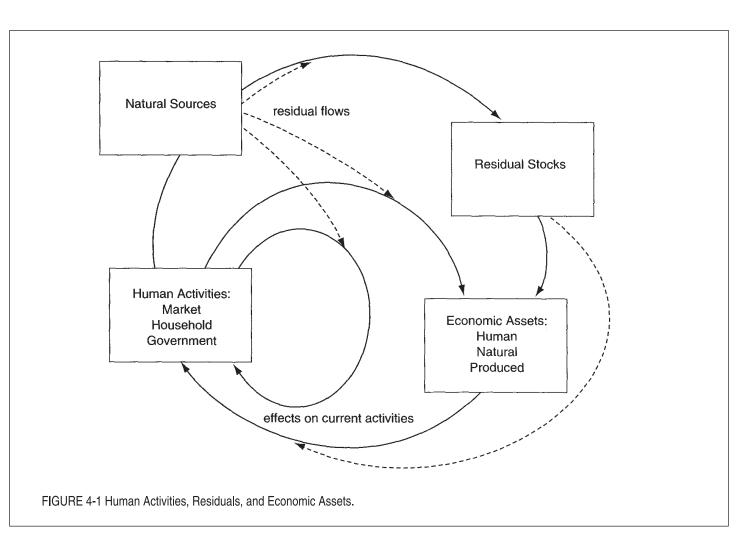
public goods. Additional dimensions that need to be incorporated are relations to external events, spatial resolution, and nonlinearities in damages. The discussion of air quality later in this chapter illustrates its multiple dimensions. Similarly, water quality and quantity, undeveloped land, and uncultivated biological resources are composites of many different assets and quality characteristics that provide multiple goods and services.

BEA's efforts have focused on the asset accounts. A preliminary table for a production account without entries is included in BEA's report on its development of the IEESA (Bureau of Economic Analysis, 1994a, 1994b). Production of market goods and services from these natural assets—e.g., timber, agricultural crops, fish—is already in the core production accounts. Greater attention is needed to identifying, measuring, and valuing the specific types of nonmarket goods and services produced by these assets.

POLLUTANT EMISSIONS AND THEIR RELATION TO STOCKS, FLOWS, AND ECONOMIC ACTIVITY

Before constructing environmental accounts, it is necessary to determine the interactions between natural resources and the environment and economic activity. It is essential to understand the key physical flows and stocks and how they affect humans and economic activities and values. A complete accounting requires detailed knowledge of the physical properties of resources and pollutants as described in fate, transport, and impact or damage models, as well as the service flows to market and nonmarket sectors.

Figure 4–1 illustrates key relationships among emissions, stocks of pollutants, natural-resource assets, and economic activities in different sectors. As the figure shows, economic activities produce a variety of uninternalized emissions and resid-



uals that find their way into the environment. Many of the pollutants of concern are residuals that also have natural sources—sulfur, carbon dioxide, carbon monoxide, nitrogen compounds—and are emitted during volcanic eruptions, produced by forests and wetlands, or released from wildfires. Other residuals of concern—such as chlorofluorocarbons (CFCs) and many pesticides used in agriculture—are anthropogenic and have no natural sources. In terms of effects on human activities. the sources of the residuals are not important. What may be important is that human activities have increased the levels occurring in the environment, concentrated them to a degree that makes them dangerous, or relocated them to areas where people or economic activities are exposed to them at high levels.

Whether from natural sources or human activities, environmental variables can affect economic well-being in three general ways, as illustrated in Figure 4–1: (1) direct effects on consumption or income of households, industry, and government; (2) accumulation in the environment of stocks of residuals that then affect economic activities or economic assets; and (3) effects on the service flows of economic assets (capital stock, natural resources, or human resources), such as recreation, clean air to breathe, and navigable river channels free of sedimentary deposits.

Direct Effects

Environmental variables affect human and natural systems directly. Urban smog, whose concentrations change daily or even hourly, is an obvious example. Sulfate and nitrate aerosols, pollutants contributing to acid precipitation, remain in the atmosphere for a matter of days. These pollutants have short-term health effects, reduce visibility, interfere with recreational activities, affect crop growth, and present their own set of problems for accounting. In many cases, the substances emitted are precursor emissions; that is, they react chemically in the atmosphere with other substances to form the substance that is ultimately damaging to humans or ecosystems. There are also complex nonlinearities because the formation of the damaging substance depends on the level of precursor emissions, weather conditions, and the presence of other substances with which the precursor emissions react. All of these processes vary on an hourly, daily, and seasonal basis. Emissions, concentrations, and impacts of damaging substances also vary spatially, and there may be important threshold effects as well. Above all, there is the "weed syndrome"—the fact that the same substance may be beneficial or harmful depending on where it is, how much of it there is, the time and duration of exposure, and what organism is absorbing it. Virtually every substance on earth, from water to plutonium, can be an economic good or an economic weed depending on the circumstances.

One of the most important difficulties is that the physical measurements used are often inaccurate indicators of actual human exposures. Average emissions of the precursor pollutant, average concentrations over the year, or concentration data for limited sites are generally not representative of concentrations to which the population is exposed and may be a misleading basis for developing damage estimates. For example, tropospheric ozone forms mainly in warm weather. Thus total annual hydrocarbon emissions, the precursor to tropospheric ozone, are a poor indicator of potential levels of tropospheric ozone. Tropospheric ozone levels also vary significantly over the distance of a few city blocks. One of the major challenges both for better environmental policy and for the construction of environmental accounts is to obtain better measures of direct human exposure to the important harmful substances among a representative sample of people.

Accumulation of Stocks

Many environmental problems result from the accumulation of residuals. These substances include most radiatively active trace gases, which remain in the atmosphere for decades or centuries, and many radioactive materials, which have half-lives of decades or centuries. Similarly, recovery from stratospheric ozone depletion is a process requiring years or decades. and agricultural chemicals often migrate very slowly through soils, contaminating drinking water only after several years or decades.

Environmental accounting therefore needs to develop and include appropriate methods to account for those persistent pollutants, such as heavy metals that accumulate in the environment and last for many years. Each year's emissions or production of residuals adds to the stock in the environment, and it is necessary to understand the processes by which these stocks decay or dissipate. In some cases (as with radioactive substances), those processes are easily understood, while in other cases (such as subsoil toxins or the carbon cycle), understanding the processes poses enormous scientific challenges. In the economic accounts, the stock-flow dynamics are similar to those of gross

investment and depreciation of capital. While there is a conceptual similarity, however, there is no readily observable market price for these stock changes. Hence, valuation of a change in stock requires estimating the value of the impact of additions over the lifetime of the stock, accounting for dissipation, and appropriately discounting future effects. It should also be recognized that, with a few exceptions, the stocks are extremely heterogeneous, so that measuring a simple "environmental capital stock" is likely to be extremely difficult.

Effects on Economic Assets

Both short-lived and long-lived residuals can affect economic activity over a number of years through their effects on other economic assets, in particular produced capital goods such as buildings and equipment. For example, acid precipitation can cause deterioration of buildings. Accumulated greenhouse gases can result in coastal flooding and higher storm surges, thereby adversely affecting the value of existing coastal structures. Pollutants such as lead can cause long-lasting health consequences, impacts on intellectual functions, and premature death.

ISSUES INVOLVED IN ACCOUNTING FOR RENEWABLE AND ENVIRONMENTAL RESOURCES

The previous section addressed the major ways in which natural resources and the environment interact with economic activity. Depending on the intended uses of the data, there are different approaches to structuring environmental and natural-resource accounts. The most complete accounting structure would treat all the relationships in Figure 4–1. However, constructing such a complete set of accounts is infeasible today, and governments must choose areas for investigation strategically in accordance with their national economic and environmental goals and interests. This section delineates some possible approaches to accounting for natural and environmental resources and activities.

Production and Income Accounts

A complete set of production accounts would identify all the cross-relationships among industry, household, government, and natural sources of emissions or residuals, as well as the nonmarketed current account input services provided by nature and the productive contribution of nature to

final demand. Current-year activities would include production of residuals, just as traditional economic accounts include production accounts. A complete set of accounts would incorporate flows of residuals from abroad, similar to imports of goods and services. It would also be necessary to calculate the "price"—negative or positive—indicating whether the effect was adverse or beneficial. The accounting for current-year activities would include final uses of residuals, identifying effects on final consumption, flows abroad, and contributions to capital stocks, just as traditional accounting frameworks identify final consumption of goods and services, exports, and gross capital accumulation.

Accounting for Capital Assets

It is important to measure the volumes and values of the nation's natural assets for many reasons. One purpose is simply to determine general trends. Another, illustrated in Table 4–1, is to determine the relative magnitudes of different assets. A further reason arises in the context of sustainable economic growth. As discussed in Chapter 2, one can calculate measures of sustainable income if one corrects conventional measures of national income by including the value of the change in the stocks of natural and other assets.

For all of these reasons, we would ideally like to have measures of the value and volume of the nation's natural assets; thus we must include measures not only of "made assets," such as houses and computers, but also renewable resources, such as timber or the fertility of land, and nonrenewable assets, such as oil and mineral resources. It is important to know whether the economy is generating an ever-growing stock of damaging environmental residuals that will pose a large economic burden on future generations. We want to know whether the economic value of investments in tangible, human, and technological capital is more than offsetting whatever depletion of natural assets is occurring.

There is a close connection between the production accounts and the asset accounts (see Chapter 2). As noted above, measures of comprehensive income or of sustainable income include not only current consumption flows, but also the value of the change in the stocks of assets. Hence augmented accounting requires careful and accurate measurement of both assets and consumption flows. Such measurement is currently undertaken within the boundary of the marketplace, but augmented accounting would require extending that

boundary for both assets and consumption in a consistent manner. The conceptual basis for asset valuation in environmental accounts parallels closely that in the conventional accounts. Depletion and degradation of natural resources is conceptually similar to depreciation of produced capital assets. Stocks of residuals can decay or dissipate, a process that is again conceptually similar to depreciation of produced assets. Natural growth of biological resources, recharge of groundwater resources, and accumulation of residuals are conceptually similar to gross capital formation or investment. Net accumulation of assets is equal to the value of the change in stocks. Many of the issues involved in constructing chain indexes of values and volumes translate directly into measurement of resource and environmental stocks.

However, some special conceptual difficulties arise in measuring stocks of natural assets. Natural-resource assets (like a physical plant or piece of equipment) are complex systems of component parts that have value because of the way they work together. Since produced capital assets are generally purchased or constructed as modules, they can be valued on the basis of their own market prices, rather than their synergistic contribution to output. To take an analogy, a baseball player's contribution to the team is a complex function not only of hitting, pitching, and fielding, but also of temperament, teamwork, and verbal abilities; from an accounting perspective, however, the economic contribution is simply wages and other compensation. For environmental assets, determining the value will become difficult when the effort extends beyond the market boundary. Consider a forest. How can the value of the stumpage in the forest be separated from the forest's contribution to erosion control, air quality, and biodiversity?

Even when markets produce evidence of the value of a bundle of assets—the composite value of soils, timber, nearness to water, and recreation—it may be difficult to separate out the values of the different components without applying complicated statistical procedures. Sometimes, the separation is misleading, as when the value of the components depends on their being together. An assembled bicycle is different from a pile of parts; similarly, forests, lakes, rivers, farmland, and coastal estuaries are valuable because of the way they are assembled.

One possible way of avoiding this difficulty is to redefine assets in terms of particular functions or characteristics, an approach similar to that taken in hedonic valuation, whereby goods are viewed as packages of characteristics. This approach would be similar to redefining an automobile as a combination of transportation mode, public-health menace, and status symbol. Under this approach, an asset is valued in terms of the sum of the values of its various characteristics. In this view, there is little point in trying to analyze the total value of holistic assets such as land or air or climate; rather, one undertakes the more modest task of looking at the different functions involved.² BEA's treatment of soil erosion is consistent with this approach; agricultural land is treated as the asset and the soil depth and organic-matter content as characteristics of the land. Other aspects of land quality—local climate or ambient level of pollution—can be considered in a similar manner. Identification of the economic effects of erosion on the value of land makes the resource link explicit.

Thus, a potentially useful alternative to considering the holistic value of assets is to consider how changes in air quality affect the value of agricultural land, forests, residential property, and human capital. Thus, fundamental nonhuman assets might include forests, lakes, rivers, estuaries, coastal regions, wetlands, farmland, and residential property. This approach has two further attractive features: it allows better integration with existing accounts, since some of these assets (such as residential property and forests) have an extensive existing database; and it allows incremental development of a set of valuations, building upon those in the market sector.

Practical Choices in Expanding the Accounting Framework

A complete accounting system including interactions in the production and asset accounts would be a significant undertaking. Deciding on the scale of augmented accounting and the next steps to be taken will require considerable strategic thought. One question is whether the accounts will be used for scorekeeping or for management (see the discussion in Chapter 2.

Scorekeeping, which involves developing a better measure of the performance of the economy over time, is one perspective. It addresses the questions of trends in the values of environmental assets and whether current consumption is sustainable. If scorekeeping of this type is the purpose of supplemental environmental accounts, it will simplify the enterprise because there will be no need to consider intermediate interactions between production sectors. Tracing where pollutants were

^{2.} Watershed valuation is an example of a holistic approach (see Anderson and Rockel [1991] and Green et al. [1994] as examples).

produced and how they affect intermediate product is unnecessary as long as one can measure final consumption and changes in assets. For example, a dying forest is a deteriorating asset; whether the deterioration is caused by acid precipitation, tropospheric ozone, or pest infestation is secondary from a scorekeeping perspective. What is important is to measure the deterioration accurately. Similarly, the overall health and skills of human populations is a central issue in measuring whether the economy as currently structured is leading to an increase or decrease in the stock of human capital. Why the change is occurring—whether because of changes in health care or education expenditures or reductions in blood lead—is secondary to the measurement issue. Overall scorekeeping would note the substantial improvements in the health status of Americans over this century rather than decreases in particular ailments.

The second broad perspective on the function of environmental accounts is that of environmen-This perspective focuses on tal management. the sources, transportation, and ultimate disposal of residual pollutants, particularly their contributions to outcomes of economic and ecological consequence. Knowing to what extent particular emissions of residuals come from utilities, automobiles, or volcanic eruptions is critical to developing strategies for control. If human sources are dwarfed by natural sources, for example, efforts to control human sources may be futile. Similarly, knowing that life expectancies have increased dramatically is not very useful to understanding whether there are benefits to tightening controls on small particles or ozone. Improvements in health care, occupational safety, and traffic safety may result in increasing life spans and health status more than pollutants are shortening life span—but reducing pollution further could extend lives further. Thus, if the supplemental accounts are meant to support environmental management decisions, knowing the sources of pollutants and the specific causes of changes in asset quality are essential.

Analogy with Economic Accounts

The discussion in this section has emphasized the complexity involved in constructing environmental accounts. It is useful to compare environmental with conventional economic accounting. A little reflection suggests that economic activity has a similar, almost fractal complexity when one looks under the surface. It would be just as difficult to measure the physical flows in economic life as in environmental life, and indeed many of the same

processes come into play. Consider the problems involved in accounting for a simple loaf of bread. Doing so would require measuring and valuing a wide variety of flows of water, fertilizer, pesticides, labor, climate, and capital inputs that go into producing the wheat; the fuels, transport vehicles, emissions, weather-related delays, induced congestion, or floods involved in transportation; the molds, spores, and miscellaneous rodents and their droppings that invade the storage silos; the complex combination of human skills, equipment, and structures that go into milling the wheat; the entrepreneurship of the baker and the software in the computer-operated baking and slicing machinery; the complex chemistry and regulatory environment involved in the wrapping materials; and the evolving ecology of the distribution network. Behind each of these elements, in addition, is the complex general equilibrium of the marketplace, which determines the selection of production processes by prices, taxes, and locations, along with the further complexity of needing to unravel the input-output structure of the inputs into each of the steps just described.

It appears unlikely that anyone would try, and safe to conclude that no one could succeed in, describing the physical flows involved in this little loaf of bread. Fortunately, however, economic accounting does not attempt such a Herculean task. Rather, the national accounts measure all these activities by the common measuring rod of dollars. Although the dollar flows are routinely broken down into different stages—wheat, transportation, milling, baking, and distribution—one could never hope to describe the flows physically and then attach dollar values to each physical stage. Yet this is just what would be required for a full and detailed set of environmental accounts. The above comparison may give some sense of why accounting for environmental flows outside the marketplace is such a daunting task.

PHYSICAL DATA REQUIREMENTS: GENERAL ISSUES

Some of the analytical questions involved in environmental accounting have been analyzed in the previous section. To construct actual accounts requires both obtaining accurate physical data (discussed in this section) and valuing the flows (discussed in the next section).

Accurate data on physical flows and stocks are a prerequisite for developing any accounting system and are the focus of national accounting systems under development in several European nations.

In some areas, ample physical data are available as a by-product of regulatory monitoring and resource management systems. Appendix B lists a number of databases identified by the panel that may be of use in further work on supplemental accounts.

Three concerns are fundamental to understanding data and measurement requirements for the development of environmental accounts: (1) the dose-response relationship, (2) measurement of actual doses experienced, and (3) the fate and transport of residuals in the environment. The first, the dose-response relationship, is the physical relationship between the concentration of or exposure to an environmental change and the response of the subject experiencing the dose. The doseresponse relationship is applied to many different situations, for example, the response of trees and crops to chemicals such as carbon dioxide, tropospheric ozone, or acid deposition and the response of humans to pollutants such as lead, particulate matter, or radiation.

Dose-response relationships are often difficult to determine because they may be affected by complex interactions and intervening factors. example, there are extensive medical data on causes of death and, less universally, illness. To determine impacts of environmental changes on human or natural ecosystems requires separating out the different causes of premature death or illness. In some areas, such as the impact of tobacco or lead, the relationships are relatively well established; in other areas, such as the impact of particulate matter or ozone, much uncertainty persists. For many of these relationships, average exposure over the year is rarely the relevant measure. Damage may be related to extreme levels or to periods in which the subject is particularly sensitive to the agent; acute effects may differ from chronic effects related to long-term, low-level exposure.

Resolving these uncertainties about doseresponse relationships is important for policy decisions, such as the level at which to set primary air-pollution standards. Resolution of these uncertainties would also allow construction of environmental accounts. The panel's review of work in this area indicates that the preparation of estimates of the economic impacts of air pollution is feasible today, but there are enormous uncertainties at virtually every stage of the effort. While BEA or those preparing environmental accounts would not necessarily be involved in preparing dose-response estimates, the accountants will need to work closely with public-health, agricultural, forestry, and ecological experts to use the best information available.

In addition to understanding the dose-response relationship, national accounting requires regular, statistically valid monitoring of the relevant populations and the doses they are receiving. A basic limitation of much of the data currently collected is that ambient concentration levels in areas where individuals, crops, forests, or other relevant entities actually reside are poorly measured. Most measurements occur at sites of convenience rather than sites of relevance. Air pollution monitors are often placed with other monitoring devices where airplanes congregate rather than where people live.

A full account of economic-environmental interactions also requires tracking the fate and transport relationship, or the connection between the emission of a particular pollutant or pollutant precursor at one time and geographic point and the level, time, and location of the pollutant at the point where it affects an economic asset or activity. These relationships are generally highly complex and variable. For air pollutants, wind direction and speed, temperature, cloudiness, and precipitation all affect how a pollutant is dispersed or concen-Precursor pollutants sometimes do not create damage themselves, but react chemically in the atmosphere to create other agents that are damaging. Acid precipitation and tropospheric ozone are examples. The formation of these pollutants depends on the presence of other agents that may limit, speed, or slow the process. Monitoring of emissions, concentrations, exposures, and consequences would provide the physical foundation for a complete set of environmental accounts, and is also a critical part of environmental management.

The goals of environmental accounting will dictate the assignment of priorities for improved data. Extensive data on the fate and transport of emissions and concentrations of pollutants are a lower priority if the goal is scorekeeping; even dose-response relationships may be secondary to more direct measurement of consumption flows or changes in important capital and environmental assets and human health status. If one is interested primarily in measuring the sustainability of economic activity, understanding the health status of human and natural systems is more important than understanding why conditions have changed. On the other hand, understanding these technical relationships is essential if environmental accounts are to serve as a data set to support environmental management, in which the goals are to understand the severity and causes of environmental problems, along with remedies needed to mitigate those problems.

VALUATION: GENERAL ISSUES

Once appropriate physical data have been developed, the next step in developing integrated accounts is to value changes in the physical measures. Physical data alone are often interesting and useful for policy making, and improvements in, physical environmental data could enhance policymaking efforts. Indeed, most countries have not gone beyond developing physical measures and indicators because of the difficulties involved in valuing nonmarket goods. Without valuation, however, physical data alone have serious limitations for both scorekeeping and environmental management. Aggregate physical measures, such as areas of agricultural land, forest, or wetlands or tons of sulfur, toxic wastes, or particulate emissions, provide incomplete second column evidence on the effects of these chemicals on economic wellbeing or economic sustainability over time. For example, losing 1000 acres of prime Florida Everglades would probably impose a greater economic and ecological loss than losing an equivalent area of frozen wetlands in northern Alaska. Thus an accounting entry of "total wetland acres" lost would not be a useful measure. Furthermore, a simple measure of wetland area would fail to capture improvements in quality that might occur as a result, for example, of current efforts to restore the Everglades as a fully functioning ecosystem.

For many issues, it is necessary to weight the physical measures by their importance. There are approaches to weighting physical quantities other than valuing all impacts in dollar terms; for example, different environmental residuals can be weighted by how they affect human mortality. However, such weights would be incomplete because they would exclude impacts on morbidity or on the health of ecosystems. In economic accounting, the "importance weights" are the economic values, usually market prices. The advantage of using economic valuation is that comparisons can be made across very different environmental effects and with goods that are part of the market economy. While relying on economic values has many desirable features, there are a number of difficulties involved in usefully applying nonmarket valuation studies and techniques to environmental accounting, as discussed below (see also Chapter 2).

Valuation Techniques

Markets provide the conventional valuation for market goods and services. A variety of methods for valuing nonmarket goods and services has been developed. Table 4–2 indicates the potential and actual uses of various valuation methods for many environmental problems, including the dose-response method discussed above. These methods have been developed over a number of years and have been applied to many specific problems.³

The *dose-response method*, as a valuation method in and of itself, is directed toward converting exposure to a specified dose of a substance, from which is calculated a physical response for which a direct market price can be observed. For example, exposure to ozone or particulate matter results in wheat-yield loss or lost work-days due to respiratory illness; using the market price of wheat or of labor, an estimate of economic value can be made. The valuation techniques in this approach are consistent with prices used in the economic accounts. Incomparability or additional uncertainties are introduced only through imputation of output by use of the dose-response relationship, which converts the environmental effects into market-good terms.

Travel-cost and hedonic methods also use behavior and observed market transactions as a basis for estimating values, but the activities involve time use and expenditures on goods and services related to use of the environmental or natural-resource good, rather than on the resource itself. For example, a recreational site might be valued using the travel-cost method by estimating the time and out-of-pocket costs involved in reaching the site.

Hedonic methods use statistical techniques to explain variations in market prices based on the bundle of characteristics of a good. This approach is currently used in the national accounts. Computers, for example, are considered bundles of attributes such as speed, memory, and random access memory (RAM), and the value of the computer is a weighted sum of the values of its attributes.

For resource and environment valuation purposes, hedonic methods are used to explain variations in land values that reflect natural-resource or environmental characteristics. Such estimates are based on observed price differences of land with different amenities or disamenities such as noise, pollution, and crime. Hedonic wage studies—looking at the wage premiums of highrisk jobs—are currently the standard approach to estimating the value of workplace hazards; the results are often used as estimates of the value of

^{3.} See Smith (1993) and Braden and Kolstad (1991) for reviews of the theory and application of these methods.

life-threatening effects due to such causes as air pollution or traffic accidents.

Contingent value (CV) methods are survey techniques that ask people directly what they would pay for goods and services. Applications in the area of environment and natural resources include, for example, asking individuals what they would be willing to pay to reduce smog, to increase visibility in places such as the front range of Colorado, and to clean up an oil spill in a coastal area. CV methods differ from the other methods discussed above in that there are no budget constraints or behavioral observations involved; the results reflect respondents' estimates of the value of a hypothetical change, rather than a dollar or time cost actually

incurred. While widely used for environmental valuation, CV is highly controversial because it often fails elementary tests of consistency and scaling and is subject to a wide variety of potential response errors if not carefully constructed.

The overriding problem with all these methods is that they require voluminous data and statistical analysis and can hardly be used routinely for a large number of products in constructing environmental accounts. Where existing CV studies are used for environmental or natural-resource valuation, they often employ valuation approaches that are inappropriate for national accounts. For example, many estimates used in environmental management rely on average value (including con-

TABLE 4-2 Methods for Environmental Valuation

	Pollution Type of Effect Impact				Techniques for estimation impacts							
Pollution	Type of Effect	Impact	Hedonic Property	Hedonic Wages	Travel Cost	Contingent Valuation	Dose Response					
Air pollution												
Conventional pollutants: (total suspensed particulate [TSP], sulfur dioxide [SO ₂], nitrous oxides [NO _X])	Respiratory illness	WLD RAD Medical suffering	L	L	X	U	U					
,	Respiratory illness	Death	L and U	U	Χ	Χ	U					
	Aesthetics	Visual, sensory	U	L	Χ	U	Χ					
	Recreation	Visits, especially to forests	L	Χ	U	U	X					
	Materials	Maintenance/repair	Χ	Χ	Poss	Poss	U					
	Vegetation	Crop losses	L	Χ	Χ	Χ	U					
Water pollution												
Conventional pollutants (e.g., biochemical oxygen demand [BOD])	Recreation (e.g., fishing, boating)	Visit behavior	L	X	U	U	Χ					
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Commercial	Stock losses	Χ	Χ	Х	Χ	U					
	fisheries Aesthetics	Turbidity, odor, unsightliness	U	X	L	U	Х					
	Ecosystem	Habitat and species loss	Χ	Х	Χ	U	U					
Trace concentrations	Drinking water	Illness, mortality	Χ	Χ	Χ	Poss	U					
	Fisheries	Stock losses	X	Х	Х	Х	U					
Toxic substances												
Air (benzene, polychlorinated Biphenyls [PCBs], pesticides)	Illness, mortality	WLD RAD Medical expenses Pain and suffering	U	X	U	U	U					
Chemicals hazardous to land	Aesthetics Ecosystem	Unsightliness Anxiety, ecosystem losses	Х	Х	Χ	U	U					
Radiation	Illness, mortality	WLD RAD Lives lost	Poss	U	X	L	U					
Marine pollution												
Oil, radioactive substances, sewage	Aesthetics	Unsightliness	U	Χ	U	U	U					
3-	Swimming	Visit behavior Illness Fish/livestock losses										
Noise	Nuisance	Annoyance	U	Χ	Х	U	L					

U = Used technique; Poss = Not developed, but possible; X = Inapplicable technique; WLD = Work loss days; L = Very limited applications; RAD = Resource activity days.

sumer surplus), rather than the prices or marginal values that are the convention in national income accounting. ⁴ In a competitive economy, market prices measure both the incremental value to the economy of consuming another unit of the good and the incremental cost to the economy of producing that unit. Therefore, prices are a useful benchmark for valuation.

In one sense, the market value underestimates the total value of goods and services to consumers. Because consumers pay the price of the last or marginal unit for all units consumed, they enjoy a surplus of total satisfaction over total cost. The term used for the extra utility consumers receive over what they pay for a commodity is consumer surplus (see also Chapter 2). Consumer surplus introduces a complication in comparing market prices with nonmarket values. For goods without markets, value is often measured by total willingness to pay for the good. Such values are not directly comparable to market prices because the values include the consumer surplus. In other words, when nonmarket goods are valued according to total willingness to pay, the value of those goods is overstated relative to the market value of marketed goods. For example, travel costs can provide the average value of a recreational service, but the marginal value of the resource for an open-access beach or forest with no fee may be zero. This discussion illustrates the importance of ensuring comparability in estimating values in the construction of nonmarket economic accounts.

Classes of Economic Goods

The valuation of environmental goods and services raises an issue that is largely overlooked in conventional accounting—the distinction between private and public goods. These deceptively common terms are used in a specialized sense here (see Samuelson, 1954, 1955). Private goods are ones that can be divided up and provided separately to different individuals, with no external benefits or costs to others. An example is bread. Ten loaves of bread can be divided up in many ways among individuals, and what one person eats cannot be eaten by others. *Public goods*, by contrast, are ones whose benefits are indivisibly spread among the entire community, whether or not individuals desire to purchase them. An example is smallpox eradication. It matters not at all whether one is old or young, rich or poor, American scientist or African farmer—one will benefit from the eradication whether one wants to or not. The example of smallpox eradication is a dramatic case of a public good. The economy is replete with activities, such as pollution abatement, new scientific knowledge, national defense, and zoning, that have public-good characteristics.⁵

The distinction between public and private goods is central for many nonmarket and environmental commodities. In a perfectly competitive market, the price of a marketed private good is the marginal value of consumption to the consumer. Similarly, while observed prices do not exist for nonmarket private goods, the marginal value of the consumption of such goods is conceptually equivalent to a market price. The national accounts value food produced and consumed on farms, even though it is not marketed, the same way food sold in the marketplace is valued.

Valuation of public goods is an especially difficult problem because their value to all consumers must be reckoned with. For example, improvements in air quality affect everyone. Conceptually, therefore, one should value public goods by adding up the marginal values of changes to the entire affected population. Doing so poses severe measurement difficulties for two reasons. First, the "personal prices" or marginal values of the public good are sure to vary across people—some may be significantly affected and therefore place a high value on air quality, while others may be relatively indifferent. Second, determining the values of public goods is extremely difficult because people make few decisions that reveal their preferences in this regard. People cannot choose how much defense or smallpox eradication they would like to consume; these decisions are made collectively. Since people cannot choose different levels of a public good,

^{4.} Marginal costs and marginal values are central concepts in determining economic efficiency. For example, knowing the marginal value of reductions in atmospheric lead is more useful to the policy maker than knowing the average value of all reductions. Marginal cost and marginal value are defined in Appendix D.

^{5.} This discussion greatly simplifies the discussion of public goods. There are further distinctions among public goods that are central to many issues involved in environmental accounting, particularly as regards valuation methods. One such distinction is whether consumption is excludable; in the case of global warming, for example, no coastal nation can exclude itself from the rising seas. Another distinction is between pure and congestible public goods. Congestible public goods are those whose consumption is neither completely rival nor nonrival; one person using a beach does not preclude others from doing so, but most people find crowded beaches less enjoyable than deserted ones (see Cornes and Sandler, 1986). Crowding of this sort means that even with open access, the marginal value of use of these sites is greater than zero. A final distinction is between those goods whose use affects market activities or market values and those that are completely independent of the market. Public goods without traces in markets are frequently referred to as "nonuse values." Nonuse values include values people derive from knowing that a species exists, natural wonders remain, or natural systems survive intact beyond any specific use to which they might be put (see Randall and Stoll, 1983). When Congress created Yellowstone National Park in 1872, for example, no member of Congress had ever been there, and its value as a natural wonderland was largely a "nonuse value" imagined on the basis of photographs of William Henry Jackson and drawings of Thomas Moran.

there are no behavioral traces of their preferences or personal prices.

For the above reasons, constructing environmental accounts will necessarily be different for private and public goods. For private goods, particularly near-market goods that have close relatives in the market economy, valuation appears feasible and has a level of reliability that approaches that of the current national income accounts. Most public goods, by contrast, present greater measurement and conceptual problems. Table 4–3 shows examples of each type of goods that have these different characteristics.

Strategies for Valuation

Near-market natural-resource and environmental goods (which are largely private goods) offer the most promise for valuation and inclusion in the accounts. Often there are markets for comparable goods that provide direct evidence of the value of the nonmarketed goods or services. This approach is consistent with the use of market prices used elsewhere in the accounts and has precedent in the valuation of owner-occupied housing services. Thus, the methods for including these near-market goods have already been established. A potential source of error in using this approach is that the quality may differ for goods or services produced or provided in the household and those produced in the market. It would be appropriate to undertake a modest research program to investigate the adjustments necessary to make market and near-market activities comparable.

Two basic types of near-market goods are of interest. The first is the service flow from a natural resource. Here, as in the case of timber from forests or crops from farmland, the service flow is already in the core accounts, and the returns to these assets appear as profits and/or returns to other assets, but the accounting is incomplete because it omits the nonmarket activities. The second case is a good

TABLE 4-3 Classes of Goods and Services

Town of seads	Debugha (augustas)	Public (e	examples)
Type of goods	Private (examples)	Related to Markets	Independent of Markets
Market	Bread Cars Restaurant meals Housing rentals	Knowledge and innova- tions that are patented and copyrighted Pollutants with tradeable permits	None
Nonmarket	Household prepared meals Leisure time Television viewing Groundwater for drinking Rental values of owner- used assets	Air and water quality Climate Mosquito control	Passive or nonuse value (e.g., knowledge of the existence of species, unique national treas- ures such as Yellow- stone National Park)

not currently in the accounts, such as recreation services enjoyed by households; in this case, the value that is attributable to the service is equal to the value of household labor and capital services, plus a service flow from a natural resource.

Public goods that affect markets offer opportunities for using observations of actual market transactions to generate valuation estimates. An example would be concessionaire activity within a national park. The hedonic property and wage techniques can be explored as a basis for developing values or imputing how changes in these public goods affect markets. There are some potentially sound ways to make the links between these public goods and the market explicit in the accounts, but there is not yet a consensus on how to include them, and each provides a challenge for data development and estimation of values.

Other classes of public goods, particularly those that are national or global in nature and do not leave behavioral traces of individual preferences. are currently problematic for the national accounts. Most of these public goods, such as those involving nonuse values of natural-resource and environmental assets, can be valued only with CV methods. Some reviews have conveyed cautious approval for use of these methods in limited circumstances. For example, a panel convened by the National Oceanic and Atmospheric Administration to review CV methods for use in federal compensation decisions identified "a number of stringent guidelines for the conduct of CV studies" that, when followed, allow "CV studies [to] convey useful information" (see Arrow et al., 1993:4610). However, the accuracy of the values developed with these methods remains controversial among those in the economics profession (see Portney, 1994; Hanemann, 1994; Mitchell and Carson, 1989; and Diamond and Hausman, 1994).

As discussed above, the hypothetical nature of the valuation makes these methods quite different from other methods that are based on actual market transactions. For these reasons, while CV is sometimes useful for other purposes, the panel has determined that it is currently of limited value for environmental accounting. This means that, for many important environmental assets, environmental accounts will omit a portion of the value of the assets. That is, it appears to be feasible to work toward accounting for goods such as recreation activities associated with the Florida Everglades, Yellowstone National Park, and similar sites. However, it is beyond the ability of current techniques to provide reliable measures of the value of the public-goods services provided by these assets, even though we may suspect that these services are precious to the nation.

In the remaining sections we explore the issues raised in the preceding sections in far more detail for the cases of forests and air quality.

FORESTS: A RENEWABLE NATURAL RESOURCE

Forests are a prime example of renewable natural-resource assets. They present many of the same national economic accounting issues as other renewable natural-resource assets, such as agricultural land, fisheries, and coastal and freshwater resources. Many of the products derived from natural-resource assets are included in the production accounts of the existing core NIPA. But these assets are not generally included in national asset accounts, and the production accounts themselves exclude any nonmarket goods and services derived from these natural-resource assets. Forests are a useful example because much effort has been devoted internationally to forest accounting.

While the NIPA as currently structured are not intended to include the full range of forest values, regular reports of economic activity as measured by the NIPA are widely noted and interpreted as measuring important aspects of economic well-being. It is logical to try to capture in these accounts more of the important relationship between forests and humans. Forests support human material and spiritual welfare in countless ways. They harbor many important species of plants and animals. They form an aesthetically pleasing backdrop for recreation and for everyday life. They filter and regulate the flow of much of the U.S. water supply. They have been a reservoir for land available for conversion to agriculture and other developed activities. Wood is one of the world's most important industrial raw materials and a ubiquitous source of energy. And worldwide, literally millions of indigenous people call forests home.

This section examines, in five parts, methodological and practical issues that arise with regard to including forests in national economic accounts. It begins with a discussion of the nature of the economics of forest values, providing a general framework for assessing those values. The second subsection translates this general discussion into a more precise statement of how forest values might be incorporated in the U.S. economic accounts. Given this context, the third subsection comments on BEA's work to date and provides a brief discussion of the extensive international literature on forest accounting. This is followed by discussion

of a recommended approach for measuring the net accumulation of timber. The section ends with the panel's conclusions on forest resources.

The Nature of Forest Values

Forests produce economic value through three principal classes of economic goods: private goods traded in markets, private goods not traded in markets, and public goods. These goods can affect both the national asset accounts and the NIPA. These three classes of forest goods and services are discussed in decreasing order of availability of data and of accepted analysis required to include them in the national economic accounts.

Private, market-related activities. Some forest-based market-related activities are already included in the national income accounts; examples are all forest products used in manufacturing (logging, lumber production, the manufacture of paper, wooden furniture, and musical instruments). Some fuel wood production would fall into this category; the part that flows through the market economy would enter the accounts, while the part that is produced for own consumption would not.

The major issue in the current treatment of private, marketed forest-based goods and services is the failure to account for changes in the value of the standing timber. Most of the conceptual problems involved in doing so have been fully considered and developed, as discussed below. Accounting for changes in the timber inventory would address one of the major shortcomings of the existing forest accounts.

Private goods not traded in markets. Forests produce many private goods and services that—for reasons of custom, law, or economics—society has elected not to allocate through markets. For example, the water flowing from forested watersheds has considerable economic value. Indeed, the rationale for forest conservation in the late nineteenth century related primarily to protection of forested upland watersheds. Protection

^{6.} The following discussion focuses primarily on issues pertinent to the United States. A significant issue in natural-resource accounting for many developing countries is deforestation. For example, a major concern in the national accounts of developing countries such as Indonesia is that harvesting of forests is contributing to rapid growth in current consumption at the expense of the stock of forest assets. In the late 1800s, the deforestation rate in the United States equaled or exceeded that found in many tropical countries today, but deforestation is no longer significant on a national scale, and the general trend since the 1950s has been a net growth in the forest stock of the United States.

^{7.} Because of the decision not to use markets in allocating such resources, but typically to provide them through collective decisions, common usage sometimes refers to such goods and services as "public goods." This report follows the conventional definitions of public and private goods discussed in the previous section.

of navigation was the explicit constitutional basis for creation of the eastern national forests, and congressional agricultural interests concerned about irrigation provided the principal support for withdrawing the national forests from the western public-domain lands. A study by Bowes et al. (1984) of the Front Range of the Rockies around Denver and informal estimates for the Quabbin Watershed servicing Boston demonstrate that in some locations, the value of the water produced from a forest may far exceed the value of the timber production. Changes in forest attributes can affect stream flow and therefore the value of water "produced." Interestingly, Bowes et al. (1984) demonstrate that when water is valuable, it is optimal to keep timber stocks low to reduce evapotranspiration and therefore increase runoff.

Public goods. Public goods are ones for which consumption by one individual does not reduce the amount available for others to consume. Forests produce many public goods, including aesthetically pleasing landscapes, a carbon sink, and a store of biological diversity. Given data on changes in forest inventories, it may be possible to value some of these services (e.g., the value of carbon sequestration), although the uncertainties of such valuation should not be underestimated. In other cases, the valuation problems go far beyond the results of current research.

The interactions among these three sources of forest value—private marketed goods, private nonmarketed goods, and public goods—can be complex. For example, cutting trees leads to increases in manufacturing activity. This in turn might cause an increase in water yields and thereby reduce the costs of industrial and household production. It might also cause a shift of species diversity away from late-seral-stage organisms, such as spotted owls, and toward early-seral-stage ones, such as elk. It would lead to an immediate release of carbon associated with logging and forest products manufacturing, but might result in a long-term increase in carbon sequestration with forest growth if the wood products were sequestered in long-lived furniture or houses. Given the site-specific nature of such production relationships and the lack of current scientific understanding of many of the underlying ecological processes, there is currently an insufficient scientific basis for specifying a full set of such linkages in supplemental accounts.

Incorporation of Forest Values in the National Economic Accounts⁸

To be most useful, the economic accounts would identify the separable contributions of forests to the national economy. It is convenient to discuss the problems involved in incorporating forest values in the U.S. national economic accounts first for the production accounts and then for the asset accounts.

Adjustments to Production Accounts

A full treatment of forests in the production accounts would involve the following adjustments to national income and product.

Timber income. Sales of timber are already included, although some are recorded as part of personal income, some as part of manufacturing income, and some as part of government receipts. The principal difficulty is ascribing these income streams to the forest sector; in this respect, the issues are very similar to those encountered in the treatment of mineral incomes discussed in Chapter 3. Ordinary production costs associated with forest production activities are similarly covered by the current NIPA, but may not be easily associated with the forests themselves, rather than forest-products manufacturing. Problems remain with the allocation of joint costs. For example, forest roads are a costly input to the production of many forest products, including timber, minor forest products, and recreation. Yet standard accounting practices, especially for the national forests, attribute the full cost of these roads to the timber program. As currently constructed, the NIPA include the costs of road construction, but exclude the benefits produced by the road.

Near-market forest products. To the extent that near-market forest products, such as fuel wood, berries, mushrooms, and Christmas trees, are produced by households but not purchased through markets, they would be included in the forest accounts.

Contributions to household production (e.g., recreation). The accounts would include the value of household production of activities such as hiking, hunting, and fishing. However, if there is uncongested, open access to the forest-based inputs needed for household production, the contribution of these inputs to household value on the margin is zero. Current practice often uses average rather than marginal values, so care must be taken,

^{8.} The discussion in this section draws heavily on the recent comprehensive treatment of the subject by Vincent and Hartwick (1997).

particularly for open-access forests, to ensure consistent valuation in order to prevent overvaluation of nonmarket activities.

Environmental services used by other industries (e.g., watershed protection, domestic/industrial water supply). Some of the impacts of forests are already included in the NIPA. For example, if forests moderate water flows and reduce the cost of agricultural production, this benefit is fully incorporated in the NIPA. Ascribing the benefit to the forest sector, while a difficult task, would be required for a full accounting.

Public goods (e.g., carbon sequestration, biodiversity, species preservation). At present, the only public goods that have been the subject of widespread attempts at valuation are those associated with carbon sequestration (Brown, 1996). While quantitative data on carbon sequestration are available, valuation is still highly uncertain. Moreover, because valuation of carbon sequestration is based on global benefits, the issue of how such benefits would be incorporated in a single nation's accounts is unresolved.

There are few comprehensive studies of the total value of forest products. Recent work on goods and services produced on public lands managed by the U.S. Forest Service indicates that more forestland value is due to recreational and wildlife services than to timber, mineral, and range goods (U.S. Department of Agriculture Forest Service, 1995). For example, of the estimated total \$9 billion value of forest goods and services in 1993 (valued at market prices), recreational and wildlife services accounted for 80 percent, whereas the production of minerals and timber and grazing range services accounted for just 20 percent.

While the above estimates illustrate the importance of nonmarket production, they should be interpreted with caution. First, they include only land managed by the U.S. Forest Service, which is not representative of all forestland. By contrast, on private lands that are intensively managed for timber production, much of the value is due to timber harvesting. Second, these estimates do not include all nonmarket values; for example, they omit the potential value of carbon sequestration. A recent estimate is that U.S. forests sequestered 211 million metric tons of carbon in 1992 (Birdsey and Heath, 1995). At \$10 per ton, a value consistent with the Intergovernmental Panel on Climate Change (IPCC) estimates of the marginal value of emission reductions (see Bruce et al., 1996), the annual value of carbon sequestration in all U.S. forests would be \$2.1 billion; the numbers could be an order of magnitude larger if the U.S. adopted stringent emission controls under the Kyoto Protocol of 1997. Third, the Forest Service presents different types of estimates for the value of forest services, market-clearing prices being only one of these.⁹

Forests Asset Accounting

A key conceptual problem with the present NIPA is the lack of any accounting for changes in asset values of U.S. forests. Accomplishing this task was part of the Phase II work outlined by BEA (see Chapter 2). We address this issue in some detail for two reasons. First, from a conceptual standpoint, natural-resource assets should be treated consistently with produced capital assets, adding net accumulation or subtracting net decumulation from gross domestic product (GDP) to arrive at a measure of net national product (NNP) more closely associated with a sustainable-income concept. Second, the capacity exists to rectify this omission with respect to the value of forests that is linked to marketed production.

While adjustments in an asset account are conceptually similar to net investment of "made assets," for forests it is more precise to call the change in asset values net accumulation to reflect the fact that, even at constant prices, the asset value of a forest can either increase or decrease. Most generally, net accumulation is defined as the change in an asset value from one period to the next. Because asset values cannot generally be inferred, economists infer the value of the asset from assumptions about timber markets. A full analysis of this issue is presented in Appendix C. Three major alternative approaches to accounting for changes in asset values of forests are described below.

Hotelling model. The first approach is analogous to the literature on nonrenewable resources discussed in Chapter 3. In a sense, this approach treats the exploitation of primary, old-growth forests as timber mining. Since it is generally uneconomic to replace primary forests with forests of a similarly old age, this analogy is not as odd as it might appear. Under these circumstances, the change in the value is the volume of the harvest times the difference between the price and the marginal extraction cost. This model of net accumulation is called the

^{9.} USDA Forest Service (1995) also present estimates based on fees collected (which show much lower value overall and relatively less for recreation and wildlife); willingness to pay, including consumer surplus (which show higher overall values and greater importance for recreation and wildlife); and income generated, including that generated by downstream activities such as lodging and equipment rentals related to forestland recreation (which show the highest overall value). From the perspective of comparability with the current national economic accounts, the methods associated with the discussion in the text are preferable to the other three methods.

Hotelling model to emphasize the connection between mining old growth that *will not* be replaced and mining minerals that *cannot* be replaced.

Based on historical studies, this approach appears to be a reasonable approximation of empirical trends in forest development (see Berck, 1979; Lyon, 1981; Sedjo and Lyon, 1990; and Sedjo, 1990). In the early stages of development, net growth of the forest is nil: photosynthesis just balances the death of plant tissues and entire trees. Because growth is nil, any harvest at all exceeds the growth of the forest. Since the harvest is greater than the growth, the timber inventory declines. As the inventory of old-growth timber declines, timber becomes more scarce, and timber prices rise. In addition, harvesting costs increase as logging extends into increasingly remote sites. Prices rise until the purposeful husbandry of second-growth timber and the use of nonwood substitutes (stone, concrete, and steel for construction; fossil fuels, solar energy, and conservation for energy) becomes economic. This analysis is broadly consistent with the development of the forest sector in the United States. Harvest exceeded growth until the 1950s. Timber prices rose at a real rate of about 4.6 percent per year between 1910 and World War II and 3.1 percent per year from that period to the mid-1980s (Clawson, 1979; Sedjo, 1990; and Binkley and Vincent, 1988).

Transition models. While the Hotelling model may be appropriate for the case of pure depreciation under the assumption of perfect capital markets, 10 it misses several important aspects of the forest sector, including (1) "discovery" of new old-growth forest stocks (e.g., the rapid expansion of logging in the British Columbia interior to serve U.S. markets once U.S. prices had risen to the point that accessing this comparatively remote region became economic), and (2) the fact that the oldgrowth forests were replaced with faster-growing second-growth forests. Both effects attenuate price increases, causing the ordinary Hotelling model to overstate forest depreciation. These effects are the forest analog of mineral deposits analyzed in Chapter 3.

Transition models account in part for these problems by recognizing that forest growth offsets harvests. Assuming constant prices and a forest inventory recognized only by total net growth, this model suggests net accumulation is given by the difference between price and marginal harvesting cost times *growth minus harvesting* (rather than simply minus harvesting in the Hotelling model). By recognizing forest growth, such a formulation improves on the ordinary Hotelling approach, but still suffers the defects of (1) ignoring endogenous price changes in the sector, and (2) characterizing the forest only by net growth and not its more complex underlying age-class structure.

Managed second-growth forests. Economic theory suggests that, once the transition between old- and second-growth forests is complete, timber prices will stabilize, and the economic return to holding forests will arise solely from forest growth. Vincent (1997) has analyzed this case and developed the appropriate measures of net accumulation for optimally managed second-growth forests. The appropriate estimate of the value of asset accumulation is more complicated here (see Appendix C for a full discussion). Accumulation depends on the forest age structure, discount rate, timber-yield function, and economically optimal rotation age. While this approach improves on both the Hotelling and transition approaches, certain shortcomings remain. In particular, this approach assumes that forest owners cut their trees at the economically optimal time and that timber prices grow at a constant rate. This theory of forest valuation can be used to formulate a practical approach to measuring the economic depreciation of forests. Before turning to that recommended approach, it is useful to examine BEA's work on forests and the international literature in this field.

BEA's Approach and International Comparisons

As noted, forests are part of Phase II of BEA's IEESA effort. As a consequence, BEA's work on forests to date has not been extensive and may need refinement (see Howell, 1996). In its current work, BEA separates forestland from the timber inventory. "Forests and other wooded land" are valued at the average value of agricultural land. In general, edaphic and geomorphologic factors make forestland less valuable than agricultural lands, and the rate of change in forestland prices is uncorrelated with the rate of change in farmland prices (see Washburn, 1990). BEA updated their estimates of the timber inventory each period using separate Forest Service estimates in physical terms of growth and removals. Starting with physical inventory estimates, BEA added physical estimates of growth (additions) and removals (depletion) to derive closing stocks. Each year's closing stock es-

^{10.} The Hotelling model assumes perfect capital markets in which the rate of return in the mining or old-forest sector equals the rate of return in alternative economic activities. In countries, especially developing countries, where both forest and mining activities earn disproportionally high returns because of special favors and licenses, the Hotelling model is not appropriate. It greatly overstates the true decline in the value of these stocks as they are mined.

timate became the following year's opening stocks (except in the Forest Service inventory years, when inventory estimates of standing timber were used). Opening and closing stocks, additions, and depletions were then valued at the stumpage prices; the difference between the opening stocks plus additions less depletion and closing stocks, in monetary terms, was placed in revaluations.

BEA uses the Hotelling model to value the timber stock in each period. Timber is valued at the national average stumpage rate, with species divided into two categories, softwood and hardwood. When measured at a national level, marginal extraction costs are probably nonzero (production increases are accomplished by turning to increasingly costly regions). There is some evidence that extraction costs are constant within regions, however (Adams, 1997). One conceptual flaw in BEA's current approach is that it measures the depreciation of recreational land on the basis of the costs of repair and maintenance of federal government expenditures for parks. The panel has noted in numerous places the flaw in this approach. Having accounted for one of the costs of providing recreational services, BEA does not adjust national income to reflect the benefits. BEA recognizes the

TABLE 4-4 Summary of Forest Accounting Studies

			Valuation	Method	
Study Area	Reference	Net Price	El Serafy	NPV	Other
Global Asia	World Bank (1997) Vincent and Castaneda (1996)	Т	G	U	
Australia I Australia II	Young (1993) Skinner (1995), Joisce (1996)	н		U U	U
Austria Canada I	Sekot et al. (1996) Anielski (1992a, 1992b, 1994, 1996)	H T		U	U
Canada II	Statistics Canada (1997), Baumgarten (1996)	Н		U	
Chile China	Claude and Pizarro (n.d.) Li (1993)	? T	?	?	?
Costa Rica I Costa Rica II	Repetto et al. (1991) Aguirre (1996)	? T	?	?	?
Ecuador Finland I	Kellenberg (1995) Koltolla and Mukkonen (1996)	† T			U
Finland II Indonesia Malaysia I Malaysia II	Hoffren (1996) Repetto et al. (1989) Vincent et al. (1993) Vincent (1997), Vincent et	T T T	G		
Mexico	al. (1997) van Tongeren et al. (1993)	Т	U		
Nepal New Guinea	Katila (1995) Bartelmus et al. (1992, 1993), Bartelmus (1994)	T X	Х	х	Х
New Zealand Philippines I Philippines II	Bigsby (1995) IRG et al. (1991, 1992) Cruz and Repetto (1992)	H T T		U	
Sweden I Sweden II Tanzania Thailand United States Zimbabwe	Hulkrantz (1992) Eliasson (1996) Peskin (1989a) Sadoff (1993, 1995) Howell (1996) Crowards (1996)	T X T H T		х	X U

Key: H = Hotelling approach; T = transition approach; G = generalized EI Serafy approach (elasticity of marginal cost not infinity); X = no timber valuation performed; ? = no information; U = used technique; NPV = net present value. Source: Vincent and Hartwick (1997), References in original.

criticisms of this approach and plans to use other approaches in the future. BEA publishes a full account for 1987, although it produces data on the value of timber stocks for 1952-1992. Using BEA's data, the net accumulation of timber in 1987 was \$2.1 billion at 1987 prices and \$47.0 billion if price changes are included.

While BEA's methods can and should be refined as the environmental accounts are developed, they are consistent with current international practice. Table 4–4 provides a summary of 29 studies from around the world that have attempted to extend the treatment of forests in national income and product accounts. Most of these efforts use variants of the so-called "net price" approach (see equations C.3 and C.4 in Appendix C). Many fail to distinguish marginal and average extraction costs. Accounting for net timber accumulation is well established in the international literature. None of the studies appears to use the third method described in the previous subsection of a managed second-growth forest.

A Recommended Approach for Measuring Net Accumulation of Timber

The three alternative approaches to accounting for changes in asset values of forests discussed above incorporate many restrictive assumptions. panel investigated other alternatives and identified one (developed by Vincent [1997]) that is similar to the second-growth forests approach, but allows for the possibility that forest managers may deviate from ideal wealth-maximizing behavior. This approach is described in detail in Appendix C. A review of available data indicates that the approach can be readily implemented for the United States using data maintained by the U.S. Forest Service.

Conclusions on Forest Resources

BEA has initiated a useful effort to recognize the economic contributions of forests in the NIPA. Doing so is consistent with a wide international interest in such accounts. The data and methods employed by BEA to date are reasonably consistent with the body of international work in this area. At the same time, data are available for U.S. forestlands that can enable much more complete estimates of net timber accumulation than either those developed to date by BEA or those available in the literature for other countries. BEA could fruitfully work with the U.S. Forest Service in developing annual estimates of net timber accumulation using these data.

This work could also be related to other important values of the forest, particularly recreation and other nonmarket activities. While the data and analytical methods are not yet adequate to provide precise estimates of the value of all forestsector flows to the economy, nonmarket forest values for the nation as a whole appear to exceed the value of timber by a substantial amount. Many of these forest values (such as recreation or self-produced fuel wood) are best understood conceptually in the context of household produc-The household combines specific aspects of the forest resource with household capital and labor to produce valuable nonmarket goods and services. Viewed in this context, forests present many of the same challenges for national accounting as do such important products and services as home-cooked meals and in-home education or childcare. It is therefore logical for BEA to consider these aspects of environmental accounting as part of the larger problem of valuing the contributions of nonmarket activity to economic well-being.

In conclusion, constructing a set of forest accounts is a natural next step in developing integrated economic and environmental accounts. At the same time, it must be recognized that there are many thorny problems involved in forest accounting. Given the available data and methods, the panel concludes that this accounting is a useful next step in developing the IEESA.

AIR QUALITY: A PUBLIC ENVIRONMENTAL GOOD

Air quality is one of the most important examples of a public environmental good and thus should be among the top priorities for inclusion in environmental accounts. It also presents issues for environmental accounting similar to those encountered with other environmental assets, such as water quality and climate change. Severely degraded air quality in many cities of the United States in the 1960s generated a number of federal regulations during the early 1970s designed to reduce emissions of pollutants that contributed to this degradation. Air quality has many dimensions, and early regulations focused on some of the more obvious and easily addressed problems. As scientific research further illuminated the less immediately obvious impacts of degraded air quality, such as chronic effects on health, these earlier controls were tightened, and new regulations addressed a wider range of pollutants.

The first subsection below examines the various market and nonmarket impacts of air quality. The

second reviews some major pollutants that result in degradation of air quality and their primary physical effects. This is followed by review of a recent attempt to estimate comprehensively the benefits associated with improvements in air quality. The fourth subsection addresses the relevance of these damage estimates to environmental accounting. The section ends with the panel's conclusions on accounting for air quality.

Air Quality Impacts on Market and Nonmarket Activities

Degraded air quality can have a harmful effect on both market activities (e.g., reduced crop yields or lost work-days) and nonmarket activities (e.g., losses due to illness beyond those related to paid labor, such as those to retired persons, and reduced amenities in recreational facilities). These air quality effects belong in the production accounts of environmental accounts. Moreover, degraded air quality can affect the value of natural-resource assets (e.g., acid deposition damage to forests), can cause deterioration of physical capital (e.g., damage to the exterior of buildings), and has long-term health impacts that affect human capital (e.g., premature death and effects of lead on measured IQ of children). Such effects might be included in the asset component of environmental accounts. With assets as with production, there are both market and nonmarket effects: market impacts include capital asset deterioration and forest timber loss, while nonmarket impacts include lost value due to damaged landmarks or degradation of forests for recreational purposes.

Major Air Pollutants and Their Health and Ecological Effects

Table 4–5 lists some important health and ecological effects of exposure to six air pollutants for which the U.S. Environmental Protection Agency (EPA) has established National Air Quality Standards—carbon monoxide, ground-level ozone, lead, nitrogen dioxide, particulate matter, and sulfur dioxide. These chemicals are sometimes referred to as "criteria pollutants." In addition, there are many other constituents of the atmosphere that may have impacts of economic consequence. Table 4–6 lists some other components of air pollutants, including air toxins (e.g., benzene), stratospheric ozone depletors (e.g., CFCs), and greenhouse gases (e.g., carbon dioxide and methane). As indicated, EPA has identified 188 air toxins alone.

Exposure to air pollution has a wide range of impacts, including respiratory illnesses (which result from ground-level ozone, sulfur dioxide, nitrogen dioxide, particulate matter, and air toxins); child IQ loss, infant mortality, strokes, and heart attacks (which result from lead); skin cancer (which is the indirect consequence of stratospheric ozone depletors); and increased mortality (resulting from particulate matter, lead, and air toxins) (see Pearce et al., 1996). Ecological effects include impacts on agricultural, forest, and aquatic ecosystems. Airborne chemicals have both positive and negative effects on production of marketed goods and services. Ground-level ozone harms crops, while nitrogen deposition and carbon dioxide enhance plant and timber growth. Ground-level ozone and sulfur dioxide reduce crop yields and timber growth, while air toxins and sulfur dioxide reduce freshwater fish yields. In other cases, atmospheric trace gases have subtle effects that will occur far in the future affecting biological diversity (for greenhouse gases) or ocean food web stresses, and ultimately causing severe sight damage for many mammals (for stratospheric ozone depletors).

Table 4–5 also shows the change in emissions and sampled concentrations of EPA's six criteria pollu-

TABLE 4–5 Environmental Protection Agency's Six Criteria Air Pollutants

	7th 1 olluturits	
Pollutant Trends (1986–1995)	Major Effects	Leading Source
Ground-level ozone (O 3) Concentration –6% Emissions –9%	Respiratory illness/lung damage Crop/forest damage Building/material damage Visibility problems	Transportation* (37%) Solvent utilization (28%)
Carbon monoxide (CO) Concentration –37% Emissions –16%	Reduced oxygenation of blood Heart damage	Transportation (81%)
Sulfur dioxide (SO ₂) Concentration –37% Emissions –18%	Respiratory illness Building/material damage (acid rain) Crop/forest damage Visibility problems	Electric utilities (66%)
Nitrogen dioxide (NO ₂) Concentration –14% Emissions –3%	Respiratory illness/lung damage Building/material damage (acid rain) Crop/forest damage Visibility problems	Transportation (49%) Electric utilities (29%)
Lead (Pb) Concentration -78% Emissions -32%	Infant mortality Reduced birth weight Childhood IQ loss Hypertension Heart attacks	Metals processing (smelters, battery plants) (39%) Transportation (31%)
Particulate matter (PM- 10)	Lung disease Mortality	Fugitive dust (68%) Agriculture and forestry

(20%)

Concentration -22%

Fmissions -17%

tants from 1986 to 1995. 11 Primarily as a result of the Clean Air Act and the Clean Air Act Amendments, emissions of the six primary pollutants have decreased substantially. For example, installing scrubbers and switching to low-sulfur coal caused a 19 percent decline in emissions from coal utility plants, which in turn resulted in an overall 18 percent decline in sulfur dioxide emissions from 1986 to 1995. A 16 percent decline in carbon monoxide emissions during the same period resulted primarily from a 20 percent decline in carbon monoxide emissions of on-road motor vehicles. Similarly, a 32 percent decline in lead emissions was primarily a result of the ban on leaded gasoline.

Declines in nitrogen dioxide (14 percent) and ground-level ozone emissions (6 percent) were less dramatic, but are expected to become more pronounced as the Clean Air Act Amendments of 1990 become effective. For example, reformulated fuel requirements (for oxygen and volatility) for onroad vehicles are likely to reduce carbon monoxide and ground-level ozone emissions. Similarly, the Acid Rain Program (Title IV) requires a 40 percent reduction in sulfur dioxide and a 10 percent reduction in nitrogen dioxide emissions from 1980 to 2010. Particulate matter may be more difficult to control given that almost 70 percent of anthropogenic-related emissions result from fugitive dust (e.g., unpaved roads), with an additional 20 percent coming from agriculture and forestry.

The declines in emissions are, of course, linked to lower concentrations of the six primary pollutants. Whereas emissions are estimated on the basis of

TABLE 4-6 Other Pollutants of Air Quality Identified by Environmental Protection Agency

Pollutant	Major Effects	Leading Source
Air toxins (188 in total, e.g., dioxins, benzene, arsenic, beryllium, mercury, vinyl chloride)	Thought to cause cancer or other serious health effects, such as birth defects or reproductive effects Ecosystem damage (particularly freshwater fish)	Transportation, wood combustion, chemical plants, oil refineries, aerospace, manufac- tures, dry cleaners
Stratospheric ozone depleters (e.g., chlorofluorocarbons [CFCs], halons, carbon tetrachloride, methyl chloroform)	Skin cancer Cataracts Suppression of the im- mune system Ocean food chain stresses	Fossil fuel, industrial cleaners
Greenhouse gases (e.g., carbon dioxide, methane, halogenated fluorocarbons [HFCs])	Broad-scale changes in temperature and pre- cipitation affecting agri- culture, health, water resources, recreation, ecosystems Sea level rise	Fossil fuel, combustion, landfills

^{*}Based on volatile organic compounds (VOC) emissions Source: U.S. Environmental Protection Agency (1996).

^{11.} Data prior to 1986 exist, but cannot be directly compared with data collected from 1986 on because of changes in data collection (see U.S. Environmental Protection Agency, 1996, for more details).

industrial activity, technology, fuel consumption, and vehicle miles traveled, concentrations of pollutants are measured at selected monitoring sites across the country. Based on these measurements, estimated airborne concentrations of lead have fallen by 78 percent since 1986, while concentrations of airborne carbon monoxide, sulfur dioxide, and particulate matter have fallen by 37, 37, and 22 percent, respectively. Smaller declines occurred for ground-level ozone and nitrogen dioxide (6 and 14 percent, respectively).

Data on other air chemicals vary widely. Excellent data are available on emissions and concentrations of many of the greenhouse gases (particularly carbon dioxide) and stratospheric ozone destroyers. EPA presently monitors national ambient concentrations for few of the 188 air toxins identified in the Clean Air Act Amendments. Rather, the agency sets technology-based performance standards to control emissions of these substances. As a result, EPA has only begun developing a National Toxins Inventory.

Monetized Benefits of Clean Air Regulations

Although a great deal of work has been done on valuing components of air quality, there is currently no comprehensive measure of the economic impacts of air pollution for the United States. However, a recent EPA study evaluating the economic costs and benefits of clean air regulations provides a useful benchmark that sheds light on this issue (U.S. Environmental Protection Agency, 1997). The estimates given are subject to many uncertainties due to the difficulty of estimating exposure and the incidence of effects related to exposure and valuing the effects. In addition, data on air toxins have only recently become available, making it difficult to develop comparable estimates for these pollutants. The EPA study includes no physical or monetary assessments of the impacts of changes in air quality on ecosystem health, physical capital, or global public goods, such as slowing climate change and preventing ozone depletion. Moreover, many of the estimates of benefits, particularly those involving the valuation of health benefits and the discount rate, have been the subject of major criticism (see Clean Air Act Council on Compliance, 1997).

Notwithstanding these limitations, the EPA study provides an indication of the overall economic importance of changes in air quality, as well as a sense of the relative importance of the various air pollutants and the impacts on different sectors. The study estimates the economic benefit

of actual air pollution relative to a counterfactual baseline that assumes no controls imposed after 1970; roughly speaking, the counterfactual is for emissions to grow with the economy, rather than declining as described above. The major result presented is that the economic benefits of reduced air pollution in 1990 are estimated to be worth \$1,248 billion. Reduced mortality benefits (\$1,004 billion) account for 80 percent of this total; together, avoided human health effects account for 99 percent of the total. In addition, benefits of improved visibility are estimated at \$3.4 billion, those of reduced household soiling at \$4.0 billion, and those of increased agricultural income from reduced yield losses due to ozone at about \$1.0 billion. With regard to specific pollutants, most of the benefits are attributed to reductions in particulate matter (PM-10) and lead; the benefits of ozone reduction are estimated to be only on the order of \$2 billion.

Caution is warranted in drawing too many conclusions from these estimates and comparisons. Certain assumptions might have had the effect of exaggerating the economic benefits, and there are major uncertainties about the health impacts, particularly because of weaknesses in human exposure data. Moreover, the study omits some of the major effects of acid deposition on forests, lakes, and buildings, and the impact of tropospheric ozone on ecosystems is not valued. The figures presented should therefore be viewed as order-of-magnitude estimates. Even with all these qualifications, however, it appears that the economic impacts of air quality on human health are highly significant.

Air Quality Benefits and Supplemental Accounts

The estimates of the benefits of pollution control just discussed reflect the value of changes in the level of air pollutants resulting from proposed regulations. They are relevant for regulatory or cost-benefit purposes, but they are not the appropriate values for economic accounts. Production accounts should measure the damages associated with remaining levels of pollution, in terms of both production accounts and change in asset values. This difference between abatement and residual damage can be quantitatively large. For example, ozone concentrations fell only 6 percent between 1986 and 1995. As a result, regardless of the benefits of preventing higher levels of ozone than those of 1986, the value of changes in ozone concentrations over this period would be relatively small. In contrast, lead and PM-10 concentrations fell 78

and 22 percent, respectively, over the same period, and consequently the damages from these chemicals would be much smaller in 1995 than in 1986. In other words, whereas comprehensive consumption would have a substantial negative entry due to lead and PM–10 in 1986, the negative values would be of much smaller magnitude in 1995. The result might be a substantial increase in the estimate of growth of comprehensive consumption over this period.

As discussed earlier, air pollution affects production activities, assets, and nonmarket activities. Most of the estimates from the EPA study refer to the production accounts: days of work lost, shortness of breath and acute bronchitis, loss of visibility, and crop losses are effects on production activities. Crop losses and the output losses from lost work-days are already included implicitly in the accounts because these relate to market activities. Supplemental accounts that would identify these losses separately would serve to connect them specifically to air pollution. The estimates for shortness of breath and acute bronchitis include both damages that may already be reflected in the production accounts (i.e., reduced worker productivity while on the job) and damages that would be reflected only if the accounts were expanded to include household production (e.g., impacts on tennis and jogging). Many of the effects not estimated by EPA, such as those of acid deposition on forest health, freshwater quality, or ecosystem function, would also include effects on both market activities already in the accounts, such as timber or commercial fishing, and nonmarket goods, such as recreation.

Asset effects present greater complexity, as was seen above for the case of forests. Some impacts, such as those on soil or fish farms, would be reflected in the market value of these assets. Others, such as mortality and chronic bronchitis, are long-term effects on human resources. These effects would require adjustments in the asset accounts if a full set of asset accounts for human health and capital were constructed.

One particular concern arises if the accounts are to include the impact of air pollution on human health. The impact of air pollution and other environmental activities on human health is often taken out of the context of other health-related activities. If one were to track environmental trends alone, it might be concluded that until the 1970s, growing environmental problems were leading to a deterioration in the health status of Americans. This conclusion is, in fact, incorrect. Activities outside the environmental arena—including im-

proved sanitation, vaccinations, and public-health measures—led to improved life expectancy over the first seven decades of this century. It would therefore be misleading to enter only a large health negative into a set of augmented income accounts. The positives and negatives in the environmental entry in a set of health accounts would have to be placed in the context of the vast changes in health status of the American population.

Conclusions on Air Quality

The basic finding emerging from the above discussion is that air quality is likely to be a major nonmarket effect. While EPA's estimates of benefits of \$1.2 trillion per year due to reduced air pollution are highly uncertain, do not include all effects, and measure a somewhat different concept than would be appropriate for the accounts, it is likely that a realistic assessment of reduced damages due to improved air quality would yield a much larger figure than the \$27.1 billion in air pollution control expenditures used by BEA as a placeholder. In the panel's view, no other area of natural-resource and environmental accounting would have as great an impact as the potential correction from air quality. The magnitude of this impact indicates that the development of supplemental accounts for air quality is a high priority. Indeed, the overall review of augmented accounting in Chapter 2 reveals only a few areas close in importance, such as the value of leisure, health status, and nonmarket educational investments.

At the same time, air quality is a most elusive concept since it has so many different components. To include these effects in the accounts. several data and measurement obstacles must be overcome. First, determination of the physical impacts of changes in air quality, generally estimated through dose-response functions, should be focused on the effects of actual human exposure to air pollution. Second, the damage estimates must separate the market effects of changes in air quality that are currently captured in the accounts (lost productivity) from the nonmarket effects that are not currently captured (lost leisure activities). Third, there is a need for reliable and objective physical and monetary damage estimates associated with exposure to air pollutants, including air toxins, ozone depletors, and greenhouse gases. Fourth, significant data gaps with respect to the impacts of air pollution and changes in air quality on ecosystem health must be filled. And finally, the estimates must represent year-to-year changes,

rather than changes from a hypothetical level of pollution without regulations.

Developing a set of accounts in this area, along with the associated physical measures and valuations to apply to those measures, is a major long-run task for the nation. This task far transcends the scope and budget of BEA, and much of the necessary work lies outside BEA's specialized expertise. The task for the short run, therefore, is to continue basic research on the underlying science and economics of estimating the benefits of public goods such as clean air. Many years of concerted research are likely to be required before the materials for a set of augmented accounts in this area are available. But the payoff from the research would be large, not only in producing the raw materials for improved environmental accounts, but more important in providing the data and analysis needed for improved public policy concerning the environment. In short, the task of constructing environmental accounts for important public goods should be part of a more general goal of improving the nation's information and analytical systems in this area.

CONCLUSIONS AND RECOMMENDATIONS ON RENEWABLE AND ENVIRONMENTAL RESOURCES

General Approach

4.1 The panel recommends that BEA continue its work toward accounting for changes in natural-resource assets and for the flow of services from these assets.

Environmental variables affect economic well-being in three major ways: direct effects on consumption or income of households, industry, and government; accumulation in the environment of stocks of residuals that then affect economic activities or economic assets; and effects on the service flows of economic assets, including capital stock, natural resources, and human resources. The main value of natural-resource accounting is in providing a complete picture of the role these resources play in the economy. Sometimes this information can be used to judge the overall sustainability of the use of resources, while at other times it can be used to manage natural and environmental resources and to inform public policy choices.

Valuation

4.2 For valuation, the panel recommends that BEA rely primarily on market values or proxies of market

values that are based on actual behavior. Contingent valuation, while sometimes useful for other purposes, is currently of limited value for environmental accounting in the context of the economic accounts.

Valuing environmental goods and services requires distinguishing between private and public goods. Market prices provide the marginal valuations for private goods, but determining the value of public goods requires the summation of individual values. Moreover, there may be no behavioral traces for individual valuation of public goods.

Price data are relatively reliable for private market goods produced from forest and agricultural assets, such as timber stumpage, livestock, and land use and quality. Values for near-market goods—those that have direct counterparts in the market—can be constructed by comparing the near-market goods with their market counterparts, adjusting for quality as necessary. Techniques for valuation of public goods are still under development. Some techniques—such as hedonic or travel-cost studies—rely on behavioral or marketbased estimates; while these estimates are subject to significant measurement errors, they are conceptually appropriate in economic accounts. Other techniques, such as contingent valuation, are not based on actual behavior, are highly controversial, and are subject to potential response errors.

Quantitative Data

4.3 Quantitative data on many natural-resource assets are currently relatively adequate. However, the data on many environmental variables are at present poorly designed for the construction of environmental accounts. The panel recommends that greater emphasis be placed on measuring effects as directly as possible. Of particular importance are measures of actual human exposure to air and water pollutants, rather than modeled measures of exposure based on ambient pollutant levels at current monitoring sites.

Quantitative data for natural resources are often of high quality relative to the other quantitative data in the NIPA because there are well-established units of measure for many natural resources. Quantitative data on near-market activities such as fuel wood for own use are conceptually straightforward, and many of these data are currently collected by federal agencies. Measurement of nonmarket goods and services and explicit accounting for quality changes, particularly for those that have public-good characteristics, are currently subject to severe methodological difficulties and

insufficient data. There are relatively good data on emissions of many residuals from industrial and human activities, but for most harmful pollutants except lead there is very little systematic monitoring of human exposures.

Inclusion of Public Goods

4.4 The panel finds that more work will be needed on techniques for establishing production flows and values for the assets and services of public goods to place them on a comparable basis with the prices and quantities used in the core accounts.

True public goods, for example biodiversity, species preservation, and national treasures such as the Florida Everglades and Yellowstone National Park, present severe conceptual and measurement issues for incorporation into a national accounting system.

Data Collection

4.5 The panel encourages BEA to help mount a concerted federal effort to identify the data needed for measuring changes in the quantity and quality of natural-resource and environmental assets and associated nonmarket service flows.

Many different federal agencies collect data or have expertise that will be essential to BEA, particularly as its efforts expand to include Phase III assets and associated flows. BEA already cooperates with other agencies in collecting data for the core accounts; supplemental environmental accounts will require cooperation with, for example, the Environmental Protection Agency, the Department of Agriculture, the Department of the Interior, the Bureau of Labor Statistics, the Bureau of the Census, the Energy Information Administration, the National Institute of Environmental Health Sciences, and the Department of Health and Human Services.

Regional Resolution

4.6 The panel recommends BEA focus on developing supplemental accounts for the nation as a whole as a first priority. At the same time, BEA should preserve regional detail where it exists so that these data are available for analysts interested in developing accounts at the regional level.

The development of national estimates will require sampling, measurement, and valuation techniques that reflect the fact that the quality and value of natural-resource assets and associated flows vary geographically. While some assets and

flows may not be important to the national economy, they could be far more important to regional and local economies.

Next Steps

- 4.7 The panel recommends that funds be provided to reinitiate and improve the design of the collection of data on pollution control and abatement expenditures.
- 4.8 As BEA further develops its natural-resource and environmental accounts, an important step is to incorporate near-market goods and services—those that have close counterparts in marketed goods and services. There is a clear basis here for measuring quantities and establishing values in a manner comparable to that used for the core accounts.
- 4.9 Construction of a set of forest accounts is a natural step in developing integrated economic-environmental accounts. The United States has much of the data needed for such an effort, and the analytical techniques are relatively well developed.
- 4.10 Based on available information, the economic impacts of air quality are likely to be the most significant element in the environmental accounts; development of such accounts is a central task for environmental accounting. At the same time, because of the unresolved conceptual issues and the need for appropriate physical measures, the development of stock and flow accounts for air quality and other important public goods poses awesome difficulties. This task far transcends the scope, budget, and expertise of BEA. A major goal for the near term is to continue basic research on the underlying science and economics in this area.

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Errata

Industrial Composition of State Earnings in 1958–98

Tables 1–3 in the February 2000 Survey of Current Business article "Industrial Composition of State Earnings in 1958-98" contained errors. The corrected tables follow. The text of the article is not affected by this correction.

Table 1.—Industry Shares of Earnings, 1998

[Percentage points]

	Farms	Agricultural services, forestry, and fishing	Mining	Construction	Manu- facturing	Transportation and public utilities	Wholesale trade	Retail trade	Finance, insurance, and real estate	Services	Govern- ment
United States	0.8	0.7	0.9	5.9	17.4	6.8	6.4	9.1	8.9	28.8	14.4
Alabama Alaska Arizona Arkansas Colifornia Colorado Connecticut Delaware District of Columbia Florida Georgia Hawaii Idaho Illinois Indiana Iowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Alampshire New Jersey New Mexico New York North Carolina North Ohio Oklahoma		and fishing 0.7 6.6 1.7 1.0 8.8 1.1.7 5.5 8.8 1.0 6.6 7 1.4 5.5 8.8 7 7 5.5 9 1.1 7 6.6 8 5.5		5.9 6.4 7.5 7.5 5.9 5.4 7.9 6.1 5.9 6.2 6.1 6.8 6.9 5.6 6.4 6.9 6.1 8.3 6.3 6.3 7.0 7.0 5.7 5.1		utilities			estate		
Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin	1.0 .4 .2 .6 7.4 .2 .7 .7 .7 .3 1.1 0	.9 .5 .7 .7 .5 .6 .4 .7 .5 .1.0 .4 .6	.1 .7 .1 .8 .3 4.3 1.3 .5 .2 6.5 .2	7.4 5.0 7.3 6.4 6.4 8.1 7.3 6.1 6.2 6.5	19.2 20.4 18.3 23.6 14.2 21.0 16.2 14.3 20.2 12.7 16.4 15.5 27.8	6.3 6.9 5.2 5.4 6.4 7.7 9.1 7.4 5.8 7.0 7.8 5.9	7.4 5.8 5.0 5.2 6.1 6.6 6.9 5.9 5.4 6.1 4.9 6.3	10.9 9.2 9.3 11.1 10.6 10.7 8.9 10.7 10.4 8.6 9.3 10.0 9.0	6.9 8.2 5.7 6.9 6.6 7.3 6.4 4.2 6.9	25.8 30.4 32.2 22.4 24.8 27.5 26.4 27.5 28.4 30.7 30.3 25.7 23.4	14.1 12.1 15.8 17.8 15.0 12.5 13.3 16.0 14.7 20.9 15.7 18.8

Table 2.—Difference between State and U.S. Industry Shares of Earnings, 1998

[Percentage points]

					[F GIGG	illage politic	9]						
	1998 similarity index	Farms	Agri- cultural services, forestry, and fishing	Mining	Con- struction	Manu- facturing	Trans- portation and public utilities	Whole- sale trade	Retail trade	Finance, insur- ance, and real estate	Services	Govern- ment	Population
California Washington Arizona Pennsylvania Missouri Illinois Minnesota Rhode Island Georgia Maine Utah Oregon Texas Tennessee Vermont Colorado New Jersey Kansas Virginia Massachusetts Nebraska New Hampshire Iowa Alabama Connecticut Ohio North Carolina Florida Idaho South Dakota Oklahoma Louisiana Kentucky Wisconsin Mississippi Maryland West Virginia Arkansas South Carolina Mischigan Mischigan Mischigan Montana New York Delaware Indiana North Dakota North D	91.5 91.3 91.0 90.7 90.3 88.2 87.9 87.0 86.8 86.4 86.3 85.8 85.4 82.3 81.9 81.6 81.5 80.7 80.3 78.0	0.4 .3 .1 .4 .5 .4 0 .6 .7 .3 .1 .1 .2 .1 .6 .9 .2 .7 .7 .9 .5 .7 .7 .6 .3 .1 .1 .1 .7 .6 .3 .1 .1 .7 .6 .3 .1 .1 .7 .6 .3 .1 .1 .7 .6 .3 .7 .7 .7 .7 .7 .7 .7 .8	0.4 0.3 3.2 2.2 2.2 2.2 2.2 2.3 2.1 2.3 2.1 2.2 2.3 2.1 2.3 2.1 2.2 2.3 2.1 2.3 2.1 2.2 2.3 2.1 2.3 2.1 2.2 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.1 2.3 2.3 2.1 2.3 2.3 2.3 2.3 2.3 2.3 2.3 2.3 2.3 2.3	-0.6 -7 0 -2 -6.6 48664 8666666667 87777777777	-0.5	-1.7 -1.0 -3.5 -3.1 -1.6 -3.1 -1.8 -1.2 -3.6 -2.2 -1.4 -4.7 -6 -3.4 -5.1 -3.2 -1.2 -1.2 -1.2 -1.2 -1.2 -1.2 -1.2 -1	-0.6 22 -1.0 1.6 5.5 -1.6 2.8 -8.6 -2.3 -1.5 2.9 -1.0 2.8 -1.7 -2.1 -1.4 1.0 9.9 -1.1 1.0 -2.4 -1.4 -1.8 1.6 -2.5 -1.1 1.0 -2.5 -1.1 1.0 -2.5 -1.1 1.0 -2.5 -1.1 1.0 -2.5 -2.5 -1.1 1.0 -2.5 -2.5 -1.1 1.0 -2.5 -2.5 -1.1 1.0 -2.5 -2.5 -2.5 -2.5 -2.5 -2.5 -2.5 -2.5	-0.2 -0.3 -0.5 -0.5 -0.5 -0.5 -0.5 -0.5 -0.5 -0.5	-0.2 .2 .2 .1.7 .1.1 .1.1 .2 .1.1 .1.2 .1.1 .1.2 .1.1 .1.2 .1.1 .1.2 .1.1 .1.2 .1.1 .1.2 .1.1 .1.2 .1.1 .1.2 .1.1 .1	-0.2	3.5 1.5 1.4 1.6 1.6 1.6 1.6 1.6 1.7 1.3 1.4 1.1 1.3 1.4 1.1 1.3 1.4 1.1 1.3 1.4 1.1 1.3 1.4 1.1 1.3 1.4 1.1 1.3 1.4 1.1 1.3 1.4 1.1 1.3 1.4 1.1 1.3 1.4 1.1 1.4 1.3 1.4 1.4 1.3 1.4 1.4 1.4 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5	-0.4 -1.3 -1.9 -2.5 -2.2 -2.4 -1.1 -1.6 -1.3 -1.1 -1.9 -3.7 -1.3 -3.4 -1.1 -3.7 -1.3 -3.4 -1.7 -6 -3.8 -1.7 -6 -3.8 -1.7 -7 -7 -7 -7 -7 -7 -7 -7 -7 -7 -7 -7 -7	32,682,794 5,687,832 4,667,277 12,002,329 5,437,562 12,069,774 4,726,411 987,704 7,636,522 1,247,554 2,100,562 3,282,055 19,712,389 5,432,679 590,579 8,095,542 2,638,667 1,185,823 2,861,025 4,361,037 1,680,772 1,185,823 1,237,752 7,545,828 14,908,230 1,230,923 730,789 3,338,478 4,362,758 3,934,310 5,222,124 2,751,335 5,130,072 1,811,688 2,538,202 3,839,578 9,820,231 8,79,533 18,159,175 7,44,066 5,907,617 637,808 1,733,535 5,140,472 1,743,772 615,205 480,045 521,426

NOTE.—Industry shares are sorted based on the 1998 similarity index.

Table 3.—Change in Industry Shares of Earnings, 1958–98

[Percentage points]

					· o.ooago							
	Change in the similarity index	Farms	Agricultural services, forestry, and fishing	Mining	Con- struction	Manu- facturing	Transportation and public utilities	Whole- sale trade	Retail trade	Finance, insurance, and real estate	Services	Govern- ment
United States		-4.5	0.3	-0.7	-0.3	-11.3	-1.0	0.1	-2.8	4.0	15.7	0.6
United States South Dakota Alaska North Dakota Arizona Nebraska Nevada New Mexico Montana Iowa Idaho Utah Oklahoma Florida Kansas Colorado Hawaii Connecticut Rhode Island Pennsylvania Virginia Texas Minnesota West Virginia Washington Ohio New Jersey Arkansas Louisiana Missouri California	41.2 34.8 30.7 26.1 20.8 19.9 19.9 19.6 18.8 17.2 17.1 16.0 15.8 14.0 10.3 10.2 10.0 9.6 5.8 5.3 5.2 4.4 4.3	-4.5 -24.4 -2.2 -26.7 -6.4 -16.3 -3.7 -20.4 -18.3 -13.5 -9.1 -4.9 -12.1 -5.5 -5.6 -1.3 -1.7 -5.1 -6.9 -10.7 -2.8 -2.1 -1.3 -1.5 -4.2 -3.6 -3.6 -3.6	0.3 6.4 1.4 3.5 5.6 5.5 4.6 1.1 3.1 2.4 3.4 4.1 3.3 0.3 1.2 1.2 1.3 1.2 1.3 1.2 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3	-0.7 -5.5.7 .3 -4.1 -4.8 -5.3 -2.3 -2.2 -5.0 -4.4 -9.7 0 0 -1.4 -9.7 0 -3 -1.4 -2.1 -3.4 -3.4	-0.3 -6.8 -2.6 -3.8 -1.2 -1.8 -1.0 -3.7 -7.4 -1.0 -1.2 -1.6 -1.6 -1.6 -1.6 -1.6 -1.6 -1.6 -1.6	-11.3 7.7 -1.9 4.4 1.00 7.7 -6.6 1.7 -2.0 1.1 2.99 -1.9 2.55 -3.5 -6.4 -21.9 -16.8 -17.2 -6.8 -2.0 -1.4,7 -23.4 -4.0 -7.6 -9.0	-1.0 .5 4.5 0 -1.5 -7 -2.3 -1.8 -2.0 -1.1 -1.6 -2.2 -3 -1.1 -1.2 -5 -1.5 -1.0 -2.4 -3 -1.7 .8 -2.2 -2.2 -1.5 -1.9	0.1 .4 .8 1.5 1.4 .5 1.5 1.5 .3 .7 .8 .9 .7 .6 .4 2.7 .8 -1.6 2.0 0 2 .6 .7 1.4 3.3 3.6 .6 .9 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	-2.8 -2.5 -3.8 -3.5 -3.6 -4.1 -2.5 -3.3 -2.8 -1.4 -2.0 -3.6 -2.7 -3.8 1.4 -2.0 -2.4 -2.8 -3.1 -7 -3.7 -3.3 -3.0 -3.0 -3.0	4.0 3.7 1.9 2.4 4.3 2.5 3.7 1.8 3.5 1.4 3.5 3.6 3.6 3.8 3.3 2.6 3.5 1.4 2.9 4.9 4.9 1.1 1.2 8 3.7	15.7 15.2 14.6 16.1 15.7 14.6 7.7 11.9 11.5 15.0 14.0 16.1 13.5 20.8 18.3 14.9 15.6 14.1 14.9 15.1 16.1 17.5 18.7 14.9 14.1 18.7 14.1 18.7 18.7 18.7 18.7 18.7 18.7 18.7 18	0.6 -1.4 -19.9 5.2 -4.7 1.7 -5.7 -9.9 4.6 4.9 1.4 -4.0 -7 -2.2 -4.2 -11.0 1.7 2.3 -6.3 -2.3 1.0 8.4 -2.7 2.9 2.9 2.9 2.9 2.9 2.5 -2.5
Gaintina Illinois Georgia Maine Mississippi New Hampshire Wisconsin Michigan Kentucky Massachusetts Vermont Delaware District of Columbia Alabama Oregon North Carolina Wyoming Indiana South Carolina Tennessee Maryland New York	4.1 3.8 3.4 2.9 2.8 1.9 1.3 1.2 .9 .6 .4 .2 -1.1 -2.2 -2.4 -2.7 -3.1 -6.5 -7.1 -7.7	-3.2 -3.8 -5.9 -7.2 -11.9 -2.6 -7.0 -2.4 -8.2 -7.3 -9.4 -3.4 0 -6.2 -5.6 -9.7 -13.9 -5.4 -7.0 -7.3 -2.1	33 -11 -4 0 2 33 .4 0 2 -11 .4 1.2 1.6 6.3 2.2 2.1 1.1	4 1 1 8 0 1 4 -2.9 0 0 7 -0.2 0 5.7 4 1 4 2	-1.4 -1.0 .4 1.1 -5 .4 2 0 -8 -4 -2.9 .7 1.8 7 1.4 .9 .1 -1.5	-9.2 -13.9 -7.9 -11.4 -9.5 -12.0 -6.3 -16.9 -1.8 -5.0 -6.2 -6.6 -1.9 -9.2 -7.2 -7.3 -18.3 -17.8	9 -1.2 2.0 -1.2 7 -1.0 7 7 7 7 2.0 3.7 2.8 5 2.7 1.2 4 7 1.2	-3 1.0 -3 3.1 8 1.4 9 -2 8 9 -4.0 3 9 1.0 -7 9 1.0 -7.9 9	-3.6 -3.4 -2.7 -1.2 -3.8 -2.9 -2.5 -3.3 -2.1 -2.0 -6.5 -1.6 -2.8 -1.9 -2.3 -9 -1.5 -2.6 -4.0	5.7 5.0 3.0 3.4 1.4 2.8 3.1 1.3 4.7 1.5 10.7 1.8 2.2 2.3 3.2 2.1 9 2.0 2.4 4.1 12.3	17.2 16.4 13.6 17.0 9.7 14.6 13.4 13.0 11.3 20.8 15.7 12.6 25.5 11.6 12.9 11.3 7.9 12.2 21.0 15.2	-2.3 2.4 -3.3 -1.6 2.1 3.2 -2.1 1.8 8 -2.1 1.3 2.8 -2.5 .5 .9 5.1 2.3 -2.0 -2.0 -2.2 -8.8 2.3

Note.—Industry shares are sorted based on the change in the similarity index.

An Examination of the Low Rates of Return of Foreign-Owned U.S. Companies

By Raymond J. Mataloni, Jr.

Mahnaz Fahim-Nader assisted in the development of the estimates presented in this article. This article also benefited significantly from comments by four reviewers from outside BEA-Harry Grubert, David Laster. Robert McCauley, and Deborah Swenson.

LONGSTANDING QUESTION about foreign-A owned U.S. companies is why their rates of return have been consistently below those of other U.S. companies. Previous research by the Bureau of Economic Analysis (BEA) and others has examined this issue. This article builds upon these earlier efforts by providing new estimates of the rate of return for foreign-owned U.S. nonfinancial companies that are disaggregated by industry and valued in current-period prices for the years 1988–97. The new estimates, along with companylevel estimates for foreign-owned companies and industry-level estimates for U.S.-owned nonfinancial U.S. companies, are used to examine factors that help explain the low rates of return. The article extends the previous research by providing the first detailed examination of industry-mix effects and by identifying and quantifying the importance of market share.

The rate of return measure used in this article is the return on assets (ROA), defined as the ratio of "profits from current production" plus interest paid to the average of beginning- and end-of-year total assets.² Profits from current production are profits that result from the production of goods and services in the current period. Both profits and assets are valued in prices of the current period. Profits reflect the value of inventory withdrawals and depreciation on a current-cost basis; they have been adjusted to remove the income from equity

percent or more, directly or indirectly, by a foreign person.

investments in unconsolidated businesses and the expense associated with amortizing intangible assets. Total assets reflect the current cost of tangible assets; they have been adjusted to remove assets for which the return is not included in the numerator of the ROA ratio—namely, equity investments in unconsolidated businesses and amortizable intangible assets. (See the technical note for details on the construction of the ROA measure.)

The new ROA estimates for foreign-owned companies and U.S.-owned companies indicate the following:

- The new current-cost estimates show that the average ROA of foreign-owned companies in 1988–97 was 5.1 percent. In contrast, the historical-cost estimates show an average ROA of 5.7 percent.
- The ROA of all foreign-owned nonfinancial companies was consistently below that of U.S.-owned nonfinancial companies in 1988–97, but the gap narrowed over time, from nearly two percentage points in 1988 to one percentage point in 1997. The narrowing of the gap appears to be related to age effects: Acquiring or establishing a new business can add costs, such as startup costs, that disappear over time; additionally, experience can yield benefits, such as learning by doing, that accumulate over time.
- The average ROA's for foreign-owned companies less the average ROA for U.S.-owned companies ranged from -8.3 percentage points in rubber and miscellaneous plastics manufacturing to +10.2 percentage points in "other" manufacturing. The average ROA of foreign-owned companies in 1988-97 was below that of U.S.-owned companies in 22 of 30 nonfinancial industries. The pervasiveness of the negative gaps suggests that differences in the industrial distribution of operations are not a major reason for the all-industries gap. More formal analysis confirms that only a small portion of the gap was attributable to the

 ^{1.} In this article, "foreign-owned U.S. companies" refer to U.S. affiliates of foreign companies as defined for BEA's surveys of foreign direct investment in the United States. A U.S. affiliate is a U.S. business enterprise that is owned 10

^{2.} This profitability measure differs in two respects from the measure for all domestic nonfinancial corporations that BEA presented in the June 1999 issue of the Survey of Current Business [21]. First, the numerator uses gross rather than net interest paid. Gross interest is used so that the numerator reflects the actual return to the investors who provide the debt financing, as well as those who provide the equity financing, of foreign-owned companies' total assets. Second, the denominator uses total assets rather than tangible assets. Total assets is used here because it is a more appropriate measure for examining a small subset of domestic companies—in this case, domestic companies that are foreign owned. When the profitability of all domestic nonfinancial corporations is measured, tangible assets is more appropriate because financial claims and liabilities largely cancel out; however, this is not the case when the profitability of a much smaller group of companies is measured. Furthermore, if only tangible assets were used for the denominator, the industry-level profitability measures would vary simply because the degree to which tangible assets are used in production varies across industries.

tendency for foreign-owned companies to be concentrated in low-profit industries.

- The median ROA of foreign-owned companies with a market share of 30 percent or more in 1992 was virtually identical to that of U.S.owned companies, whereas the median ROA of those with a market share of less than 20 percent was 2 percentage points below that of U.S.-owned companies.
- A comparison of the ROA's of foreign-owned companies with different propensities to import from their foreign parent companies yields only weak and inconsistent evidence that foreign-owned companies shift profits out of the United States using transfer prices. Statistical tests indicate a significant negative relationship between foreign-owned companies' ROA and the intrafirm-import content of their sales in only 2 of the 10 years studied.

The first part of this article presents the new industry-level ROA estimates for foreign-owned companies and compares them with estimates for U.S.-owned companies. The second part examines the low ROA for foreign-owned companies using estimates for foreign-owned companies at both the industry and the company level. The technical note explains how the ROA estimates were computed, describes the statistical methods used for analysis, and presents summary results of this analysis.

New ROA Estimates for 1988–97

This section examines the new industry-level ROA estimates for foreign-owned companies and the gap between the ROA's of foreign-owned and U.S.owned companies by industry and over time. Previously, the industry-level profit and asset data needed to compute ROA estimates were available only on a historical-cost basis; that is, the valuations of assets and related expenses (mainly depreciation) were based on the prices of the assets at the time they were acquired. Because asset prices vary over time, the resulting historical-cost ROA estimates vary with the age of the assets. In the new estimates, the assets and associated depreciation charges have been adjusted to a current-cost basis; that is, they are consistently valued in currentperiod prices. The industry-level current-cost adjustments are based on aggregate (all-industries) current-cost adjustments that BEA makes for all foreign-owned companies combined and for all U.S. companies combined. These aggregate estimates were allocated to individual industries using the procedures described in the technical note.

Table 1.—ROA of Foreign-Owned U.S. Nonfinancial Companies, 1988-97 [Percent]

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1988–97 average
Nonfinancial industries	5.7	5.4	4.2	3.8	3.8	4.1	5.1	5.7	6.6	7.1	5.1
Agriculture, forestry, and fishing	2.0	3.4	6.0	3.8	1.5	-0.9	1.1	1.3	2.5	4.0	2.5
Mining, excluding oil and gas extraction	6.8	5.9	7.6	8.3	8.5	4.6	7.1	9.9	6.2	6.9	7.2
Construction	0.5	3.4	1.3	0.5	0.6	0.4	0.6	-0.9	0.4	1.3	0.8
Manufacturing	6.7	6.4	5.0	4.1	4.2	4.6	6.0	6.2	7.3	7.8	5.8
Food and kindred products	4.8	4.0	3.9	5.4	5.2	4.6	4.9	4.6	6.9	8.7	5.3
Textile mill products	8.3	5.4	4.2	3.2	6.8	7.2	7.9	8.2	6.4	7.3	6.5
Apparel and other textile products	3.0	2.1	0.8	3.5	5.2	6.5	5.0	0.3	7.9	7.9	4.2
Lumber, wood, furniture, and fixtures	9.2	7.2	9.4	3.1	6.4	11.0	11.5	8.0	8.7	5.5	8.0
Paper and allied products	12.7	10.5	8.6	6.9	4.1	4.1	5.5	9.7	9.2	5.2	7.6
Printing and publishing	5.3	3.9	5.1	4.3	5.7	6.8	7.8	6.0	7.1	6.6	5.9
Chemicals and allied products	9.0	9.7	7.7	6.4	6.2	6.9	7.8	6.7	7.9	7.2	7.6
Petroleum and coal products 1	7.9	8.7	9.8	5.8	5.8	5.9	6.7	7.6	10.0	10.7	7.9
Rubber and miscellaneous plastic products	3.5	2.7	-0.2	-3.8	-0.4	1.6	4.4	3.8	5.1	5.4	2.2
Stone, clay, and glass products	5.4	3.8	-0.8	0.4	1.5	2.4	3.4	7.0	8.5	13.4	4.5
Primary metal industries	5.7	5.8	3.6	0.5	0.8	2.6	4.3	6.3	7.4	6.7	4.4
Fabricated metal products	7.6	7.0	3.5	4.1	4.0	2.9	0.6	4.9	6.5	7.1	4.8
Industrial machinery and equipment	5.7	3.9	-0.4	0.1	(*)	-0.7	4.8	3.4	4.8	6.3	2.8
Electronic and other electric equipment	1.4	1.0	-0.5	1.7	1.2	1.0	3.6	4.3	3.9	5.6	2.3
Motor vehicles and equipment	-5.2	-6.3	-1.0	-0.8	-4.0	1.2	5.9	5.5	2.1	7.3	0.5
Other transportation equipment	-3.6	5.2	0.7	0.4	2.3	1.1	2.1	0.6	6.5	8.3	2.4
Instruments and related products	4.9	5.5	7.1	8.7	8.6	8.1	8.1	8.9	9.9	9.3	7.9
Other ²	13.9	11.0	7.7	15.4	22.0	11.1	11.6	16.3	19.9	17.9	14.7
Transportation	10.2	4.6	-4.5	0.8	2.0	5.7	5.3	8.6	11.0	10.7	5.4
Communication and public utilities	(*)	1.6	6.4	3.7	6.3	5.0	8.3	11.4	14.4	8.7	6.6
Wholesale trade	4.0	4.5	3.8	3.9	4.0	3.9	4.6	5.4	5.4	6.4	4.6
Retail trade	7.3	4.6	4.9	6.7	3.1	3.9	7.2	8.2	7.6	8.0	6.2
Real estate	3.8	4.2	3.5	3.0	2.2	2.4	2.2	2.3	2.5	3.7	3.0
Services	4.2	4.3	4.0	2.2	3.1	3.7	2.6	2.2	3.6	5.7	3.5
Hotels and other lodging places	1.6	1.2	1.5	-0.1	-0.2	0.3	0.5	1.1	3.5	4.1	1.4
Business services	5.5	6.0	7.6	6.3	7.3	7.6	6.4	4.9	3.2	9.3	6.4
Motion pictures	1.8	2.7	3.2	0.6	3.5	5.1	3.8	2.8	3.2	2.4	2.9
Other	6.0	6.2	4.5	4.0	3.7	3.1	-0.2	-0.1	4.2	5.0	3.6

^(*)Less than 0.05 (±).

⁽⁾ Less itial 1009 (25).

1. Includes oil and gas extraction.

2. Other manufacturing comprises tobacco products, leather and leather products, and miscellaneous manufacturing industries.

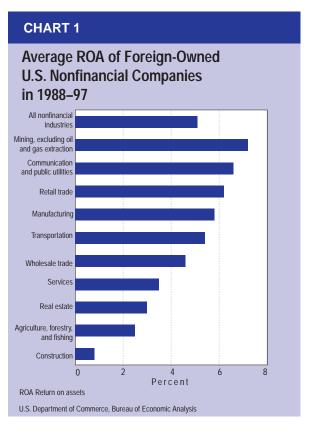
ROA Return on assets

ROA by industry

The average ROA for foreign-owned nonfinancial companies was 5.1 percent in 1988–97. The average ROA's varied considerably among the major industries, ranging from 7.2 percent in mining to 0.8 percent in construction (table 1 and chart 1). In addition to mining, the ROA's were relatively high in communication and public utilities (6.6 percent) and retail trade (6.2 percent). In addition to construction, the ROA's were relatively low in agriculture, forestry, and fishing (2.5 percent), real estate (3.0 percent), and services (3.5 percent).

Among foreign-owned manufacturing companies, the average ROA was 5.8 percent in 1988–97. The ROA's varied considerably among the major manufacturing industries, ranging from 14.7 percent in "other" manufacturing to 0.5 percent in motor vehicles and equipment (table 1 and chart 2). In addition to "other" manufacturing, the ROA's were relatively high in lumber, wood, furniture, and fixtures (8.0 percent) and instruments and related products (7.9 percent). In addition to motor vehicles and equipment, the ROA's were relatively low in rubber and miscellaneous plastic products (2.2 percent), electronic

^{3. &}quot;Other" manufacturing comprises tobacco products, leather and leather products, and miscellaneous manufacturing industries.

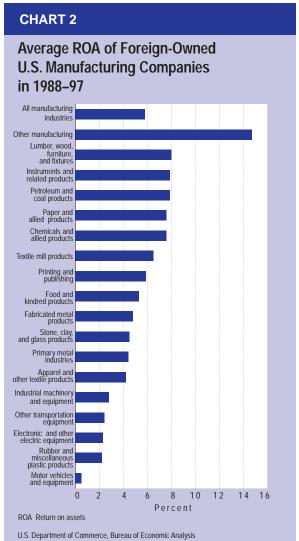


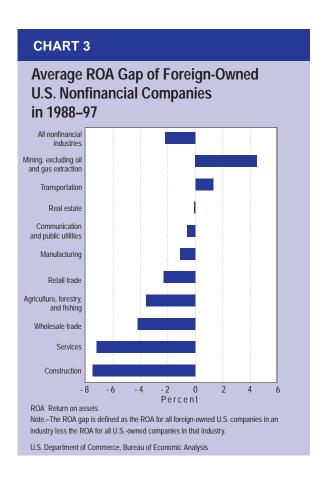
and other electric equipment (2.3 percent), and other transportation equipment (2.4 percent).

ROA gap by industry

The average ROA for foreign-owned nonfinancial companies was 2.2 percentage points below that for U.S.-owned nonfinancial companies in 1988–97. The ROA gap (that is, the ROA of foreign-owned companies) less the ROA of U.S.-owned companies) was negative in most major industries but was largest in construction (-7.5 percentage points) (table 2 and chart 3). The ROA gap was also large and negative in services (-7.2 percentage points) and wholesale trade (-4.2 percentage points). The ROA gap was positive in mining, excluding oil and gas extraction (4.5 percentage points) and transportation (1.3 percentage points).

In manufacturing, the average ROA gap was -1.1 percentage points in 1988–97. The ROA gap was negative in most manufacturing industries, but





it varied from -8.3 percentage points in rubber and miscellaneous plastic products to 10.2 percentage points in "other" manufacturing (table 2 and chart 4).

Trends.—The negative ROA gap in all nonfinancial industries combined widened from -1.8 percentage points in 1988 to -3.1 percentage points in 1990; it was unchanged at -3.1 percentage points in 1991, and then it narrowed steadily to -1.0 percentage points in 1997 (table 2 and chart 5). In some major industries, the pattern of the ROA gap was consistent over time, suggesting that the factors underlying the gap were longstanding; for example, the ROA gap was consistently positive in mining and consistently negative in services. In other industries, including manufacturing, the negative ROA gap was eliminated over time, suggesting that factors underlying the gap were temporary.

Patterns in the ROA gap also differed across the major manufacturing industries. In petroleum and coal products, the ROA gap was consistently positive. In rubber and miscellaneous plastic products, it was consistently negative. In motor vehicles and equipment, it was initially quite negative, but it became slightly positive in some of the more recent years. In a few manufacturing industries, such as

Table 2.—ROA Gap of Foreign-Owned U.S. Nonfinancial Companies, 1988–97
[Percentage points]

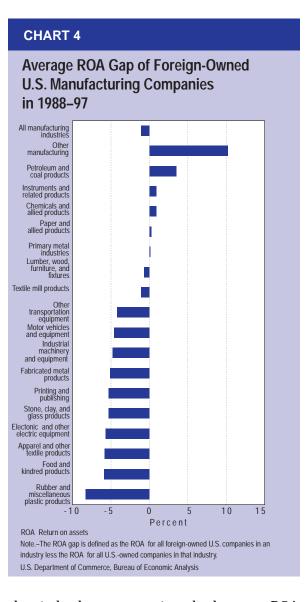
	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1988–97 average
Nonfinancial industries	-1.8	-2.1	-3.1	-3.1	-2.9	-2.6	-2.2	-1.9	-1.3	-1.0	-2.2
Agriculture, forestry, and fishing	-5.4	-3.7	-0.4	-1.4	-4.5	-6.3	-3.5	-4.3	-3.9	-2.5	-3.6
Mining, excluding oil and gas extraction	(*)	1.1	4.6	5.1	7.0	3.6	4.3	8.9	4.9	5.0	4.5
Construction	-8 <u>.</u> 3	-4.9	-6.6	-6.3	-5.3	-6.2	-7.2	-10.1	-10.0	-9.7	-7.5
Manufacturing	-0.8	-1.3	-2.5	-2.6	-1.8	-1.4	-0.6	-1.1	0.1	0.9	-1.1
Food and kindred products	-5.2	-9.2	-9.7	-8.0	-6.8	-5.2	-5.7	-6.8	-2.0	-0.6	-5.9
Textile mill products	0.5	-1.3	-3.9	-5.0	-3.3	-0.4	1.0	2.6	-1.2	-0.2	-1.1
Apparel and other textile products	-7.1	-9.2	-10.1	-7.5	-6.1	-3.9	-5.5	-8.4	-0.7	0.3	-5.8
Lumber, wood, furniture, and fixtures	-0.5	-2.3	2.2	-3.0	-1.0	2.0	1.3	-2.9	0.4	-2.9	-0.7
Paper and allied products	1.7	0.4	0.7	0.5	-0.9	-1.0	-0.7	0.3	1.9	-0.3	0.2
Printing and publishing	-6.7	-7.8	-5.2	-6.6	-4.8	-2.9	-4.2	-4.2	-5.6	-4.6	-5.3
Chemicals and allied products	1.3	2.6	0.9	-0.1	0.3	1.8	1.7	-1.0	1.0	0.2	0.9
Petroleum and coal products 1	2.4	4.2	3.9	1.8	3.1	2.7	3.6	3.4	4.8	5.1	3.5
Rubber and miscellaneous plastic products	-4.5	-7.4	-9.7	-16.3	-11.0	-9.0	-5.7	-5.9	-6.7	-6.4	-8.3
Stone, clay, and glass products	-1.3	-4.8	-9.7	-7.9	-7.1	-5.7	-8.5	-5.9	-2.9	0.9	-5.3
Primary metal industries	-2.2	-2.1	-1.1	-3.1	-0.7	1.4	2.0	0.7	3.5	2.5	0.1
Fabricated metal products	-1.4	-1.9	-5.5	-3.7	-3.3	-6.1	-11.3	-6.4	-5.5	-5.5	-5.1
Industrial machinery and equipment	-2.4	-4.4	-9.2	-6.1	-6.4	-7.1	-1.5	-5.2	-3.9	-1.4	-4.8
Electronic and other electric equipment	-6.4	-7.8	-9.1	-6.3	-5.9	-6.7	-5.2	-3.8	-3.8	-1.7	-5.7
Motor vehicles and equipment	-11.0	-13.0	-6.1	-4.8	-8.2	-3.7	0.7	1.3	-3.5	2.3	-4.6
Other transportation equipment	-11.5	-1.3	-5.9	-7.2	-3.9	-5.4	-2.9	-4.8	-0.6	1.2	-4.2
Instruments and related products	-3.1	-1.4	-1.9	0.1	1.5	3.0	2.9	2.6	2.2	3.0	0.9
Other ²	7.9	6.0	2.7	11.3	18.3	7.2	7.9	12.0	15.8	13.2	10.2
Transportation	5.3	1.4	-7.8	-2.1	-0.6	2.3	0.6	3.8	5.3	4.4	1.3
Communication and public utilities	-6.7	-5.1	-0.3	-3.3	-0.5	-1.9	1.1	3.8	6.7	0.4	-0.6
Wholesale trade	-0.7 -5.7	-5.3	-0.3 -5.2	-5.2	-4.4	-3.9	-3.8	-2.4	-3.7	-2.3	-4.2
Retail trade	-0.7	-3.7	-3.0	-1.5	-5.1	-4.3	-1.2	0.1	-1.3	-2.0	-2.3
Real estate	-0.7 -0.4	0.7	0.9	1.3	(*)	-4.3 (*)	-0.7	-1.2	-1.3	-2.0 -0.1	-2.3 -0.1
Services	-0.4 -5.6	-5.4	-6.2	-8.3	-7.7	-7.8	-0.7 -9.3	-1.2 -9.3	-1.3 -7.7	-0.1 -5.0	-0.1 -7.2
Hotels and other lodging places	-3.4	-3.4 -3.7	-0.2 -2.4	-o.s -5.5	-7.7 -7.2	-7.6 -7.9	-9.5 -8.5	-9.3 -7.4	-7.7 -3.9	-3.0 -1.9	-7.2 -5.2
Business services	-5.4 -5.5	-3.7 -4.5	-2.4 -2.3	-3.3	-7.2 -3.5	-1.9 -4.5	-6.1	-7.4 -7.4	-3.9 -9.4	-1.9 -3.5	-5.2 -5.0
Motion pictures	-5.5 -6.0	-4.5 -2.6	-2.3 0.3	-3.5 -3.5	-3.5 0.3	-4.5 1.1	-0.1 -1.9	-7.4 -2.4	-9.4 -2.3	-3.5 -3.1	-5.0 -2.0
Other	-6.0 -4.5	-2.6 -4.8	-8.1	-3.5 -8.9	-8.6	-9.3	-1.9 -12.9	-2.4 -12.3	-2.3 -7.8	-3.1 -5.9	-2.0 -8.3
Other	-4.5	-4.8	−ö. I	−8.9	−ö.ö	-9.3	-12.9	-12.3	-1.8	-5.9	-8.3

NOTE: The ROA gap is defined as the ROA for all foreign-owned companies in an industry less the ROA for all U.S.-owned companies in that industry.

(*)Less than 0.05 (±).

1. Includes oil and gas extraction.

Other manufacturing comprises tobacco products, leather and leather products, and miscellaneous manufacturing industries. ROA Return on assets



chemicals, there was consistently almost no ROA gap.

The Low ROA of Foreign-Owned Companies

In this section, industry-level ROA estimates for foreign-owned and U.S.-owned companies along with estimates for individual foreign-owned companies are used to analyze the low ROA of foreign-owned companies. The section begins with a short review of previous research and then discusses the four factors that were examined in this study: Industry mix, market share, age effects, and intrafirm-import content.

Previous research

Several studies—including Landefeld, Lawson, and Weinberg [8], Laster and McCauley [9], Grubert, Goodspeed, and Swenson [3], and Gru-

bert [4]—have examined the low profitability of foreign-owned companies.

Landefeld, Lawson, and Weinberg examined current-cost estimates of the rate of return on foreign direct investment in the United States (FDIUS) and on all U.S. businesses at the allindustries level for 1982–91. Those estimates, along with other aggregate economic data, were used to evaluate the low rate of return on FDIUS.⁴ They presented evidence suggesting the following: High startup and restructuring costs related to recent acquisitions lower the profitability of foreignowned companies, newly acquired foreign-owned companies tended to be those that had low or negative rates of return, and many foreign-owned companies had a tax-related incentive to shift profits from the United States to their home country using transfer prices.⁵ They also identified reasons for which foreign owners may be willing to accept a below-average rate of return, such as having a lower cost of capital in the home country or gaining a cost advantage by acquiring U.S. companies with home-country funds at a time when the purchasing power of the U.S. dollar was weak.

Laster and McCauley used industry-level estimates of the historical-cost return on investment and on sales for foreign-owned companies from BEA's direct investment surveys, and for all domestic companies from the Internal Revenue Service, for the years 1977–92. Their evidence suggested the following: The low rate of return of foreignowned companies was largely due to a late-1980's surge in foreign acquisition activity, the new acquisitions were typically expensive and unprofitable (although their profitability grew over time) and heavy debt loads and (possibly) profit shifting using transfer prices further depressed the reported profits of these firms. They concluded that the profitability of foreign-owned companies should rebound as they reduce their acquisition activity, gain experience, and divest underperforming operations.

Grubert, Goodspeed, and Swenson performed regression analysis using company-level measures of the return on historical-cost assets and sales for foreign-controlled and domestically controlled corporations in 1980–87.⁶ Their results

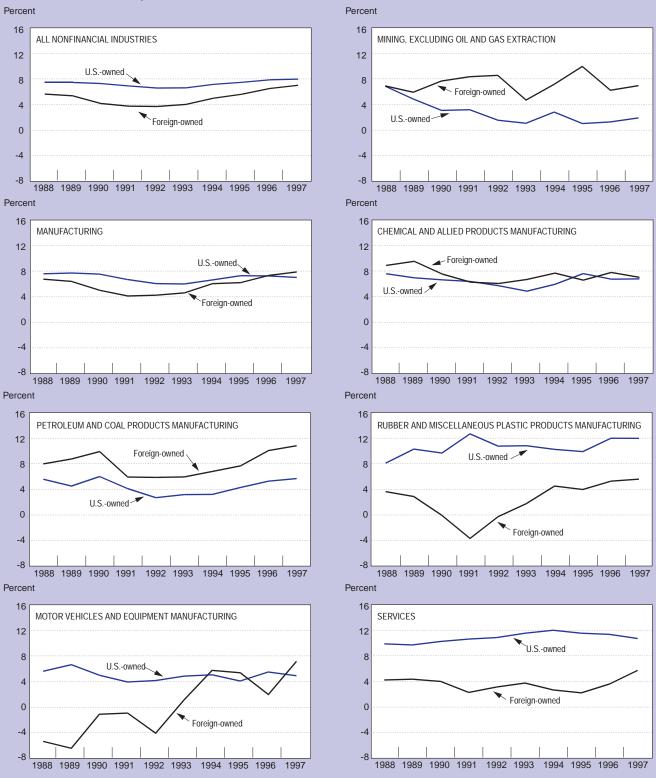
^{4.} Unlike the estimates presented here, the rate of return estimates used by Landefeld, Lawson, and Weinberg are based on data from BEA's international transactions accounts (ITA's). The major difference between the two sets of estimates is that the ITA estimates are adjusted for the percentage of foreign ownership.

^{5.} A transfer price is the price charged by one company for a product or service supplied to a related company, such as the price that a foreign-owned company is charged by its foreign parent company.

^{6.} Their analysis was based on corporate tax return data from the U.S. Department of the Treasury, Internal Revenue Service. The latest tabulated data,

CHART 5

Average ROA of Foreign-Owned U.S. Nonfinancial Companies and U.S.-Owned Nonfinancial Companies in Selected Industries, 1988–97



ROA Return on assets

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

demonstrated that age effects and the effects of exchange-rate changes were significant factors. Unlike Laster and McCauley, they found no evidence of the effects of heavy debt loads. They also found no significant tendency for newly acquired foreign-owned companies to be those with low or negative rates of return. They found that roughly half of the profitability gap remained unexplained. They presented statistical evidence suggesting that part of the unexplained profitability gap could be related to profit shifting using transfer prices.

Grubert used company-level estimates of the return on historical-cost assets and sales for foreign-controlled and domestically controlled U.S. corporations in 1987–93. Most of his analysis was based on a taxable-income-to-sales measure because of the problems associated with using historical-cost assets as a denominator. In addition to using total taxable income as a numerator, Grubert examined an alternative that approximated operating income by excluding receipts of dividends, interest, and royalties; he found that the profitability gap was much smaller using the alternative measure.

As in his earlier paper with Goodspeed and Swenson, Grubert found some evidence of agerelated effects, but little evidence of exchange-rate effects (perhaps because the exchange value of the dollar was more stable in 1987-93 than in 1980-87). After controlling for a variety of factors, Grubert found that less than half (and perhaps as little as one-quarter) of the ROA gap remained unexplained. Profit shifting using transfer prices may underlie part of the unexplained difference, but Grubert presented evidence that it is not a major factor: He found that the profitability of foreign-controlled companies was similar to that of companies that were 20- to 50-percent foreignowned even though the former group would be more likely to shift profits out of the United States using transfer prices.

Explanatory factors

This study uses the new current-cost industry-level estimates for foreign-owned and U.S.-owned companies and company-level estimates for foreign-owned companies to examine the role of agerelated effects and intrafirm-import content in explaining the low ROA of foreign-owned companies. As explained above, the previous studies examined these factors using data at the all-

In the analysis that follows, each of these factors is first examined in isolation, both for ease of exposition and because differences among some of the data sets used precluded a completely integrated approach to analysis. To determine whether the results differ when the explanatory factors are (to the extent possible) examined simultaneously, a multivariate regression analysis also was performed; it is discussed at the end of the section. Such an analysis would help to identify any cases in which explanatory factors are related to one another, which would make it difficult to sort out the independent effects of each factor. (For example, market share could potentially be associated with age, inasmuch as it might take a number of years to build market share.)

Industry mix.—A possible reason that foreignowned companies have a lower ROA than U.S.owned companies is that they are concentrated in low-profit industries. However, a systematic examination of the new industry-level estimates suggests industry mix is of only limited importance. The relatively low ROA's of foreign-owned companies have been widespread across industries: During 1988–97, foreign-owned companies had a lower average ROA than U.S.-owned companies in 22 of the 30 nonfinancial industries shown in table 2. This result was pervasive over time and across industries.

To quantify the industry-mix effects, the ROA gap was statistically decomposed into three components: Industry-mix effects, within-industry gaps, and interaction effects (table 3).⁷ This computation indicated that only a small percentage of the gap was attributable to a tendency for foreignowned companies to be concentrated in low-profit industries. Industry mix accounted for only 12 percent of the ROA gap, on average, in 1988–97.

These decompositions were carried out on industry estimates at both the 2-digit and 3-digit Standard Industrial Classification (SIC) level.⁸ At

industries level or with only a very limited industry breakdown, or they used company-level data that were generally valued on a historical-cost basis. This study also examines industry-mix effects in more detail than in the earlier studies, and it examines market share, a factor not explicitly considered in the earlier studies.

The decomposition method is described in the technical note.

^{8.} Although the 3-digit estimates are available only on a historical-cost basis, the industry patterns in the historical-cost and current-cost estimates are similar, so it is unlikely that using historical-cost data significantly biased the results.

covering foreign-controlled domestic corporations, appear in U.S. Department of the Treasury [24]. In these data, "control" is generally defined as ownership by a foreign person or entity, directly or indirectly, of 50 percent or more of a U.S. corporation's voting stock.

Table 3.—Decomposition of the ROA Gap

[Percentage points]

Year	ROA Gap	Industry- mix effects	Within- industry effects	Inter- action effects
1988 1989 1990 1991 1991 1993 1994 1995 1996	-1.8 -2.1 -3.1 -2.9 -2.6 -2.2 -1.9 -1.3 -1.0	0.1 -0.1 -0.2 -0.3 -0.4 -0.5 -0.3 -0.2 -0.2	-3.1 -3.3 -3.1 -3.1 -2.8 -3.0 -2.3 -1.2 -0.2 -0.5	1.2 1.3 0.2 0.3 0.3 0.9 0.4 -0.5 -0.9

NOTE.—The ROA gap is defined as the ROA for all foreign-owned companies in an industry less the ROA for all U.S.-owned companies in that industry. ROA Return on assets

both levels of detail, only small industry-mix effects were found.⁹

Notwithstanding the general unimportance of industry-mix effects, factors specific to particular industries may in some cases cause the ROA's of foreign-owned companies to be lower than those of U.S.-owned companies. For example, profits in some industries (such as lodging) are highly dependent on local business conditions, and foreign-owned companies' low ROA can be partly explained by the concentration of their operations in slow-growing areas of the United States. Detailed industry-by-area distributions of foreignowned and U.S.-owned business establishments are available for 1992, and in that year, the ROA of foreign-owned companies in hotels and other lodging places was 7.2 percentage points below that of U.S.-owned lodging companies. The foreignowned companies had a relatively large presence in some slow-growing lodging markets (such as California) and a relatively small presence in some fast-growing markets (such as Nevada). 10

Market share.—One factor that was not investigated in the aforementioned studies is market share. However, more general studies of companies' profitability, such as that of Buzzell, Gale, and Sultan [2], have shown a positive relationship between market share and profitability. A large market share may be indicative of conditions, such as economies of scale and market power,

that can enhance profitability.¹¹ It is also possible that high profitability can lead companies to expand their operations, such as through the acquisition of other companies, resulting in the observed relationship. Market share and profitability are probably, to some degree, mutually reinforcing, but the existing research suggests that the causality of this relationship runs mainly from market share to profitability.¹²

Industry patterns in the new ROA estimates provide some indication that the profitability of foreign-owned companies is related to their market shares. Industries in which the profitability of foreign-owned companies is relatively high (such as petroleum and chemical manufacturing) tend to be those in which the largest foreign-owned companies have a significant share of the total U.S. market for certain products. However, in some industries (such as stone, clay, and glass products manufacturing and rubber and miscellaneous plastic products manufacturing), the largest foreign-owned companies both are relatively less profitable and have a significant share of the total U.S. market for certain products. More definitive results can be obtained by performing the analysis at the company level.

To perform company-level analysis, ROA estimates were developed for 2,133 foreign-owned manufacturing companies for 1992 using procedures similar to those used to compute the industry-level estimates. The ROA gap for each foreign-owned company was calculated as the company's ROA minus the average ROA for U.S.-owned companies in the same industry. Market-share estimates for the foreign-owned companies were developed using detailed product-level shipments data for each company obtained from the Census Bureau's 1992 Census of Manufactures through a joint project that linked BEA and Census Bureau data. 14

^{9.} However, industry-mix effects may be more significant within some of the industries shown in table 2. For example, the large and negative ROA gap in rubber and miscellaneous plastic products appears to reflect foreignowned companies' concentration in one of the less profitable segments of that industry—tire and inner tube manufacturing. The large and positive ROA gap in "other" manufacturing appears to reflect foreign-owned companies' concentration in one of the more profitable segments of that industry—tobacco product manufacturing.

^{10.} The geographic distribution of foreign-owned companies is based on data for business establishments from the Census Bureau's 1992 Census of Manufactures through a joint project that linked BEA and Census Bureau data. The 1988–92 industry growth is based on average annual employment data by industry from the U.S. Department of Labor [22].

For a recent examination of the geographic distribution of foreign-owned U.S. businesses, see Johnson, Shannon, and Zeile [5].

^{11.} Microeconomic theory suggests, and industrial organization research has demonstrated, that concentration in an industry can allow the producers in that industry to restrict output and earn above-normal profits (economic rents). Although this research has usually dealt with explaining differences in profitability across industries, some researchers have extended the research to explain profitability differences within industries. Porter [13] and others have shown that the economic rents in an industry tend to be disproportionately distributed to those companies that most strongly possess the features that limit competition within the industry. For example, if the presence of heavily advertised national brands limits competition within an industry, then the companies that sell those brands will enjoy most of the economic rents, and those that sell generic brands may receive none at all. Companies that earn economic rents in this way are said to have "market power."

^{12.} For a review of the literature on the relationship between market share and profitability, see Kohli, Venkatraman, and Grant [6].

^{13.} The examination was restricted to manufacturing and to 1992 because market-share estimates were available only in that industry and only for that year.

^{14.} Although the product-level data were not published, the BEA-Census Bureau data link project provided data on shipments by foreign-owned companies at the detailed 7-digit product level. Each company's market share for each

Table 4.—Market Share and Median ROA Gap for Foreign-Owned U.S. Manufacturing Companies, 1992

Market share (percent)	Median ROA gap (percentage points)	Number of companies
Less than 10.0 10.0 to 19.9 20.0 to 29.9 30.0 to 39.9 40.0 or more	-2.0 -2.0 -1.0 (*) (*)	1,639 294 127 38 35

NOTE.—The ROA gap is defined as the ROA for a foreign-owned company less the ROA for all U.S.-owned companies in the same industry. (*) Less than 0.05 (\pm) ROA Return on assets

Table 4 shows the median ROA gap for foreignowned companies grouped by their average market share. 15 For example, the 1,639 companies that had an average market share across all product lines of less than 10 percent had a median ROA gap of -2.0 percentage points. In general, as a foreign-owned company's market share increased, the gap between its ROA and the average ROA for U.S.-owned companies decreased. A regression of foreign-owned companies' ROA gap on their market share confirmed the statistical significance of this relationship. 16 (See the technical note for summary results of the regression analysis.)

Age effects.—The age effects examined in this study include (1) the effects of acquiring or establishing a new business and (2) the benefit of experience. Foreign-owned companies may have a lower ROA than U.S.-owned companies because of factors related to the share of their operations that are newly acquired or established. These factors include high startup costs for newly established businesses, a possible tendency for acquired companies to be those that are relatively less profitable, and accounting changes resulting from mergers and acquisitions (see the box "Accounting for Mergers and Acquisitions"). The relationship between the newness of foreign-owned companies and the relative size of their negative ROA gap suggests that newness is an important factor (chart 6). The chart shows that, in relative terms, the negative ROA gap of foreign-owned companies tends to rise or fall with their degree of newness.

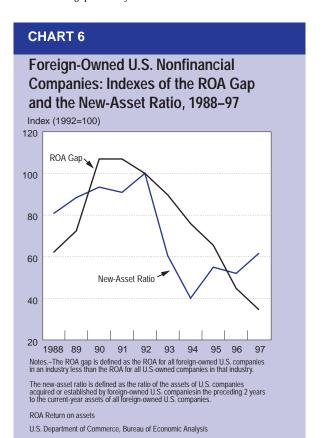
The profits of foreign-owned companies that have been newly acquired or established may be

dampened by high startup costs related to activities such as aggressive spending for capital equipment or advertising.¹⁷ In 1996, for example, foreignowned nonfinancial companies that acquired or established a U.S. business in the preceding 2 years had an average capital-spending-to-sales ratio of 8.4 percent, compared with 5.1 percent for other foreign-owned nonfinancial companies.

Other studies identified additional factors related to the newness of foreign ownership. As noted earlier, some studies detected a tendency for newly acquired companies to be those that are relatively less profitable. 18 Others have detected a tendency for foreign-owned companies to incur heavy debt burdens (and associated interest expenses) when they acquired or established other U.S. businesses. (The ROA estimates presented here are not directly affected by variations in debt burden, because they measure the return to holders of both equity and debt.)

The industry-level estimates provide a mixed picture of the connection between the ROA gap and the newness of foreign-owned companies. Some

^{18.} Both Landefeld, Lawson, and Weinberg [8] and Laster and McCauley [9] used data from BEA's survey of new foreign direct investments in the United States to show that a large percentage of U.S. companies acquired by foreigners had below-average profitability.



product that it produces was derived by computing the ratio of the company's shipments of the product to total U.S. shipments of that product. Because foreign-owned companies tend to be large and diversified, and because only an overall ROA was available for each company, an average market share across all products for each company was computed using a weighted average based on the distribution by product of the company's shipments.

^{15.} Companies with an ROA gap that exceeded 25 percentage points in absolute value were considered outliers and were excluded here and in all of the company-level analysis.

^{16.} For the regression analysis in this study, significance is uniformly defined at the 1-percent level, unless otherwise noted.

^{17.} In the case of capital expenditures, profits would be reduced mainly by the associated depreciation charges.

industries in which the profitability of foreignowned companies was relatively high (such as petroleum manufacturing and chemical manufacturing) were those in which newly acquired or established businesses accounted for a relatively small share of the operations of foreign-owned companies. However, in some industries (such as food and kindred products manufacturing), newly acquired or established businesses accounted for a relatively small share of the operations of foreign-owned companies, but the profitability of foreign-owned companies was relatively low.

The relationship between the ROA gap and the newness of foreign ownership was examined in greater detail using company-level estimates covering 7,906 foreign-owned nonfinancial companies in 1989 and 10,223 foreign-owned nonfinancial companies in 1996. The newness of foreign ownership of a given company was measured by the ratio of (1) the assets of companies acquired or established by the given company in the preceding 2 years—as reported on BEA's survey of new foreign direct investments in the United States—to (2) the current-year assets of the given company. This

measure is referred to hereafter as the "new-asset ratio."

Table 5 shows the average ROA gap for foreignowned companies grouped by their new-asset ratios. For example, in 1989, companies with a "high" new-asset ratio (25 percent or more) had an average ROA gap nearly twice as large (-3.0 percent) as that of companies with a "low" newasset ratio (less than 25 percent). The differences between the mean ROA's for the low and high new-

acquisition, they are reported after revaluation. For newly acquired companies, asset values are projections for the end of the first full year of operations. A two-year lag was chosen for the newness measure because it was judged long enough to include transactions that could have had an impact on rate of return, but short enough to preclude dissipation of the factors related to newness. Comparisons of two-year and three-year lags in earlier work showed little difference in results.

Table 5.—Average ROA Gap for Foreign-Owned U.S. Nonfinancial Companies by New-Asset Ratio, 1989 and 1996

[Percentage points]

Year	Low new- asset ratio	High new- asset ratio
1989	-1.7	-3.0
1996	-2.3	-3.2

NOTES.—The new-asset ratio is the ratio of the assets of companies acquired or established by the given company in the preceding 2 years to the current-year assets of the given company. A new-asset ratio less than 25 percent is considered "low," and one that is 25 percent or more is considered "high."

Accounting for Mergers and Acquisitions

Business combinations (mergers and acquisitions) may result in accounting changes that distort return on assets (ROA) comparisons across companies and across time. U.S. generally accepted accounting principles currently provide two methods for accounting for business combinations—the "purchase" method and the "pooling-of-interests" method. In the purchase method, one company is identified as the buyer and records the value of the company being acquired in its financial statements at the price it actually paid. In the pooling-of-interests method, the two combining companies add together the historical-cost values of their net assets.

The effect of a business combination on the combined companies' ROA depends on the method used. The purchase method will often result in substantial changes in the ROA of the combined companies because the purchased company's assets are revalued to current prices. In addition, any premium paid for the purchased company beyond the fair-market value of its assets is recorded as "goodwill," which is treated as an amortizable intangible asset. The annual amortization of goodwill is a charge against income and thus reduces the ROA. In contrast, the pooling-of-interests method generally does not affect the ROA of the combined companies, because the transaction generally does not result in any charges against income and because the combining companies' assets are carried over to the new combined company at historical cost.

Companies generally prefer the pooling-of-interests method because it does not disrupt comparisons of financial results across companies or across time. ¹

This study tried to remove some of the effects of business combinations on the ROA estimates. Specifically, an estimate for annual amortization of intangible assets (chiefly, goodwill) was removed from the numerator, and an estimate for the stock of amortizable intangible assets was removed from the denominator (see the technical note for details). These adjustments mitigated, but did not completely remove, potential inconsistencies over time in the ROA estimates. For example, special allowance was not made for other intangible assets that may have been restated at market value after a business combination.

Another potential effect of business combinations on the ROA estimates is the usually higher depreciation charges that result when assets are purchased for an amount greater than their value at historical cost. However, the ROA estimates presented here should not be affected, because all companies' fixed assets (and the associated depreciation charges) have been revalued to current prices.

^{19.} BEA's survey of new foreign direct investments covers outlays by foreign direct investors to acquire or establish affiliates in the United States. For newly acquired companies, asset values reported on the survey are as of the end of the most recent financial year preceding acquisition; if assets are to be revalued after

The ROA gap is defined as the ROA for a foreign-owned company less the ROA for all U.S.-owned companies in the same industry. ROA Return on assets

However, in mid-1999, the U.S. Financial Accounting Standards Board (FASB) announced that it would eliminate the pooling-of-interests method for business combinations beginning late in 2000. The faults with this method that the FASB cited included lack of conformity with international accounting standards and inconsistency with the treatment for other acquired assets.

asset ratio categories were found to be statistically significant. ²⁰

A second age-related effect is the benefit of experience. Foreign-owned companies may initially have a lower ROA than U.S.-owned companies because they are relatively less mature and have a greater need for improvements that will be made in their operations over time. These improvements may include reaching a higher level of capacity utilization, restructuring or shedding unprofitable operations, and learning by doing. Earlier research demonstrated the benefits of experience on a company's ROA. For example, Lupo, Gilbert, and Liliestedt [10] examined company-level data for 4,507 foreign manufacturing affiliates of U.S. multinational companies and found that the average ROA for the affiliates increased steadily with age, at least for the first 10 years. As mentioned earlier, Grubert, Goodspeed, and Swenson [3] and Laster and McCauley [9] found a similar result in their research.

This study examined the relationship between a foreign-owned company's age and its ROA gap using data for a panel of 749 foreign-owned manufacturing companies that existed throughout 1988–97. The panel was restricted to manufacturing companies because some of the benefits of experience (such as higher capacity utilization) are expected to be strongest for companies in that industry. For analytical purposes, the age of a given company was measured as the number of years that the affiliate was in the panel. ²¹ To test for the presence of a relationship between age and the ROA gap, panel-data regressions were performed on the company-level data.

A significant relationship between a company's age and its ROA gap was detected for all foreign-owned manufacturing companies in the panel and for companies in 11 of the 18 manufacturing industries shown in tables 1 and 2. For all man-

Table 6.—Median ROA Gap for a Matched Sample of Foreign-Owned U.S. Companies in All Manufacturing Industries and in Motor Vehicles and Equipment Manufacturing, 1988–97

[Percentage points]

	All manu- facturing industries	Motor vehicles and equipment
1988 1989	 -2.7 -2.6	-6.5 -6.4
1990	 -3.5 -3.0	-2.2 -3.9
1992	 -2.0 -1.4 -0.3	-1.0 -0.7 1.5
1995 1996	 -1.9 -0.2	3.5 -1.8
1997	 0.1	3.0

NOTE.—The ROA gap is defined as the ROA for a foreign-owned company less the ROA for all U.S.-owned companies in the same industry.

ROA Return on assets

ufacturing industries combined, the median ROA gap, which was -2.7 percentage points in 1988, had been completely eliminated by 1997 (table 6). Among individual industries, a particularly strong relationship between age and the ROA gap was found in motor vehicles and equipment manufacturing: The median ROA gap was -6.5 percentage points in 1988, but a positive 3.0 percentage points in 1997. (See the technical note for summary results of the regression analysis.)

Intrafirm-import content.—Some analysts speculate that foreign-owned companies have actually made higher profits than as measured by the BEA data but then have shifted some of them out of the United States using transfer prices. Although tax regulations generally require that intrafirm transactions be at "arms-length" prices, intercountry differences in tax rates create incentives to deviate from this standard, particularly for trade in nonstandardized goods and services for which market-based reference prices are lacking.²² It was not possible to directly test for profit shifting using transfer prices. However, the greatest opportunities to shift profits using transfer prices exist for foreign-owned companies with a high percentage of their sales accounted for by intrafirm imports. Thus, any relationship detected between the share of sales accounted for by intrafirm imports and the ROA gap may provide indirect evidence of profit shifting using transfer prices.

The industry-level estimates indicated no clear relationship. To investigate the relationship at a more detailed level, company-level estimates for foreign-owned companies in manufacturing and wholesale trade in 1988–97 were used.

^{20.} A sample inference between two population means was used to test the statistical significance of these differences; the procedure is described in the technical note.

An extension of the analysis of the effects of newness would measure newness in U.S.-owned companies and its impact on the ROA gap for the foreign-owned companies. Using readily available data, a crude measure of newness was developed for U.S. parent companies in manufacturing using data from BEA's surveys of U.S. direct investment abroad. In contrast to the findings for foreign-owned companies, U.S. parent companies in manufacturing with a high degree of newness had a higher ROA than those with a low degree of newness. This difference may reflect the types of companies acquired: Foreign-owned companies may tend to acquire relatively less profitable companies, whereas U.S.-owned companies may tend to acquire companies that are relatively more profitable. Further work is needed to confirm and interpret these preliminary results and to investigate whether they apply to U.S.-owned companies in general.

^{21.} This measure of age is limited in two ways. First, the companies were not of uniform age in the first year of the panel (1988). Second, the companies in the panel may have acquired or established other businesses during the period, an activity that would have subjected them to new rounds of profit-reducing "newness." Therefore, any benefit of experience detected for these companies must have been strong enough to offset the effects of these data limitations.

 $^{22.\ \}mbox{An "arm's-length"}$ price is the price that would be charged between unrelated parties.

Table 7.—Average Intrafirm-Import Content of Sales and Median ROA Gap for Foreign-Owned Manufacturing and Wholesale Trade Companies, 1988–97

Intrafirm-import content of sales (percent)	Median ROA gap (percentage points)	Number of companies
Less than 10.0 10.0 to 29.9 30.0 to 49.9 50.0 to 69.9 70.0 or more	-3.0 -2.6 -3.1 -3.4 -4.0	1,744 672 575 492 390

NOTE.—The ROA gap is defined as the ROA for a foreign-owned company less the ROA for all U.S.-owned companies in the same industry.

ROA Return on assets

Table 7 shows the median ROA gap for foreignowned companies grouped by the intrafirmimport content of their sales. For example, the 1,744 companies in the first group had an intrafirm-import content of sales of less than 10 percent and a median ROA gap of -3.0 percentage points. From the table, there does not appear to be a strong relationship between the two variables. Regressions of the two variables detected a statistically significant relationship in only 2 of the 10 years studied. However, these 2 years were at the end of the period, when the profitability of foreignowned firms was highest and the incentives to shift profits thus possibly the greatest.²³ (See the technical note for summary results of the regression analysis.)

The regression equation was also estimated annually by country for foreign-owned companies from five major investing countries: Canada, France, Germany, Japan, and the United Kingdom. Effective tax rates varied considerably across these countries, and the incentive to shift profits from the United States would have been strongest for parent companies in countries such as the United Kingdom, where the tax rates on business profits were low relative to the rates in the United States.²⁴ However, when the regression equations

were estimated for the individual countries, the coefficients were insignificant in all but 1 of the 50 country-by-year regressions.

Combined effects.—The preceding analysis showed that, when taken separately, industry mix, market share, newness, and the benefit of experience are each (to varying degrees) associated with the ROA gap of foreign-owned companies, and that intrafirm-import content of sales is generally not. To determine whether a particular factor still independently does or does not contribute to differences in the ROA gaps once the influence of each of the other factors is taken into account, the measures of market share, newness, and intrafirm-import content were included as independent variables in a multivariate regression equation in which the ROA gap was the dependent variable. The equation was estimated using data for 2,133 foreign-owned manufacturing companies in 1992.²⁵

It was not necessary to include a variable for industry in the equation, because the manner in which the data are constructed implicitly controls for industry effects; that is, for each foreign-owned company, the gap is computed as the ROA for the company less the average ROA for U.S.-owned companies in the same industry. It was not possible to include a variable for the benefit of experience, because that variable is tested in a dynamic, rather than a static, framework. That is, the effect of experience was tested using time-series data; however, data limitations made it necessary to base the estimation of the multivariate regression equation on data for a single year.

The regression results confirmed that, even after allowing for the influence of the other measures, market share and newness were each significantly correlated with differences in the ROA gaps, and that intrafirm-import content was not.

As noted earlier, there could be relationships between some of the explanatory variables that, if present, might influence the results of the regression analysis; in particular, such relationships would tend to make it difficult to discern the independent effect of each variable. Statistical tests performed in conjunction with the multivariate analysis suggest that such relationships were not significant. (See the technical note for summary results of the regression analysis.)

^{23.} To see if imports might affect profitability in other ways, such as by influencing the cost of inputs, the relationship between the *total* import content of sales and the ROA gap was also tested. However, as was the case for intrafirm imports, the relationship was found to be statistically significant in only 2 of the 10 years studied. In light of the results of the analysis of intrafirm imports, this result was to be expected because intrafirm imports accounted for 80 percent, on average, of total imports of goods by foreign-owned companies during the period.

In addition to intrafirm imports, the relationship between foreign-owned companies' ROAs and their intrafirm exports was tested. However, the regression analysis provided no evidence that foreign-owned companies with larger intrafirm export-to-sales ratios have larger ROA gaps. The opportunity for foreign-owned companies to use exports for profit shifting is probably limited. Their intrafirm exports are significantly smaller than their intrafirm imports, and the exports are more likely to consist of standard goods for which arm's-length prices are readily available. The only previous study to examine explicitly the relationship between trade and profits was Laster and McCauley [9]; their findings were based primarily on tests using imports, but they also examined the relationship between profits and exports and, like this study, found no correlation.

^{24.} Data for majority-owned foreign affiliates of U.S. multinational companies suggest that effective tax rates for the five foreign investing countries varied considerably and that tax rates in the United Kingdom were particularly

low relative to those in the United States. For a study of corporate tax rates in the member countries of the Organisation for Economic Co-Operation and Development, see KPMG [7].

^{25.} The estimation was restricted to manufacturing and to 1992 because market-share estimates were available only in that industry and only in that year.

Technical Note

This note explains how the ROA estimates were computed, describes the statistical methods used for analysis, and presents summary results of the regression analysis.

Computation of the ROA estimates

The ROA estimates for foreign-owned nonfinancial companies and U.S.-owned nonfinancial companies were computed as the ratio of profits plus interest paid to the average of beginningand end-of-year total assets.²⁶ (Tables 8 and 9 summarize the derivation of the numerator and denominator of the ROA estimates.) Profits are the national income and product accounts (NIPA's) item "profits from current production," which measures profits before deduction of income taxes and excluding nonoperating items such as capital gains and losses and income from equity investments. Profits from current production reflect the value of inventory withdrawals and depreciation on a current-cost basis. Interest paid is gross interest paid (that is, interest receipts are not netted against interest payments). Total assets consist of

Table 8.—Derivation of the Numerator of the ROA Estimates for Nonfinancial Companies for 1997

[Millions of dollars]

	Foreign-owned companies	
1 2 3 4	Profit-type return ¹ Plus: CCAdj for consistent accounting at historical cost CCAdj for current cost Expensed petroleum and natural gas E&D expenditures Amortization of intangible assets	45,635 2,233 433 766 4,309
6 7 8	Effect of recognition of software as fixed investment Monetary interest paid Equals: Numerator	829 40,452 94,657
	All U.S. companies	
9	Corporate profits with inventory valuation adjustment, NIPA's ²	510.927
10 11 12	Plus: CCAdj for consistent accounting at historical cost ³	114,934 -63,092 378,018
13	Equals: Numerator	940,787
	U.Sowned companies	
14	Numerator (line 13 less line 8)	846,130

both tangible and intangible assets but exclude assets for which the return is not included in the numerator of the ROA ratio. Reproducible tangible assets are valued at current cost—that is, at the price that would have been paid for them if they had been purchased new in the period to which the estimates refer.

Most of the information used to compute the ROA's for foreign-owned companies is available from BEA's surveys of foreign direct investment in the United States, and most of the information used for U.S.-owned companies is available from the NIPA's. However, some of the data used to compute the ROA's for both groups of companies had to be obtained from other sources or estimated. Most of the estimation involved allocating estimates at the all-industries level to individual industries; these estimates were allocated to individual companies using identical methods. These allocations required assumptions that may have resulted in the understatement or overstatement of some of the ROA components for some industries or companies. However, it is unlikely that these allocations had a material impact on the analysis, because the allocated items' contribution to the ROA estimates was small relative to the variation in the estimates across industries and to the size of the gaps between the estimates for foreign- and U.S.-owned companies. Checks using alternative methods to allocate the estimated data across industries confirmed that the ROA patterns for foreign- and U.S.-owned companies were not

Table 9.—Derivation of the Denominator of the ROA Estimates for Nonfinancial Companies for 1997

[Millions of dollars]

		1996	1997
	Foreign-owned companies		
1 2 3 4 5	Current-cost net plant and equipment	484,327 164,995 830,418 86,261 97,828 1,295,651	505,971 169,513 898,848 90,149 106,197 1,377,986
7	Denominator ¹	1,270,001	1,336,819
,	All U.S. companies		1,000,017
8 9 10 11 12	Current-cost net plant and equipment Plus: Current-cost inventories Other assets Less: Amortizable intangible assets Equity investment in unconsolidated	4,249,578 1,145,500 7,745,510 683,108	4,481,868 1,206,699 8,248,757 727,655
13	businesses Equals: Current-cost assets	963,974 11,493,506	986,543 12,223,126
14	Denominator ¹		11,858,316
	U.Sowned companies		
15	Denominator (line 14 less line 7)		10,521,498

^{1.} Equals the average of current-year and prior-year current-cost assets NOTES.—See the technical note for more information. Assets are valued at yearend ROA Return on assets

^{26.} The data for U.S.-owned companies is restricted to corporations because the source data used are available only for those companies. In 1997, foreignowned corporations accounted for 95 percent of the gross product (value added) of all foreign-owned companies

As published in Zeile (1999), 36. Includes an inventory valuation adjustment.
 As published in NIPA table 6.16C. In the NIPA's, petroleum and natural gas exploration and development expenditures, business purchases of software, and business own-account soft-ware production are regarded as fixed investment. Also, amortization of intangible assets is not recognized as an expense.

3. As published in NIPA table 8.15.

 ^{3.} As published in NIPA table 8.15.
 4. Consistent, in concept, with data in NIPA table 8.20. The estimates presented here are preliminary and have since been revised.

NOTE.—See the technical note for more information.

CCAdj Capital consumption adjustment E&D Exploration and development
NIPA's National Income and Product Accounts

ROA Return on assets

significantly affected by the method used for the allocations.

Foreign-owned companies

Profits.—Profits from current production for foreign-owned companies were estimated by adjusting the existing estimates of the companies' 'profit-type return" (PTR) to place depreciation charges on a consistent accounting basis that reflects geometric depreciation patterns and to value them at current costs. The PTR estimates include an adjustment to place inventories, but not depreciation, on a current-cost basis.²⁷ To remove inconsistencies in the valuation of depreciation, a capital consumption adjustment (CCAdj) was computed for foreign-owned companies. In addition, to be consistent with profits from current production, the PTR of foreign-owned companies was adjusted to make it more consistent with the NIPA treatment of expensed petroleum and natural gas exploration charges, amortization of intangible assets, and business purchases of computer software. 28

The profit estimates for foreign-owned companies required a CCAdj because depreciation reported on the direct investment surveys is valued at historical cost. The CCAdj, which is the difference between the historical-cost and the current-cost value of depreciation charges, comprises two parts: One part adjusts depreciation charges used by businesses in financial or tax accounting so that they are on a consistent historical-cost accounting basis, and the other part adjusts those charges to a current-cost basis. 30

The CCAdj estimates for the PTR of foreignowned companies were based on CCAdj estimates that BEA has computed for income on foreign direct investment in the United States as shown in the international transactions accounts (ITA's).³¹ The ITA estimates are based on (1) estimates of historical-cost depreciation from data collected in annual and benchmark surveys and (2) estimates of current-cost depreciation computed by BEA using a perpetual-inventory model that takes into account the service lives and depreciation rates of the assets.³² Because direct investment income in the ITA's reflects the foreign parent company's share in the earnings of their U.S. affiliates, the CCAdj estimates used in the ITA's are adjusted for percentage of foreign ownership. The CCAdj estimates are made only at the all-industries level.³³

The CCAdj estimates from the ITA's were used to adjust the PTR of foreign-owned companies. Because PTR reflects the total earnings of foreignowned companies, not just the foreign parents' share, the two CCAdj components were modified to remove the adjustment for percentage of foreign ownership. The modified adjustment for consistent accounting at historical cost was allocated to individual industries in proportion to the industries' respective shares in the reported depreciation charges in that year; this procedure assumes that the composition of the fixed assets and the relationship between financial-statement-based and consistent-historical-cost depreciation charges is the same across industries. The adjustment for current cost was allocated to individual industries according to industry-level estimates of the ratio of historical-cost to current-cost depreciation for all U.S. companies from BEA's wealth estimates.

The adjustment for current cost may have been overstated or understated in some industries because the industrial distribution of the ratio of historical-cost to current-cost depreciation for all U.S. companies from the BEA wealth estimates is based on data for establishments, which are classified by the principal product or service produced at each establishment; in contrast, the distribution of the depreciation charges for foreign-owned com-

^{27.} BEA estimates the PTR of foreign-owned companies from financial and operating data reported in its annual and benchmark surveys of foreign direct investment in the United States. These data provide a picture of the overall operations of foreign-owned companies, and include balance sheets and income statements, employment and compensation of employees, trade in goods, research and development expenditures, sources of finance, and selected data by State. The PTR estimates are based primarily on data from the income statement and are computed as net income (before the deduction of income taxes or depletion charges), excluding capital gains and losses, income from equity investments, and other nonoperating income, and they also include an inventory valuation adjustment. For a summary of the most recent estimates—covering 1997—see Zeile [25]. For more detailed estimates, see U.S. Department of Commerce [18].

^{28.} The NIPA profit measure is primarily based on tabulations of business tax return data by the Internal Revenue Service (IRS). NIPA table 8.25 shows the relationship between NIPA profit measures and the corresponding measures published by the IRS. For the most recent estimates, see U.S. Department of Commerce [20].

^{29.} The data collected in the direct investment surveys are required to be reported as they would have been in the financial statements of the foreign-owned companies and generally reflect U.S. generally accepted accounting principles (GAAP). Under GAAP, depreciable assets and their related depreciation charges are usually valued at historical cost, and depreciation charges generally follow a straight-line (rather than a geometric) pattern.

^{30.} For more information about these adjustments, see page M-6 of U.S. Department of Commerce [19] and page 2 of U.S. Department of Commerce [16]

^{31.} BEA collects data on direct investment income, along with data on other transactions and positions between foreign parent companies and their U.S. affiliates needed for preparation of the ITA's and NIPA's, in quarterly surveys of foreign direct investment in the United States. (Parallel surveys are conducted for U.S. direct investment abroad.) Unlike the data from the annual and benchmark surveys described in footnote 27, which cover the overall operations of foreign-owned companies, the data from the quarterly surveys cover only transactions and positions between foreign parent companies and their U.S. affiliates

^{32.} For a description of the perpetual-inventory model, see pages M-4 to M-6 of U.S. Department of Commerce [17].

^{33.} The CCAdj estimates, which extend back to 1982, were introduced in Murad [12], pp. 72-73.

panies is based on data collected for enterprises (companies), which are classified by the principal product or service produced by all of their establishments combined.

Profits of foreign-owned companies were also adjusted to include three items that are treated as expenses in the computation of PTR but not in the computation of NIPA profits: Expenditures for petroleum and natural gas exploration and development, amortization of intangible assets, and purchases of software.³⁴ The estimates of amortization of intangible assets were computed in three steps: First, the stock of amortizable intangible assets was estimated from balance sheet data for the companies reported on the direct investment surveys and for all U.S. corporations from the Internal Revenue Service's Corporate Source Book [23] (the estimation procedure is described in the section "Total assets")³⁵; second, annual amortization charges were computed based on these stock estimates and on an assumed amortization pattern (using amortization rules prescribed by U.S. generally accepted accounting principles); and finally, profits for foreign-owned companies were adjusted to reflect BEA's new treatment of software in the profit estimates for all domestic corporations.³⁶

These adjustments make the estimates of profits from current production (and profit-type return) for foreign-owned companies as comparable as possible with their counterparts in the NIPA's.

However, one minor difference could not be eliminated. For the NIPA profits measures, accounting provisions for losses related to bad debts are not treated as an expense, whereas such provisions are treated as an expense for foreign-owned companies' PTR.

Total assets.—Current-cost assets of foreignowned companies were estimated by applying several adjustments to the financial-accounting-based total assets data for foreign-owned companies. First, the reported values for net plant and equipment and for inventories for all foreign-owned companies were revalued to current prices using ratios of historical-cost to current-cost net plant and equipment and inventories. These adjustment ratios are generated by the perpetual inventory model used to compute the CCAdj and inventory valuation adjustment for direct investment income in the ITA's. Industry-level current-cost estimates were derived by applying the all-industries ITA adjustment ratios to the reported historical-cost data for each industry. This procedure implicitly assumes that the ratios of historical- to currentcost tangible assets are the same for each industry. Assets other than plant and equipment and inventories did not have to be adjusted, because those assets, which are mostly financial assets, are usually valued at (or near) current cost in financial accounting.37

Second, the value of equity investments in unconsolidated businesses was subtracted from total assets for consistency with the profit estimates (which exclude income from such investments).

Third, an estimate of amortizable intangible assets was subtracted from total assets. The estimate was derived by multiplying the ratio of amortizable intangible assets to "other noncurrent assets" for all U.S. companies from the *Corporate Source Book* by reported data on foreign-owned companies' "other noncurrent assets." This adjustment was made to improve consistency with the profit measure (which, as noted above, excludes the amortization of intangible assets) and to lessen the impact of variations in the level of acquisition-related amortizable intangible assets on changes in the estimated ROA's. (See the section "Age effects" in the text for details.)

 $^{34.\,}$ Data on expenditures of foreign-owned companies for petroleum and natural gas exploration and development are collected in BEA's annual and benchmark surveys of foreign direct investment in the United States.

In the NIPA's, expenditures for mining exploration, shafts, and wells are treated as fixed investment and, accordingly, the NIPA profits measures reflect the depreciation associated with the investments rather than the expenditures themselves. Because the data are unavailable to measure the depreciation associated with the investments by foreign-owned companies, the PTR of the foreign-owned companies could not be adjusted to reflect the depreciation.

^{35.} The estimates for 1997 were mainly based on data from the Census Bureau's *Quarterly Financial Report* [14] because 1997 data were not available from the *Corporate Source Book*.

^{36.} In the NIPA's, business purchases of software and business own-account software production are regarded as fixed investment. Business incomes (proprietors' income and corporate profits) are increased by the elimination of the deductions for the purchases of software and by the addition of the value of the production of own-account software as a receipt. These effects are partly offset by the deduction of the consumption of fixed capital (depreciation) on both purchased software and own-account software production. (For details, see Moulton, Parker, and Seskin [11].)

In the reports to BEA, for the period covered by this study, foreign-owned companies are believed to have treated software purchases and development of own-account software primarily as current expenses rather than fixed investment. (Until recently, there were no authoritative accounting guidelines on how companies should treat these software items in their financial reports. Beginning in 1998, the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants (AICPA) has advised all of its members to treat them as fixed investment (see AICPA [1] for details).

Accordingly, it was necessary to adjust the profits of foreign-owned companies to make the treatment of software consistent with that in the NIPA's. The adjustment was estimated in two steps: First, the overall adjustment for all foreign-owned nonfinancial companies was derived based on the data for all U.S. corporations from the NIPA's on the software-related effects on profits and on the foreign-owned companies' share of corporate gross domestic product; second, the adjustment for foreign-owned companies was allocated by industry based on the industry distribution of total U.S. expenditures for computer and data processing services from the 1992 input-output accounts [15].

^{37.} It would have also been desirable to revalue holdings of land to currentperiod prices, but this was not done, because the necessary price data were unavailable. Because land's share of the total assets of both foreign-owned and U.S.-owned companies is very small, any adjustment probably would not have had a material impact on the ROA estimates.

^{38. &}quot;Other noncurrent assets" are all noncurrent assets except (1) equity investments involving 20 percent or more equity ownership and (2) net property, plant, and equipment.

U.S.-owned companies

Most of the data used to compute industry-level ROA's for all U.S. nonfinancial companies are available from the NIPA's and from the IRS *Corporate Source Book*. The derivation of those ROA estimates is explained below. Once the ROA estimates for all nonfinancial U.S. companies were computed, estimates for nonfinancial U.S.-owned companies were derived by subtracting the estimates for foreign-owned nonfinancial companies.

The NIPA's provide most of the data used to compute the numerator of the ROA ratios. They provide estimates of profits from current production for all U.S. companies but not by industry, because industry-level estimates of the CCAdj are not available. They also provide industry-level estimates of interest paid.

Profits.—Industry-level estimates of profits from current production for all U.S. companies were derived by computing and applying a CCAdj to the historical-cost industry-level estimates from the NIPA's. To compute industry-level CCAdj's, the aggregate adjustments from the NIPA's were allocated to individual industries. These allocations were made using the same techniques used for the estimates for foreign-owned companies; that is, the adjustment for consistent accounting at historical cost was allocated by industry using annual industry-level data on historical-cost depreciation from the Corporate Source Book. The adjustment for current cost was allocated by industry using industry-level estimates of the ratio of historical-cost to current-cost depreciation for all U.S. companies from BEA's wealth estimates. Because the data used to calculate the ratios are for business establishments and the profits data are for companies, the adjustment for current cost may be understated or overstated in some industries.

Total assets.—The Corporate Source Book provides the industry-level asset data to compute industry-level ROA estimates for all U.S. companies for this analysis. These data are at historical cost, so adjustments had to be made to derive estimates in current-period prices. Specifically, the industry-level estimates of net plant and equipment and of inventories for all nonfinancial U.S. corporations from the Corporate Source Book were revalued from historical cost to current prices using industry-level ratios of historical-cost assets to current-cost assets from BEA's wealth estimates. To make the denominator more reflective of the companies' own operations, the resulting estimates of current-

cost assets were adjusted to remove an estimate of the value of equity investments in unconsolidated businesses.³⁹ Finally, amortizable intangible assets from the *Corporate Source Book* were subtracted from total assets.

An adjustment could not be made for the potential difference in the levels of consolidation underlying the asset and profit data for all U.S. corporations. The level of consolidation of the NIPA profit data reflects the profits and related revenue and expense items reported on the IRS forms that are used in the estimation of NIPA profits by industry. Companies are required to report total assets and other balance sheet items to IRS on their income tax forms, and, when doing so, tend to follow U.S. generally accepted accounting principles (GAAP). Under GAAP, companies must consolidate subsidiaries in which they directly or indirectly control a majority interest (over 50 percent). In contrast, the IRS allows U.S. corporations to consolidate subsidiaries in which they control an 80-percent interest when reporting their profit data. If differences in the level of consolidation caused a company's profit data and assets data to appear in different industries, then the resulting ROA estimates may be understated or overstated for some industries.

Identification of industry-mix effects

The ROA gap was decomposed statistically into industry-mix, within-industry, and interaction effects. First, the ROA for all industries may be expressed as a weighted average of the ROA's in individual industries; the weight for any given industry is the industry's share of total assets. Thus, the average ROA for U.S.-owned companies can be expressed as

$$ROA^{u} = \sum_{i=1}^{30} s_{i}^{u} ROA_{i}^{u},$$

and the average ROA of foreign-owned companies can be expressed as

$$ROA^f = \sum_{i=1}^{30} s_i^f ROA_i^f,$$

where ROA is the average return on assets for the 30 industries, ROA_i is the average return on assets for industry i, and s_i is ith industry's share of the total assets of companies in the 30 industries.

^{39.} Because the Corporate Source Book did not provide the necessary balance sheet detail, this estimate was derived from ratios for U.S. multinational companies that were calculated from data collected in BEA surveys of U.S. direct investment abroad.

Variables with the superscript f denote data for foreign-owned companies, and variables with the superscript u denote data for U.S.-owned companies. The ROA gap can then be decomposed algebraically as

$$ROA^{f} - ROA^{u} = \sum_{i=1}^{30} ROA_{i}^{u} (s_{i}^{f} - s_{i}^{u}) + \sum_{i=1}^{30} (ROA_{i}^{f} - ROA_{i}^{u}) s_{i}^{u} + \sum_{i=1}^{30} (ROA_{i}^{f} - ROA_{i}^{u}) (s_{i}^{f} - s_{i}^{u}).$$

The first term on the right side of the equation measures the effects of differences in industry mix; it is the ROA gap that would have resulted if, in each industry, ROA's were the same for both foreignowned companies and U.S.-owned companies and if the differences in the industrial distribution of assets were as observed. The second term on the right side measures the effects of within-industry ROA gaps; it is the ROA gap that would have resulted if both foreign-owned and U.S.-owned companies had the same distribution of assets by industry and if the ROA gaps in each industry were as observed. The third term reflects the interaction between these two effects.

Sample inference between two population means

The statistical significance of the differences between the average ROA gaps for foreign-owned companies with a "high" new-asset ratio and those with a "low" new-asset ratio was tested using a sample inference between two population means (see below). A test statistic was derived based on summary statistics for the ROA gaps for foreign-owned companies in the high and low new-asset-ratio classes. Because the number of observations was large and the observations were assumed to be normally distributed, the value of the test statistic was then checked against a critical t-statistic for the 1percent confidence level. The following formula was used to calculate the test statistic:

$$z = \frac{(\overline{GAP}_H - \overline{GAP}_L)}{\sqrt{\frac{\sigma_H^2}{n_H} + \frac{\sigma_L^2}{n_L}}}$$

where \overline{GAP} is the average ROA gap, σ^2 is the variance of the ROA gaps, and n is the number of observations. Variables with the subscript H

denote data for companies with a high new-asset ratio (25 percent or more), and variables with a subscript L denote data for companies with a low new-asset ratio (less than 25 percent). The choice of 25 percent as the threshold for the high and low new-asset ratios was based on patterns detected in less aggregated classes.

Regression analysis

The statistical significance of market share, the benefit of experience, and the intrafirm-import content of sales in explaining the low ROA's of foreign-owned companies was separately tested using univariate regression analysis of companylevel data. (Companies with an ROA gap that exceeded 25 percentage points in absolute value were considered outliers and were excluded from the analysis.) The dependent variable in each of the regression equations is the company's ROA gap, which is the company's ROA less the average ROA of U.S.-owned companies in the same indus-

Table 10.—Regression Results The equations are of the form: GAP = a + bX

The equations are of the	ie ioiiii. Or	11 – a + D/	V			
	Number of obser-		Estimated coeffi- cients		R 2	
	vations	a	b			
	(1)	(2)	(3)	(4)	(5)	
Market share						
All manufacturing industries	2,133	-3.1	0.07	3.29**	0.005	
Benefit of experience						
All manufacturing industries Food and kindred products Textile mill products Apparel and other textile products Lumber, wood, furniture, and fixtures Paper and allied products Printing and publishing Chemicals and allied products Petroleum and coal products Rubber and miscellaneous plastic products Stone, clay, and glass products Primary metal industries Fabricated metal products Industrial machinery and equipment Electronic and other electric equipment Motor vehicles and equipment Other transportation equipment Instruments and related products Other	20,830 740 200 1000 160 200 210 820 100 460 650 540 1,250 270 270 270 270	-2.2 -7.9 -1.4 -1.0 -1.2 -5.0 -5.7 -1.4 -1.0 -5.1 -5.9 -1.9 -1.7 -2.4 -5.1 -7.8 1.2 -2.3 -2.0	0.07 0.68 0.20 -0.29 -0.02 0.49 0.25 0.70 0.21 0.34 0.47 0.06 0.40 0.40 -0.25 0.56 0.60	5.13** 8.94** 1.47 -1.28 -0.12 3.39** 1.86 3.58** 3.60** 2.20* 3.25** 5.34** 0.57 6.40** 5.87** 8.13** -0.94 4.12** 3.71**	0.001 0.107 0.011 (1) 0.060 0.011 0.017 0.127 0.005 0.024 0.047 (1) 0.035 0.051 0.051 0.066 0.066	
Intrafirm-import content of sales						
1988 1989 1990 1991 1992 1993 1994 1995 1996	3,067 3,257 3,522 3,709 3,241 4,350 4,361 4,428 4,466 4,339	-2.8 -3.0 -4.0 -3.7 -2.6 -2.1 -1.2 -2.2 -1.7 0.6	-0.01 (†) 0.01 0.01 -0.01 -0.02 (†) -0.03 -0.02	-1.81 0.20 0.92 1.40 -1.42 -0.83 -2.76** -0.69 -4.72** -2.52*	0.001 (†) 0.001 (†) (†) (†) 0.015 (†) 0.005 0.002	

^{**}Significant at the 1-percent level. *Significant at the 5-percent level.

^(†) In column 3, less than 0.005 (±); in column 5, less than 0.0005 (±).

NOTE.—The dependent variable in each equation is the ROA gap. See the text for a description of the independent variables

try. The estimated equations and their summary statistics are presented in table 10.

For the market-share and intrafirm-import equations, the number of observations is the number of companies included in the regression. The benefit of experience was tested using a panel data regression covering the years 1988–97; thus, there were 10 observations for each company. In table 10, a is the intercept term, and b is the coefficient of the independent variable.

The independent variables are as follows: For market share, the average market share of the company across all of its products; for the benefit of experience, the number of years that the company is in the panel (1 through 10); and for intrafirm-import content of sales, the percentage of the company's sales that was accounted for by intrafirm imports of goods.

In addition to the univariate analysis, multivariate regression analysis of the effects of market share, newness, and intrafirm-import content was also performed to determine whether the results differ when several explanatory variables are examined simultaneously. (It was not possible to include a variable for the benefit of experience, because that variable is tested in a dynamic, rather than a static, framework.) Using 2,133 foreign-owned manufacturing companies in 1992 as observations, the estimation yielded the following results:

$$GAP = -2.90 + .07MS - .03NEW + .01IMPORT$$

(3.42) (-3.30) (0.30)
 $R^2 = .010$,

where *GAP*, *MS*, *NEW*, and *IMPORT* are measures of the ROA gap, market share, newness, and intrafirm-import content of sales, respectively. The t-statistics for the independent variables, which appear in parentheses, indicate that the coefficients for market share and newness are statistically significant at the 1-percent level, but the coefficient for the intrafirm-import content of sales is not.

There could be relationships between the explanatory variables (multicollinearity) that influence the results of the regression analysis; in particular, such relationships would tend to make it difficult to discern the independent effect of each variable. Two factors suggest the absence of multicollinearity in this case: (1) the strength of the t-statistics for the significant coefficients and (2) the virtual absence of collinearity between the estimated coefficients as indicated by a correlation matrix.

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National Data

A. Selected NIPA Tables

The tables in this section include the most recent estimates of gross domestic product and its components; these estimates were released on February 25, 2000 and include the "preliminary" estimates for the fourth quarter of 1999.

The selected set of NIPA tables shown in this section presents quarterly estimates, which are updated monthly; in most of these tables, annual estimates are also shown.

The news release on gross domestic product (GDP) is available within minutes of the time of release, and the "Selected NIPA Tables" are available later that day, on STAT-USA's Web site <www.stat-usa.gov>; for information, call STAT-USA on 202–482–1986. The GDP news release is also available within minutes of the time of release, and the "Selected NIPA Tables" a day or two later, on BEA's Web site <www.bea.doc.gov>.

The "Selected NIPA Tables" are also available on printouts or diskettes from BEA. To order NIPA subscription products, call the BEA Order Desk at 1–800–704–0415 (outside the United States, 202–606–9666).

S. Summary Tables

Table S.1.-Summary of Percent Change From Preceding Period in Real Gross Domestic Product and Related Measures

[Percent]

			Seasonally adjusted at annual rates					
	1998	1999	19	98		199	99	
			Ш	IV	_	II	III	IV
Gross domestic product	4.3	4.1	3.8	5.9	3.7	1.9	5.7	6.9
Personal consumption expenditures Durable goods Nondurable goods Services	4.9 11.3 4.0 4.0	5.3 11.5 5.4 4.0	3.9 4.1 2.4 4.7	4.6 20.4 5.0 1.5	6.5 12.4 8.9 4.2	5.1 9.1 3.3 5.2	4.9 7.7 3.6 5.0	5.9 13.0 7.2 3.8
Gross private domestic investment Fixed investment	11.7 11.8 12.7 4.1 15.8 9.2	5.8 8.0 8.3 –2.6 12.0 7.4	10.4 2.0 0 -6.6 2.4 8.0	11.5 13.8 15.3 5.8 18.6 9.8	3.6 9.1 7.8 –5.8 12.5 12.9	-2.1 6.6 7.0 -5.3 11.2 5.5	13.6 6.8 10.9 -3.8 15.7 -3.8	10.0 2.1 2.5 -4.3 4.7 1.0
Net exports of goods and services Exports Goods Services Imports Goods Services Services	2.2 2.1 2.5 11.6 11.7 10.8	3.6 4.0 2.8 11.8 12.7 7.6	-1.7 1.6 -8.8 5.2 4.9 6.4	16.1 19.4 8.6 10.8 12.8 1.6	-5.5 -9.3 4.1 12.5 12.6 11.9	4.0 4.3 3.2 14.4 15.5 8.9	11.5 16.9 0 14.9 17.3 3.6	8.7 10.5 4.5 10.0 9.3 13.9
Government consumption expenditures and gross investment Federal National defense Nondefense State and local	1.7 9 -1.9 1.0 3.2	3.7 2.8 1.8 4.7 4.2	1.3 -2.3 7.0 -17.4 3.3	2.9 3.9 –2.9 17.8 2.3	5.1 5 -4.0 6.1 8.2	1.3 2.1 -2.6 10.9	4.5 4.1 11.2 -7.1 4.8	9.2 14.2 16.7 9.9 6.6
Addenda: Final sales of domestic product Gross domestic purchases Final sales to domestic purchasers	4.3 5.4 5.4	4.5 5.1 5.5	2.4 4.6 3.2	6.2 5.5 5.8	4.6 5.8 6.7	3.4 3.2 4.7	4.5 6.3 5.2	5.6 7.2 5.8
Gross national product Disposable personal income	4.1 4.1	4.0	2.6 4.5	6.3 4.8	3.8 4.1	1.9 3.2	5.6 2.9	4.5

NOTE.-Percent changes from preceding period in the current-dollar and price measures for these series are shown in table 8.1

Table S.2.-Summary of Contributions to Percent Change in Real Gross

Domestic Product

			Se	easonally	/ adjuste	d at ann	nual rate	s
	1998	1999	199	98		199	99	
			III	IV	I	II	III	IV
Percent change at annual rate:								
Gross domestic product	4.3	4.1	3.8	5.9	3.7	1.9	5.7	6.9
Percentage points at annual rates:								
Personal consumption expenditures Durable goods Nondurable goods Services	3.24 .86 .79 1.59	3.54 .90 1.05 1.59	2.64 .33 .49 1.83	3.13 1.51 .98 .64	4.27 .96 1.68 1.63	3.36 .71 .64 2.01	3.33 .62 .73 1.97	4.03 1.02 1.44 1.57
Gross private domestic investment Fixed investment Nonresidential Structures Equipment and software Residential Change in private	1.93 1.86 1.49 .13 1.37 .37	1.01 1.33 1.02 08 1.10 .31	1.74 .34 .01 21 .22 .33	1.94 2.20 1.79 .18 1.61 .41	.67 1.48 .94 18 1.12 .53	36 1.10 .86 16 1.02 .24	2.25 1.16 1.33 11 1.44 17	1.72 .39 .34 12 .46 .05
inventories	.07	32	1.40	26	80	-1.46	1.09	1.33
Net exports of goods and services Exports Goods Services Imports Goods Services Services Services	-1.18 .25 .17 .08 -1.43 -1.21 22	-1.09 .39 .30 .09 -1.49 -1.32 16	82 18 .12 30 65 51 13	.33 1.65 1.38 .27 -1.32 -1.29 03	-2.13 61 74 .13 -1.52 -1.28 24	-1.35 .42 .32 .10 -1.77 -1.59 19	72 1.19 1.19 0 -1.91 -1.83 08	43 .93 .79 .15 -1.37 -1.07 30
Government consumption expenditures and gross investment Federal National defense Nondefense State and local	.31 06 08 .02 .37	. 65 .17 .07 .10 .48	.23 14 .27 42 .37	. 51 .24 12 .36 .28	. 87 03 16 .13	. 23 .13 10 .23 .10	. 81 .26 .42 16	1.61 .84 .63 .21

NOTE.-More detailed contributions to percent change in real gross domestic product are shown in table 8.2. Contributions to percent change in major components of real gross domestic product are shown in tables 8.3 through

1. National Product and Income_

Table 1.1.-Gross Domestic Product

[Billions of dollars]

			Seasonally adjusted at annual rates					
	1998	1999	19	98		19	99	
			III	IV	I	II	III	IV
Gross domestic product	8,759.9	9,254.6	8,797.9	8,947.6	9,072.7	9,146.2	9,297.8	9,501.6
Personal consumption expenditures	5,848.6	6,257.3	5,889.6	5,973.7	6,090.8	6,200.8	6,303.7	6,434.2
Durable goods Nondurable goods Services		1,842.7	1,716.6	1,742.9	1,787.8	1,824.8	761.8 1,853.9 3,688.0	1,904.3
Gross private domestic investment	1,531.2	1,622.9	1,535.3	1,580.3	1,594.3	1,585.4	1,635.0	1,676.9
Fixed investment		1,166.5 272.7 893.8 411.3	1,087.2 271.7 815.4	1,121.4 278.0	1,139.9 274.7 865.2	1,155.4 272.5 882.9	909.5 412.7	1,189.2 271.5 917.7 416.6
Net exports of goods and services	-149.6	-255.5	-165.7	-161.2	-201.6	-245.8	-278.2	-296.4
Exports Goods Services Imports Goods Services Se		698.8 298.7 1,252.9 1,048.8	1,114.8 927.2	288.6 1,143.1 952.6	674.3 292.6 1,168.5 974.3	680.5 297.7 1,224.0 1,022.3	299.7 1,286.6 1,079.3	731.5 304.7 1,332.6 1,119.2
Government consumption expenditures and gross investment	1,529.7	1,629.8	1,538.7	1,554.8	1,589.1	1,605.9	1,637.2	1,687.0
Federal	538.7 348.6 190.1 991.0	570.5 364.5 206.1 1,059.3	539.7 354.7 185.0 999.0	352.9 193.8	355.8 201.6	354.3 207.3	365.4	382.3 210.9

NOTE.-Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.2.-Real Gross Domestic Product

[Billions of chained (1996) dollars]

[Dillions of Chamed (1990) dollars]									
			S	easonall	y adjuste	ed at an	nual rate	S	
	1998	1999	19	98		19	99		
			III	IV	I	II	III	IV	
Gross domestic product	8,516.3	8,867.0	8,536.0	8,659.2	8,737.9	8,778.6	8,900.6	9,050.9	
Personal consumption expenditures	5,698.6	6,000.9	5,730.7	5,795.8	5,888.4	5,961.8	6,033.3	6,120.3	
Durable goods Nondurable goods Services		1,775.8	1,692.0	1,712.6	1,749.5	1,763.7	821.2 1,779.3 3,440.6	1,810.6	
Gross private domestic investment	1,547.4	1,637.7	1,551.1	1,593.9	1,608.2	1,599.8	1,651.6	1,691.5	
Fixed investment Nonresidential Structures Equipment and software Residential Change in private inventories		1,215.4 247.5 975.3 375.9	1,120.3 252.1 870.6 354.2	1,160.8 255.7 908.5 362.6	1,182.7 251.9 935.7 373.7	1,202.9 248.5 960.9	996.6 375.1	1,242.0 243.4 1,008.0	
Net exports of goods and services	-215.1	-322.9	-237.9	-232.3	-284.5	-319.0	-338.2	-349.7	
Exports Goods Services Imports Goods Services	722.8 284.4 1,222.2	292.4 1,366.5 1,162.2	712.0 281.1 1,231.0 1,037.9	744.2 287.0 1,263.1 1,069.7	726.4 289.9 1,300.9 1,102.0	734.1 292.2 1,345.4 1,142.5	292.2 1,393.0 1,188.9	782.6 295.4 1,426.7	
Government consumption expenditures and gross investment	1,480.3	1,535.4	1,485.3	1,495.9	1,514.6	1,519.5	1,536.5	1,570.8	
Federal National defense Nondefense State and local	526.1 341.7 184.4 953.9	193.0	347.5 179.6	344.9 187.1	341.4 189.9	339.2 194.9	191.3		
Residual	.9	5.2	2.9	-2.2	2.6	8.1	6.4	3.8	

Note.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines. Percent changes from preceding period for selected items in this table are shown in table 8.1; contributions to the percent change in real gross domestic product are shown in table 8.2. Chain-type quantity indexes for the series in this table are shown in table 7.1.

Table 1.3.-Gross Domestic Product by Major Type of Product

			S	easonall	y adjuste	ed at an	nual rate	s
	1998	1999	19	198		19	99	
			III	IV	I	II	III	IV
Gross domestic product	8,759.9	9,254.6	8,797.9	8,947.6	9,072.7	9,146.2	9,297.8	9,501.6
Final sales of domestic								
product	8,688.7 71.2			8,876.2 71.4				
Change in private inventories				l				
Goods				3,389.8				
Final sales	3,239.1	3,437.7	3,231.9	3,318.4	3,365.6	3,406.6	3,453.2	3,525.5
Change in private inventories	71.2	45.1	73.7	71.4	51.0	17.6	40.8	71.1
Durable goods Final sales Change in private				1,610.0 1,571.4				
inventories	38.9	26.2	39.8	38.6	24.1	6.3	23.0	51.4
Nondurable goods				1,779.8 1,747.0				
Change in private inventories	32.2	19.0	33.9	32.8	27.0	11.4	17.8	19.7
Services	4.664.5	4.930.5	4.700.4	4,747.9	4.820.7	4.885.5	4.963.7	5.052.1
Structures	785.1	'	'	′	′	l '	′	′
Addenda: Motor vehicle output Gross domestic product less	313.3							
motor vehicle output	8,446.7	8,912.1	8,491.7	8,602.2	8,747.6	8,815.3	8,942.8	9,142.6

NoTE.-Percent changes from preceding period for gross domestic product and for final sales of domestic product are shown in table 8.1

Table 1.5.-Relation of Gross Domestic Product, Gross Domestic Purchases, and Final Sales to Domestic Purchasers

[Billions of dollars]

Gross domestic product	8,759.9	9,254.6	8,797.9	8,947.6	9,072.7	9,146.2	9,297.8	9,501.6
Less: Exports of goods and services	966.3	997.4	949.1	981.8	966.9	978.2	1,008.5	1,036.2
services	1,115.9	1,252.9	1,114.8	1,143.1	1,168.5	1,224.0	1,286.6	1,332.6
Equals: Gross domestic purchases	8,909.5	9,510.1	8,963.6	9,108.8	9,274.2	9,392.0	9,575.9	9,798.1
Less: Change in private inventories	71.2	45.1	73.7	71.4	51.0	17.6	40.8	71.1
Equals: Final sales to domestic purchasers	8,838.3	9,464.9	8,889.9	9,037.4	9,223.2	9,374.4	9,535.1	9,726.9

NOTE.-Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.7.-Gross Domestic Product by Sector

[Billions of dollars]

Gross domestic product	8,759.9	9,254.6	8,797.9	8,947.6	9,072.7	9,146.2	9,297.8	9,501.6
Business 1	7,402.0	7,827.4	7,432.1	7,568.0	7,669.1	7,729.4	7,862.6	8,048.4
Nonfarm 2			7,351.6					
Nonfarm less housing	6,621.4	6,999.7	6,645.4				7,034.3	7,208.2
Housing	700.4	745.0	706.2	718.0	730.2	739.1	749.7	760.8
Farm	80.2	82.7	80.6	92.5	88.6	84.1	78.6	79.4
Households and institutions	385.6	408.3	388.4	393.4	399.7	404.9	411.0	417.7
Private households	14.0							
Nonprofit institutions	371.6	392.4	374.1	378.2	384.1	389.0	395.0	401.5
General government 3	972.3	1,018.9	977.4	986.2	1,003.9	1,012.0	1,024.2	1,035.6
FederalState and local	296.9 675.4							

Equals gross domestic product less gross product of households and institutions and of general government.

Table 1.4.-Real Gross Domestic Product by Major Type of Product

[Billions of chained (1996) dollars]

			, ,					
			S	easonall	y adjuste	ed at an	nual rate	S
	1998	1999	19	98		1999		
			III	IV	I	Ш	III	IV
Gross domestic product	8,516.3	8,867.0	8,536.0	8,659.2	8,737.9	8,778.6	8,900.6	9,050.9
Final sales of domestic								
product	8,441.3	8,818.8	8,459.6	8,588.3	8,685.2	8,757.9	8,855.8	8,976.3
Change in private inventories	74.3	42.7	76.1	70.7	50.1	14.0	38.0	68.7
Residual	.7	5.5	.3	.2	2.6	6.7	6.8	5.9
Goods	3,330.5	3,509.5	3,323.9	3,417.4	3,442.1	3,446.1	3,525.3	3,624.5
Final sales Change in private	3,255.1	3,461.9	3,246.9	3,346.2	3,390.0	3,427.5	3,481.3	3,549.1
inventories	74.3	42.7	76.1	70.7	50.1	14.0	38.0	68.7
Durable goods Final sales Change in private				1,686.7 1,646.9				
inventories	39.7	27.1	40.7	39.6	25.1	6.5	23.8	52.9
Nondurable goods Final sales Change in private				1,734.6 1,703.1				
inventories	34.6	15.7	35.3	31.0	25.0	7.5	14.2	16.1
Services	4,449.4	4,597.5	4,471.4	4,494.6	4,529.5	4,571.0	4,620.4	4,668.9
Structures	738.9	765.7	742.5	751.7	770.2	764.7	760.9	766.9
Residual	-4.0	-6.0	-3.2	-7.7	-5.8	-3.1	-5.8	-8.8
Addenda:	045.7							
Motor vehicle output	315.7							
motor vehicle output	Jo,200.9	0,522./	0,230.2	8,311.9	0,409.3	0,443.6	0,546.2	0,091.9

Note.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line following change in private inventories is the difference between gross domestic product and the sum of final sales of domestic product and of change in private inventories; the residual line following structures is the difference between gross domestic product and the sum of the detailed lines of goods, of services, and of structures.

Percent changes from preceding period for gross domestic product and for final sales of domestic product are shown in table 8.1 Chain-type quantity indexes for the series in this table are shown in table 7.17.

Table 1.6.-Relation of Real Gross Domestic Product, Real Gross

Domestic Purchases, and Real Final Sales to Domestic Purchasers

[Billions of chained (1996) dollars]

Gross domestic product	8,516.3	8,867.0	8,536.0	8,659.2	8,737.9	8,778.6	8,900.6	9,050.9
Less: Exports of goods and services	1,007.1	1,043.6	993.0	1,030.8	1,016.4	1,026.4	1,054.8	1,077.0
Plus: Imports of goods and services	1,222.2	1,366.5	1,231.0	1,263.1	1,300.9	1,345.4	1,393.0	1,426.7
Equals: Gross domestic purchases	8,723.2	9,170.0	8,764.2	8,881.5	9,007.4	9,078.2	9,216.9	9,377.5
Less: Change in private inventories	74.3	42.7	76.1	70.7	50.1	14.0	38.0	68.7
Equals: Final sales to domestic purchasers	8,648.1	9,121.9	8,687.6	8,810.6	8,954.8	9,057.8	9,172.2	9,302.9

NOTE.-Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. Percent changes from preceding period for selected series in this table are shown in table 8.1. Chain-type quantity indexes for selected series in this table are shown in table 7.2.

Table 1.8.-Real Gross Domestic Product by Sector

Gross domestic product	8,516.3	8,867.0	8,536.0	8,659.2	8,737.9	8,778.6	8,900.6	9,050.9
Business 1	7,223.2	7,553.5	7,241.0	7,359.5	7,432.8	7,469.1	7,584.1	7,727.9
Nonfarm 2	7,121.8	7,451.9	7,139.7	7,257.1	7,331.3	7,366.3	7,485.2	7,625.0
Nonfarm less housing	6,462.2	6,772.1	6,477.6	6,592.7	6,659.3	6,690.1	6,802.2	6,936.9
Housing	660.2	681.0	662.6	665.4	672.9	677.2	684.2	689.6
Farm	100.5	99.5	100.4	101.3	100.2	101.6	95.8	100.7
Households and institutions	369.0	376.3	369.6	371.3	373.2	374.8	377.2	380.1
Private households	13.3	14.6	13.5	14.2	14.6	14.6	14.7	14.7
Nonprofit institutions	355.7	361.7	356.1	357.0	358.6	360.2	362.5	365.4
General government 3	924.8	939.1	926.1	929.6	933.3	936.2	941.3	945.6
Federal	285.8	284.8	286.1	286.1	285.5	284.5	284.5	284.7
State and local	638.9	654.2	639.9	643.4	647.7	651.5	656.7	660.7
Residual	3	9	2	9	9	-1.1	0	-1.8

Equals gross domestic business product less gross farm product.
 Equals compensation of general government employees plus general government consumption of fixed capital as shown in table 3.7.

Equals gross domestic product less gross product of households and institutions and of general government.
 Equals gross domestic business product less gross farm product.
 Equals compensation of general government employees plus general government consumption of fixed capital as shown in table 3.8.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines. Chain-type quantity indexes for the series in this table are shown in table 7.14.

Table 1.9.-Relation of Gross Domestic Product, Gross National Product, Net National Product, National Income, and Personal Income

			Seasonally adjusted at annual rates						
	1998	1999	19	198		19	99		
			III	IV	I	II	III	IV	
Gross domestic product	8,759.9	9,254.6	8,797.9	8,947.6	9,072.7	9,146.2	9,297.8	9,501.6	
Plus: Income receipts from the rest of the world			276.4		283.8	296.1			
rest of the world	295.2		302.0	297.9	298.2	310.4	323.2		
Equals: Gross national product	8,750.0		8,772.2	8,930.5	9,058.2	9,131.9	9,282.3		
Less: Consumption of fixed capital Private Capital	1,066.9 880.8	1,141.2 945.2	1,075.2 888.3	1,094.0 904.8	1,108.8 916.7	1,126.3 931.8	1,160.9 963.7	1,168.7 968.6	
consumption allowances Less: Capital	906.2	975.5	914.2	932.2	947.1	964.7	989.9	1,000.5	
consumption adjustment Government General	25.4 186.2	30.3 196.0	25.9 186.9		30.3 192.0	32.9 194.5		31.9 200.2	
government Government	158.6	166.7	159.2	160.9	163.4	165.5	167.7	170.2	
enterprises	27.6	29.3	27.7	_	28.6	29.0		29.9	
Equals: Net national product	7,683.1		7,697.1	7,836.5	7,949.5	8,005.6	8,121.4		
Less: Indirect business tax and nontax liability	677.0	716.3	676.6	697.8	696.6	706.7	718.3	743.5	
payments	38.1 -47.6	39.4	38.2 -87.9	38.6 -62.4	38.8 -99.4	39.3 -135.5	39.5 -141.2	40.0	
enterprises	20.8	26.5	16.9	31.4	21.0	27.9	17.3	39.6	
Equals: National income	7,036.4		7,087.1	7,193.8	7,334.5	7,423.1	7,522.1		
Less: Corporate profits with inventory valuation and capital consumption adjustments Net interest	846.1 435.7		843.8 444.0	834.3 440.8	882.0 446.3	875.5 456.4			
Contributions for social insurance	621.9	658.2	626.1	633.8	647.2	653.8	662.3	669.4	
disbursements Plus: Personal interest income Personal dividend	3.5 897.8	930.5	3.5 909.3	3.5 906.4	0 907.4	920.5	938.8	0 955.5	
income	348.3	364.3	348.0	351.9	356.1	361.2	367.0	373.1	
payments to persons Business transfer	954.8	988.5	957.7	962.0	978.5	984.1	991.6	999.9	
payments to persons	28.8	29.6	28.8		29.3	29.5	29.7	29.9	
Equals: Personal income	7,358.9	7,791.0	7,413.6	7,530.8	7,630.2	7,732.6	7,831.4	7,969.6	
Addenda: Gross domestic income Gross national income Net domestic product	8,807.5 8,797.6 7,693.0		8,860.2	9,009.9 8,992.8 7,853.6	9,157.6	9,267.4	9,423.5		

Table 1.10.-Relation of Real Gross Domestic Product, Real Gross National Product, and Real Net National Product

[Billions of chained (1996) dollars]

			S	easonall	y adjuste	ed at an	nual rate	S
	1998	1999	19	98		19	99	
			III	IV	I	II	III	IV
Gross domestic product	8,516.3	8,867.0	8,536.0	8,659.2	8,737.9	8,778.6	8,900.6	9,050.9
Plus: Income receipts from the rest of the world	279.2		270.3	274.0	276.0	286.6	296.5	
rest of the world	289.6		295.8	291.3	290.7	301.1	311.8	
Equals: Gross national product	8,506.0		8,510.6	8,641.9	8,723.3	8,764.3	8,885.5	
Less: Consumption of fixed capital Private Government General government Government enterprises	899.8 185.4	978.6 192.4 164.4	186.1 159.0	925.8 187.8 160.5	941.6 189.6 161.9	962.8 191.4 163.5	1,000.2 193.3 165.1	1,010.0 195.3 166.9
Equals: Net national product	7,432.5		7,429.2	7,542.3	7,606.8	7,626.1	7,710.0	
Addenda: Gross domestic income ¹ Gross national income ² Net domestic product	8,552.1		8,595.9	8,702.3	8,819.0	8,894.3	9,020.6	

^{1.} Gross domestic income deflated by the implicit price deflator for gross domestic product. 2. Gross national income deflated by the implicit price deflator for gross national product.

The chain-type quantity index for gross national product is shown in table 7.3.

Table 1.11.-Command-Basis Real Gross National Product

[Billions of chained (1996) dollars]

Gross national product	8,506.0	 8,510.6	8,641.9	8,723.3	8,764.3	8,885.5	
Less: Exports of goods and services and income receipts from the rest of the world Plus: Command-basis exports of goods and services and income receipts from the rest of the world ¹	1,286.1 1.340.0	1,262.9	1,304.0 1,360.7	ĺ	ĺ	ĺ	
or the world	1,340.0	 1,320.3	1,300.7	1,333.0	1,303.2	1,351.0	
Equals: Command-basis gross national product	8,559.9	 8,568.0	8,698.7	8,786.3	8,816.3	8,925.6	
Addendum: Terms of trade ²	104.2	 104.5	104.3	104.9	104.0	103.0	

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. Percent changes from preceding period for gross national product are shown in table 8.1. Chain-type quantity indexes for the series in this table are shown in table 7.3.

NoTE.-Except as noted in footnotes 1 and 2, chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Exports of goods and services and income receipts deflated by the implicit price deflator for imports of goods and services and income payments.
 Ratio of the implicit price deflator for exports of goods and services and income receipts to the corresponding implicit price deflator for imports divided by 100.

Table 1.14.-National Income by Type of Income

National income	99 III 7,522.1 5,373.6 4,509.4 730.3 3,779.1 864.2 325.7 538.5 654.0 21.0 28.8 -7.9 633.0 586.2	5,448.8 4,576.0 738.6 3,837.4 872.8 329.1 543.7 684.8 38.2 45.0 -6.9 646.6 598.4
National income	III 7,522.1 5,373.6 4,509.4 730.3 3,779.1 864.2 325.7 538.5 654.0 21.0 28.8 -7.9 633.0 586.2 -1.9	5,448.8 4,576.0 738.6 3,837.4 872.8 329.1 543.7 684.8 38.2 45.0 -6.9 646.6 598.4
National income	7,522.1 5,373.6 4 ,509.4 7 30.3 3 ,779.1 864.2 325.7 538.5 654.0 21.0 28.8 -7.9 633.0 586.2 -1.9	5,448.8 4,576.0 738.6 3,837.4 872.8 329.1 543.7 684.8 38.2 45.0 -6.9 646.6 598.4
Compensation of employees 5,011.2 5,331.8 5,053.6 5,134.7 5,217.7 5,287.1 Wage and salary accruals 4,189.5 4,472.4 4,227.9 4,300.8 4,371.5 4,432.6 Government 692.8 726.5 696.7 702.8 715.8 721.3 Complements to wages and salaries 821.7 859.4 825.7 833.9 846.2 854.5 Employer contributions for social insurance 306.0 323.6 308.1 311.8 318.3 321.5 Other labor income 515.7 535.8 517.7 522.1 528.0 533.0 Proprietors' income with inventory valuation adjustment 25.1 31.4 22.9 41.1 32.5 34.1 Proprietors' income with inventory valuation adjustment 32.7 38.7 30.5 48.6 39.6 41.2 Capital consumption adjustment 581.0 627.1 583.6 596.0 607.5 621.2 Proprietors' income 532.2 579.3 534.6 547.4 558.9	5,373.6 4,509.4 730.3 3,779.1 864.2 325.7 538.5 654.0 21.0 28.8 -7.9 633.0 586.2 -1.9	5,448.8 4,576.0 738.6 3,837.4 872.8 329.1 543.7 684.8 38.2 45.0 -6.9 646.6 598.4
Wage and salary accruals 4,189.5 4,472.4 4,227.9 4,300.8 4,371.5 4,426.6 Government 692.8 726.5 696.7 702.8 715.8 721.3 Supplements to wages and salaries 821.7 859.4 825.7 833.9 846.2 854.5 Employer contributions for social insurance 306.0 323.6 308.1 311.8 318.3 321.5 Other labor income 515.7 535.8 517.7 522.1 528.0 533.0 Proprietors' income with inventory valuation adjustment 25.1 31.4 22.9 41.1 32.5 34.1 Proprietors' income with inventory valuation adjustment 32.7 38.7 30.5 48.6 39.6 41.2 Capital consumption adjustment -7.6 -7.3 -7.6 -7.5 -7.2 -7.1 Nonfarm 581.0 627.1 583.6 596.0 607.5 621.2 Proprietors' income 532.2 579.3 534.6 547.4 558.9 573.8 <t< th=""><th>4,509.4 730.3 3,779.1 864.2 325.7 538.5 654.0 21.0 28.8 -7.9 633.0 586.2 -1.9</th><th>4,576.0 738.6 3,837.4 872.8 329.1 543.7 684.8 38.2 45.0 -6.9 646.6 598.4</th></t<>	4,509.4 730.3 3,779.1 864.2 325.7 538.5 654.0 21.0 28.8 -7.9 633.0 586.2 -1.9	4,576.0 738.6 3,837.4 872.8 329.1 543.7 684.8 38.2 45.0 -6.9 646.6 598.4
Government 692.8 726.5 696.7 702.8 715.8 721.3 Other 3,496.7 3,745.9 3,531.2 3,598.0 3,655.7 3,711.3 Supplements to wages and salaries 821.7 859.4 825.7 833.9 846.2 854.5 Employer contributions for social insurance 306.0 323.6 308.1 311.8 318.3 321.5 Other labor income 515.7 535.8 517.7 522.1 528.0 533.0 Proprietors' income with inventory valuation adjustment 25.1 31.4 22.9 41.1 32.5 34.1 Proprietors' income with inventory valuation adjustment 32.7 38.7 30.5 48.6 39.6 41.2 Capital consumption adjustment -7.6 -7.3 -7.6 -7.5 -7.2 -7.1 Nonfarm 581.0 627.1 583.6 596.0 607.5 621.2 Proprietors' income 532.2 579.3 534.6 547.4 558.9 573.8 Inve	730.3 3,779.1 864.2 325.7 538.5 654.0 21.0 28.8 -7.9 633.0 586.2 -1.9	738.6 3,837.4 872.8 329.1 543.7 684.8 38.2 45.0 -6.9 646.6 598.4
Other 3,496.7 3,745.9 3,531.2 3,598.0 3,655.7 3,711.3 Supplements to wages and salaries 821.7 859.4 825.7 833.9 846.2 854.5 Employer contributions for social insurance 306.0 323.6 308.1 311.8 318.3 321.5 Other labor income 515.7 535.8 517.7 522.1 528.0 533.0 Proprietors' income with inventory valuation adjustments 606.1 658.5 606.4 637.1 639.9 655.3 Farm 25.1 31.4 22.9 41.1 32.5 34.1 Proprietors' income with inventory valuation adjustment 32.7 38.7 30.5 48.6 39.6 41.2 Capital consumption adjustment -7.6 -7.3 -7.6 -7.5 -7.2 -7.1 Nonfarm 581.0 627.1 583.6 596.0 607.5 621.2 Proprietors' income 532.2 579.3 534.6 547.4 558.9 573.8 Inventory	3,779.1 864.2 325.7 538.5 654.0 21.0 28.8 -7.9 633.0 586.2 -1.9	3,837.4 872.8 329.1 543.7 684.8 38.2 45.0 -6.9 646.6 598.4
Supplements to wages and salaries Supplements to wages and salaries Supplements to wages and salaries Supplements Supp	864.2 325.7 538.5 654.0 21.0 28.8 -7.9 633.0 586.2 -1.9	872.8 329.1 543.7 684.8 38.2 45.0 -6.9 646.6 598.4
Salaries	325.7 538.5 654.0 21.0 28.8 -7.9 633.0 586.2 -1.9	329.1 543.7 684.8 38.2 45.0 -6.9 646.6 598.4
Social insurance	654.0 21.0 28.8 -7.9 633.0 586.2 -1.9	684.8 38.2 45.0 -6.9 646.6 598.4
Other labor income	654.0 21.0 28.8 -7.9 633.0 586.2 -1.9	684.8 38.2 45.0 -6.9 646.6 598.4
Proprietors' income with inventory valuation and capital consumption adjustments	654.0 21.0 28.8 -7.9 633.0 586.2 -1.9	684.8 38.2 45.0 -6.9 646.6 598.4
Inventory valuation and capital consumption God.1 God.2 God.4 God.4 God.5 God.4 God.5 God.4 God.5 God.4 God.5 God.5 God.4 God.5 God.5	21.0 28.8 -7.9 633.0 586.2 -1.9	45.0 -6.9 646.6 598.4
capital consumption adjustments 606.1 658.5 606.4 637.1 639.9 655.3 Farm 25.1 31.4 22.9 41.1 32.5 34.1 Proprietors' income with inventory valuation adjustment 32.7 38.7 30.5 48.6 39.6 41.2 Capital consumption adjustment -7.6 -7.3 -7.6 -7.5 -7.2 -7.1 Nonfarm 581.0 627.1 583.6 596.0 607.5 621.2 Proprietors' income 532.2 579.3 534.6 547.4 558.9 573.8 Inventory valuation adjustment 1.2 9 1.3 1.1 8 -1.0 Capital consumption adjustment 47.6 48.6 47.7 47.5 47.7 48.3 Rental income of persons with capital consumption 48.6 47.7 47.5 47.7 48.3	21.0 28.8 -7.9 633.0 586.2 -1.9	45.0 -6.9 646.6 598.4
adjustments 606.1 658.5 606.4 637.1 639.9 655.3 Farm 25.1 31.4 22.9 41.1 32.5 34.1 Proprietors' income with inventory valuation adjustment 32.7 38.7 30.5 48.6 39.6 41.2 Capital consumption adjustment -7.6 -7.3 -7.6 -7.5 -7.2 -7.1 Nonfarm 581.0 627.1 583.6 596.0 607.5 621.2 Proprietors' income 532.2 579.3 534.6 547.4 558.9 573.8 Inventory valuation adjustment 1.2 9 1.3 1.1 .8 -1.0 Capital consumption adjustment 47.6 48.6 47.7 47.5 47.7 48.3 Rental income of persons with capital consumption 47.6 48.6 47.7 47.5 47.7 48.3	21.0 28.8 -7.9 633.0 586.2 -1.9	45.0 -6.9 646.6 598.4
Proprietors' income with inventory valuation adjustment	28.8 -7.9 633.0 586.2 -1.9	45.0 -6.9 646.6 598.4
inventory valuation adjustment	-7.9 633.0 586.2 -1.9	-6.9 646.6 598.4
adjustment 32.7 38.7 30.5 48.6 39.6 41.2 Capital consumption adjustment -7.6 -7.3 -7.6 -7.5 -7.2 -7.1 Nonfarm 581.0 627.1 583.6 596.0 607.5 621.2 Proprietors' income 532.2 579.3 534.6 547.4 558.9 573.8 Inventory valuation adjustment 1.2 9 1.3 1.1 .8 -1.0 Capital consumption adjustment 47.6 48.6 47.7 47.5 47.7 48.3 Rental income of persons with capital consumption	-7.9 633.0 586.2 -1.9	-6.9 646.6 598.4
Capital consumption adjustment -7.6 -7.3 -7.6 -7.5 -7.2 -7.2 -7.1 Nonfarm 581.0 627.1 583.6 596.0 607.5 621.2 Proprietors' income 532.2 579.3 534.6 547.4 558.9 573.8 Inventory valuation adjustment 1.2 9 1.3 1.1 .8 -1.0 Capital consumption adjustment 47.6 48.6 47.7 47.5 47.7 48.3 Rental income of persons with capital consumption	-7.9 633.0 586.2 -1.9	-6.9 646.6 598.4
Adjustment	633.0 586.2 -1.9	646.6 598.4
Nonfarm	633.0 586.2 -1.9	646.6 598.4
Proprietors' income	-1.9	
Adjustment		-1.4
Capital consumption		-1.4
adjustment	48.8	
Rental income of persons with capital consumption		49.7
capital consumption		10.7
	139.0	147.1
Rental income of persons 188.6 201.9 190.7 199.6 202.5 203.5		
Capital consumption		
adjustment -51.1 -56.1 -51.4 -52.6 -53.9 -54.7	-59.9	-55.8
Corporate profits with		
inventory valuation and		
capital consumption	070.0	
adjustments 846.1 843.8 834.3 882.0 875.5 Corporate profits with 843.8 834.3 882.0 875.5	0/9.2	
inventory valuation		
adjustment		
Profits before tax	853.8	
Profits tax liability		
Profits after tax	367.3	373.5
Undistributed profits 193.1		3/3.3
Inventory valuation		
adjustment	-26.7	
Capital consumption	F0.4	F0.0
adjustment	52.1	
Net interest	476.3	
Addenda:		
Corporate profits after tax with		
inventory valuation and		
capital consumption adjustments	610.0	
adjustments	019.0	
valuation and capital		
consumption adjustments 876.5	929.0	
Undistributed profits with		
inventory valuation and		
capital consumption adjustments	252.4	
adjustments	232.4	
capital	676.5	685.8
Less: Inventory valuation		
adjustment	-26.7	
Equals: Net cash flow	955.6	

Table 1.16.-Gross Product of Corporate Business in Current Dollars and Gross Product of Nonfinancial Corporate Business in Current and

Chained Dollars								
			S	easonall	y adjuste	ed at an	nual rate	S
	1998	1999	19	998	<u> </u>	19	999	
			III	IV	I	II	III	IV
				Billions o	of dollars	;		
Gross product of	E 44E 2		5 405 0	E E74 7	5 679 E	5 740 4	E 02E 7	
Consumption of fixed capital	5,445.3 619.2		1 1	1 '		1 .	5,835.7 676.5	
Consumption of fixed capital								1
Indirect business tax and nontax liability plus	4,826.0		4,870.9	4,934.0	5,021.1	5,063.0	5,159.1	
business transfer payments	564.0	599.5	563.3	584.9	583.4	591.4	600.7	622.4
less subsidies Domestic income	4,262.0						4,558.4	
Compensation of			'	'	'	'		
employees	3,385.3	3,614.2	3,416.8	3,481.2	3,532.0	3,582.7	3,644.4	3,697.6
Wage and salary accruals	2 871 5	3 076 0	2 900 8	2 958 4	3 002 1	3 047 6	3,103.3	3 151 1
Supplements to wages	2,01 1.0	0,010.0	2,500.0	2,500	0,002	0,0-11.0	0,100.0	3, 10
and salaries	513.9	538.1	516.0	522.8	529.9	535.0	541.1	546.4
Corporate profits with inventory valuation and capital consumption								
adjustments			757.2					
Profits before tax Profits tax liability			693.5					
Profits tax liability Profits after tax			244.3 449.2					
Dividends	314.6		310.8			342.2	337.9	
Undistributed profits			138.4					
Inventory valuation adjustment Capital consumption	20.9		19.8	20.8	13.3	-13.6	-26.7	
adjustment	43.3							
Net interest	130.6		133.6	132.5	134.6	136.8	143.0	
Gross product of				'	'		'	
financial corporate business	610.7		613.5	623.3	645.0	645.2	659.1	
	010.1		013.5	023.5	045.0	040.2	005.1	
Gross product of nonfinancial corporate				'	'		'	
business	4,834.6		4,882.4	4,948.4	5,028.6	5,094.9	5,176.6	
Consumption of fixed capital	522.2	559.6	526.7	537.2	543.8	552.3	568.5	573.7
Net product	4.312.4						4,608.1	1
Indirect business tax and nontax liability plus business transfer payments	',-		1,01			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,,,,	
less subsidies	523.5		523.0	544.5	542.4	549.8	558.5	579.5
Domestic income	3,788.9						4,049.5	
Compensation of			'	'	'	'		
employees Wage and salary	3,090.4	3,290.0	3,110.0	3,174.0	3,223.0	3,270.0	3,326.3	3,374.9
accruals	2,618.7	2,805.3	2,645.1	2,695.5	2,737.9	2,779.4	2,830.1	2,873.7
Supplements to wages and salaries	471.7	493.5	473.5	479.0	486.0	490.7	496.2	501.2
Corporate profits with	-7· ···	700	710	710	700	700	700	001
inventory valuation and				'	'			
capital consumption adjustments	575.0		588.5	568.0	592.5	594.7	580 2	
Profits before tax			503.9				541.8	
Profits tax liability	152.5		157.1	148.8	157.9	166.9	169.3	
Profits after tax								
Dividends Undistributed profits			242.9 104.0					
Inventory valuation	32.1		104.0	14.0	100.1	30	100.0	
adjustment	20.9		19.8	20.8	13.3	-13.6	-26.7	
Capital consumption	62.5	70.7		67.4	70.6	744	744	76.4
adjustment Net interest	63.5	73.7	64.8 125.5					76.1
ivet interest	120.0		120.0	124.1	120.1	120.1	134.0	
			Billions	of chaine	ed (1996	i) dollars	;	
O dust of								
Gross product of nonfinancial corporate				'	'		'	
business 1	4,803.4		4.844.8	4.911.2	4.981.7	5.035.0	5,116.7	
Consumption of fixed capital 2	537.7							1
Net product 3	4,265.7						4,517.0	
- 						1		<u> </u>
1. Chained-dollar gross product of n	onfinancia	al corporat	te busines	s equals	the curre	nt-dollar r	product de	eflated by

Chained-dollar gross product of nonfinancial corporate business equals the current-dollar product deflated by the implicit price deflator for goods and structures in gross domestic product. Effective with the estimates scheduled for release on March 30, 2000, the current-dollar product will be deflated by a chain-type price index calculated using gross product price indexes for each nonfinancial industry.

2. Chained-dollar consumption of fixed capital of nonfinancial corporate business is calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100.

3. Chained-dollar net product of nonfinancial corporate business is the difference between the gross product and the consumption of fixed capital.

2. Personal Income and Outlays_

Table 2.1.-Personal Income and Its Disposition

[Billions of dollars]

			S	easonall	y adjuste	ed at an	nual rate	 s
	1998	1999	19	98		19	99	
			III	IV	ı	II	III	IV
Personal income	7,358.9	7,791.0	7,413.6	7,530.8	7,630.2	7,732.6	7,831.4	7,969.6
Wage and salary disbursements Private industries Goods-producing					4,371.5 3,655.7			
industries	757.5 944.6	779.7 1,005.8	762.3 953.5	765.6 969.9	1,062.9 767.0 986.3 1,606.6 715.8	774.8 997.6	786.4 1,013.4	790.6 1,025.7
Other labor income	515.7	535.8	517.7	522.1	528.0	533.0	538.5	543.7
Proprietors' income with inventory valuation and capital consumption adjustments Farm Nonfarm	606.1 25.1 581.0	658.5 31.4 627.1	606.4 22.9 583.6	41.1	639.9 32.5 607.5	655.3 34.1 621.2	654.0 21.0 633.0	684.8 38.2 646.6
Rental income of persons with capital consumption adjustment	137.4	145.9	139.3	147.0	148.6	148.8	139.0	147.1
Personal dividend income	348.3	364.3	348.0	351.9	356.1	361.2	367.0	373.1
Personal interest income	897.8	930.5	909.3	906.4	907.4	920.5	938.8	955.5
Transfer payments to personsOld-age, survivors, disability, and health	983.6	1,018.1	986.5	991.0	1,007.8	1,013.6	1,021.3	1,029.8
insurance benefits Government unemployment	578.1	596.4	579.6	581.1	588.9	593.0	599.0	604.7
insurance benefits	19.8 23.3 362.3 17.1 345.2	20.3 24.3 377.2 15.9 361.2	20.6 23.3 362.9 17.1 345.8	23.6 366.4 17.3	20.5 24.3 374.1 16.9 357.2	20.3 24.1 376.2 16.3 359.9	20.2 24.3 377.8 15.4 362.4	20.1 24.5 380.5 15.1 365.4
Less: Personal contributions for social insurance	315.9	334.6	318.0	322.0	328.9	332.3	336.7	340.4
Less: Personal tax and nontax payments	1.072.6	1.151.9	1.088.3	1.113.0	1,124.8	1.139.4	1.160.4	1.183.2
Equals: Disposable personal income					6,505.4			
Less: Personal outlays					6,310.3			
Personal consumption expenditures	5,848.6 185.7	6,257.3 201.7	5,889.6 187.9	5,973.7 193.2	6,090.8 196.1	6,200.8 199.9	6,303.7 203.3	6,434.2 207.6
Personal transfer payments to the rest of the world (net)	22.3	24.4	22.9	23.3	23.5	24.6	24.5	25.1
Equals: Personal saving	229.7	155.5	224.8	227.5	195.1	168.0	139.5	119.6
Addenda: Disposable personal income: Total, billions of chained (1996) dollars ² Per capita:	6,125.1 23,231				6,289.3		6,384.8 24,389	
Current dollars	23,231 22,636 270.6	24,304 23,309 273.2	23,345 22,715 270.9	23,628 22,924 271.6		24,171 23,239 272.8	24,369 23,343 273.5	24,750 23,542 274.2
Personal saving as a percentage of disposable personal income	3.7	2.3	3.6	3.5	3.0	2.5	2.1	1.8

Consists of aid to families with dependent children and, beginning with 1996, assistance programs operating under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
 Equals disposable personal income deflated by the implicit price deflator for personal consumption expenditure.

Table 2.2.-Personal Consumption Expenditures by Major Type of **Product**

[Billions of dollars]

			s	easonall	y adjusto	ed at an	nual rate	S
	1998	1999	19	198		19	99	
			III	IV	ı	II	III	IV
Personal consumption expenditures	5,848.6	6,257.3	5,889.6	5,973.7	6,090.8	6,200.8	6,303.7	6,434.2
Durable goods	698.2	758.6	696.9	722.8	739.0	751.6	761.8	782.0
Motor vehicles and parts Furniture and household	289.2							325.6
equipment Other	268.7 140.3				283.8 148.3			298.7 157.7
Nondurable goods	1,708.9	1,842.7	1,716.6	1,742.9	1,787.8	1,824.8	1,853.9	1,904.3
Food	853.4 286.3	904.1 306.3						933.9 308.5
energy goods	126.2 112.9 13.2 442.9	138.3 123.5 14.9 493.9	111.8 13.4	108.3 12.6	120.1 106.5 13.7 480.5	121.7 14.6	129.3 15.4	152.3 136.5 15.8 509.6
Services	3,441.5	3,656.0	3,476.1	3,508.0	3,564.0	3,624.3	3,688.0	3,747.9
Housing Household operation Electricity and gas Other household operation Transportation Medical care Recreation Other	855.9 346.9 128.1 218.8 245.2 894.3 221.0 878.2	902.5 362.3 130.3 231.9 255.0 941.3 246.4 948.5	861.8 356.0 134.6 221.5 246.2 899.0 223.0	874.3 347.3	885.6 356.2 128.3 227.9	897.3 360.3 129.4 230.9 254.0	907.6 366.8 133.8 233.0 256.5 948.1 252.1	919.6 365.7 129.7 236.0 259.1 961.8 259.5 982.1
Addenda: Energy goods and services ¹ Personal consumption expenditures less food and	254.3	268.7			248.4	265.7	278.5	282.0
energy	4,740.8	5,084.5	4,772.3	4,854.3	4,956.9	5,041.6	5,121.3	5,218.3

^{1.} Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.

Table 2.3.-Real Personal Consumption Expenditures by Major Type of **Product**

5,698.6	6,000.9	5,730.7	5,795.8	5,888.4	5,961.8	6,033.3	6,120.3
731.5	815.7	731.2	766.0	788.8	806.1	821.2	846.6
291.9							325.8
297.4 142.7			312.6 146.5				359.2 164.1
1,685.3	1,775.8	1,692.0	1,712.6	1,749.5	1,763.7	1,779.3	1,810.6
820.6 292.2							873.2 318.0
142.1 127.7 14.5 430.6	144.1 128.0 16.0 462.1	128.5 14.7	127.7 14.2	127.1 15.8	127.5 16.4	128.2 16.3	144.9 129.3 15.5 473.9
3,284.5	3,417.3	3,309.6	3,322.0	3,356.5	3,399.2	3,440.6	3,473.0
	359.6 132.3 227.1 241.0	353.7 136.6 217.2 234.6 856.4	345.4 125.7 219.6 236.1	354.0 131.1	358.8 132.2 226.4 239.9	364.4 135.4 228.9 242.4	834.2 361.4 130.6 230.5 243.9 889.5 237.1 907.2
-3.6	-9.5	-3.9	-5.0	-8.0	-8.9	-10.6	-11.7
271.8	276.5 4 871 5						275.7 4 969 9
	731.5 291.9 297.4 142.7 1,685.3 820.6 292.2 142.1 127.7 14.5 430.6 3,284.5 805.6 344.3 129.6 214.7 234.2 854.4 208.8 837.3 -3.6 271.8	731.5 815.7 291.9 318.2 297.4 341.8 142.7 157.3 1,685.3 1,775.8 820.6 851.8 292.2 317.8 142.1 144.1 127.7 128.0 430.6 462.1 3,284.5 3,417.3 805.6 826.0 344.3 359.6 129.6 132.3 214.7 227.1 234.2 241.0 854.4 877.0 208.8 278.2 837.3 885.8 -3.6 -9.5 271.8 276.5	731.5 815.7 731.2 291.9 318.2 286.7 297.4 341.8 301.7 142.7 157.3 143.7 1,685.3 1,775.8 1,692.0 820.6 851.8 823.0 292.2 317.8 292.2 142.1 144.1 143.1 127.7 128.0 128.5 14.5 16.0 14.7 430.6 462.1 433.9 3,284.5 3,417.3 3,309.6 805.6 826.0 808.0 344.3 359.6 353.7 129.6 132.3 136.6 214.7 227.1 217.2 234.2 241.0 234.6 854.4 877.0 856.4 208.8 228.2 210.3 837.3 885.8 847.1 -3.6 -9.5 -3.9 271.8 276.5 280.2	731.5 815.7 731.2 766.0 291.9 318.2 286.7 307.4 297.4 341.8 301.7 312.6 142.7 157.3 143.7 146.5 1,685.3 1,775.8 1,692.0 1,712.6 820.6 851.8 823.0 835.4 292.2 317.8 292.2 295.6 142.1 144.1 143.1 141.9 127.7 128.0 128.5 127.7 145.5 16.0 14.7 14.2 430.6 462.1 433.9 439.4 3,284.5 3,417.3 3,309.6 3,322.0 805.6 826.0 808.0 812.0 344.3 359.6 353.7 345.4 129.6 132.3 136.6 125.7 214.7 227.1 217.2 219.6 234.2 241.0 234.6 236.1 854.4 877.0 856.4 862.2 208.8	731.5 815.7 731.2 766.0 788.8 291.9 318.2 286.7 307.4 310.4 297.4 341.8 301.7 312.6 326.7 142.7 157.3 143.7 146.5 152.9 1,685.3 1,775.8 1,692.0 1,712.6 1,749.5 820.6 851.8 823.0 835.4 839.5 292.2 317.8 292.2 295.6 314.7 142.1 144.1 143.1 141.9 142.9 127.7 128.0 128.5 127.7 127.1 14.5 16.0 14.7 14.2 15.8 430.6 462.1 433.9 439.4 452.6 3,284.5 3,417.3 3,309.6 3,322.0 3,356.5 805.6 826.0 808.0 812.0 818.4 344.3 359.6 353.7 345.4 354.0 129.6 132.3 136.6 125.7 131.1 <t< td=""><td>731.5 815.7 731.2 766.0 788.8 806.1 291.9 318.2 286.7 307.4 310.4 317.2 297.4 341.8 301.7 312.6 326.7 335.5 142.7 157.3 143.7 146.5 152.9 154.7 1,685.3 1,775.8 1,692.0 1,712.6 1,749.5 1,763.7 820.6 851.8 823.0 835.4 839.5 844.6 292.2 317.8 292.2 295.6 314.7 316.8 142.1 144.1 143.1 141.9 142.9 143.9 127.7 128.0 128.5 127.7 127.1 127.5 145.5 16.0 14.7 14.2 15.8 16.4 430.6 462.1 433.9 439.4 452.6 485.6 3,284.5 3,417.3 3,309.6 3,322.0 3,356.5 3,399.2 805.6 826.0 808.0 812.0 818.4 823.1</td><td>291.9 318.2 286.7 307.4 310.4 317.2 319.6 297.4 341.8 301.7 312.6 326.7 335.5 346.0 142.7 157.3 143.7 146.5 152.9 154.7 157.6 1,685.3 1,775.8 1,692.0 1,712.6 1,749.5 1,763.7 1,779.3 820.6 851.8 823.0 835.4 839.5 844.6 850.0 292.2 295.6 314.7 316.8 321.6 142.1 144.1 143.1 141.9 142.9 143.9 144.5 127.7 128.0 128.5 127.7 127.1 127.5 128.2 145.1 16.0 14.7 14.2 15.8 16.4 16.3 430.6 462.1 433.9 439.4 452.6 458.6 463.5 3,284.5 3,417.3 3,309.6 3,322.0 3,356.5 3,399.2 3,440.6 805.6 826.0 808.0 812.0</td></t<>	731.5 815.7 731.2 766.0 788.8 806.1 291.9 318.2 286.7 307.4 310.4 317.2 297.4 341.8 301.7 312.6 326.7 335.5 142.7 157.3 143.7 146.5 152.9 154.7 1,685.3 1,775.8 1,692.0 1,712.6 1,749.5 1,763.7 820.6 851.8 823.0 835.4 839.5 844.6 292.2 317.8 292.2 295.6 314.7 316.8 142.1 144.1 143.1 141.9 142.9 143.9 127.7 128.0 128.5 127.7 127.1 127.5 145.5 16.0 14.7 14.2 15.8 16.4 430.6 462.1 433.9 439.4 452.6 485.6 3,284.5 3,417.3 3,309.6 3,322.0 3,356.5 3,399.2 805.6 826.0 808.0 812.0 818.4 823.1	291.9 318.2 286.7 307.4 310.4 317.2 319.6 297.4 341.8 301.7 312.6 326.7 335.5 346.0 142.7 157.3 143.7 146.5 152.9 154.7 157.6 1,685.3 1,775.8 1,692.0 1,712.6 1,749.5 1,763.7 1,779.3 820.6 851.8 823.0 835.4 839.5 844.6 850.0 292.2 295.6 314.7 316.8 321.6 142.1 144.1 143.1 141.9 142.9 143.9 144.5 127.7 128.0 128.5 127.7 127.1 127.5 128.2 145.1 16.0 14.7 14.2 15.8 16.4 16.3 430.6 462.1 433.9 439.4 452.6 458.6 463.5 3,284.5 3,417.3 3,309.6 3,322.0 3,356.5 3,399.2 3,440.6 805.6 826.0 808.0 812.0

^{1.} Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.

tures.

NOTE.-Percent changes from preceding period for disposable personal income are shown in table 8.1.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines. Chain-type quantity indexes for the series in this table are shown in table 7.4.

Contributions to the percent change in real personal consumption expenditures are shown in table 8.3.

3. Government Current Receipts and Expenditures_____

Table 3.1.-Government Current Receipts and Expenditures

[Billions of dollars]

			S	easonall	y adjust	ed at an	nual rate	es
	1998	1999	19	98		19	99	
			III	IV	1	II	III	IV
Current receipts	2,611.8		2,635.3	2,680.2	2,716.6	2,754.4	2,800.5	
Personal tax and nontax receipts Corporate profits tax accruals Indirect business tax and nontax accruals Contributions for social insurance	240.2 677.0	716.3	244.3 676.6	235.6	248.0 696.6	254.4 706.7	259.4 718.3	
Current expenditures	2,523.1	2,619.4	2,525.9	2,566.3	2,570.3	2,598.7	2,617.8	2,690.8
Consumption expenditures	1,261.0	1,332.2	1,265.2	1,282.1	1,299.4	1,313.7	1,341.5	1,374.2
Transfer payments (net) To persons To the rest of the world (net)	965.2 954.8 10.4	988.5	957.7	980.7 962.0 18.7	985.3 978.5 6.8	984.1	1,000.1 991.6 8.5	999.9
Net interest paid	276.4 368.4 277.3 91.1 92.0	356.8	277.7 91.1	272.5 365.6 274.8 90.8 93.2	358.1 267.4 90.7	264.1 358.6 266.0 92.6 94.5	257.7 96.6	356.0
Less: Dividends received by government	.3	.3	.3	.3	.3	.3	.3	.3
Subsidies less current surplus of government enterprises Subsidies Less: Current surplus of government enterprises	20.8 35.6 14.8	43.8	32.3	31.4 46.4 15.0		44.9	34.6	57.5
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	88.7		109.5	113.9	146.3	155.7	182.7	
Social insurance funds Other	57.3 31.4		59.6 49.9	67.0 46.9		76.4 79.3	79.7 103.0	
Addenda: Net lending or net borrowing (-) Current surplus or deficit (-), national income and product accounts Plus: Consumption of fixed capital Plus: Capital transfers received (net) Less: Gross investment Less: Net purchases of nonproduced assets	34.4 88.7 186.2 32.6 268.7 4.3	196.0 36.9 297.6	31.6	189.1 34.8	192.0 35.1 289.8	155.7	108.9 182.7 197.2 34.5 295.7 9.9	40.3 312.8

Table 3.2.-Federal Government Current Receipts and Expenditures

			S	easonall	y adjuste	ed at an	nual rate	s
	1998	1999	19	98		19	99	
			III	IV	I	II	III	IV
Current receipts	1,750.7		1,770.3	1,793.3	1,826.5	1,853.1	1,883.1	
Personal tax and nontax receipts Income taxes	835.7 827.6 8.1	900.0 891.2 8.9	847.3 839.1 8.2	868.1 859.8 8.3	877.9 869.4 8.5	892.1 883.4 8.8	908.0 899.0 9.0	922.1 912.9 9.3
Corporate profits tax accruals Federal Reserve banks Other			209.9 26.7 183.2	202.6 26.7 175.9	212.6 23.5 189.1	218.1 23.7 194.4		
Indirect business tax and nontax accruals Excise taxes Customs duties Nontaxes	97.3 62.9 19.6 14.8	101.5 67.0 20.0 14.5	97.7 63.1 19.9 14.7	99.6 65.7 19.6 14.3	99.5 66.3 19.0 14.1	100.0 66.9 18.8 14.2	101.5 66.9 20.5 14.2	105.0 68.0 21.5 15.5
Contributions for social insurance	611.2	647.1	615.4	623.1	636.5	642.9	651.2	658.0
Current expenditures	1,703.8	1,755.8	1,710.7	1,733.5	1,728.9	1,735.0	1,749.3	1,809.9
Consumption expenditures	453.5	474.8	451.4	460.0	467.0	465.2	475.0	492.0
Transfer payments (net) To persons To the rest of the world (net)	730.4 720.0 10.4	754.4 743.9 10.5	731.0 721.9 9.1	742.1 723.5 18.7	743.4 736.6 6.8	749.7 740.5 9.2	754.8 746.4 8.5	769.7 752.3 17.4
Grants-in-aid to State and local governments	209.3	225.5	220.2	214.2	219.9	215.7	230.6	235.6
Net interest paid	91.1	262.9 285.4	279.6 298.1 207.0 91.1	274.3 294.8 204.0 90.8	266.0 287.1 196.4 90.7	264.8 287.4 194.8 92.6	96.6	260.7 284.2
government	19.3	22.6	18.5	20.5	21.1	22.6	23.0	23.5
Subsidies less current surplus of government enterprises SubsidiesLess: Current surplus of	32.1 35.1	38.3 43.3	28.5 31.8	42.9 45.9	32.6 37.5	39.5 44.4	29.0 34.1	51.9 57.0
government enterprises	3.0	5.0	3.3	3.0	4.8	4.9	5.1	5.2
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (–), national income and product accounts	46.9		59.6	59.7	97.6	118.1	133.8	
Social insurance funds Other	56.4	76.9	58.6 1.0	66.3 -6.6	72.2 25.4	75.6 42.5	78.9	81.0
Addenda: Net lending or net borrowing			58.3	60.8	96.2	108.3		
(-) Current surplus or deficit (-), national income and product accounts	46.9		59.6	59.7	97.6	118.1	133.8	
Plus: Consumption of fixed								
capital Plus: Capital transfers	87.4	90.9	87.5	88.1	89.6	90.2	91.2	92.4
received (net) Less: Gross investment Less: Net purchases of	-3.6 85.2	-5.0 95.7	-5.5 88.3	-3.4 86.7	-2.7 90.4	-4.8 96.4	-9.7 94.9	-2.9 101.3
nonproduced assets	-5.6	8	-5.0	-3.1	-2.1	-1.1	0	2

Table 3.3.-State and Local Government Current Receipts and Expenditures

[Billions of dollars]

	[B	sillions of	dollars]					
			S	easonall	y adjuste	ed at ann	nual rate	s
	1998	1999	19	98		19	99	
			III	IV	ı	Ш	III	IV
Current receipts	1,070.4		1,085.3	1,101.1	1,110.0	1,117.0	1,148.0	
Personal tax and nontax receipts Income taxes	236.9 184.7 33.2 19.0	251.9 196.8 35.3 19.7	241.0 188.4 33.5 19.1	244.9 191.6 34.0 19.3	246.9 192.9 34.5 19.5	247.3 192.5 35.1 19.7	252.4 197.0 35.6 19.8	261.0 204.9 36.2 19.9
Corporate profits tax accruals	33.8		34.4	33.1	35.4	36.4	37.0	
Indirect business tax and nontax accruals	579.6 284.3 225.5 69.8 10.7	614.8 307.1 234.5 73.2 11.1	579.0 284.8 226.4 67.7	598.2 291.1 226.3 80.8	597.1 298.5 229.5 69.1 10.7	606.8 303.7 232.8 70.3	616.8 309.5 236.1 71.2	638.6 316.8 239.5 82.3 11.5
Federal grants-in-aid	209.3	225.5	220.2	214.2	219.9	215.7	230.6	235.6
Current expenditures	l '	1,089.1	'			1,079.4		
Consumption expenditures	807.5	857.4	813.8	822.2	832.4	848.4	866.5	882.2
Transfer payments to persons	234.8	244.6	235.7	238.5	241.9	243.6	245.3	247.5
Net interest paid Interest paid Less: Interest received by government	-2.0 70.7 72.7	7 71.3 72.1	-2.2 70.7 72.9	-1.8 70.8 72.7	-1.0 71.0 72.0	7 71.2 71.9	6 71.5 72.1	6 71.8 72.4
Less: Dividends received by government	.3	.3	.3	.3	.3	.3	.3	.3
Subsidies less current surplus of government enterprises	-11.3 .5	-11.8 .5	-11.6 .5 12.0	-11.6 .5	-11.6 .5 12.1	-11.6 .5 12.1	-11.7 .5 12.2	-12.2 .5
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	41.7		49.9	54.2	48.7	37.6	48.9	
Social insurance funds Other	.9 40.8	.8.	.9 48.9	.7 53.4	.6 48.2	.8 36.8	.8 48.1	1.0
Addenda: Net lending or net borrowing (-) Current surplus or deficit	-16.8		-8.9	-2.6	-20.6	-21.4	-11.6	
(–), national income and product accounts	41.7		49.9	54.2	48.7	37.6	48.9	
capital	98.8	105.1	99.4	101.1	102.4	104.3	106.0	107.8
Plus: Capital transfers received (net) Less: Gross investment Less: Net purchases of	36.2 183.5	42.0 201.9	37.1 185.2	38.2 185.9	37.8 199.4	42.6 195.8	44.2 200.8	43.2 211.5
nonproduced assets	9.9	9.9	10.1	10.2	10.1	10.0	9.8	9.6

Table 3.7.-Government Consumption Expenditures and Gross Investment by Type

			S	easonall	y adjuste	ed at an	nual rate	S
	1998	1999	19	98		19	99	
			III	IV	I	II	III	IV
Government consumption expenditures and gross investment 1	1 529 7	1 629 8	1 538 7	1 554 8	1 589 1	1,605.9	1 637 2	1 687 0
Federal	538.7	570.5	539.7	546.7	557.4		569.8	593.2
			354.7					
National defense Consumption expenditures Durable goods 2 Nondurable goods Services Compensation of general government employees, except own-account	348.6 299.9 21.0 7.0 271.9	364.5 310.8 21.4 8.2 281.2	302.5	352.9 303.4 21.4 6.9 275.1		21.1 7.4	22.4 9.8	382.3 325.6 21.9 9.2 294.5
investment ³	131.0	133.0	131.1	129.9	133.2	132.9	133.3	132.6
fixed capital 4 Other services Gross investment Structures Equipment and software	61.6 79.3 48.7 5.4 43.3	62.5 85.6 53.7 5.3 48.4	61.5 80.4 52.2 5.9 46.3	61.5 83.6 49.5 5.1 44.4	62.2 82.4 51.2 5.4 45.8	77.1 53.5 5.3	62.7 83.9 53.4 5.2 48.2	62.9 99.0 56.7 5.3 51.4
Nondefense	190.1	206.1	185.0	193.8	201.6	207.3	204.4	210.9
Consumption expenditures Durable goods ² Nondurable goods Commodity Credit	153.6 2 8.4	164.0 1.3 9.8	149.0 -4.8 8.4	156.5 1.2 8.6	162.4 1.3 9.5	164.4 1.4 9.6	162.9 1.1 10.1	166.3 1.3 10.2
Corporation inventory change Other nondurables Services Compensation of general government employees, except	.1 8.2 145.5	1.1 8.8 152.9	.3 8.1 145.3	.4 8.2 146.8	1.1 8.4 151.7	.8 8.8 153.4	1.1 8.9 151.7	1.2 9.0 154.8
own-account investment ³	81.9	87.9	82.1	84.2	88.3	87.6	87.3	88.6
general government fixed capital 4 Other services Gross investment Structures Equipment and software	20.9 42.7 36.5 11.3 25.2	23.0 41.9 42.0 11.3 30.7	21.1 42.2 36.1 11.7 24.4	21.5 41.0 37.2 11.6 25.7	22.3 41.1 39.2 11.7 27.4	43.2	23.2 41.2 41.5 11.4 30.1	24.0 42.3 44.6 11.4 33.2
State and local Consumption expenditures Durable goods ² Nondurable goods Services Compensation of general government employees, except	991.0 807.5 15.2 86.3 706.1	1,059.3 857.4 16.2 95.3 745.9	999.0 813.8 15.3 86.8 711.6	1,008.1 822.2 15.5 86.7 719.9	832.4 15.8 87.7	16.0 93.1	866.5 16.3 98.5	1,093.8 882.2 16.6 102.0 763.6
own-account investment ³	592.6	621.9	596.4	602.6	609.8	616.9	626.4	634.6
capital 4	76.0 37.5 183.5 135.2 48.3	42.8 201.9 149.6	38.6 185.2 136.5	77.8 39.5 185.9 136.1 49.8	40.2 199.4 148.9	41.9 195.8 144.4	43.4 200.8 147.8	83.3 45.7 211.5 157.3 54.3
Addenda: Compensation of general government employees 3 FederalState and local	813.8 214.4 599.4	852.2	818.2 214.9 603.3	825.3 215.7 609.5	840.5 223.3	846.5 222.2	856.4 222.4	865.3 222.8 642.6

Table 3.8.-Real Government Consumption Expenditures and Gross Investment by Type

Dillions o	i chame	u (1990)	uullaisj				
		S	easonall	y adjuste	ed at an	nual rate	s
1998	1999	19	98		19	99	
		III	IV	I	II	III	IV
1.480.3	1.535.4	1.485.3	1,495.9	1.514.6	1.519.5	1.536.5	1.570.8
1	l '	l '	l	l '	l '	l	557.9
341.7 291.4 21.2 8.1	347.7 293.4 21.7 8.9	347.5 293.6 22.0 8.9	344.9 293.6 21.6 8.1	341.4 289.5 20.6 7.7	339.2 284.9 21.3 8.5	348.3 294.0 22.7 10.4	362.0 305.0 22.2 9.2
262.3	263.0	263.0	263.9	261.2	255.4	261.5	273.9
75.9 50.3 5.1 45.3	62.2 80.0 54.6 4.8 50.0	62.1 76.6 54.0 5.5 48.6	62.1 79.3 51.4 4.8 46.8	62.1 77.8 52.1 5.0 47.2	62.1 72.4 54.6 4.9 49.9	78.2 78.5 54.5 4.7 50.0	62.3 91.4 57.3 4.7 52.8
184.4 147.3 1 8.4	193.0 151.2 1.5 10.9	179.6 142.9 -4.5 8.5	187.1 149.1 1.3 8.8	189.9 150.8 1.5 10.4	194.9 152.1 1.7 10.6	191.3 149.8 1.4 11.4	195.9 152.0 1.5 11.3
.1 8.3 139.1	2.4 8.6 140.1	.3 8.1 138.8	.5 8.3 139.4	2.0 8.4 139.8	2.0 8.6 141.1	2.7 8.6 138.8	2.7 8.6 140.8
76.8	77.3	76.7	78.1	78.2	77.2	76.4	77.2
21.3 41.1 37.2 10.6 26.7	23.2 39.9 42.2 10.4 32.2	21.5 40.7 36.9 11.0 25.9	22.0 39.4 38.1 10.8 27.5	22.5 39.3 39.4 10.9 28.6	22.9 41.2 43.2 9.9 33.7	23.4 39.2 41.9 10.4 31.8	24.0 39.9 44.5 10.3 34.6
953.9 775.1 15.3 91.4 668.8	994.3 801.1 16.4 97.3 688.1	958.1 777.8 15.4 92.1 670.6	963.6 783.7 15.7 93.5 675.0	982.9 790.4 16.0 95.0 680.0	985.1 797.3 16.2 96.5 685.2	996.6 804.9 16.5 98.1 691.1	1,012.7 811.9 16.8 99.6 696.2
557.6	568.4	558.1	560.6	563.5	566.6	570.5	573.2
75.0 36.3 178.8 127.5 51.8	79.0 41.1 193.3 136.5 57.6	75.4 37.2 180.3 128.3 52.5	76.4 38.2 179.9 126.6 54.0	77.4 39.3 192.7 137.8 55.2	78.4 40.5 187.8 132.1 56.6	79.5 41.5 191.7 134.1 58.6	80.6 43.0 201.1 142.0 59.9
-1.5	-5.0	-1.4	-2.3	-2.9	-4.7	-5.6	-6.0
766.6 202.6 564.0	775.1 199.8 575.4	767.2 202.6 564.6	769.4 202.3 567.1	771.6 201.2 570.4	773.1 199.8 573.3	776.6 199.2 577.4	779.3 198.9 580.4
	1,480.3 526.1 341.7 291.4 21.2 8.1 1262.3 124.3 62.2 75.9 50.3 5.1 45.3 184.4 147.31 8.4 137.2 10.6 26.7 953.9 775.1 15.3 91.4 668.8 557.6 75.0 36.3 178.8 127.5 51.8 -1.5	1,480.3 1,535.4 526.1 540.8 341.7 291.4 21.2 21.7 8.1 8.9 262.3 263.0 124.3 121.0 62.2 62.2 75.9 80.0 50.3 54.6 5.1 4.8 45.3 50.0 184.4 193.0 151.2 -1.1 5.8 4 10.9 1.1 2.4 8.3 140.1 76.8 77.3 21.3 23.2 41.1 39.9 37.2 42.2 10.6 12.4 10.9 37.2 42.2 10.6 12.4 10.9 37.2 42.2 10.6 62.8 688.1 557.6 568.4 75.0 79.0 36.3 127.5 186.8 688.1 178.8 132.5 57.6 568.4 75.0 79.0 36.3 127.5 136.5 51.8 57.6 -1.5 -5.0 766.6 775.1 202.6 799.8	1998 1999 1998 1998 1998 1999 1998 1999 1998 1999 1998 1999 1998 1999 1998	1998 1998	1998 1999 1998	1998 1999 1998 1988	1998 1999 1998 1999 1998 1999 1998 1999 1998 1999 1998 1999 1998 1999 1998 1999 1998 1999 1998 1999 1998 1999 1998 1999 1998 1999 1998 1999 1998 1999 1998 1999

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the lines in the addenda. See footnotes to table 3.7. Chain-type quantity indexes for the series in this table are shown in table 7.11. Contributions to percent change in real government consumption expenditures and gross investment are shown in table 8.6.

 ^{1.} Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.
 2. Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries by the Federal Government.
 3. Compensation of government employees engaged in new own-account investment and related expenditures for goods and services are classified as investment in structures and in software. The compensation of all general government employees is shown in the addenda.
 4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero return on these assets.

net return on these assets.

in table 8.6.

Table 3.10.-National Defense Consumption Expenditures and Gross Investment

	Į.		uou.oj					
			S	easonally	/ adjuste	ed at anr	nual rate	s
	1998	1999	19	98		19	99	
			≡	IV	_	=	≡	IV
National defense consumption expenditures and gross investment ¹	348.6	364.5	354.7	352.9	355.8	354.3	365.4	382.3
Consumption expenditures	299.9	310.8	302.5	303.4	304.6	300.8	312.1	325.6
Durable goods ² Aircraft Missiles Ships Vehicles Electronics Other durable goods	21.0 10.1 2.3 .6 .9 2.5 4.6	21.4 10.0 2.2 .7 .8 2.9 4.8	21.8 9.8 3.0 .6 .9 2.5 4.9	21.4 11.0 2.1 .6 .9 2.4 4.4	20.4 9.6 2.2 .6 .7 2.5 4.7	21.1 9.7 2.1 .8 .8 2.8 4.9	22.4 10.4 2.3 .7 .8 3.0 5.0	21.9 10.2 2.3 .6 .8 3.2 4.7
Nondurable goods	7.0	8.2	7.6	6.9	6.4	7.4	9.8	9.2
Petroleum products Ammunition Other nondurable goods	2.1 1.9 3.1	2.5 1.9 3.8	2.1 2.5 3.0	1.7 2.0 3.2	1.5 1.8 3.1	2.3 1.8 3.4	3.6 2.3 3.9	2.5 1.9 4.8
Services	271.9	281.2	273.1	275.1	277.8	272.3	279.9	294.5
Compensation of general government employees, except own-account investment 3	131.0 83.7 47.2 61.6 79.3 21.2 23.9 8.5 18.9 4.9 3.55 -1.7	133.0 84.5 48.5 62.5 85.6 18.7 26.8 8.8 23.8 5.5 3.5 -1.4	131.1 83.7 47.4 61.5 80.4 22.4 25.1 8.6 18.7 4.9 3.5 -2.7	129.9 83.1 46.8 61.5 83.6 22.8 23.4 9.3 20.3 5.3 3.5 -1.0	133.2 84.7 48.5 62.2 82.4 18.8 24.6 8.5 22.0 5.6 3.6 7	132.9 84.2 48.7 62.3 77.1 15.3 24.2 8.4 20.9 6.0 3.6 6.1	133.3 84.6 48.7 62.7 83.9 18.0 27.1 8.8 23.8 5.4 3.6 6-2.7	132.6 84.5 48.2 62.9 99.0 22.5 31.2 9.6 28.5 4.9 3.3 3.3
Gross investment	-1.7 48.7	-1.4 53.7	-2.7 52.2	-1.0 49.5	/ 51.2	-1.4 53.5	-2.7 53.4	-1.0 56.7
Structures	5.4	5.3	5.9	5.1	5.4	5.3	5.2	5.3
Equipment and software Aircraft Missiles Ships Vehicles Electronics and software Other equipment Addendum:	43.3 5.6 3.3 6.4 1.5 12.7 13.8	48.4 7.6 2.8 6.7 1.6 15.1 14.5	46.3 6.0 4.4 6.5 1.5 12.9 15.0	44.4 7.0 2.9 6.9 1.4 13.0 13.2	45.8 6.1 2.8 6.8 1.4 13.7 15.1	48.2 7.6 2.7 6.6 1.8 15.2 14.4	48.2 7.8 2.7 6.5 1.6 15.6 14.0	51.4 8.9 3.0 7.1 1.7 16.2 14.5
Compensation of general government employees 3	131.5	133.6	131.6	130.5	133.8	133.5	133.9	133.2

Table 3.11.-Real National Defense Consumption Expenditures and Gross Investment

[E	sillions of	cnained	1 (1996)	dollarsj				
			S	easonally	/ adjuste	ed at ann	nual rate	s
	1998	1999	19	98		199	99	
			III	IV	I	II	III	IV
National defense consumption expenditures and gross investment ¹	341.7	347.7	347.5	344.9	341.4	339.2	348.3	362.0
Consumption expenditures	291.4	293.4	293.6	293.6	289.5	284.9	294.0	305.0
Durable goods ² Aircraft Missiles Ships Vehicles Electronics Other durable goods	21.2 10.2 2.4 .6 .7 2.6 4.6	21.7 10.2 2.2 .7 .7 .7 3.1 4.8	22.0 10.0 3.1 .6 .7 2.7 5.0	21.6 11.2 2.2 .6 .7 2.6 4.4	20.6 9.8 2.2 .7 .6 2.7 4.7	21.3 9.9 2.1 .8 .7 3.1 4.9	22.7 10.7 2.3 .8 .7 3.3 5.1	22.2 10.4 2.3 .6 .7 3.5 4.7
Nondurable goods	8.1	8.9	8.9	8.1	7.7	8.5	10.4	9.2
Petroleum products Ammunition Other nondurable goods	3.0 1.9 3.1	3.1 2.0 3.8	3.3 2.6 3.0	2.7 2.1 3.1	2.6 1.8 3.1	3.2 1.8 3.4	4.2 2.4 3.8	2.5 1.9 4.7
Services	262.3	263.0	263.0	263.9	261.2	255.4	261.5	273.9
Compensation of general government employees, except own-account investment ³ . Military Civilian Consumption of general government fixed capital ⁴ .	124.3 80.1 44.2 62.2	121.0 78.5 42.5	124.3 80.2 44.2 62.1	122.6 79.4 43.3 62.1	121.5 78.6 42.8 62.1	121.0 78.2 42.8 62.1	121.2 78.8 42.5	120.3 78.5 41.9
Other services Research and	75.9	80.0	76.6	79.3	77.8	72.4	78.2	91.4
development	20.3 23.2 8.1 17.5	17.7 25.5 8.1 21.2	21.5 24.2 8.1 17.2	21.8 22.4 8.8 18.5	17.9 23.6 7.9 19.8	14.5 23.1 7.8 18.8	17.0 25.8 8.0 21.1	21.2 29.5 8.7 24.9
material Travel of persons Other	4.9 3.4 –1.5	5.4 3.3 –1.3	4.8 3.3 –2.5	5.4 3.4 –1.0	5.7 3.4 6	6.0 3.4 –1.2	5.2 3.4 –2.4	4.7 3.1 9
Gross investment	50.3	54.6	54.0	51.4	52.1	54.6	54.5	57.3
Structures	5.1	4.8	5.5	4.8	5.0	4.9	4.7	4.7
Equipment and software Aircraft	45.3 6.2 3.5 6.4 1.5 13.8 13.8	7.8 3.0 6.7 1.6 16.4 14.4	48.6 6.7 4.7 6.5 1.5 14.1 15.0	46.8 8.1 3.0 6.9 1.4 14.3 13.1	6.3 2.9 6.8 1.4 14.7 15.0	49.9 7.8 2.9 6.6 1.8 16.4 14.3	50.0 8.1 2.9 6.5 1.6 17.0 14.0	9.1 3.2 7.0 1.8 17.4 14.4
Residual	1	7	6	4	1	9	-1.4	8
Addendum: Compensation of general government employees 3	124.8	121.5	124.8	123.1	122.0	121.5	121.7	120.7

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the

Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries.
 Compensation of government employees engaged in new own-account investment and related expenditures for goods and services are classified as investment, except for goods transferred to foreign countries.
 Compensation of government employees engaged in new own-account investment and related expenditures for goods and services are classified as investment in structures and in software. The compensation of all general government employees is shown in the addendum.
 Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

line in the addendum.

Chain-type indexes for the series in this table are shown in table 7.12.

See footnotes to table 3.10.

4. Foreign Transactions_

Table 4.1.-Foreign Transactions in the National Income and Product Accounts

[Billions of dollars]

			S	easonall	y adjuste	ed at an	nual rate	S
	1998	1999	19	98		19	99	
			III	IV	I	II	III	IV
Receipts from the rest of the world	1,251.6		1,225.5	1,262.7	1,250.7	1,274.3	1,316.2	
Exports of goods and services Goods ¹ Durable Nondurable Services ¹	966.3 681.3 487.2 194.0 285.1	698.8 503.5	667.2 479.4 187.8	693.3 498.3 195.0	674.3 486.7 187.6	680.5 489.8 190.7	708.8 512.2 196.6	525.4 206.1
Income receipts	285.3		276.4	280.8	283.8	296.1	307.7	
Payments to the rest of the world	1,251.6		1,225.5	1,262.7	1,250.7	1,274.3	1,316.2	
Imports of goods and services Goods ¹ Durable Nondurable Services ¹		1,048.8 715.9 332.8	927.2 632.0 295.2	952.6 659.5 293.2	974.3 676.6 297.7	1,022.3 701.7 320.6	1,079.3 732.5 346.7	366.3
Income payments	295.2		302.0	297.9	298.2	310.4	323.2	
Transfer payments (net) From persons (net) From government (net) From business	42.0 22.3 10.4 9.3	24.4	22.9	23.3 18.7	23.5 6.8	24.6 9.2	24.5 8.5	25.1 17.4
Net foreign investment	-201.5		-232.6	-229.9	-255.7	-303.7	-336.3	

Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

Table 4.2.–Real Exports and Imports of Goods and Services and Receipts and Payments of Income

			S	easonall	y adjuste	ed at ani	nual rate	s		
	1998	1999	1998		1998 1999					
			III	IV	- 1	Ш	III	IV		
Exports of goods and services Goods Durable Nondurable Services Durable	722.8 513.5	537.4 214.1	712.0	744.2 529.3	518.2	734.1 522.8 211.2	763.3 548.2 214.9	782.6 560.2 222.2		
Income receipts	279.2		270.3	274.0	276.0	286.6	296.5			
Imports of goods and services Goods ¹ Durable Nondurable Services ¹		1,162.2 803.9	337.5	1,069.7 733.7	1,102.0 753.6	1,142.5 787.4 355.0	1,188.9 825.3 363.8	1,215.6 849.2 367.1		
Income payments	289.6		295.8	291.3	290.7	301.1	311.8			

Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. Chain-type quantity indexes for the series in this table are shown in table 7.9.

Table 4.3.-Exports and Imports of Goods and Services by Type of **Product**

			S	easonall	y adjuste	ed at an	nual rate	s
	1998	1999	19	98		19	99	
			III	IV	I	=	III	IV
Exports of goods and	000 3	007.4	040.4	004.0	000.0	070.0	4 000 5	4 026 2
services	966.3	997.4	949.1	981.8	966.9		1,008.5	
Exports of goods 1	681.3	698.8	667.2	693.3	674.3	680.5	708.8	731.5
Foods, feeds, and beverages Industrial supplies and	46.4	45.5	42.8	47.5	43.2	45.3	47.1	46.4
materials	142.8	141.9	138.8	139.7	133.6	137.0	142.6	154.5
Durable goods	53.7	53.9	51.9	52.6	51.7	52.5	53.8	57.5
Nondurable goods	89.1	88.1	86.9	87.1	81.9	84.5	88.8	97.1
Capital goods, except	200.4	311.1	200.0	200.2	204.7	200 5	240.2	222.0
automotiveCivilian aircraft, engines,	300.1	311.1	299.0	309.2	301.7	299.5	319.3	323.9
and parts	53.5	53.3	56.2	63.6	56.6	48.7	53.9	54.2
Computers, peripherals,								
and parts	45.2	46.6	44.8	45.6	44.1	46.5	48.2	47.7
Other	201.3	211.1	198.0	200.0	200.9	204.3	217.2	222.0
Automotive vehicles, engines, and parts	73.2	74.8	68.2	74.7	71.4	75.0	76.0	76.7
Consumer goods, except			00.2					
automotive	79.3	80.7	80.3	79.2	79.6	79.1	80.6	83.7
Durable goods	40.5	41.4	41.2	40.3	39.5	40.5	41.5	44.2
Nondurable goods Other	38.7 39.5	39.3 44.7	39.1 37.9	38.9 43.0	40.1 44.8	38.7 44.5	39.0 43.2	39.5 46.2
Exports of services 1	285.1	298.7	281.9	288.6	292.6	297.7	299.7	304.7
Transfers under U.S. military	200.1	230.7	201.5	200.0	232.0	231.1	255.7	304.7
agency sales contracts	16.3	16.0	15.1	15.1	16.5	16.0	16.5	15.1
Travel	71.3	73.5	68.6	71.8	72.6	73.5	73.0	74.9
Passenger fares	20.0	21.0	20.2	19.4	20.0	21.0	21.3	21.9
Other transportation	25.5 36.8	27.2	25.4	26.3	26.0	26.9	27.6	28.4 37.6
Royalties and license fees Other private services	92.1	37.5 99.0	36.1 93.1	39.6 93.0	37.3 96.4	37.6 98.6	37.4 99.3	101.7
Other	23.1	24.4	23.4	23.5	23.8	24.2	24.5	25.0
Imports of goods and								
services	1,115.9	1,252.9	1,114.8	1,143.1	1,168.5	1,224.0	1,286.6	1,332.6
	1 '	1,252.9 1,048.8	1,114.8 927.2	1,143.1 952.6			1,286.6 1,079.3	
services Imports of goods 1 Foods, feeds, and beverages	1 '						l .	
Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and	930.4	1,048.8	927.2	952.6	974.3	1,022.3	1,079.3	1,119.2
Imports of goods 1 Foods, feeds, and beverages Industrial supplies and materials, except petroleum	930.4 41.2	1,048.8 43.6	927.2 41.3	952.6 41.6	974.3 41.7	1,022.3 43.8	1,079.3 44.2	1,119.2 44.8
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products	930.4	1,048.8	927.2	952.6	974.3	1,022.3	1,079.3	1,119.2
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products. Durable goods	930.4 41.2 142.6 75.8 66.8	1,048.8 43.6 148.5 79.0 69.5	927.2 41.3 144.3 77.2 67.1	952.6 41.6 140.3 75.1 65.2	974.3 41.7 140.0 75.0 65.0	1,022.3 43.8 143.8 77.8 66.1	1,079.3 44.2 151.6 80.1 71.5	1,119.2 44.8 158.6 83.3 75.2
services Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products	930.4 41.2 142.6 75.8	1,048.8 43.6 148.5 79.0	927.2 41.3 144.3 77.2	952.6 41.6 140.3 75.1	974.3 41.7 140.0 75.0	1,022.3 43.8 143.8 77.8	1,079.3 44.2 151.6 80.1	1,119.2 44.8 158.6 83.3
services	930.4 41.2 142.6 75.8 66.8 50.9	1,048.8 43.6 148.5 79.0 69.5 67.6	927.2 41.3 144.3 77.2 67.1 49.8	952.6 41.6 140.3 75.1 65.2 45.8	974.3 41.7 140.0 75.0 65.0 42.4	1,022.3 43.8 143.8 77.8 66.1 63.7	1,079.3 44.2 151.6 80.1 71.5 78.3	1,119.2 44.8 158.6 83.3 75.2 85.9
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive	930.4 41.2 142.6 75.8 66.8	1,048.8 43.6 148.5 79.0 69.5	927.2 41.3 144.3 77.2 67.1	952.6 41.6 140.3 75.1 65.2	974.3 41.7 140.0 75.0 65.0	1,022.3 43.8 143.8 77.8 66.1	1,079.3 44.2 151.6 80.1 71.5	1,119.2 44.8 158.6 83.3 75.2
services	930.4 41.2 142.6 75.8 66.8 50.9	1,048.8 43.6 148.5 79.0 69.5 67.6	927.2 41.3 144.3 77.2 67.1 49.8	952.6 41.6 140.3 75.1 65.2 45.8	974.3 41.7 140.0 75.0 65.0 42.4	1,022.3 43.8 143.8 77.8 66.1 63.7	1,079.3 44.2 151.6 80.1 71.5 78.3	1,119.2 44.8 158.6 83.3 75.2 85.9
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals,	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8
services Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6
services Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8
services Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6
services Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products. Durable goods. Nondurable goods. Petroleum and products. Capital goods, except automotive Civilian aircraft, engines, and parts. Computers, peripherals, and parts. Other Automotive vehicles, engines, and parts Consumer goods, except	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0 187.1 175.1	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive vehicles, engines, and parts Consumer goods, except automotive	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0 187.1 175.1 232.8	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 111.5	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 123.9	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0 112.2	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0 187.1 175.1 232.8 121.5	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 131.3
services Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products. Durable goods. Nondurable goods. Petroleum and products. Capital goods, except automotive Civilian aircraft, engines, and parts. Computers, peripherals, and parts. Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods. Nondurable goods.	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0 187.1 175.1 232.8	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 111.5 105.2	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 123.9 115.9	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0 112.2 106.8	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7 106.4	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8 113.5	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0 187.1 175.1 232.8 121.5 111.4	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2 115.8	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 131.3 123.0
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Other	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 111.5 60.4	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 123.9 72.5	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0 112.2 106.8 60.3	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7 106.4 68.5	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8 113.5 70.3	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0 187.1 175.1 232.8 121.5 111.4 71.4	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2 115.8 73.7	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 131.3 123.0 74.7
services Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Other Imports of services Travel Index products Imports of services Index products Imports of services Index products Inde	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 111.5 105.2 60.4 185.5 12.6 12.6 12.6 13.6 14.6 15.6 16.6 16.6 16.6 16.6 16.6 16.6 16	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 123.9 72.5 204.2 15.0 60.8	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0 112.2 106.8 60.3 187.7 131.1 56.3	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7 106.4 68.5 190.4 13.6 56.5	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8 113.5 70.3 194.2 14.0 59.4	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0 187.1 175.1 232.8 121.5 111.4 71.4 201.7 144.60.0	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2 115.8 73.7 207.4 15.4 60.9	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 131.3 123.0 74.7 213.4 16.0 63.1
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Other Imports of services¹ Direct defense expenditures Travel Passenger fares	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 105.2 60.4 185.5 12.8 56.1 19.8	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 123.9 115.9 72.5 204.2 15.0 60.8 21.4	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0 112.2 60.3 187.7 13.1 563.3 20.3	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7 106.4 68.5 190.4 13.6 56.5 50.5	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8 113.5 70.3 194.2 14.0 59.4 20.5	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0 187.1 175.1 232.8 121.5 111.4 71.4 201.7 14.4 60.0 21.3	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2 115.8 73.7 207.4 60.9 21.8	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 131.3 123.0 74.7 213.4 16.0 63.1 122.2
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Nondurable goods Nondurable goods Uther Imports of services¹ Direct defense expenditures Travel Passenger fares Other transportation	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 111.5 105.2 60.4 185.5 12.8 56.1 19.8	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 123.9 72.5 204.2 15.0 60.8 21.4 34.3	927.2 41.3 144.3 77.2 268.2 22.5 71.6 174.1 144.3 219.0 112.2 106.8 60.3 187.7 13.1 56.3 20.3 30.8	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7 106.4 68.5 190.4 13.6 56.5 20.5 31.4	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8 113.5 70.3 194.2 14.0 59.4 20.5 30.9	1,022.3 43.8 143.8 77.8 66.1 69.1 291.7 22.6 82.0 187.1 175.1 232.8 121.5 111.4 71.4 201.7 14.4 60.0 21.3 33.2	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2 115.8 73.7 207.4 60.9 21.8 36.1	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 131.3 123.0 74.7 213.4 16.0 63.1 22.2 37.2
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products. Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Other Imports of services I Passenger fares Other transportation Royalties and license fees Consumer goods Cother	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 105.2 60.4 185.5 12.8 56.1 19.8	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 123.9 115.9 72.5 204.2 15.0 60.8 21.4	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0 112.2 60.3 187.7 13.1 563.3 20.3	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7 106.4 68.5 190.4 13.6 56.5 50.5	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8 113.5 70.3 194.2 14.0 59.4 20.5	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0 187.1 175.1 232.8 121.5 111.4 71.4 201.7 14.4 60.0 21.3	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2 115.8 73.7 207.4 60.9 21.8	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 131.3 123.0 74.7 213.4 16.0 63.1 122.2
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Nondurable goods Nondurable goods Uther Imports of services¹ Direct defense expenditures Travel Passenger fares Other transportation	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 111.5 105.2 60.4 185.5 12.8 56.1 19.8 30.5 11.3	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 115.9 72.5 204.2 15.0 60.8 21.4 34.3 34.3 12.5	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0 112.2 106.8 60.3 187.7 13.1 156.3 20.3 30.8 80.9	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7 106.4 68.5 190.4 13.6 56.5 20.5 31.4 11.7	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8 113.5 70.3 194.2 14.0 59.4 20.5 30.9 12.7	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0 187.1 175.1 232.8 121.5 111.4 71.4 201.7 14.4 60.0 21.3 33.2 13.0	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2 115.8 73.7 207.4 15.4 60.9 21.8 36.1 11.9	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 131.3 123.0 74.7 213.4 16.0 63.1 22.2 37.2 12.6
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Nondurable goods Other Imports of services ¹ Direct defense expenditures Travel Passenger fares Other transportation Royalties and license fees Other private services Other Addenda:	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 111.5 105.2 60.4 185.5 11.3 47.7 7.4	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 115.9 72.5 204.2 15.0 60.8 21.4 34.3 312.5 52.3 7.7	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0 112.2 106.8 60.3 187.7 13.1 56.3 20.3 8.0 9.0 9.0 9.0 9.0 9.0 9.0 9.0 9.0 9.0 9	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7 106.4 68.5 190.4 13.6 56.5 20.5 31.4 7.6	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8 113.5 70.3 194.2 20.5 30.9 12.7 49.3 7.4	1,022.3 43.8 143.8 77.8 66.1 69.1,7 291.7 22.6 82.0 187.1 175.1 232.8 121.5 111.4 71.4 201.7 14.4 60.0 21.3 33.2 7.7	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2 115.8 73.7 207.4 60.9 21.8 36.1 11.9 53.3 7.9	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 131.3 123.0 74.7 213.4 16.0 63.1 22.2 12.6 54.4 7.9
Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products. Durable goods	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 111.5 60.4 185.5 12.8 56.1 19.8 30.5 11.3 47.7	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 123.9 72.5 204.2 15.0 60.8 21.4 34.3 12.5 52.3	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0 112.2 106.8 60.3 187.7 13.1 560.3 30.8 10.9 48.7	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7 106.4 68.5 190.4 13.6 56.5 20.5 31.4 11.7 49.1	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8 113.5 70.3 194.2 14.0 59.4 20.5 30.9 12.7 49.3	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0 187.1 175.1 232.8 121.5 111.4 201.7 14.4 60.0 21.3 33.2 13.0 52.2	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2 2115.8 73.7 207.4 60.9 21.8 36.1 111.9 53.3	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 131.3 74.7 213.4 16.0 63.1 22.2 37.2 12.6 54.4
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Other Imports of services¹ Direct defense expenditures Travel Passenger fares Other private services Other private services Other Addenda: Exports of agricultural goods² Exports of nonagricultural	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 111.5 60.4 185.5 12.8 56.1 19.8 30.5 11.3 47.7 7.4	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 115.9 72.5 204.2 15.0 60.8 21.4 34.3 12.5 52.3 7.7	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0 112.2 112.0 112.2 106.8 60.3 187.7 13.1 563.3 30.8 10.9 48.7 7.6	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7 106.4 68.5 50.5 31.4 11.7 49.1 7.6	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8 113.5 70.3 194.2 14.0 59.4 20.5 30.9 12.7 49.3 7.4	1,022.3 43.8 143.8 77.8 66.1 63.7 291.7 22.6 82.0 187.1 175.1 232.8 121.5 111.4 201.7 14.4 60.0 21.3 33.2 13.0 52.2 7.7	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2 115.8 73.7 207.4 60.9 21.8 36.1 111.9 53.3 7.9	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 123.0 74.7 213.4 16.0 63.1 122.2 37.2 12.6 54.4 7.9
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Nondurable goods Nondurable goods Other Imports of services¹ Direct defense expenditures Travel Passenger fares Other transportation Royalties and license fees Other private services Other Addenda: Exports of agricultural goods² Exports of nonagricultural goods	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 111.5 105.2 60.4 185.5 11.3 47.7 7.4	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 115.9 72.5 204.2 15.0 60.8 21.4 34.3 312.5 52.3 7.7	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0 112.2 106.8 60.3 187.7 13.1 56.3 20.3 8.0 9.0 9.0 9.0 9.0 9.0 9.0 9.0 9.0 9.0 9	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7 106.4 68.5 190.4 13.6 56.5 20.5 31.4 7.6	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8 113.5 70.3 194.2 20.5 30.9 12.7 49.3 7.4	1,022.3 43.8 143.8 77.8 66.1 69.1,7 291.7 22.6 82.0 187.1 175.1 232.8 121.5 111.4 71.4 201.7 14.4 60.0 21.3 33.2 7.7	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2 115.8 73.7 207.4 60.9 21.8 36.1 11.9 53.3 7.9	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 131.3 123.0 74.7 213.4 16.0 63.1 22.2 12.6 54.4 7.9
services Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Other Imports of services¹ Direct defense expenditures Travel Passenger fares Other private services Other private services Other Addenda: Exports of agricultural goods² Exports of nonagricultural	930.4 41.2 142.6 75.8 66.8 50.9 269.6 21.8 72.5 175.3 149.1 216.7 111.5 60.4 185.5 12.8 56.1 19.8 30.5 11.3 47.7 7.4	1,048.8 43.6 148.5 79.0 69.5 67.6 296.8 23.4 81.4 192.0 179.9 239.9 115.9 72.5 204.2 15.0 60.8 21.4 34.3 12.5 52.3 7.7	927.2 41.3 144.3 77.2 67.1 49.8 268.2 22.5 71.6 174.1 144.3 219.0 112.2 112.0 112.2 106.8 60.3 187.7 13.1 563.3 30.8 10.9 48.7 7.6	952.6 41.6 140.3 75.1 65.2 45.8 274.2 24.2 74.7 175.3 161.2 221.1 114.7 106.4 68.5 50.5 31.4 11.7 49.1 7.6	974.3 41.7 140.0 75.0 65.0 42.4 279.1 22.2 77.6 179.3 171.6 229.2 115.8 113.5 70.3 194.2 14.0 59.4 20.5 30.9 12.7 49.3 7.4	1,022.3 43.8 143.8 77.8 66.1 66.1 63.7 291.7 22.6 82.0 187.1 175.1 232.8 121.5 111.4 71.4 460.0 21.3 33.2 13.0 52.2 7.7 49.0 631.4	1,079.3 44.2 151.6 80.1 71.5 78.3 302.2 24.9 82.5 194.7 186.2 243.0 127.2 115.8 73.7 207.4 15.4 60.9 21.8 36.1 11.9 53.3 7.9 51.8	1,119.2 44.8 158.6 83.3 75.2 85.9 314.1 23.8 83.6 206.7 186.8 254.3 131.3 123.0 74.7 213.4 16.0 63.1 122.2 37.2 12.6 54.4 7.9

^{1.} Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

2. Includes parts of foods, feeds, and beverages, of nondurable industrial supplies and materials, and of nondura-

Table 4.4.-Real Exports and Imports of Goods and Services by Type of Product

[Billions of chained (1996) dollars]

[Billions of chained (1996) dollars]									
			S	easonall	y adjuste	ed at an	nual rate	s	
	1998	1999	19	98		19	99		
			III	IV	ı	II	III	IV	
Exports of goods and services	1,007.1	1,043.6	993.0	1,030.8	1,016.4	1,026.4	1,054.8	1,077.0	
Exports of goods 1	722.8	751.6	712.0	744.2	726.4	734.1	763.3	782.6	
Foods, feeds, and beverages	55.1	56.7	51.4	57.8	52.9	56.1	59.1	58.7	
Industrial supplies and	151.5	152.9	149.0	152.3	147.1	150.1	152.7	161.9	
materials Durable goods	56.5	58.2	55.0	56.3	55.9	57.0	58.2	61.7	
Nondurable goods	95.1	94.7	94.0	96.0	91.1	93.1	94.4	100.2	
Capital goods, except	224 5	244.6	225.4	227.0	220.6	220.4	252.4	256.2	
automotive Civilian aircraft, engines,	324.5	341.6	325.1	337.2	329.6	328.4	352.1	356.2	
and parts	51.1	49.9	53.7	60.4	53.2	45.6	50.3	50.3	
Computers, peripherals,									
and parts	59.9	68.0	61.0	63.1	62.6	67.1	71.4	70.8	
Other Automotive vehicles, engines,	212.7	224.8	209.5	212.3	213.4	217.5	231.9	236.4	
and parts	72.5	73.6	67.6	73.9	70.5	74.0	74.8	75.2	
Consumer goods, except									
automotive	78.7	80.4	79.8	78.8	79.3	78.9	80.3	83.1	
Durable goods Nondurable goods	40.2 38.4	41.4 39.0	41.0 38.8	40.2 38.6	39.5 39.8	40.5 38.4	41.4 38.8	44.1 39.1	
Other	40.9	46.8	39.4	44.9	46.9	46.8	45.3	48.0	
Exports of services 1	284.4	292.4	281.1	287.0	289.9	292.2	292.2	295.4	
Transfers under U.S. military									
agency sales contracts	17.1	16.0	16.0	16.1	16.5	16.1	16.5	14.9	
Travel	69.4	70.8	66.6	69.5	70.7	70.6	70.1	71.8	
Passenger fares	20.9	20.4	21.5	19.6	19.7	20.7	20.6	20.7	
Other transportation Royalties and license fees	26.4 36.0	27.8 36.2	26.1 35.3	27.4 38.6	27.7 36.3	27.7 36.3	27.7 36.0	28.1 36.0	
Other private services	91.4	97.1	92.3	92.1	95.0	96.7	97.2	99.6	
Other	23.2	24.0	23.4	23.7	23.9	24.1	24.0	24.1	
Residual	.3	-1.8	.4	.3	.8	-1.9	-2.9	-2.7	
Imports of goods and									
services	14 222 2	14 266 6	1 221 N	11 262 1	11 3NN Q	1,345.4	11 2Q2 N	1 1 1 1 2 6 7	
		1,366.5				l '			
Imports of goods 1		1,162.2				l '			
Imports of goods ¹ Foods, feeds, and beverages						l '			
Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and	1,031.6	1,162.2	1,037.9	1,069.7	1,102.0	1,142.5	1,188.9	1,215.6	
Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum	1,031.6 42.2	1,162.2 46.1	1,037.9 42.6	1,069.7 42.8	1,102.0 43.7	1,142.5 46.0	1,188.9 47.2	1,215.6 47.6	
Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and	1,031.6	1,162.2	1,037.9	1,069.7	1,102.0	1,142.5	1,188.9	1,215.6	
Imports of goods ¹	1,031.6 42.2 150.2 78.2 71.9	1,162.2 46.1 157.1 81.3 75.8	1,037.9 42.6 153.3 80.2 73.0	1,069.7 42.8 151.1 79.6 71.4	1,102.0 43.7 151.1 78.7 72.3	1,142.5 46.0 154.5 80.7 73.7	1,188.9 47.2 159.0 81.2 77.8	1,215.6 47.6 163.9 84.5 79.3	
Imports of goods ¹	1,031.6 42.2 150.2 78.2	1,162.2 46.1 157.1 81.3	1,037.9 42.6 153.3 80.2	1,069.7 42.8 151.1 79.6	1,102.0 43.7 151.1 78.7	1,142.5 46.0 154.5 80.7	1,188.9 47.2 159.0 81.2	1,215.6 47.6 163.9 84.5	
Imports of goods ¹	1,031.6 42.2 150.2 78.2 71.9 81.4	1,162.2 46.1 157.1 81.3 75.8 81.4	1,037.9 42.6 153.3 80.2 73.0 84.9	1,069.7 42.8 151.1 79.6 71.4 79.2	1,102.0 43.7 151.1 78.7 72.3 80.6	1,142.5 46.0 154.5 80.7 73.7 85.3	1,188.9 47.2 159.0 81.2 77.8 82.7	1,215.6 47.6 163.9 84.5 79.3 76.9	
Imports of goods ¹	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3	1,069.7 42.8 151.1 79.6 71.4	1,102.0 43.7 151.1 78.7 72.3	1,142.5 46.0 154.5 80.7 73.7	1,188.9 47.2 159.0 81.2 77.8	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7	
Imports of goods ¹	1,031.6 42.2 150.2 78.2 71.9 81.4	1,162.2 46.1 157.1 81.3 75.8 81.4	1,037.9 42.6 153.3 80.2 73.0 84.9	1,069.7 42.8 151.1 79.6 71.4 79.2	1,102.0 43.7 151.1 78.7 72.3 80.6	1,142.5 46.0 154.5 80.7 73.7 85.3	1,188.9 47.2 159.0 81.2 77.8 82.7	1,215.6 47.6 163.9 84.5 79.3 76.9	
Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7	
Imports of goods ¹ Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Consumer goods, except automotive Automotive delices, engines, and parts Consumer goods, except automotive	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 122.3	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 122.3	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0	
Imports of goods Imports of g	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 116.2	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 112.3 113.4	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 111.9	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Other Imports of services Imports of services Imports of services Direct defense expenditures	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3 60.4 190.7	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 116.2 73.1 205.2	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0 60.1 193.1	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4 68.1 193.8 14.5	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 122.3 113.4 70.7 199.4	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 111.9 72.2 203.7 16.2	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3 74.3 205.5	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4 75.2 212.3 17.5	
Imports of goods Imports of services Imports of services Imports of services Imports of goods Imports of goods Imports of services Imports o	1,031.6 42.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3 60.4 190.7 144.58.7	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 73.1 205.2 16.5 63.4	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0 60.1 193.1 14.6 59.4	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4 68.1 14.5 58.2	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 122.3 113.4 70.7 199.4 62.5	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 111.9 72.2 203.7 16.2 63.1	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3 74.3 205.5 17.0 62.7	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4 75.2 212.3 17.5 65.2	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3 60.4 190.7 14.4 58.7 18.5	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 116.2 73.1 205.2 16.5 63.4 19.5	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0 60.1 193.1 14.6 59.4 18.9	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4 68.1 193.8 14.5 58.2 19.0	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 122.3 113.4 70.7 199.4 15.4 62.5 19.0	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 111.9 72.2 203.7 16.2 63.1 19.3	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3 74.3 205.5 17.0 62.7 19.4	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4 75.2 212.3 17.5 65.2 20.2	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products. Durable goods Nondurable goods. Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Nondurable goods Other Imports of services Imports of services Passenger fares Other transportation	1,031.6 42.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3 60.4 190.7 14.4 58.7 18.5 31.7	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 116.2 73.1 205.2 16.5 63.4 19.5 32.0	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0 60.1 1193.1 14.6 59.4 18.9 31.8	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4 68.1 14.5 58.2	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 122.3 113.4 70.7 199.4 15.4 62.5 19.0 32.0	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 111.9 72.2 203.7 16.2 63.1 19.3	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3 74.3 205.5 17.0 62.7	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4 75.2 212.3 17.5 65.2 20.2 32.5	
Imports of goods Imports of g	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3 60.4 190.7 18.5 31.7 11.0 18.5 31.7	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 116.2 73.1 205.2 16.5 63.4 19.5 32.0 12.1 54.3	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0 60.1 193.1 14.6 59.4 18.9 31.8 10.5	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4 68.1 193.8 14.5 58.2 19.0 32.3 11.4 51.0	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 113.4 70.7 199.4 15.4 62.5 19.0 32.0 12.3 50.9	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 1111.9 72.2 203.7 16.2 63.1 19.3 31.5 53.6	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3 74.3 205.5 17.0 62.7 19.4 32.1 11.4 55.4	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4 75.2 212.3 17.5.2 20.2 32.5 12.1 57.5	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Other Imports of services Travel Passenger fares Other transportation Royalties and license fees Other Other private services Other Other Other Other Other Other Consumer	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3 60.4 190.7 14.4 58.7 11.0 49.1 7.3	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 116.2 73.1 205.2 16.5 63.4 19.5 32.0 12.1 54.3 7.6	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0 60.1 193.1 14.6 59.4 18.9 31.8 10.6 59.4 7.6	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4 68.1 193.8 14.5 58.2 19.0 32.3 11.4 51.0 7.5	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 122.3 113.4 70.7 199.4 15.4 62.5 19.0 32.0 12.3 50.9 7.4	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 111.9 72.2 203.7 16.2 63.1 19.3 31.5 12.5 53.6 7.6	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3 74.3 205.5 17.0 62.7 19.4 32.1 11.4 55.4 7.7	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4 75.2 212.3 17.5 65.2 20.2 32.5 12.1 57.5 7.7	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Nondurable goods Other Imports of services Direct defense expenditures Travel Passenger fares Other transportation Royalties and license fees Other Residual	1,031.6 42.2 150.2 78.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3 60.4 190.7 14.4 58.7 18.5 31.7 11.0 49.1	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 116.2 73.1 205.2 16.5 63.4 19.5 32.0 12.1 54.3	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0 60.1 193.1 14.6 59.4 18.9 31.8 10.5	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4 68.1 193.8 14.5 58.2 19.0 32.3 11.4 51.0	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 113.4 70.7 199.4 15.4 62.5 19.0 32.0 12.3 50.9	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 1111.9 72.2 203.7 16.2 63.1 19.3 31.5 53.6	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3 74.3 205.5 17.0 62.7 19.4 32.1 11.4 55.4	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4 75.2 212.3 17.5.2 20.2 32.5 12.1 57.5	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Nondurable goods Other Imports of services Direct defense expenditures Travel Passenger fares Other transportation Royalties and license fees Other Residual Addenda:	1,031.6 42.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3 60.4 190.7 18.5 31.7 11.0 49.1 7.3 -2.3	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 116.2 73.1 205.2 16.5 63.4 19.5 32.0 12.1 54.3 7.6 -5.0	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0 60.1 193.1 14.6 159.4 18.9 31.8 10.6 50.3 7.6 -3.2	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4 68.1 193.8 14.5 58.2 19.0 32.3 11.4 51.0 7.5 -6	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 113.4 70.7 199.4 62.5 19.0 32.0 12.3 50.9 7.4 8	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 111.9 72.2 203.7 16.2 63.1 19.3 31.5 53.6 7.6 -5.5	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3 74.3 205.5 17.0 62.7 19.4 32.1 11.4 55.4 7.7 -5.9	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4 75.2 212.3 17.5 65.2 20.2 32.5 7.7 7.7 -8.0	
Imports of goods Imports of g	1,031.6 42.2 150.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3 60.4 190.7 14.4 58.7 11.0 49.1 7.3	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 116.2 73.1 205.2 16.5 63.4 19.5 32.0 12.1 54.3 7.6	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0 60.1 193.1 14.6 59.4 18.9 31.8 10.6 59.4 7.6	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4 68.1 193.8 14.5 58.2 19.0 32.3 11.4 51.0 7.5	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 122.3 113.4 70.7 199.4 15.4 62.5 19.0 32.0 12.3 50.9 7.4	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 111.9 72.2 203.7 16.2 63.1 19.3 31.5 12.5 53.6 7.6	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3 74.3 205.5 17.0 62.7 19.4 32.1 11.4 55.4 7.7	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4 75.2 212.3 17.5 65.2 20.2 32.5 12.1 57.5 7.7	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Nondurable goods Travel Direct defense expenditures Travel Passenger fares Other transportation Royalties and license fees Other Residual Addenda: Exports of agricultural goods Exports of nonagricultural	1,031.6 42.2 78.2 77.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3 60.4 190.7 14.4 58.7 11.0 49.1 7.3 -2.3	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 116.2 73.1 205.2 16.5 63.4 19.5 32.0 12.1 54.3 7.6 -5.0 63.3	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0 60.1 14.6 59.4 18.9 31.8 10.6 59.4 10.6 59.4 18.9 31.8 10.6 59.4 58.7	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4 68.1 193.8 14.5 58.2 19.0 7.5 -6 66.3	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 122.3 113.4 70.7 199.4 15.4 62.5 19.0 32.0 12.3 50.9 7.4 -8	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 111.9 72.2 203.7 16.2 63.1 19.3 31.5 53.6 7.6 -5.5	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3 74.3 205.5 17.0 62.7 19.4 32.1 11.4 55.4 7.7 -5.9 66.6	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4 75.2 212.3 17.5 65.2 20.2 32.5 7.7 7.7 -8.0	
Imports of goods Imports of gords Imports of goods Imports of agricultural goods Imports of nonpetroleum	1,031.6 42.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3 60.4 190.7 14.5 58.7 11.0 11.0 12.0 13.0 14.0 15.3 60.4 15.3 60.4 17.1 18.5 31.7 11.0 49.1 7.3 60.6 60.6 60.6 60.6 60.6 60.6 60.6 60	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 116.2 73.1 205.2 16.5 63.4 19.5 32.0 12.1 54.3 7.6 -5.0 63.3 687.8	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0 60.1 193.1 14.8 9 31.8 10.6 59.4 10.6 50.3 7.6 -3.2 58.7 652.7	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4 68.1 193.8 14.5 58.2 19.0 32.3 11.4 51.0 7.5 -6 66.3	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 113.4 70.7 199.4 15.4 62.5 19.0 32.0 12.3 50.9 7.4 -8 58.8 666.7	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 111.9 72.2 203.7 16.2 63.1 19.3 31.5 53.6 7.6 -5.5 62.7 671.1	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3 74.3 205.5 17.0 62.7 19.4 32.1 11.4 55.4 7.7 -5.9 66.6 696.6	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4 75.2 212.3 17.5 65.2 20.2 32.5 7.7 -8.0 65.0	
Imports of goods Imports of goods Foods, feeds, and beverages Industrial supplies and materials, except petroleum and products Durable goods Nondurable goods Petroleum and products Capital goods, except automotive Civilian aircraft, engines, and parts Computers, peripherals, and parts Other Automotive vehicles, engines, and parts Consumer goods, except automotive vehicles, engines, and parts Consumer goods, except automotive Durable goods Nondurable goods Other Imports of services Travel Passenger fares Other transportation Royalties and license fees Other Residual Addenda: Exports of agricultural goods Exports of nonagricultural goods Industrial Industri	1,031.6 42.2 78.2 71.9 81.4 328.3 20.7 101.3 206.7 148.6 222.3 117.1 105.3 60.4 190.7 14.5 58.7 11.0 11.0 12.0 13.0 14.0 15.3 60.4 15.3 60.4 17.1 18.5 31.7 11.0 49.1 7.3 60.6 60.6 60.6 60.6 60.6 60.6 60.6 60	1,162.2 46.1 157.1 81.3 75.8 81.4 378.7 21.7 131.2 229.5 178.1 247.9 131.7 116.2 73.1 205.2 16.5 63.4 19.5 32.0 12.1 54.3 7.6 -5.0 63.3	1,037.9 42.6 153.3 80.2 73.0 84.9 330.3 21.3 101.7 207.3 144.3 225.5 118.6 107.0 60.1 14.6 59.4 18.9 31.8 10.6 59.4 10.6 59.4 18.9 31.8 10.6 59.4 58.7	1,069.7 42.8 151.1 79.6 71.4 79.2 339.6 22.8 110.5 207.3 160.7 227.3 121.0 106.4 68.1 193.8 14.5 58.2 19.0 7.5 -6 66.3	1,102.0 43.7 151.1 78.7 72.3 80.6 347.5 20.7 117.7 211.7 170.4 235.7 113.4 70.7 199.4 15.4 62.5 19.0 32.0 12.3 50.9 7.4 -8 58.8 666.7	1,142.5 46.0 154.5 80.7 73.7 85.3 370.5 21.0 130.8 223.0 173.4 240.8 129.1 111.9 72.2 203.7 16.2 63.1 19.3 31.5 53.6 7.6 -5.5 62.7 671.1	1,188.9 47.2 159.0 81.2 77.8 82.7 390.0 23.2 136.9 234.0 184.1 251.6 135.5 116.3 74.3 205.5 17.0 62.7 19.4 32.1 11.4 55.4 7.7 -5.9 66.6	1,215.6 47.6 163.9 84.5 79.3 76.9 406.7 22.1 139.3 249.2 184.5 263.2 140.0 123.4 75.2 212.3 17.5 65.2 20.2 32.5 7.7 -8.0 65.0	

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line following the detail for exports is the difference between the aggregate "exports of goods and services" and the sum of the detailed lines for exports of goods and exports of services. The residual line following the detail for imports is the difference between the aggregate "imports of goods and services" and the sum of the detailed lines for imports of goods and imports of services.

Chain-type quantity indexes for the series in this table are shown in table 7.10.

Contributions to the percent change in real exports and in real imports of goods and services are shown in table 8.5.

ble nonautomotive consumer goods.

table 8.5. See footnotes to table 4.3.

5. Saving and Investment_

Table 5.1.-Gross Saving and Investment

[Billions of dollars]

			S	easonall	y adjuste	ed at an	nual rate	÷S
	1998	1999	19	98		19	99	
			III	IV	ı	II	III	IV
Gross saving	1,646.0		1,664.1	1,685.4	1,727.8	1,709.5	1,735.6	
Gross private saving Personal saving Undistributed corporate profits with inventory valuation and capital consumption adjustments Undistributed profits Inventory valuation adjustment Capital consumption adjustment Corporate consumption of fixed capital Noncorporate consumption of fixed capital Wage accruals less disbursements	1,371.2 229.7 257.2 193.1 20.9 43.3 619.2 261.5	155.5 	224.8 251.1 187.4 19.8 43.9		1,389.4 195.1 277.6 213.7 13.3 50.6 645.8 271.0	219.9 -13.6 53.2 657.2	1,355.7 139.5 252.4 227.0 -26.7 52.1 676.5 287.2	119.6 52.0 685.8
Gross government saving Federal Consumption of fixed capital Current surplus or deficit (-), national income and product accounts State and local Consumption of fixed capital Current surplus or deficit (-), national income and product accounts	274.8 134.3 87.4 46.9 140.5 98.8 41.7	90.9	296.4 147.1	303.0 147.8 88.1 59.7 155.2 101.1 54.2	338.3 187.2 89.6 97.6 151.1 102.4 48.7	350.2 208.3 90.2	379.9 225.1 91.2 133.8 154.8 106.0 48.9	92.4
Gross investment	1,598.4		1,576.2	1,623.0	1,628.4	1,574.0	1,594.4	
Gross private domestic investment Gross government investment Net foreign investment	1,531.2 268.7 –201.5			272.6	1,594.3 289.8 -255.7	292.2	295.7	312.8
Statistical discrepancy	-47.6		-87.9	-62.4	-99.4	-135.5	-141.2	
Addendum: Gross saving as a percentage of gross national product	18.8		19.0	18.9	19.1	18.7	18.7	

Table 5.4.-Private Fixed Investment by Type

[Billions of dollars]

			Seasonally adjusted at annual rates						
	1998	1999	19	98		19	99		
			III	IV	I	II	III	IV	
Private fixed investment	1,460.0	1,577.8	1,461.7	1,508.9	1,543.3	1,567.8	1,594.2	1,605.8	
Nonresidential	1,091.3	1,166.5	1,087.2	1,121.4	1,139.9	1,155.4	1,181.6	1,189.2	
Structures	272.8	272.7	271.7	278.0	274.7	272.5	272.1	271.5	
including farm Utilities Mining exploration, shafts,	197.0 39.2	199.9 39.3	197.5 39.2	203.3 40.1	204.0 39.2	199.8 39.1	197.5 39.9	198.4 39.0	
and wellsOther structures	30.0 6.5	26.6 6.9	28.8 6.3	28.0 6.6	25.2 6.4	26.0 7.6		27.4 6.7	
Equipment and software	818.5	893.8	815.4	843.4	865.2	882.9	909.5	917.7	
Information processing equipment and software Computers and	356.9	406.3	361.0	369.7	382.3	401.7	416.8	424.5	
peripheral equipment ¹ Software ² Other	88.5 123.4 144.9	97.7 143.2 165.5		90.5 131.2 148.0	135.5	140.7	145.8	150.9	
Industrial equipment Transportation equipment	150.2 176.0	152.1 198.2	150.9 164.9	151.4 187.0	147.9 193.1	149.3 193.6	153.0 204.9	158.3 201.2	
Other	135.5	137.2	138.6	135.3	142.0	138.3	134.7	133.7	
Residential	368.7	411.3		387.5		412.4	412.7	416.6	
Structures Single family Multifamily Other structures	360.4 189.5 24.5 146.5	402.3 213.8 27.7 160.8	366.1 194.0 24.1 148.0	379.1 202.2 24.8 152.1	394.6 211.8 27.7 155.1	213.7		407.5 218.0 27.9 161.6	
Equipment	8.3	8.9	8.4	8.5	8.7	8.9	9.0	9.1	

Table 5.5.-Real Private Fixed Investment by Type

			. ,					
			S	easonall	y adjuste	ed at an	nual rate	!S
	1998	1999	19	98		19	99	
			III	IV	I	II	III	IV
Private fixed investment	1,471.8	1,590.0	1,474.0	1,522.5	1,555.9	1,581.0	1,607.3	1,615.8
Nonresidential	1,122.5	1,215.4	1,120.3	1,160.8	1,182.7	1,202.9	1,234.3	1,242.0
Structures Nonresidential buildings,	254.1							243.4
including farm Utilities Mining exploration, shafts,	184.6 38.0	180.4 38.0	184.2 37.9	187.4 38.7	186.6 38.1	181.2 38.0		176.5 37.4
and wellsOther structures	25.4 6.2	23.0 6.4	24.2 5.9		21.6 6.0	22.6 7.1	24.3 6.3	
Equipment and software	870.6	975.3	870.6	908.5	935.7	960.9	996.6	1,008.0
Information processing equipment and software Computers and	418.5	509.0	427.4	448.5	470.4	501.0	526.0	538.5
peripheral equipment ¹ Software ²	154.2 129.2		160.4 131.9			212.9 147.0		242.0 155.5
Other	147.1	169.6	148.3		157.8	168.4		
Industrial equipment	148.1	149.1	148.7	148.9	145.0	146.6	150.0	154.7
Transportation equipment Other	175.3 132.3	196.7 132.4	164.2 135.1	185.8 131.0		191.6 133.3		200.6 129.4
			354.2					
Residential	350.2				373.7	378.8		376.1
Structures Single family Multifamily Other structures	341.8 180.3 21.8 139.8	366.8 194.8 23.0 149.1	345.8 184.0 21.2 140.7		364.8 195.8 23.3 145.7	369.7 195.8 22.9 151.1	191.7	366.9 195.9 22.8 148.1
Equipment	8.4	9.1	8.4	8.5	8.9	9.1	9.2	9.3
Residual	-18.9	-51.1	-21.1	-28.7	-35.7	-46.6	-58.6	-63.7

Includes new computers and peripheral equipment only.
 Excludes software "embedded," or bundled, in computers and other equipment.

Includes new computers and peripheral equipment only.
 Excludes software "embedded," or bundled, in computers and other equipment.

Note:—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines. Chain-type quantity indexes for the series in this table are shown in table 7.6. Contributions to the percent change in real private fixed investment are shown in table 8.4.

Table 5.10.-Change in Private Inventories by Industry Group

			Sea	sonally	adiuste	ed at a	nnual ra	ates
					aujusii			
	1998	1999	19	98		19	99	
			III	IV	1	II	III	IV
Change in private inventories	71.2	45.1	73.7	71.4	51.0	17.6	40.8	71.1
Farm	.3	3.4	-1.1	15.2	10.1	4.8	.7	-1.8
Nonfarm Change in book value ¹ Inventory valuation adjustment ²	70.9 45.7 25.2	41.7 57.2 –15.5	74.7 49.7 25.0	56.2 33.7 22.5	40.9 22.8 18.2	12.8 32.1 –19.3	40.1 73.7 –33.6	73.0 100.1 –27.2
Manufacturing Durable goods Nondurable goods	24.1 16.4 7.8	.9 .2 .7	21.2 12.8 8.4	11.5 6.5 5.1	0 1.7 –1.7	-7.8 -6.2 -1.6	1.6 1.6 0	9.7 3.6 6.1
Wholesale trade Durable goods Nondurable goods	22.4 16.0 6.4	15.0 12.8 2.3	32.3 18.2 14.1	16.3 15.2 1.1	8.8 11.3 –2.6	10.7 10.5 .2	24.2 10.6 13.6	16.4 18.6 –2.2
Merchant wholesalers Durable goods Nondurable goods Nonmerchant wholesalers Durable goods Nondurable goods	19.6 14.0 5.7 2.8 2.1	13.7 11.3 2.3 1.4 1.5 1	29.1 16.1 13.0 3.2 2.1 1.1	13.9 13.6 .2 2.4 1.6 .9	7.5 9.8 -2.3 1.3 1.5 2	8.3 7.0 1.3 2.4 3.5 –1.1	22.0 9.6 12.4 2.2 1.0 1.2	16.8 18.8 -2.0 4 3 1
Retail trade	11.1 5.3 1.3 4.0 5.8	20.1 13.3 6.7 6.6 6.8	10.9 7.7 4.2 3.4 3.3	15.6 16.0 7.6 8.4 4	17.5 9.4 3.1 6.3 8.1	5.9 4.0 0 4.0 1.9	14.3 11.7 9.2 2.6 2.6	42.9 28.1 14.4 13.7 14.8
Other	13.2 1.3 12.0	5.7 1 5.7	10.3 1.1 9.2	12.8 1.0 11.8	14.7 1.7 13.0	4.0 -2.0 6.0	0 -1.0 1.0	4.0 1.2 2.8

Table 5.11.-Real Change in Private Inventories by Industry Group

[Dillions of challed (1390) dollars]									
			Sea	sonally	adjuste	ed at ar	nnual ra	ates	
	1998	1999	19	98		19	99		
			Ш	IV	Ι	II	Ш	IV	
Change in private inventories	74.3	42.7	76.1	70.7	50.1	14.0	38.0	68.7	
Farm	.9	5	-2.1	12.8	7.4	.9	-3.8	-6.4	
Nonfarm	73.2	42.8	77.5	58.2	43.1	13.1	41.2	74.0	
Manufacturing Durable goods Nondurable goods	25.1 16.9 8.1	.9 .2 .7	22.2 13.4 8.8	12.0 6.8 5.3	0 1.8 –1.8	-8.3 -6.6 -1.7	1.7 1.8 0	10.2 3.8 6.3	
Wholesale trade Durable goods Nondurable goods	23.4 16.3 7.1	15.6 13.3 2.3	33.8 18.6 15.3	17.2 15.5 1.4	9.5 11.8 –2.4	11.1 11.0 .1	25.1 11.1 14.0	16.7 19.3 –2.3	
Merchant wholesalers Durable goods Nondurable goods Nonmerchant wholesalers Durable goods Nondurable goods	20.4 14.2 6.2 3.0 2.1	14.2 11.8 2.5 1.4 1.5 1	30.4 16.5 14.0 3.4 2.1 1.3	14.6 13.9 .5 2.6 1.6 1.0	8.2 10.2 -2.1 1.4 1.6 3	8.6 7.3 1.3 2.5 3.7 -1.2	22.8 10.0 12.8 2.3 1.1 1.2	17.2 19.5 -2.2 4 3 2	
Retail trade	11.1 5.3 1.3 4.0 5.8	19.9 13.3 6.7 6.6 6.7	11.0 7.7 4.3 3.4 3.3	15.5 16.0 7.6 8.4 3	17.5 9.5 3.1 6.3 8.0	5.9 4.0 0 4.0 1.9	14.1 11.8 9.3 2.5 2.5	42.1 28.1 14.4 13.6 14.3	
Other	13.9 1.2 12.6	6.0 0 6.0	10.8 1.1 9.7	13.6 1.0 12.6 5	15.7 1.7 14.0	4.1 -2.0 6.3	.1 -1.0 1.1 .5	3.9 1.1 2.8 2.0	
110010001	1 .,	ا۰. ا	.0	5	ے.	. ' '		2.0	

^{1.} Inventories of auto and home supply stores are included in "other durable goods."

 ^{1.} This series is derived from the Census Bureau series "current cost inventories."
 2. The inventory valuation adjustment (IVA) shown in this table differs from the IVA that adjusts business incomes. The IVA in this table reflects the mix of methods (such as first-in, first-out and last-in, first-out) underlying inventories derived primarily from Census Bureau statistics (see footnote 1). This mix differs from that underlying business income derived primarily from Internal Revenue Service statistics.
 3. Inventories of auto and home supply stores are included in "other durable goods."

NOTE.—Chained (1996) dollar series for real change in private inventories are calculated as the period-to-period change in chained-dollar end-of-period inventories. Quarterly changes in end-of-period inventories are stated at annual rates. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table 5.12.-Private Inventories and Domestic Final Sales of Business by **Industry Group**

	S	easonall	y adjust	ed quart	erly total	S
	19	98		19	99	
	III	IV	I	II	III	IV
Private inventories 1	1,326.6	1,334.5	1,345.7	1,360.1	1,386.1	1,411.4
Farm	92.3	92.4	99.3	98.9	96.7	95.9
Nonfarm	1,234.3 689.1 545.2	1,242.1 694.0 548.1	1,246.4 692.8 553.5	1,261.3 697.8 563.5		1,315.5 724.2 591.3
Manufacturing Durable goods Nondurable goods	453.9 282.8 171.0	450.5 280.3 170.2	448.2 279.2 169.0	451.1 279.4 171.6	458.3 282.5 175.8	465.6 285.6 180.0
Wholesale trade	338.1 216.0 122.1	341.8 218.9 122.9	340.9 217.9 123.1	345.1 220.9 124.3	355.6 224.1 131.6	362.1 229.7 132.4
Merchant wholesalers Durable goods Nondurable goods Nonmerchant wholesalers Durable goods Nondurable goods	293.0 188.2 104.9 45.0 27.9 17.2	296.6 190.8 105.8 45.3 28.1 17.1	295.4 189.9 105.4 45.5 27.9 17.6	298.2 192.0 106.2 46.9 28.8 18.1	307.0 194.9 112.1 48.6 29.2 19.5	313.0 200.5 112.5 49.1 29.2 19.9
Retail trade Durable goods Motor vehicle dealers ² Other ² Nondurable goods	339.4 182.3 93.6 88.6 157.1	344.0 186.6 95.8 90.9 157.4	347.3 187.1 95.3 91.8 160.2	351.1 189.2 95.8 93.4 161.9	358.1 193.5 99.6 93.8 164.7	369.4 200.6 103.2 97.5 168.8
Other Durable goods Nondurable goods	103.0 7.9 95.1	105.7 8.1 97.6	109.9 8.6 101.3	113.9 8.3 105.7	117.3 7.9 109.4	118.4 8.2 110.1
Final sales of domestic business ³ Final sales of goods and structures of domestic business ³	613.2 335.3	624.7 344.0	634.8 350.1	642.6 353.6	651.8 357.8	664.8 364.9
Ratio of private inventories to final sales of domestic business	333.3	344.0	330.1	333.0	337.0	304.3
Private inventories to final sales	2.16 2.01	2.14 1.99	2.12 1.96	2.12 1.96	2.13 1.98	2.12 1.98
structures	3.68	3.61	3.56	3.57	3.60	3.61

^{1.} Inventories are as of the end of the quarter. The quarter-to-quarter change in inventories calculated from current-dollar inventories in this table is not the current-dollar change in the private inventories component of GDP. The former is the difference between two inventory stocks, each valued at its respective end-of-quarter prices. The latter is the change in the physical volume of inventories valued at average prices of the quarter. In addition, changes calculated from this table are at quarterly rates, whereas, the change in private inventories is stated at annual rates.

Table 5.13.-Real Private Inventories and Real Domestic Final Sales of **Business by Industry Group**

[Billions of chained (1996) dollars]

	S	easonall	y adjust	ed quart	erly total	S		
	19	98		19	99			
	III	IV	- 1	Ш	III	IV		
Private inventories 1	1,377.6	1,395.3	1,407.8	1,411.3	1,420.8	1,438.0		
Farm	104.4	107.6	109.4	109.7	108.7	107.1		
Nonfarm	1,272.9	1.287.4	1.298.2	1.301.4	1.311.7	1.330.2		
Durable goods	706.3	716.2	722.5	724.1	730.0	743.3		
Nondurable goods	566.6	571.2	575.7	577.3	581.7	587.1		
Manufacturing	474.2	477.2	477.2	475.1	475.5	478.1		
Durable goods	294.6	296.2	296.7	295.1	295.5	296.4		
Nondurable goods	179.6	180.9	180.5	180.0	180.0	181.6		
Wholesale trade	351.2	355.4	357.8	360.6	366.9	371.1		
Durable goods	220.7	224.6	227.6	230.3	233.1	237.9		
Nondurable goods	130.4	130.8	130.2	130.2	133.7	133.1		
Merchant wholesalers	304.0	307.6	309.7	311.8	317.5	321.9		
Durable goods	192.2	195.7	198.3	200.1	202.6	207.5		
Nondurable goods	111.8	111.9	111.3	111.7	114.9	114.3		
Nonmerchant wholesalers	47.2	47.8	48.1	48.8	49.4	49.2		
Durable goods	28.5	28.9	29.3	30.2	30.5	30.4		
Nondurable goods	18.7	18.9	18.8	18.6	18.9	18.8		
Retail trade	339.0	342.9	347.2	348.7	352.2	362.8		
Durable goods Motor vehicle dealers ²	183.3	187.3	189.7	190.7	193.6	200.6		
Motor vehicle dealers 2	95.1	97.0	97.8	97.8	100.1	103.7		
Other ²	88.2 155.6	90.3 155.5	91.9 157.5	92.9 158.0	93.5 158.6	96.9 162.2		
Nondurable goods						-		
Other	108.9	112.3	116.2	117.2	117.2	118.2		
Durable goodsNondurable goods	7.8 101.0	8.1 104.2	8.5 107.7	8.0 109.3	7.7 109.5	8.0 110.2		
Residual	.1	.1	.1	1	.3	.9		
Final sales of domestic business 3	597.0	607.4	615.0	620.7	628.3	637.8		
Final sales of goods and structures of domestic business ³	332.5	341.4	346.7	349.3	353.3	359.4		
Ratio of private inventories to final sales of	332.3	371.7	340.7	343.3	333.3	333.4		
domestic business								
Private inventories to final sales	2.31	2.30	2.29	2.27	2.26	2.25		
Nonfarm inventories to final sales	2.13	2.12	2.11	2.10	2.09	2.09		
Nonfarm inventories to final sales of goods and								
structures	3.83	3.77	3.74	3.73	3.71	3.70		

NOTE.—Chained (1996) dollar inventory series are calculated to ensure that the chained (1996) dollar change in inventories for 1996 equals the current-dollar change in inventories for 1996 and that the average of the 1995 and 1996 end-of-year chain-weighted and fixed-weighted inventories are equal. Chained (1996) dollar final sales are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines for inventories.

Inventories of auto and home supply stores are included in "other durable goods."
 Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross product of households and institutions and of general government, and it includes a small amount of final sales by farm and by government enterprises.

I. Inventories are as of the end of the quarter. The quarter-to-quarter changes calculated from this table are at quarterly rates, whereas, the change in private inventories component of GDP is stated at annual rates.
 Inventories of auto and home supply stores are included in "other durable goods."
 Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic business exposes product of households and institutions and of general government, and it includes a small amount of final sales by farm and by government enterprises. sales by farm and by government enterprises.

6. Income and Employment by Industry_____

Table 6.1C.-National Income Without Capital Consumption Adjustment by Industry Group

[Billions of dollars]

			S	easonall	y adjuste	ed at an	nual rate	S
	1998	1999	19	98		19	99	
			III	IV	I	II	III	IV
National income without capital consumption adjustment	7,004.4		7,054.5	7,159.6	7,297.4	7,383.3	7,488.9	
Domestic industries	7,014.3		7,080.1	7,176.7	7,311.9	7,397.6	7,504.4	
Private industries	6,104.4		6,165.5	6,253.4	6,373.9	6,453.1	6,549.4	
Agriculture, forestry, and fishing	54.7		100.4 53.5 345.4	121.7 51.7 355.2			51.4	
Manufacturing Durable goods Nondurable goods	689.0		1,165.4 694.1 471.3	703.2	699.0	706.5	711.7	
Transportation and public utilities	222.3 166.9		532.7 224.5 169.0 139.2	227.5 167.6	228.8 174.7	229.0 176.0	234.5 181.0	
Wholesale trade	580.8 1,274.3		1,288.1		609.8	618.6 1,361.5	618.8 1,392.0	
Services Government	l '		1,678.3 914.6	· ·	· ·	· ·	· ·	
Rest of the world								

NOTE.-Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).

Table 6.16C.–Corporate Profits by Industry Group
[Billions of dollars]

[Bil	lions of	dollars	[]					
			Sea	sonally	adjuste	ed at a	nnual ra	ates
	1998	1999	19	98		19	99	
			III	IV	ı	Ш	III	IV
Corporate profits with inventory								
valuation and capital consumption adjustments	846.1		843.8	834.3	882.0	875.5	879.2	
Domestic industries	746.0		757.2	736.0	777.7	772.1	771.1	
FinancialNonfinancial			168.7 588.5	168.0 568.0	185.2 592.5	177.4 594.7		
Rest of the world	100.0		86.6	98.3	104.3	103.3	108.1	
Receipts from the rest of the world Less: Payments to the rest of the world			137.1 50.5	146.8 48.5	157.0 52.7	164.1 60.8		
Corporate profits with inventory								
valuation adjustment			799.9	787.4	831.4	822.2		
Pinancial	702.8		713.2 189.5	689.1 188.6	727.1 205.3	718.9 198.3		
Federal Reserve banks			24.7	24.7	24.3	24.5		
Other			164.8	163.9	180.9	173.7		
Nonfinancial			523.7	500.6		520.6		
Manufacturing			171.9	161.7	171.0	167.8		
Durable goods			97.2	106.3	100.5	100.7		
Primary metal industries Fabricated metal products			5.0 19.9	5.0 17.0	1.7 19.4	1.2 19.0		
Industrial machinery and	17.5		13.3	17.0	13.4	13.0	13.4	
equipment Electronic and other electric	14.6		15.7	19.4	16.6	18.6	17.1	
equipment			16.9	21.4	20.5	19.6		
Motor vehicles and equipment			6.6	9.8	10.7	10.4		
Other Nondurable goods			33.1 74.7	33.7 55.5	31.6 70.5	32.0 67.0		
Food and kindred products			21.3	7.1	17.2	18.6		
Chemicals and allied products			19.0	20.0	25.1	20.8		
Petroleum and coal products	8.3		6.8	4.1	9	3	3.6	
Other			27.5	24.2	29.0	28.0		
Transportation and public utilities			113.0	106.9	111.9	107.9		
Transportation			20.1 51.2	19.7 46.8	18.3 52.2	17.2 52.5		
Communications Electric, gas, and sanitary services			41.7	40.5	41.5	38.2		
Wholesale trade			49.7	41.2	43.4	44.3		
Retail trade	69.8		69.3	69.0	75.7	75.4	67.7	
Other	117.1		119.9	121.7	119.8	125.2	127.9	
Rest of the world	100.0		86.6	98.3	104.3	103.3	108.1	

NOTE.-Estimates in this table are based on the 1987 Standard Industrial Classification.

7. Quantity and Price Indexes_

Table 7.1.-Quantity and Price Indexes for Gross Domestic Product

[Index numbers, 1996=100]

							Įinu	ex mullibe	15, 1990=100]								
				Se	easonally	, adjuste	ed						Se	easonally	adjuste	d	
	1998	1999	199	98		19	99			1998	1999	19	98		19	99	
			III	IV	I	II	III	IV				III	IV	ı	II	III	IV
Gross domestic product: Current dollars	102.86	113.49	112.60 109.25 103.06 103.07	114.52 110.83 103.28 103.33	111.84 103.79	117.06 112.36 104.13 104.19	119.00 113.92 104.41 104.46	115.84 104.93	Exports of goods and services: Current dollars	110.54 115.21 95.95 95.95	114.10 119.39 95.56 95.57	108.57 113.60 95.57 95.57	112.32 117.92 95.25 95.25	110.61 116.27 95.13 95.13	111.90 117.41 95.30 95.30	115.36 120.66 95.61 95.61	118.54 123.20 96.21 96.21
Personal consumption expenditures: Current dollars Chain-type quantity index Implicit price deflator			112.45 109.42 102.78 102.77	114.06 110.66 103.08 103.07	112.43 103.44	118.39 113.83 104.01 104.01	120.36 115.19 104.49 104.48	105.13	Implicit price deflator	110.17 116.89 94.25 94.25	113.00 121.54 92.96 92.97	107.89 115.14 93.70 93.70	93.25 112.11 120.35 93.15 93.15	109.04 117.46 92.83 92.83	110.04 118.71 92.69 92.69	114.61 123.43 92.85 92.85	118.29 126.56 93.47 93.47
Durable goods: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	113.26 118.66 95.45 95.45	132.31 93.00	113.05 118.62 95.29 95.31	117.25 124.26 94.34 94.36	93.67	121.92 130.76 93.22 93.24	123.58 133.21 92.75 92.77	126.85 137.33 92.35 92.37	Exports of services: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	111.46 111.19 100.24 100.24	116.78 114.34 102.13 102.13	110.23 109.93 100.27 100.27	112.83 112.22 100.55 100.55	114.41 113.35 100.94 100.94	101.88	114.26 102.56	115.51 103.13
Nondurable goods: Current dollars	107.07 101.40	117.07 112.82 103.76 103.77		108.80 101.78		115.93 112.05 103.47 103.47	117.78 113.04 104.20 104.19	115.03 105.18	Imports of goods and services: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	115.86 126.89 91.31 91.31	130.09 141.88 91.63 91.69	115.75 127.81 90.55 90.56	118.68 131.14 90.48 90.50	121.32 135.07 89.81 89.82	127.09 139.69 90.96 90.98	133.59 144.63 92.35 92.36	138.36 148.13 93.39 93.41
Current dollars				115.13 109.03 105.60 105.60	110.16 106.19	118.95 111.56 106.63 106.62	121.04 112.92 107.19 107.19	123.00 113.98 107.92 107.92	Imports of goods: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	115.10 127.62 90.19 90.19	129.74 143.78 90.16 90.24	114.70 128.40 89.30 89.33	117.85 132.33 89.03 89.06	120.53 136.33 88.38 88.41	126.47 141.34 89.46 89.48	133.51 147.08 90.75 90.78	138.46 150.38 92.04 92.07
investment: Current dollars Chain-type quantity index Implicit price deflator	123.22 124.52 98.96 98.95	130.60 131.79 98.80 99.10	123.55 124.82 98.89 98.98	127.17 128.26 98.85 99.14	128.30 129.41 98.87 99.14	127.58 128.74 98.78 99.10	131.57 132.90 98.70 99.00	134.94 136.11 98.86 99.14	Imports of services: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	119.86 123.21 97.29 97.29	131.90 132.56 99.49 99.50	121.24 124.75 97.21 97.19	123.03 125.24 98.26 98.24	125.48 128.81 97.43 97.41	130.28 131.58 99.03 99.02	133.97 132.74 100.95 100.93	137.87 137.13 100.55 100.53
Fixed investment: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	120.40 121.37 99.20 99.20	131.11 99.23	120.53 121.55 99.16 99.16	124.43 125.55 99.11 99.11	127.26 128.30 99.19 99.19	129.28 130.37 99.17 99.17	131.46 132.54 99.19 99.19	132.42 133.24 99.38 99.38	Government consumption expenditures and gross investment: Current dollars	104.10	107.98	108.21 104.46	109.34 105.20	111.76 106.52	106.86	115.14 108.06	110.47
Nonresidential: Current dollarsChain-type quantity index Chain-type price index Implicit price deflator	121.33 124.80 97.22 97.22		120.87 124.56 97.03 97.04	124.67 129.06 96.60 96.60	96.38	128.46 133.74 96.04 96.05	131.37 137.23 95.72 95.73	132.22 138.09 95.74 95.75	Chain-type price index Implicit price deflator	103.34 103.34 101.33 98.97	106.14 106.15 107.32 101.73	103.60 103.59 101.52 99.14	103.94 103.94 102.84 100.08	104.93 104.92 104.85 99.97	105.69 105.68 105.64 100.49	106.56 106.55 107.20 101.52	107.40 107.40 111.59 104.95
Structures: Current dollars Chain-type quantity	121.25	121.21	120.78	123.56	122.12	121.12	120.94	120.67	Chain-type price index Implicit price deflator	102.38 102.39	105.49 105.49	102.41 102.41	102.76 102.75	104.89 104.89	105.13 105.12	105.60	106.33 106.33
index Chain-type price index Implicit price deflator	112.93 107.37 107.37		112.05 107.79 107.79	113.64 108.73 108.73	111.96 109.07 109.07	110.44 109.67 109.67	109.37 110.58 110.58	108.17 111.56 111.56	National defense: Current dollarsChain-type quantity index Chain-type price index	97.65 95.71 102.03	102.09 97.40 104.80	99.34 97.33 102.07	98.85 96.61 102.32	99.66 95.64 104.21	99.25 95.01 104.47	102.36 97.56 104.93	107.08 101.41 105.60
Equipment and software: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	121.36 129.09 94.01 94.01		120.90 129.09 93.64 93.66	125.05 134.70 92.81 92.83	138.74 92.44	130.90 142.47 91.86 91.88	134.85 147.77 91.24 91.25	149.46	Implicit price deflator Nondefense: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	102.03 108.87 105.63 103.07 103.07	104.81 118.03 110.54 106.77 106.77	102.07 105.98 102.85 103.05 103.04	102.32 110.99 107.16 103.59 103.58	104.20 115.48 108.77 106.18 106.17	104.46 118.72 111.62 106.37 106.36	104.92 117.10 109.59 106.85 106.85	105.60 120.82 112.19 107.69 107.69
Residential: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator		131.28 120.00 109.44 109.40	113.07 105.76	123.71 115.74 106.93 106.89	128.76 119.30 107.97 107.93	131.66 120.91 108.93 108.89		120.06 110.81	State and local: Current dollars	111.31 107.14 103.89 103.89	118.97 111.68 106.53 106.54	112.20 107.61 104.27 104.27	113.22 108.23 104.62 104.61	115.88 110.39 104.98 104.97	110.64 106.02	119.88 111.93 107.11 107.10	113.74 108.01

Note.—Chain-type quantity and price indexes are calculated from weighted averages of the detailed output and prices used to prepare each aggregate and component. Implicit price deflators are weighted averages of the detailed price indexes used to prepare each aggregate and component and are calculated as the ratio of current- to chained-

dollar output multiplied by 100.

Percent changes from preceding period for items in this table are shown in table 8.1. Contributions to the percent change in real gross domestic product are shown in table 8.2.

Table 7.2.-Quantity and Price Indexes for Gross Domestic Product, Final Sales, and Purchases

[Index numbers, 1996=100]

	IIIdox	Humber	5, 1330-	100]				
				S	easonally	/ adjuste	ed	
	1998	1999	19	98		19	99	
			==	IV	_	=	III	IV
Gross domestic product: Current dollars Chain-type price index Implicit price deflator	112.12 109.00 102.86 102.86	118.45 113.49 104.31 104.37	112.60 109.25 103.06 103.07	114.52 110.83 103.28 103.33	116.12 111.84 103.79 103.83	117.06 112.36 104.13 104.19	113.92 104.41	121.61 115.84 104.93 104.98
Final sales of domestic product: Current dollars	111.63 108.46 102.93 102.93	118.32 113.31 104.43 104.43	112.09 108.69 103.13 103.13	114.04 110.34 103.36 103.35	115.91 111.59 103.88 103.87	117.29 112.52 104.24 104.23	113.78 104.54	121.17 115.33 105.07 105.06
Gross domestic purchases: Current dollars Chain-type quantity index Implicit price deflator	112.75 110.39 102.14 102.14	120.35 116.05 103.65 103.71	113.43 110.91 102.26 102.28	112.39 102.51	113.99 102.92	118.85 114.88 103.40 103.46	116.64 103.85	118.67 104.44
Final sales to domestic purchasers: Current dollars	112.27 109.86 102.20 102.20	120.23 115.88 103.76 103.76	112.93 110.36 102.33 102.33	114.80 111.92 102.58 102.57	117.16 113.75 103.00 103.00	119.08 115.06 103.50 103.50	116.52 103.96	
Addenda: Final sales of computers ¹: Current dollars	117.75 223.72 52.63 52.63	125.03 321.94 38.34 38.84	119.86 239.90 49.13 49.96	119.78 262.98 44.74 45.55	117.92 281.68 41.13 41.86	123.76 308.67 39.39 40.10	130.61 343.43 37.36 38.03	127.83 353.98 35.48 36.11
Current dollars	112.06 108.17 103.60 103.60		112.53 108.33 103.86 103.88			116.99 111.15 105.21 105.26		121.55 114.46 106.14 106.19
computers: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator Chain-type price indexes for	112.61 109.35 102.98 102.98	120.13 114.41 104.94 105.00	113.28 109.79 103.18 103.19	115.11 111.11 103.56 103.60	117.20 112.56 104.08 104.12	118.62 113.29 104.65 104.71	114.90	123.78 116.87 105.86 105.91
gross domestic purchases: Food Energy goods and services	103.71 92.35	105.73 95.85	103.88 91.46	104.55 89.82	105.11 89.11	105.37 94.67	105.92 98.32	106.51 101.30
Gross domestic purchases less food and energy	102.40	103.78	102.56	102.84	103.28	103.58	103.88	104.37

^{1.} For some components of final sales of computers, includes computer parts.

Table 7.3.-Quantity and Price Indexes for Gross National Product and Command-Basis Gross National Product

[Index numbers, 1996=100]

Gross national product: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	111.73 108.62 102.87 102.87	 112.02 108.68 103.06 103.07		111.39 103.79	111.91 104.14	118.53 113.46 104.41 104.47	
Less: Exports of goods and services and income receipts from the rest of the world: Chain-type quantity index	114.86	 112.79	116.46	115.39	117.27	120.70	
Plus: Command-basis exports of goods and services and income receipts from the rest of the world: Chain-type quantity index	119.68	 117.92	121.53	121.01	121.93	124.29	
Equals: Command-basis gross national product: Chain-type quantity index	109.31	 109.41	111.08	112.20	112.58	113.98	

NOTE.-Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 7.4.—Chain-Type Quantity and Price Indexes for Personal Consumption Expenditures by Major Type of Product

[Index numbers, 1996=100]

	[Index	numbers	s, 1996=	100]				
				Se	easonally	/ adjuste	d	
	1998	1999	19	98		19	99	
			III	IV	I	II	III	IV
			Chain	-type qu	antity ind	dexes		
Personal consumption								
expenditures	108.80			110.66				
Durable goods	118.66	132.31	118.62	124.26	127.95	130.76		137.33
Motor vehicles and parts Furniture and household equipment	113.87	124.16 144.32	111.87	119.94 131.96	121.09	123.77 141.65	124.68 146.06	127.11 151.66
Other	115.78	127.59	116.54	118.84	123.99	125.44		133.07
Nondurable goods	107.07	112.82	107.49	108.80	111.15	112.05		115.03
Food Clothing and shoes Gasoline, fuel oil, and other	104.40 113.00	108.38 122.90	104.71 113.01	106.29 114.33	106.82 121.72	107.46 122.52	108.15 124.38	111.11 122.97
energy goods Gasoline and oil Fuel oil and coal	101.70 102.83 92.82	103.09 103.11 102.81	102.44 103.48 94.28	101.57 102.87 91.44	102.28 102.34 101.69	102.67 105.38	103.25 104.76	104.17 99.43
Other	110.47	118.56	111.31	112.72 109 03	116.12	117.65	118.90	121.57 113 98
Household operation Electricity and gas Other household operation	104.28 108.53 100.69 113.87	106.92 113.36 102.80 120.48	108.62 104.59 111.48 106.12 115.19	109.03 105.10 108.88 97.61 116.46	105.93 111.57 101.84 118.16	120.10	114.85 105.17 121.39	101.46 122.28
Transportation Medical care Recreation Other Addenda:	109.34 104.91 109.27 113.54	112.51 107.68 119.44 120.12	109.54 105.15 110.05 114.87	110.23 105.86 111.36 115.75	111.01 106.28 114.29 116.98	107.06 117.77	108.16 121.63	109.21 124.08
Energy goods and services ¹ Personal consumption expenditures less food and	101.23	102.99	104.35	99.57	102.09	102.88	104.30	102.69
energy	110.11	116.46	110.64	112.16	114.12	115.70	117.20	118.81
		ı	Cha	in-type p	orice inde	exes		
Personal consumption	402 62	404 27	402.70	402.00	402.44	404.04	404 40	105 12
expenditures Durable goods	102.63 95.45	104.27 93.00	102.78 95.29	103.08 94.34	103.44 93.67	104.01 93.22	104.49 92.75	105.13 92.35
Motor vehicles and parts	99.10	99.31	99.60	99.03	98.86	98.93	99.54	99.93
Furniture and household equipmentOther	90.35 98.27	84.96 96.68	89.61 97.97	88.01 97.66	86.84 97.02	85.56 97.31	84.33 96.29	83.10 96.11
Nondurable goods	101.40	103.76	101.46	101.78	102.19			105.18
FoodClothing and shoes	104.01 98.00	106.14 96.38	104.21 98.07	104.83 97.83	105.47 95.89	105.79 96.82	106.35 95.79	106.95 97.02
Gasoline, fuel oil, and other energy goods	88.80 88.46 91.65 102.85	95.99 96.40 92.94 106.89	87.44 87.03 90.99 103.11	85.19 84.82 88.34 104.07	84.06 83.79 86.26 106.17	94.71 95.44 89.13 106.52	100.84 94.22	
Services	104.78	106.98	105.04	105.60	106.19	106.63	107.19	107.92
Housing Household operation Electricity and gas Other household operation Transportation Medical care Recreation Other	106.24 100.74 98.83 101.90 104.71 104.67 105.87 104.88	109.26 100.72 98.46 102.12 105.81 107.34 107.96 107.07	106.66 100.66 98.49 101.99 104.94 104.98 106.06 105.08	107.68 100.55 97.78 102.24 104.91 105.61 106.28 105.69	108.22 100.61 97.85 102.30 105.27 106.58 106.74 106.23	109.02 100.42 97.87 101.99 105.88 107.00 107.12 106.58	100.67 98.82 101.82	110.25 101.20 99.29 102.39 106.25 108.14 109.47 108.27
Addenda: Energy goods and services ¹ Personal consumption expenditures less food and	93.57	97.13	92.71	91.19	90.63	96.19	99.43	102.28
energy	102.93	104.37	103.13	103.47	103.84	104.17	104.47	105.01

^{1.} Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.

NOTE.-Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 7.6.-Chain-Type Quantity and Price Indexes for Private Fixed Investment by Type

[Index numbers, 1996=100]

	Įaa		,	,				
				Se	easonally	/ adjuste	d	
	1998	1999	19	98		19	99	
			III	IV	_	Ш	III	IV
			Chain	-type qu	antity in	dexes		
Private fixed								
investment	121.37	131.11	121.55	125.55	128.30	130.37	132.54	133.2
Nonresidential	124.80	135.14	124.56	129.06	131.49	133.74	137.23	138.09
Structures Nonresidential buildings,	112.93	109.99	112.05	113.64	111.96	110.44	109.37	108.17
including farm Utilities Mining exploration, shafts,	114.18 105.31	111.58 105.47	113.94 105.09	115.95 107.38	115.42 105.81	112.07 105.42	109.64 106.80	109.1 103.8
and wellsOther structures	120.22 100.28	109.02 103.71	114.94 95.89	111.86 100.09	102.30 96.84	106.95 115.18	115.42 102.12	111.4 100.7
Equipment and software	129.09	144.61	129.09	134.70	138.74	142.47	147.77	149.40
Information processing equipment and software Computers and	145.69	177.18	148.79	156.14	163.75	174.39	183.12	187.4
peripheral equipment 1	217.67	311.14	226.43	251.60	272.99	300.52	329.49	341.5
Software 2	135.81	156.66	138.65	144.82	148.87	154.54	159.80	163.4
OtherIndustrial equipment	121.33 108.56	139.88 109.25	122.28 108.99	124.40 109.09	130.09 106.30	138.89 107.42	144.05 109.95	146.49 113.3
Transportation equipment	126.19	141.63	118.22	133.75	137.34	137.90	146.87	144.4
Other	118.33	118.43	120.78	117.17	122.50	119.19	116.34	115.6
Residential	111.78	120.00	113.07	115.74	119.30	120.91	119.75	120.0
Structures	111.84	120.03	113.14	115.84	119.38	120.96	119.74	120.0
Single family	113.32	122.42	115.64	118.98	123.05	123.02	120.48	123.1
Multifamily Other structures	107.06	113.09 118.18	104.36 111.50	103.85 113.93	114.69 115.49	112.78 119.77	112.55 120.05	112.3 117.4
Equipment	109.41	119.02	109.96	111.47	115.80	118.66	120.45	121.1
			Cha	in-type p	orice inde	exes		
Private fixed								
investment	99.20	99.23	99.16	99.11	99.19	99.17	99.19	99.3
lonresidential	97.22	95.97	97.03	96.60	96.38	96.04	95.72	95.7
Structures Nonresidential buildings,	107.37	110.22	107.79	108.73	109.07	109.67	110.58	111.50
including farm Utilities Mining exploration, shafts,	106.72 103.31	110.87 103.38	107.23 103.49	108.50 103.52	109.35 102.85	110.29 102.89	111.43 103.53	112.4 104.2
and wells	118.51	115.83	118.70	118.75	116.65	115.19	114.93	116.5
Other structures	105.26	106.97	105.54	105.81	106.01	106.89	107.32	107.6
Equipment and software Information processing equipment and software	94.01 85.26	91.64 79.78	93.64 84.35	92.81 82.31	92.44 81.17	91.86 80.08	91.24 79.15	91.0 : 78.7
Computers and								
peripheral equipment ¹ Software ²	57.38 95.54	44.04 96.06	54.92 95.63	50.22 95.20	47.23 95.64	44.82 95.66	42.73 95.92	41.3 97.0
Other	98.50	97.54	98.31	98.10	97.94	97.71	97.43	97.1
Industrial equipment	101.37	102.04	101.48		101.94	101.87		
Transportation equipment Other	100.38	100.74 103.59	100.41 102.64	100.65 103.25	101.20 103.66	101.05 103.80	100.43 103.55	100.2 103.3
Residential	105.30	109.44	105.76	106.93	107.97	108.93	110.04	110.8
Structures	105.45	109.72	105.91	107.12	108.20	109.20	110.34	111.1
Single family	105.45	109.72	105.45	107.12	108.20	109.20	110.34	111.2
Multifamily	112.40	120.66	113.61	117.59	118.92	119.98	121.40	122.3
			405 04		100 11		100 20	100.0
Other structures Equipment	104.80	107.85	105.21	105.82	106.44	107.48	108.39	109.0

Table 7.9.-Chain-Type Quantity and Price Indexes for Exports and Imports of Goods and Services and for Receipts and Payments of Income

[Index numbers, 1996=100] Seasonally adjusted 1998 1999 1998 1999 IV Chain-type quantity indexes 115.21 119.39 117.92 123.20 Exports of goods and services 113.60 116.27 117.41 120.66 121.54 Goods 1 116.89 115.14 120.35 117.46 123,43 126.56 oods ¹ Durable 118.71 121.78 127.43 120.35 125.52 122.89 123.99 130.01 132.85 Nondurable 106.40 108.85 103.92 109.25 105.78 107.39 109.25 112.98 Services 1 111.19 114.34 109.93 112.22 113.35 114.24 114.26 115.51 Income receipts 113.69 110.06 111.58 112.41 116.72 120.75 Imports of goods and services 126.89 141.88 127.81 131.14 135.07 139.69 144.63 148.13 127.62 131.30 Goods 1 oods ¹ Durable 143.78 128.40 132.33 136.33 141.34 147.08 150.38 150.74 131.40 147.66 137.58 141.30 159.24 154.76 Nondurable 120.56 130.38 122.71 122.15 126.71 129.07 132.27 133.48 Services 1 123.21 132.56 124.75 125.24 128.81 131.58 132.74 137.13 Income payments 127.28 130.05 128.07 127.79 132.36 137.07 Chain-type price indexes Exports of goods and services 95.95 95.56 95.57 95.25 95.13 95.30 95.61 96.21 Goods 1 94.25 92.96 93.70 93.15 92.83 92.69 92.85 93.47 94.14 Durable 94.88 93.70 94.46 93.91 93.68 93.78 Nondurable 92 71 91.16 91.85 90.72 90 16 90.26 91.47 92 74 Services 1 100.24 102.13 100.27 100.55 100.94 101.88 102.56 103.13 Income receipts 102.20 102.26 102.49 102.80 103.31 103.77 91.31 90.55 90.48 89.81 90.96 92.35 93.39 Imports of goods and services 91.63 90.19 90.16 89.30 89.03 88.38 89.46 90.75 92.04 Goods Durable 90.85 89.05 89.09 88.64 90.17 89.86 89.76 88.73 87.43 87.24 Nondurable 88.74 92.68 85.40 90.29 95.29 Services 1 97.29 99.49 97.21 98.26 97.43 99.03 100.95 100.55

102.08

102.25

102.58

103.09

103.64

101.95

Income payments

Includes new computers and peripheral equipment only.
 Excludes software "embedded," or bundled, in computers and other equipment.

^{1.} Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods

Table 7.10.-Chain-Type Quantity and Price Indexes for Exports and Imports of Goods and Services by Type of Product [Index numbers, 1996=100]

							[Ind	lex numbe	ers, 1996=100]								
				Se	easonally	/ adjuste	ed						Se	easonally	/ adjuste	d	
	1998	1999	19	98		19	99			1998	1999	19	98		19	99	
			III	IV	I	Ш	III	IV				III	IV	I	II	III	IV
			Chair	ı-type qu	antity ind	dexes						Chai	in-type p	rice inde	exes		
Exports of goods and services	115.21	119.39	113.60	117.92	116.27	117.41	120.66	123.20	Exports of goods and services	95.95	95.56	95.57	95.25	95.13	95.30	95.61	96.21
Exports of goods 1	116.89	121.54	115.14	120.35	117.46	118.71	123.43	126.56	Exports of goods 1	94.25	92.96	93.70	93.15	92.83	92.69	92.85	93.47
Foods, feeds, and beverages Industrial supplies and materials	99.28		92.48 105.65		95.32	100.96 106.44		105.71	Foods, feeds, and beverages Industrial supplies and materials	84.15 94.22	80.32 92.75	83.37 93.18	82.24 91.71	81.65 90.83	80.77 91.24	79.75 93.44	79.10 95.47
Durable goods	110.83	114.21	107.96	110.58	109.69	111.86	114.26	121.03	Durable goods	95.02	92.55	94.44	93.34	92.48	92.12	92.38	93.19
Nondurable goods Capital goods, except automotive		105.10 134.88	104.34					111.16 140.64	Nondurable goods Capital goods, except automotive	93.75 92.50	92.91	92.43 91.97	90.75 91.69	89.85 91.50		94.13	96.92 90.94
Civilian aircraft, engines,	120.12	134.00							Civilian aircraft, engines,	92.00	91.00	31.31	91.09	91.50	31.20		
and partsComputers, peripherals, and	165.96				172.66			163.37	and parts Computers, peripherals, and	104.79		104.66	105.40	106.49		107.05	107.89
parts Other		155.48 125.77		118.78	119.41	121.66	129.76	161.88 132.23	parts Other	75.58 94.64	68.57 93.93	73.31 94.51	72.08 94.23	70.39 94.14		67.48 93.65	67.27 93.94
Automotive vehicles, engines,									Automotive vehicles, engines,								404.00
and parts Consumer goods, except	111.45	113.25	103.92	113.6/	1∪8.4/	113.83	115.03	115.66	and parts Consumer goods, except	100.96	101.56	101.00	101.11	101.31	101.39	101.57	101.99
automotive		114.76		112.43					automotive	100.76					100.34	100.39	100.66
Durable goods Nondurable goods		115.81 113.68	114.83 113.09	112.41 112.46	110.56 115.96	113.26 111.86	116.04 113.08	123.40 113.81	Durable goods Nondurable goods	100.69 100.83	100.11 100.76	100.51 100.72	100.39 100.69	99.95 100.73	100.03 100.65	100.21 100.57	100.26 101.08
Other		139.74			140.12				Other	96.68	95.50	96.32	95.63	95.55		95.22	96.21
Exports of services 1	111.19	114.34	109.93	112.22	113.35	114.24	114.26	115.51	Exports of services 1	100.24	102.13	100.27	100.55	100.94	101.88	102.56	103.13
Transfers under U.S. military									Transfers under U.S. military								
agency sales contracts		109.66						102.05	agency sales contracts	95.37	100.33	94.94	93.74	100.12		100.03	101.47
Travel Passenger fares		101.50 100.18	95.52 105.40	99.62 96.03	96.73	101.21 101.54	100.54 100.83	102.95 101.60	Travel Passenger fares	102.71 95.46	103.81 102.88	102.96 93.93	103.26 98.82	102.66 101.18	104.11 101.12	104.15 103.62	104.31 105.58
Other transportation	101.08	106.63	100.22	104.98	106.14	106.11	106.32	107.96	Other transportation	96.83	97.90	97.02	96.07	93.96	97.08	99.63	100.94
Royalties and license fees Other private services		111.34 134.15	108.62 127.51	118.76 127.16		111.88	110.82	110.93 137.58	Royalties and license fees Other private services	102.35 100.84	103.71 101.91	102.41 100.85	102.63 100.96	102.95 101.41	103.46 102.00	103.92 102.09	104.51 102.14
Other		119.66						120.10	Other	99.16		100.03	99.49		102.60	102.03	103.68
Imports of goods and									Imports of goods and								
services	126.89	141.88	127.81	131.14	135.07	139.69	144.63	148.13	services	91.31	91.63	90.55	90.48	89.81	90.96	92.35	93.39
Imports of goods 1	127.62	143.78	128.40					150.38	Imports of goods 1	90.19	90.16	89.30	89.03	88.38	89.46	90.75	92.04
Foods, feeds, and beverages Industrial supplies and materials, except petroleum		129.22		119.84					Foods, feeds, and beverages Industrial supplies and materials, except petroleum	97.73	94.53	96.73	97.12	95.37	95.05	93.59	94.12
and products Durable goods		125.52 128.77		120.69	120.73 124.75			130.91	and products Durable goods	94.96 97.00	94.44 97.17	94.09 96.26	92.83 94.37	92.62 95.19	93.07 96.35	95.33 98.56	96.75 98.57
Nondurable goods	115.85	122.10	117.66	114.99	116.46	118.80	125.34	127.82	Nondurable goods	92.88	91.60	91.87	91.31	89.96	89.63	91.95	94.85
Petroleum and products Capital goods, except	111.97	111.84	116.69	108.87	110.75	117.22	113.66	105.73	Petroleum and products	62.50	83.41	58.70	57.85	52.60	74.68	94.71	111.66
automotive	143.96	166.04	144.82	148.92	152.37	162.45	171.02	178.34	Capital goods, except automotive	82.10	78.43	81.17	80.71	80.29	78.73	77.47	77.22
Civilian aircraft, engines,									Civilian aircraft, engines,								
and parts Computers, peripherals, and parts		171.64 213.23		179.71 179.65				174.34 226.53	and parts Computers, peripherals, and parts	71.55	107.53 62.12	105.30 70.25	106.40 67.47	107.27 65.78		107.50 60.20	107.97 59.86
Other		149.12		134.69	137.60	144.91	152.05	161.92	Other	84.81	83.69	83.98	84.55	84.69		83.22	82.95
Automotive vehicles, engines,	115 24	138.13	111 02	12/162	132 17	13/ /7	1/12 70	1/3 00	Automotive vehicles, engines,	100.24	101.02	90.00	100.34	100 74	100.07	101 14	101 26
and parts Consumer goods, except	113.21	130.13	111.93	124.02	132.17	134.47	142.13	143.03	and parts Consumer goods, except	100.34	101.02	33.30	100.34	100.71	100.97	101.14	101.20
automotive		144.02	131.06		136.97				automotive	97.47	96.78	97.09	97.26	97.24	96.68	96.57	96.61
Durable goods Nondurable goods		145.79 142.22	131.19 130.95	133.96 130.13			149.96 142.34	154.93 150.95	Durable goods Nondurable goods	95.23 99.92	94.08 99.73	94.61 99.81	94.74 100.03	94.65 100.08	94.03 99.58	93.84 99.57	93.80 99.70
Other	132.40							164.88	Other	99.93	99.26	100.41	100.67	99.42		99.19	99.44
Imports of services 1	123.21	132.56	124.75	125.24	128.81	131.58	132.74	137.13	Imports of services 1	97.29	99.49	97.21	98.26	97.43	99.03	100.95	100.55
Direct defense expenditures	130.92	149.84	132.50	131.12	139.93	146.68	154.12	158.62	Direct defense expenditures	88.93	90.58	89.69	94.25	90.83	89.04	90.81	91.66
Travel		131.92	123.56	121.19	129.99			135.71	Travel	95.60	95.99	94.80	97.08	95.09		97.09	96.81
Passenger fares Other transportation		123.06 116.79	119.48 116.09		119.81 116.61	122.05 115.04		127.56 118.41	Passenger fares Other transportation	107.24 96.04	110.05 107.28	107.62 96.83	107.67 97.28	107.93 96.73	110.15 105.21	112.33 112.60	109.79 114.60
Royalties and license fees		154.28	135.62	145.36	157.46			154.03	Royalties and license fees	102.33	103.69	102.39	102.62		103.45	103.90	104.49
Other private services	129.29	143.09	132.34	134.19	134.16	141.03	145.81	151.37	Other private services	97.09	96.28	96.79	96.33	96.82	97.45	96.31	94.55
Other	109.95	113.58	113.24	111.88	110.33	113.36	114.8/	115.75	Other	100.40	102.01	100.72	101.75	100.81	101.67	102.80	102.77
Addenda: Exports of agricultural									Addenda: Exports of agricultural								
goods 2	101.87	102.88	95.45	107.80	95.70	101.92	108.29	105.63	goods 2	84.79	78.58	83.82	81.98	80.42	78.24	77.72	77.92
Exports of nonagricultural									Exports of nonagricultural								04.07
goods Imports of nonpetroleum	118.50	123.51	117.20	121./3	119./1	120.50	125.08	128.74	goods Imports of nonpetroleum	95.19	94.35	94.68	94.24	94.04	94.09	94.31	94.97
goods	129.07	146.54	129.60	134.28	138.42	143.34	149.93	154.47	goods	92.63	91.02	92.01	91.79	91.50	90.90	90.74	90.92

NOTE.-See footnotes to table 4.3.

Table 7.11.-Chain-Type Quantity and Price Indexes for Government Consumption Expenditures and Gross Investment by Type [Index numbers, 1996=100]

							[Ind	ex numbe	rs, 1996=100]								
				Se	easonally	/ adjuste	d						Se	easonally	adjuste	d	
	1998	1999	19	98		19	99			1998	1999	19	98		199	99	
			Ш	IV	Ι	Ш	III	IV				III	IV	_	II	III	IV
			Chair	n-type qu	antity in	dexes						Cha	in-type p	rice inde	exes		
Government consumption expenditures and gross investment ¹	104 10	107.98	104.46	105.20	106 52	106.86	108.06	110.47	Government consumption expenditures and gross investment ¹	103.34	106.14	103 60	103.94	104.93	105.69	106.56	107.40
Federal	98.97	101.73	99.14		99.97	100.49	101.52		Federal	102.38	105.49	102.41	102.76	104.89	105.13	105.60	106.33
National defense Consumption expenditures	95.71 96.37	97.40 97.02	97.33 97.11	96.61 97.08	95.64 95.74	95.01 94.23	97.56 97.25	101.41 100.86	National defense Consumption expenditures	102.03 102.91	104.80 105.92	102.07 103.01	102.32 103.37	104.21 105.20	104.47 105.58	104.93 106.13	105.60 106.77
Durable goods ² Nondurable goods	100.91	103.46 116.58	104.97 116.43		98.12 100.24	101.75 110.36	135.75	105.73 119.99	Durable goods 2	99.18 86.89	98.74 90.97	98.90 85.49	99.22 85.18	98.93 82.52	98.67 87.76	98.51 93.93	98.84 99.68
Services Compensation of general government employees, except own-account	95.81	96.08	96.06	96.42	95.43	93.30	95.53	100.07	Services Compensation of general government employees, except own-account	103.66	106.89	103.84	104.23	106.36	106.64	107.05	107.52
investment 3 Consumption of general government	93.39	90.91	93.43	92.14	91.26	90.90	91.09	90.39	investment 3	105.37	109.96	105.45	105.95	109.71	109.86	109.98	110.27
fixed capital ⁴ Other services	98.66 97.75	98.65 102.98	98.56 98.63		98.49 100.23	98.55 93.28	98.71 100.69	98.87 117.72	fixed capital 4 Other services	99.17 104.45	100.59 107.03	99.06 105.04	99.15 105.48	100.29 105.87	100.30 106.55	100.76 107.40	101.01 108.30
Gross investment	92.11 76.17	99.98 71.85	98.93 82.14	94.12	95.33 74.25	99.91 72.51	99.70 69.89	104.97 70.75	Gross investment Structures	96.83 105.89	98.29 109.67	96.55 106.33	96.20 107.46	98.38 108.05	98.02 109.26	97.94 110.36	98.82 110.99
Equipment and software	94.46	104.23	101.39	97.58	98.47	104.04	104.22	110.17	Equipment and software	95.68	96.89	95.31	94.80	97.15	96.64	96.44	97.34
Nondefense Consumption expenditures Durable goods 2	105.63 103.11	110.54 105.78	102.85 99.98		108.77 105.49	111.62 106.43	109.59 104.86	112.19 106.34	Nondefense Consumption expenditures Durable goods 2	103.07 104.24	106.77 108.51	103.05 104.26	103.59 104.97	106.18 107.76	106.37 108.10	106.85 108.72	107.69 109.46
Nondurable goods Commodity Credit Corporation									Nondurable goods Commodity Credit Corporation								
inventory change Other nondurables Services	127.04 102.50	131.85 103.24		127.94 102.68	129.38 103.03		132.58 102.25	132.39 103.72	inventory change Other nondurables Services	99.36 104.58	102.50 109.14	99.55 104.71	99.06 105.32	100.04 108.46	101.49 108.76	103.65 109.33	104.82 110.01
Compensation of general government employees, except own-account									Compensation of general government employees, except own-account								
investment 3 Consumption of general government	100.54	101.16	100.45	102.20	102.34	101.12	100.03	101.14	investment 3 Consumption of general government	106.62	113.83	107.01	107.88	112.96	113.41	114.28	114.67
fixed capital 4 Other services	118.15 99.51	128.91 96.50		122.07 95.33	124.79 95.13	127.46 99.61	130.29 94.84	133.09 96.44	fixed capital 4 Other services	98.20 103.89	99.30 105.13	98.10 103.62	98.02 104.11	99.11 104.56	98.92 104.84	98.99 105.11	100.19 106.03
Gross investment	117.50 94.86	133.33 93.07	116.39 98.35	120.29	124.27 97.52	136.51 89.07	132.22 93.48	140.33 92.24	Gross investment	97.97 106.48	99.50 109.17	97.81 106.74	97.68 107.54	99.47 107.99	99.13 108.69	99.10 109.53	100.29 110.48
Equipment and software	130.18	156.73	126.26	133.70	139.46	164.30	154.65	168.51	Equipment and software	94.30	95.42	93.98	93.47	95.77	95.09	94.78	96.04
State and local Consumption expenditures Durable goods ² Nondurable goods Services	107.14 106.69 116.86 114.37 105.56	125.34 121.83	107.06 117.89 115.32	107.87	108.79 122.01 118.95	124.20 120.85	110.79 126.43	111.74 128.71 124.74	State and local Consumption expenditures Durable goods 2 Nondurable goods Services	103.89 104.18 99.18 94.44 105.57	106.53 107.02 98.82 97.86 108.39	104.27 104.63 99.18 94.23 106.12	99.06 92.72	104.98 105.32 98.94 92.31 107.19	106.02 106.42 98.78 96.39 107.91	107.11 107.66 98.62 100.43 108.78	108.01 108.67 98.92 102.33 109.68
Compensation of general government employees, except own-account									Compensation of general government employees, except own-account								
investment ³ Consumption of general government fixed				103.38					investment ³ Consumption of general government fixed				107.49			109.80	
capital ⁴ Other services	157.71	178.25	161.61	111.97 165.82	170.62	175.92	180.03	186.45	capital ⁴	103.11	104.18	103.80	101.86 103.45	102.16	103.48	102.99 104.71	106.38
Gross investment Structures Equipment and software	109.14 104.06	118.00 111.42	110.06 104.71	109.80 103.34 130.68	117.60 112.51	114.64 107.81	117.02 109.47	122.75 115.91	Gross investment Structures Equipment and software	102.64 106.09 93.19	104.43 109.59 90.88	102.74 106.41 92.77	103.36 107.54 92.14	103.49 108.02 91.44	104.28 109.33 90.97	104.75 110.21 90.49	
Addenda:									Addenda:								
Compensation of general government employees 3 Federal	96.00	94.69	96.03		95.36	94.70	102.26 94.43	94.29	Compensation of general government employees 3 Federal	106.16 105.84	109.94 111.45	106.65 106.04	107.27 106.68	108.93 110.97	109.50 111.23	110.29 111.64	111.05 111.97
State and local	102.84	104.92	102.95	103.41	104.01	104.54	105.29	105.83	State and local	106.28	109.40	106.87	107.49	108.21	108.89	109.80	110.72

Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.
 Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries by the Federal Government.
 Compensation of government employees engaged in new own-account investment and related expenditures

for goods and services are classified as investment in structures and in software. The compensation of all general

overmment employees is shown in the addenda.

4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

Table 7.14.-Chain-Type Quantity and Price Indexes for Gross Domestic **Product by Sector**

[Index numbers, 1996=100]

	lilinex	Hulliber	5, 1996=	100]				
				Se	easonally	adjuste	d	
	1998	1999	19	98		19	99	
			III	IV	I	Ш	III	IV
			Chain	-type qu	antity in	dexes		
Gross domestic product	109.00	113.49	109.25	110.83	111.84	112.36	113.92	115.84
Business 1	110.18	115.22	110.45	112.26	113.38	113.93	115.68	117.88
Nonfarm ² Nonfarm less housing Housing Farm	110.18 111.02 102.71 109.03	115.29 116.34 105.93 107.98	110.46 111.28 103.08 108.92	112.27 113.26 103.52 109.88	113.42 114.40 104.67 108.64	113.96 114.93 105.34 110.22	115.80 116.86 106.43 103.87	117.97 119.17 107.28 109.19
Households and institutions	105.87	107.96	106.04	106.51	107.07	107.52	108.22	109.05
Private households Nonprofit institutions	110.60 105.70	121.93 107.46	112.54 105.81	118.59 106.08	121.19 106.56	121.56 107.02	122.36 107.71	122.61 108.57
General government ³	101.78	103.35	101.92	102.30	102.71	103.03	103.59	104.07
FederalState and local	97.89 103.61	97.54 106.08	97.97 103.77	97.98 104.33	97.77 105.03	97.44 105.66	97.43 106.49	97.51 107.15
			Cha	in-type p	rice inde	exes		
Gross domestic product	102.86	104.31	103.06	103.28	103.79	104.13	104.41	104.93
Business 1	102.48	103.56	102.62	102.77	103.12	103.42	103.61	104.09
Nonfarm ² Nonfarm less housing Housing Farm	102.81 102.47 106.09 79.75	103.93 103.36 109.40 78.23	102.97 102.59 106.58 78.74	103.01 102.50 107.92 86.63	103.41 102.87 108.53 83.92	103.79 103.23 109.16 77.93	103.99 103.41 109.59 76.99	104.52 103.91 110.34 74.07
Households and institutions \dots	104.49	108.50	105.08	105.98	107.10	108.03	108.97	109.89
Private households Nonprofit institutions	105.45 104.46	108.55 108.50	105.89 105.05	106.64 105.95	107.31 107.10	108.25 108.02	108.80 108.98	109.84 109.89
General government ³	105.14	108.50	105.54	106.09	107.57	108.10	108.81	109.52
FederalState and local	103.87 105.72	108.23 108.64	103.98 106.25	104.45 106.84	107.81 107.49	107.98 108.17	108.37 109.02	108.76 109.87

Equals gross domestic product less gross product of households and institutions and of general government.
 Equals gross domestic business product less gross farm product.
 Equals compensation of general government employees plus general government consumption of fixed capital.

Table 7.15.-Price, Costs, and Profit Per Unit of Real Gross Product of **Nonfinancial Corporate Business**

[Dollars]

Price per unit of real gross product of nonfinancial corporate business 1	1.007	 1.008	1.008	1.009	1.012	1.012	
Compensation of employees (unit labor cost)	.643	 .644	.646	.647	.649	.650	
Unit nonlabor cost	.244 .109	 .243 .109	.245 .109	.243 .109	.244 .110	.246 .111	
Indirect business tax and nontax liability plus business transfer payments less subsidies Net interest	.109 .026	 .108 .026	.111 .025	.109 .025	.109 .025	.109	
Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production)	. 120 .032	 . 121 .032	.116 .030	.119 .032	.118 .033	.115 .033	
valuation and capital consumption adjustments	.088	 .089	.085	.087	.085	.082	

^{1.} The implicit price deflator for gross product of nonfinancial corporate business divided by 100.

Table 7.16.-Implicit Price Deflators for Private Inventories by Industry Group

[Index numbers, 1996=100]

	,,	.00]				
		Se	easonally	adjuste	d	
	19	98		199	99	
	III	IV	I	II	III	IV
Private inventories 1	96.30	95.64	95.59	96.37	97.56	98.15
Farm	88.38	85.84	90.74	90.14	88.98	89.54
Nonfarm Durable goods Nondurable goods	96.97 97.56 96.23	96.90				
Manufacturing Durable goods Nondurable goods	95.71 96.02 95.21	94.42 94.62 94.08			96.37 95.60 97.63	97.39 96.35 99.10
Wholesale	96.28 97.87 93.59	97.48	95.74	95.70 95.89 95.44		97.57 96.54 99.47
Merchant wholesalers Durable goods Nondurable goods Nonmerchant wholesalers Durable goods Nondurable goods	96.39 97.88 93.84 95.50 97.82 92.03	97.48 94.55 94.67 97.45		95.62 95.95 95.08 96.24 95.49 97.57	97.62	97.23 96.62 98.39 99.75 96.02 105.94
Retail trade Durable goods Motor vehicle dealers Other Nondurable goods	100.12 99.43 98.48 100.47 100.95	99.63 98.73 100.61	97.48 99.94	99.24 98.02 100.57	99.54 100.35	100.00 99.48
Other Durable goods Nondurable goods	94.61 101.69 94.07	100.62	94.60 101.40 94.09		100.06 102.41 99.87	100.13 102.84 99.91

^{1.} Implicit price deflators are as of the end of the quarter and are consistent with the inventory stocks shown in tables 5.12 and 5.13.

Table 7.17.-Chain-Type Quantity Indexes for Gross Domestic Product by Major Type of Product

[Index numbers, 1996=100]

				Se	easonally	y adjuste	d	
	1998	1999	19	98		19	99	
			III	IV	- 1	II	III	IV
Gross domestic product	109.00	113.49	109.25	110.83	111.84	112.36	113.92	115.84
Final sales of domestic product	108.46	113.31	108.69	110.34	111.59	112.52	113.78	115.33
Goods	112.85	118.92	112.62	115.79	116.63	116.77	119.45	122.81
Final sales Change in private inventories		118.51				117.33	119.17	121.49
Durable goods Final sales Change in private inventories	119.01	128.82	118.49	123.65	125.29			132.65
Nondurable goods Final sales Change in private inventories		110.70 110.18					110.78 110.29	
Services	106.17	109.70	106.69	107.25	108.08	109.07	110.25	111.41
Structures	110.14	114.13	110.67	112.03	114.79	113.99	113.42	114.31
Addenda: Motor vehicle output Gross domestic product less motor vehicle output		125.25 113.07		126.49 110.27				

Table 7.18B.-Chain-Type Quantity Indexes for Motor Vehicle Output

[Index numbers, 1996-100]

	[Index numbers, 1996-100]											
				Se	easonally	/ adjuste	ed					
	1998	1999	19	98		19	99					
	1998 1999 114.56 125.2 104.87 103.0 122.70 143.6 112.55 119.7 114.53 124.7 115.33 126.2 111.43 124.7 119.94 128.1 112.04 119.9 115.07 132.6 114.37 129.6 102.10 106.3 102.10 106.3 126.11 151.9 126.47 154.8 125.29 146.4 111.81 118.6 109.63 117.9 95.01 107.1 117.67 123.7 100.44 96.2 94.32 94.3 111.90 99.8 116.94 143.6 118.90 143.2 107.48 145.5		III	IV	-	П	III	IV				
Motor vehicle output Auto output Truck output ¹	104.87	125.25 103.02 143.66	110.92 104.55 116.25	126.49 116.65 134.74	119.36 99.19 136.08	121.80 101.00 139.04	129.10 102.88 150.78	130.74 109.02 148.74				
Final sales of domestic product	112.55	119.74	108.03	118.63	115.28	119.13	122.37	122.20				
Personal consumption expenditures New motor vehicles Autos Light trucks Net purchases of used autos	115.33 111.43 119.94	124.74 126.29 124.76 128.14 119.97	112.08 110.45 106.64 114.95 116.85	121.22 120.75 116.09 126.27 122.46	121.64 121.16 117.93 125.00 122.93	124.66 125.72 124.82 126.82 121.26	125.41 126.72 123.82 130.16 121.26	127.27 131.54 132.47 130.56 114.42				
Private fixed investment New motor vehicles Autos	115.07 114.37 102.10 126.11 126.47 125.29	132.69 129.68 106.36 151.96 154.88 146.45 118.64	109.39 108.79 94.31 122.66 119.31 128.60 106.58	124.22 121.64 105.49 137.11 136.20 138.57 112.09	126.04 123.88 102.09 144.69 145.83 142.43	129.17 127.75 107.97 146.67 148.90 142.44 122.60	140.75 137.06 111.31 161.64 168.43 149.17 123.47	134.81 130.05 104.05 154.84 156.37 151.76 112.58				
Gross government investment Autos New trucks	95.01	117.93 107.15 123.74	98.49 92.83 101.40	118.22 103.89 126.04	107.78 95.31 114.58	99.74 92.29 103.70	120.88 108.30 127.71	143.32 132.69 148.96				
Net exports Exports Autos Trucks Imports Autos Trucks Introduction Autos Trucks	100.44 94.32 111.90 116.94 118.90	96.23 94.32 99.88 143.66 143.27 145.51	89.29 85.02 97.31 112.78 114.01 106.86	99.04 99.75 97.92 127.05 129.71 114.27	92.12 90.26 95.69 138.59 139.67 133.39	100.78 102.60 97.65 139.34 136.13 154.67	93.62 89.63 101.02 147.87 148.38 145.45	98.41 94.78 105.17 148.83 148.89 148.54				
Change in private inventories Autos New Domestic Foreign												
New trucks Domestic Foreign												
Addenda: Final sales of motor vehicles to domestic purchasers Private fixed investment in new autos and new light trucks	114.56 112.00	127.43 126.04	110.65 104.46	122.21 117.95	122.79 119.83	125.48 124.57	130.86 134.48	130.57 125.27				
Domestic output of new autos ² Sales of imported new autos ³	98.16 129.63	100.82 149.12	99.05 121.33	106.06 139.71	98.93 136.53	99.28 146.46	103.95 148.58	101.10 164.89				

Except for exports and imports, consists of new trucks only.
 Consists of final sales and change in private inventories of new autos assembled in the United States.
 Consists of personal consumption expenditures, private fixed investment, and gross government investment.

8. Supplemental Tables_____

Table 8.1.-Percent Change From Preceding Period in Selected Series [Percent]

			Car	oonells:	adirat-	d 04 5	muel r-	[Per	Cent			Cos	noncil.	odivet-	d 0+ 0-	ייי ומוומי	
	4000	4000			adjuste		nnual ra	ites		4000	4000			adjuste		inual ra	tes
	1998	1999	19:			199		D./		1998	1999	199		. 1	199		
Gross domestic product:		5.0	III 5.4	IV 7.0	- I			IV 0.4	Chain-type price index	-5.9	0	-5.4	-1.2	-2.9	4.9	III 5.9	5.8
Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	5.5 4.3 1.2 1.2	4.1 1.4	5.4 3.8 1.4 1.5	7.0 5.9 .9 1.0	5.7 3.7 2.0 2.0	3.3 1.9 1.3 1.4	6.8 5.7 1.1 1.1	9.1 6.9 2.0 2.0	Implicit price deflator Imports of services: Current dollars	-5.9 8.4	10.0	-5.4 5.7	-1.2 6.0	-2.9 8.2	4.9 16.2	5.9 11.8	5.8
Personal consumption expenditures: Current dollars Chain-type quantity index	5.9	7.0	5.1 3.9	5.8	8.1 6.5	7.4 5.1	6.8 4.9	8.5 5.9	Chain-type quantity index Chain-type price index Implicit price deflator	10.8 -2.2 -2.2	7.6 2.3 2.3	6.4 6 6	1.6 4.4 4.4	11.9 -3.3 -3.3	8.9 6.7 6.7	3.6 8.0 7.9	13.9 -1.5 -1.5
Chain-type price index	4.9 .9 .9	1.6 1.6	1.2 1.2	4.6 1.2 1.2	1.4 1.4	2.2	1.8	2.5 2.5	Government consumption expenditures and gross investment: Current dollars	3.3	6.5	3.2	4.2	9.1	4.3	8.0	12.7
Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	8.6 11.3 –2.4 –2.4		1.8 4.1 -2.3 -2.3	15.7 20.4 -3.9 -3.9	9.3 12.4 -2.8 -2.8	7.0 9.1 –1.9 –1.9	5.6 7.7 –2.0 –2.0	11.0 13.0 –1.7 –1.7	Chain-type quantity index Chain-type price index Implicit price deflator Federal:	1.7 1.5 1.5	3.7 2.7 2.7	1.3 2.0 2.0	2.9 1.3 1.3	5.1 3.8 3.8	1.3 2.9 2.9	4.5 3.3 3.3	9.2 3.2 3.2
Nondurable goods: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	4.1 4.0 0	7.8	3.7 2.4 1.2 1.2	6.3 5.0 1.3 1.3	10.7 8.9 1.6 1.6	8.5 3.3 5.1 5.1	6.5 3.6 2.8 2.8	11.3 7.2 3.8 3.8	Current dollars Chain-type quantity index Chain-type price index Implicit price deflator National defense:	.2 9 1.1 1.1	5.9 2.8 3.0 3.0	-1.9 -2.3 .4 .4	5.3 3.9 1.4 1.4	8.1 5 8.6 8.6	3.0 2.1 .9 .9	6.0 4.1 1.8 1.8	17.4 14.2 2.8 2.8
Services: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	6.2 4.0 2.1 2.1	6.2	6.6 4.7 1.8 1.8	3.7 1.5 2.2 2.2	6.5 4.2 2.2 2.2	7.0 5.2 1.7 1.7	7.2 5.0 2.1 2.1	6.7 3.8 2.7 2.7	Current dollars Chain-type quantity index Chain-type price index Implicit price deflator Nondefense:	-1.1 -1.9 .8 .8	4.5 1.8 2.7 2.7	7.9 7.0 .9 .9	-2.0 -2.9 1.0 1.0	3.3 -4.0 7.6 7.6	-1.6 -2.6 1.0 1.0	13.1 11.2 1.8 1.8	19.8 16.7 2.6 2.6
Gross private domestic investment: Current dollars	10.7 11.7 9 9	2	11.2 10.4 2 .7	12.2 11.5 2 .7	3.6 3.6 .1 0	-2.2 -2.1 4 1	13.1 13.6 3 4	10.7 10.0 .7 .6	Current dollars Chain-type quantity index Chain-type price index Implicit price deflator State and local:	2.6 1.0 1.6 1.6	8.4 4.7 3.6 3.6	-17.4 4	20.3 17.8 2.1 2.1	17.2 6.1 10.4 10.4	11.7 10.9 .7 .7	-5.3 -7.1 1.8 1.9	13.3 9.9 3.2 3.2
Fixed investment: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	11.0 11.8 8 8	8.1 8.0 0	2.1 2.0 .1 .1	13.6 13.8 2 2	9.4 9.1 .3 .3	6.5 6.6 1 1	6.9 6.8 .1 .1	2.9 2.1 .8 .8	Current dollars Chain-type quantity index Chain-type price index Implicit price deflator Addenda:	5.1 3.2 1.8 1.8	6.9 4.2 2.5 2.5	6.1 3.3 2.8 2.8	3.7 2.3 1.3 1.3	9.7 8.2 1.4 1.4	4.9 .9 4.0 4.0	9.1 4.8 4.2 4.2	10.3 6.6 3.4 3.4
Nonresidential: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator Structures:	10.7 12.7 –1.8 –1.8	-1.3	-1.3 0 -1.4 -1.4	13.2 15.3 –1.8 –1.8	6.8 7.8 9 9	5.5 7.0 –1.4 –1.4	9.4 10.9 –1.3 –1.3	2.6 2.5 .1 .1	Final sales of domestic product: Current dollars	5.5 4.3 1.2 1.2	6.0 4.5 1.5 1.5	3.8 2.4 1.4 1.4	7.2 6.2 .9	6.7 4.6 2.0 2.0	4.8 3.4 1.4 1.4	5.7 4.5 1.1 1.2	7.7 5.6 2.0 2.0
Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	7.4 4.1 3.1 3.1	0 -2.6 2.7 2.6	-3.2 -6.6 3.6 3.6	9.5 5.8 3.5 3.5	-4.6 -5.8 1.3 1.3	-3.2 -5.3 2.2 2.2	6 -3.8 3.4 3.4	9 -4.3 3.6 3.6	Gross domestic purchases: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	6.2 5.4 .7 .7	6.7 5.1 1.5 1.5	5.8 4.6 1.1 1.2	6.6 5.5 1.0 1.1	7.5 5.8 1.6 1.6	5.2 3.2 1.9 1.9	8.1 6.3 1.7 1.7	9.6 7.2 2.3 2.3
Equipment and software: Current dollars	11.8 15.8 -3.4 -3.4		7 2.4 -2.9 -3.0	14.4 18.6 -3.5 -3.5	10.8 12.5 -1.6 -1.6	8.4 11.2 –2.5 –2.5	12.6 15.7 –2.7 –2.7	3.7 4.7 9 9	Final sales to domestic purchasers: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	6.2 5.4 .8	7.1 5.5 1.5 1.5	4.3 3.2 1.1 1.1	6.8 5.8 1.0 1.0	8.5 6.7 1.7 1.7	6.7 4.7 2.0 2.0	7.0 5.2 1.8 1.8	8.3 5.8 2.3 2.3
Current dollars	12.0 9.2 2.6 2.6	7.4 3.9		4.5		9.3 5.5 3.6 3.6	.2 -3.8 4.1 4.1	3.9 1.0 2.8 2.8	Gross national product: Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	5.4 4.1 1.2 1.2		4.1 2.6 1.4 1.5	7.4 6.3 .9 1.0	5.8 3.8 2.0 2.0	3.3 1.9 1.3 1.4	1.1	
Current dŏllars Chain-type quantity index Chain-type price index Implicit price deflator	2 2.2 -2.3 -2.3	3.6 4	-4.5 -1.7 -2.9 -2.9	14.5 16.1 -1.3 -1.3	-5.9 -5.5 5 5	4.7 4.0 .7 .7	13.0 11.5 1.3 1.3	11.5 8.7 2.6 2.6	Command-basis gross national product: Chain-type quantity index Disposable personal income: Current dollars	4.5 5.1	5.6	2.7 5.7	6.2 6.0	4.1 5.6	1.4 5.5	5.1 4.8	 7.1
Exports of goods: Current dollars Chain-type quantity index Chain-type price index	-1.1 2.1 -3.1	2.6 4.0 -1.4	-2.7 1.6 -4.2	16.6 19.4 –2.3	-10.5 -9.3 -1.4	3.7 4.3 –.6	17.7 16.9 .7	13.5 10.5 2.7	Chained (1996) dollars	4.1 10.7 53.9	4.0 6.2 43.9	7.4 77.5	4.8 3 44.4	4.1 -6.1 31.6	3.2 21.4 44.2	2.9 24.0 53.2	4.5 -8.2 12.9
Implicit price deflator Exports of services: Current dollars Chain-type quantity index Chain-type price index	-3.1 2.2 2.5 3	2.8 1.9	-4.2 -8.5 -8.8 .3	9.8 8.6 1.1	-1.4 5.7 4.1 1.5	7.1 3.2 3.8	.7 2.7 0 2.7	2.7 6.8 4.5 2.2	Chain-type price index Implicit price deflator Gross domestic product less final sales of computers: Current dollars	-28.0 -28.0 5.5 3.9	-27.2 -26.2 5.6 3.7	-39.5	-31.2 -30.9	-28.6 5.8	3.1	-19.0 -19.1 6.6 5.2	-18.7 -18.7 9.3 6.9
Implicit price deflator Imports of goods and services: Current dollars Chain-type quantity index Chain-type price index	5.6 11.6 –5.3	12.3 11.8	.3	3	9.2 12.5 –3.0	3.8 20.4 14.4 5.2	2.7 22.1 14.9 6.2	2.2 15.1 10.0 4.6	Chain-type quantity index	3.9 1.6 1.6	3.7 1.8 1.8	2.0	7.1 5.5 1.3 1.4	3.4 2.4 2.3	1.5 1.5 1.6	5.2 1.3 1.3	6.9 2.3 2.3
Implicit price deflator Imports of goods: Current dollars Chain-type quantity index	-5.3 5.1 11.7		-4.6 8 4.9	3 11.5	-3.0 9.4	5.2 21.2 15.5	6.2 24.2	4.6 15.7 9.3	Current dollars Chain-type quantity index Chain-type price index Implicit price deflator	6.1 4.8 1.2 1.2	6.7 4.6 1.9 2.0	1.6	6.6 4.9 1.5 1.6	7.4 5.3 2.0 2.0	4.9 2.6 2.2 2.3	8.0 5.8 2.1 2.1	9.8 7.0 2.6 2.6

^{1.} For some components of final sales of computers, includes computer parts.

Table 8.2.-Contributions to Percent Change in Real Gross Domestic **Product**

Product											
			Sea	sonally	adjuste	ed at ar	nual ra	ites			
	1998	1999	19	98		199	99				
		İ	Ш	IV	I	II	Ш	IV			
Percent change at annual rate:											
Gross domestic product	4.3	4.1	3.8	5.9	3.7	1.9	5.7	6.			
Percentage points at annual rates:											
Personal consumption expenditures	3.24	3.54	2.64	3.13	4.27	3.36	3.33	4.03			
Durable goods	.86	.90	.33	1.51	.96	.71	.62	1.0			
Motor vehicles and parts	.33	.30	23	.94	.13	.30	.10	.2			
Furniture and household equipment	.39	.44	.47	.44	.55	.34	.39	.4			
Other	.13	.16	.08	.13	.28	.08	.13	.2			
Nondurable goods	.79	1.05	.49	.98	1.68	.64	.73	1.4			
Food	.26	.37	.23	.60	.20	.24	.26	1.0			
Clothing and shoes	.25	.28	04	.16	.82	.09	.21	1			
energy goods	.01	.02	.03	05	.04	.04	.03	.0:			
Other	.27	.38	.27	.27	.62	.28	.23	.4			
Services Housing	1.59	1.59 .25	1.83	.64 .21	1.63	2.01	1.97 .27	1.5			
Household operation	.21	.23	.42	37	.38	.23	.25	1:			
Electricity and gas	.03	.03	.20	49	.24	.05	.14	2			
Other household operation Transportation	.18	.14	.21 .01	.11 .07	.15 .08	.16 .10	.11 .12	.0 .0			
Medical care	.29	.27	.19	.29	.16	.30	.43	.4			
Recreation	.12	.24	.18	.12	.27	.31	.35	.2			
Other	.63	.58	.83	.32	.43	.85	.56	.6			
Gross private domestic investment	1.93	1.01	1.74	1.94	.67	36	2.25	1.7			
Fixed investment	1.86 1.49	1.33 1.02	.34	2.20 1.79	1.48 .94	1.10	1.16 1.33	.3			
Nonresidential Structures	.13	08	.01 –.21	.18	18	.86 16	11	.3 –.1			
Equipment and software	1.37	1.10	.22	1.61	1.12	1.02	1.44	.4			
Information processing equipment and software	.85	.84	.71	.80	.80	1.09	.88	.4			
Computers and peripheral	.03	.04	., ,	.00	.00	1.03	.00	.+			
equipment	.45	.38	.36	.43	.33	.40	.40	.1			
Software 1 Other	.23	.22 .25	.25 .09	.26 .12	.16 .30	.23 .46	.21 .27	.1: .1:			
Industrial equipment	.08	.01	.04	.01	17	.07	.16	.2			
Transportation equipment	.31	.24	59	.99	.22	.03	.55	1			
OtherResidential	.12	.31	.06	19 .41	.27 .53	17 .24	14 17	0: .0:			
Change in private inventories	.07	32	1.40	26	80	-1.46	1.09	1.3			
Farm	02	01	.30	.58	16	24	18	1			
Nonfarm	.09	30	1.10	84	64	-1.22	1.27	1.43			
Net exports of goods and services	-1.18	-1.09	82	.33	-2.13	-1.35	72	4			
Exports	.25	.39	18	1.65	61	.42	1.19	.9			
Goods Services	.17	.30 .09	.12 30	1.38 .27	74 .13	.32 .10	1.19	.7: .1:			
Imports	-1.43		65	-1.32	-1.52	-1.77	-1.91	-1.3			
Goods	-1.21	-1.32	51	-1.29	-1.28	-1.59	-1.83	-1.0			
Services	22	16	13	03	24	19	08	3			
Government consumption expenditures and gross											
investment	.31	.65	.23	.51	.87	.23	.81	1.6			
Federal	06	.17	14	.24	03	.13	.26	.8.			
National defense	08	.07	.27	12	16	10	.42	.6			
Consumption expenditures Gross investment	10 .02	.02 .05	.01 .26	0 12	19 .03	21 .11	.42	.5 .1			
Nondefense	.02	.10	42	.36	.13	.23	16	.2			
Consumption expenditures	03	.05	33	.30	.08	.06	10	.1			
Gross investment	.05	.06	09	.06	.06	.17	06	.1			
State and local	.37	.48	.37	.28	.90	.10	.55	.7			
Consumption expenditures Gross investment	.31	.31 .17	.24 .13	.29 02	.31 .59	.32 22	.37 .18	.3 .4			
Addenda:	.00	'''		.02	.55	.22	.10	1			
Goods	2.26	2.01	2.12	4.26	1.14	.18	3.47	4.2			
Services	1.55	1.78	1.41	1.18	1.65	1.96	2.37	2.3			
Structures Motor vehicle output	.49	.33	.25 .21	.46 1.94	.89 –.87	26 .29	17 .87	.30 .20			
Final sales of computers 2	.47	.40	.62	.40	.29	.38	.47	.1:			

Table 8.3.-Contributions to Percent Change in Real Personal Consumption Expenditures by Major Type of Product

Consumption Expenditures by Major Type of Froduct													
			Seas	sonally	adjuste	ed at an	nual ra	tes					
	1998	1999	199	98		199	99						
			Ш	IV	I	II	III	IV					
Percent change at annual rate: Personal consumption expenditures	4.9	5.3	3.9	4.6	6.5	5.1	4.9	5.9					
Percentage points at annual rates:													
Durable goods	1.29	1.35	.49	2.24	1.45	1.07	.92	1.50					
Motor vehicles and parts Furniture and household equipment Other	.50 .59 .20	.44 .66 .24	34 .70 .12	1.40 .66 .19	.20 .83 .42	.45 .51 .12	.15 .58 .19	.40 .71 .39					
Nondurable goods	1.19	1.57	.72	1.44	2.56	.98	1.07	2.11					
Food	.40 .38	.56 .42	.35 06	.89 .23	.32 1.24	.36 .14	.38 .30	1.59 22					
goods	.01 .03 –.01 .41	.03 .01 .02 .56	.04 .04 0 .40	07 04 03 .39	.06 03 .09 .94	.06 .03 .03 .42	.04 .05 01 .34	.03 .08 05 .72					
Services	2.39	2.39	2.73	.93	2.54	3.03	2.90	2.28					
Housing Household operation Electricity and gas Other household operation Transportation Medical care Recreation Other	.36 .31 .04 .28 .15 .44 .18	.37 .26 .05 .22 .12 .41 .35	.29 .63 .31 .32 .02 .28 .27 1.24	.30 56 73 .17 .11 .42 .18 .47	.49 .58 .36 .22 .12 .27 .40 .67	.35 .32 .07 .25 .15 .46 .47	.39 .37 .20 .16 .17 .63 .51	.41 18 30 .11 .11 .61 .33 1.01					
Addenda: Energy goods and services ¹ Personal consumption expenditures less	.05	.08	.34	80	.42	.13	.24	27					
food and energy	4.42	4.67	3.25	4.53	5.81	4.58	4.26	4.57					

Excludes software "embedded," or bundled, in computers and other equipment.
 For some components of final sales of computers, includes computer parts.
 NOTE.-The quantity indexes on which the estimates in this table are based are shown in tables 7.1, 7.2, 7.4, 7.6, 7.9, 7.11, and 7.17.

Consists of gasoline, fuel oil, and other energy goods, and of electricity and gas.

NOTE.—The quantity indexes on which the estimates in this table are based are shown in table 7.4. The estimates in this table differ from those in table 8.2 because this table shows contributions to real personal consumption expenditures, whereas table 8.2 shows contributions to real gross domestic product.

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Table 8.4.-Contributions to Percent Change in Real Private Fixed Investment by Type

			Sea	sonally	adjuste	ed at ar	nnual ra	ites				
	1998	1999	19	98		19	99					
			Ш	IV	I	II	Ш	IV				
Percent change at annual rate: Private fixed investment	11.8	8.0	2.0	13.8	9.1	6.6	6.8	2.1				
Percentage points at annual rates:												
Nonresidential	9.50	6.10	.04	11.20	5.81	5.18	7.81	1.86				
Structures	.81	50	-1.27	1.20	-1.04	94	65	75				
Nonresidential buildings, including farm Utilities Mining exploration, shafts, and	.74 .18	33 0	21 .05	1.06 .25	21 15	-1.52 03	-1.09 .14	21 27				
wellsOther structures	09 02	19 .02	92 19	20 .08	62 06	.30 .31	.53 22	24 02				
Equipment and software Information processing equipment and software	8.69 5.42	6.61 5.07	1.31 4.22	10.00 4.99	6.85 4.82	6.11 6.44	8.46 5.14	2.62 2.47				
Computers and peripheral equipment 1 Software 2 Other Industrial equipment Transportation equipment Other	2.87 1.46 1.09 .53 1.96 .78	2.27 1.30 1.50 .06 1.48 0	2.15 1.51 .56 .22 –3.51 .37	2.63 1.60 .76 .05 6.03 -1.07	2.00 1.00 1.82 -1.00 1.37 1.66	2.36 1.36 2.72 .42 .22 98	2.33 1.24 1.58 .92 3.23 83	.91 .84 .72 1.19 85 19				
Residential	2.34	1.92	1.97	2.62	3.25	1.44	98	.28				
Structures Single family Multifamily Other structures	2.30 1.63 01 .69	1.87 1.08 .11 .68	1.96 1.79 12 .29	2.59 1.65 02 .96	3.16 1.89 .70 .58	1.39 01 12 1.52		. 26 1.18 01 90				
Equipment	.04	.05	.01	.04	.09	.06	.04	.01				

Table 8.5.-Contributions to Percent Change in Real Exports and in Real Imports of Goods and Services by Type of Product

Percent change at annual rate:								
Exports of goods and services	2.2	3.6	-1.7	16.1	-5.5	4.0	11.5	8.7
Percentage points at annual rates:								
Exports of goods 1	1.47	2.78	1.07	13.34	-6.70	3.02	11.51	7.31
Foods, feeds, and beverages	05 17 1.31	.13 .14 1.62	56 4.32	1.42 4.97	-1.61 -1.94 -2.78		1.04	
parts Consumer goods, except automotive Other	10 .20 .28	.13 .18 .59	.56	39	.23	1.46 18 02	.63	
Exports of services 1	.72	.85	-2.73	2.75	1.23	.98	.02	1.38
Percent change at annual rate:								
Imports of goods and services	11.6	11.8	5.2	10.8	12.5	14.4	14.9	10.0
Percentage points at annual rates:								
Imports of goods 1	9.81	10.53	4.12	10.52	10.53	12.85	14.22	7.85
Foods, feeds, and beverages	.28	.34	.25	.07	.34	.78	.39	.11
except petroleum and products Petroleum and products Capital goods, except automotive Automotive vehicles, engines, and	1.38 .41 3.51	.58 04 3.60	.12	-1.17	.28		66	-1.82
parts Consumer goods, except automotive Other	.88 2.48 .86		1.03					.17 3.54 .28
Imports of services 1	1.78	1.28	1.05	.33	1.99	1.55	.70	2.18

^{1.} Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment were reclassified from

Table 8.6.-Contributions to Percent Change in Real Government Consumption Expenditures and Gross Investment by Type

Concamption Expenditure	chanales and cross investment by Type										
			Seasonally adjusted at annual rates								
	1998	1999	199	98		199	99				
			III	IV	Ι	II	III	IV			
ercent change at annual rate: Government consumption expenditures and gross investment ¹	1.7	3.7	1.3	2.9	5.1	1.3	4.5	9.2			
ercentage points at annual rates:											
Federal	33	.98	82	1.35	16	.74	1.45	4.81			
National defense Consumption expenditures Durable goods 2 Nondurable goods Services Compensation of general government employees, except own-account	45 55 .02 .02 60	.40 .13 .03 .05 .05	1.55 .05 .31 .29 56	67 01 10 18 .27	92 -1.08 26 09 73	59 -1.21 .19 .17 -1.56	2.38 2.40 .33 .44 1.63	3.59 2.89 12 29 3.30			
investment 3	28	23	02	47	32	13	.07	22			
Consumption of general government fixed capital ⁴ Other services Gross investment Structures Equipment and software	03 29 .10 03	0 .28 .27 02 .29	02 51 1.50 .20 1.30	01 .74 66 20 46	01 40 .16 .06	.01 -1.44 .62 03 .65	.03 1.53 03 05 .02	.04 3.49 .70 .02 .68			
Nondefense Consumption expenditures Durable goods ² Nondurable goods Services Compensation of general government employees,	.12 15 09 .02 08	.58 .26 .10 .09 .07	-2.37 -1.88 -1.55 .02 35	2.02 1.71 1.49 .07 .15	. 75 .44 .04 .27 .13	1.33 .36 .04 02 .34	93 60 06 .08 62	1.22 .59 .03 0 .56			
except own-account investment ³	.06	.03	.03	.38	.03	26	23	.25			
Consumption of general government fixed capital ⁴ Other services Gross investment Structures Equipment and software	.12 26 .27 .08 .19	.12 08 .32 01	.12 51 49 .18 67	.12 34 .32 06 .37	.12 02 .32 .03 .29	.12 .49 .97 26 1.22	.13 51 33 .13 47	.13 .18 .63 03 .67			
State and local Consumption expenditures Durable goods ² Nondurable goods Services Compensation of general government employees,	2.06 1.75 .08 .41 1.26	2.74 1.77 .07 .37 1.33	2.08 1.37 .07 .36 .94	1.52 1.63 .07 .34 1.22	5.17 1.78 .07 .36 1.36	.57 1.84 .07 .36 1.41	3.09 2.07 .07 .38 1.62	4.42 1.98 .07 .40 1.50			
except own-account investment ³	.50	.75	.33	.71	.80	.83	1.10	.82			
Government fixed capital ⁴ Other services Gross investment Structures Equipment and software	.24 .52 .31 07 .38	.26 .32 .97 .63 .34	.25 .36 .72 .37 .35	.26 .26 11 46 .36	.26 .29 3.38 3.10 .28	.26 .31 -1.26 -1.57 .30	.27 .25 1.02 .56 .46	.29 .39 2.44 2.15 .29			

Includes new computers and peripheral equipment only.
 Excludes software "embedded," or bundled, in computers and other equipment.

NOTE.—The quantity indexes on which the estimates in this table are based are shown in table 7.6. The estimates in this table differ from those in table 8.2 because this table shows contributions to real private fixed investment, whereas table 8.2 shows contributions to real gross domestic product.

NOTE.-The quantity indexes on which the estimates in this table are based are shown in table 7.10. The estimates in this table differ from those in table 8.2 because this table shows contributions to real exports and to real imports, whereas table 8.2 shows contributions to real gross domestic product. Because imports are subtracted in the calculation of gross domestic product, the contributions of components of real imports have opposite signs in this table and in table 8.2.

Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.
 Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries by the Federal Government.
 Compensation of government employees engaged in new own-account investment and related expenditures for goods and services are classified as investment in structures and in software.

4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial fixed secrets.

measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

NOTE.-The quantity indexes on which the estimates in this table are based are shown in table 7.11. The estimates in this table differ from those in table 8.2 because this table shows contributions to real government consump-tion expenditures and gross investment, whereas table 8.2 shows contributions to real gross domestic product.

Table 8.7.-Selected Per Capita Product and Income Series in Current and Chained Dollars [Dollars]

			Seasonally adjusted at annual rates						
	1998	1999	19	98		19	99		
			III	IV	I	II	III	IV	
Current dollars: Gross domestic product Gross national product Personal income Disposable personal income Personal consumption expenditures Durable goods Nondurable goods Services Chained (1996) dollars: Gross domestic product Gross national product	32,373 32,336 27,195 23,231 21,614 2,580 6,315 12,718 31,472 31,434	33,880 	32,376 27,362 23,345 21,737 2,572	32,941 32,878 27,725 23,628 21,993 2,661 6,417 12,915 31,879 31,816	33,338 33,285 28,037 23,904 22,381 2,715 6,569 13,096	33,530 33,477 28,348 24,171 22,732 2,755 6,690 13,287 32,182 32,130	33,937 28,632 24,389 23,047	29,065 24,750 23,465 2,852 6,945 13,668	
Disposable personal income Personal consumption expenditures Durable goods Nondurable goods Services	22,636 21,060 2,703 6,228 12,138	23,309 21,969 2,986 6,501 12,510	22,715 21,151 2,699 6,245	22,924 21,338 2,820 6,305 12,230	23,110 21,637 2,898 6,429 12,334	23,239 21,856 2,955 6,466 12,462	23,343 22,058 3,002 6,505 12,579	23,542 22,320 3,088 6,603	
Population (mid-period, thousands)	270,595	273,161	270,946	271,623	272,145	272,778	273,518	274,204	

Table 8.8B.-Motor Vehicle Output

[Billions of dollars]

			Seasonally adjusted at annual rates						
	1998	1999	19	98		19	99		
			=	IV	_	II	≡	IV	
Motor vehicle output	313.3 130.5 182.8 312.3	342.5 127.0 215.5	306.1 133.0 173.2	345.3 143.5 201.9	325.0 121.2 203.8	330.9 122.7 208.2	355.0 128.7 226.3	359.1 135.5 223.6	
Final sales of domestic product Personal consumption expenditures	228.9	331.9 249.7	301.5 225.4	329.0 241.8	319.3 242.0	329.3 248.1	339.2 251.9	339.7 256.8	
New motor vehicles Autos Light trucks Net purchases of used autos	173.3 90.6 82.7 55.5	189.4 100.6 88.8 60.2	166.2 86.8 79.3 59.2	181.5 94.3 87.2 60.3	181.8 95.4 86.3 60.2	188.3 100.6 87.6 59.8	190.1 99.7 90.4 61.8	197.7 106.7 91.0 59.1	
Private fixed investment New motor vehicles Autos Trucks Light trucks Other Net purchases of used autos	139.2 175.4 76.7 98.7 64.1 34.7 -36.3	160.7 199.4 79.3 120.1 78.7 41.5 –38.7	132.3 166.9 71.0 96.0 60.3 35.7 -34.6	150.7 187.6 79.2 108.5 69.7 38.8 -36.9	153.8 190.8 76.3 114.5 74.4 40.1 -37.0	157.1 196.4 80.5 115.9 75.7 40.2 -39.3	169.8 210.6 82.8 127.7 85.4 42.3 -40.7	162.2 199.8 77.5 122.3 79.1 43.2 –37.6	
Gross government investment Autos New trucks	11.9 3.8 8.1	12.9 4.3 8.6	10.7 3.7 7.0	12.9 4.1 8.8	11.7 3.8 8.0	10.9 3.7 7.2	13.2 4.3 8.9	15.7 5.3 10.4	
Net exports Exports Autos Trucks Imports Autos Trucks	-67.7 26.7 16.2 10.5 94.3 79.4 15.0	-91.4 25.8 16.3 9.5 117.3 96.7 20.6	-66.9 23.8 14.7 9.1 90.7 75.8 14.9	-76.5 26.3 17.2 9.2 102.8 86.8 16.0	-88.3 24.6 15.6 9.0 112.9 94.1 18.8	-86.8 27.0 17.7 9.3 113.8 92.0 21.8	-95.7 25.1 15.5 9.6 120.8 100.2 20.7	-95.0 26.6 16.5 10.1 121.6 100.5 21.1	
Change in private inventories	1.0	10.6	4.6	16.3	5.7	1.6	15.8	19.3	
Autos	3.3 2.6 1.0 1.6 .7	1.6 1.4 .2 1.2 .2 9.0	8.0 11.0 11.7 7 -3.0	12.1 11.9 9.5 2.4 .1	.9 .2 .2 0 .7 4.8	-8.4 -6.1 -7.7 1.6 -2.3	5.4 4.1 3.5 .6 1.3	8.4 7.3 4.8 2.5 1.1	
Domestic Foreign	-2.3 -2.1 1	8.5 .5	-3.4 -1.7 -1.7	4.2 4.2 0	3.6 1.2	10.0 10.4 4	11.3 -1.0	8.7 2.2	
Addenda: Final sales of motor vehicles to domestic purchasers Private fixed investment in new autos and new light trucks	379.9 140.8	423.3 157.9	368.4 131.3	405.5 148.8	407.6 150.7	416.1 156.2		434.7 156.6	
Domestic output of new autos ²	114.2 71.2	116.8 81.3	116.3 66.8	122.8 76.7	114.0 74.7	114.0 79.8	121.7 80.9	117.5 89.8	

Table 8.9B.-Real Motor Vehicle Output

[Billions of chained (1996) dollars]											
			Sea	sonally	adjuste	ed at a	nnual ra	ates			
	1998	1999	19	98		19	99				
			=	IV	1	=	=	IV			
Motor vehicle output	315.7 132.3 183.4	345.2 130.0 214.7	305.7 131.9 173.8	348.6 147.2 201.4	329.0 125.1 203.4	335.7 127.4 207.8	129.8 225.4	360.3 137.5 222.3			
Final sales of domestic product	314.8	334.9	302.1	331.8	322.4	333.1	342.2	341.7			
Personal consumption expenditures New motor vehicles Autos Light trucks Net purchases of used autos	230.9 173.2 91.2 81.9 57.6	251.5 189.6 102.1 87.5 61.7	225.9 165.8 87.3 78.5 60.1	244.3 181.3 95.0 86.2 63.0	245.2 181.9 96.6 85.3 63.2	251.3 188.8 102.2 86.6 62.4	252.8 190.3 101.4 88.9 62.4	256.5 197.5 108.5 89.1 58.9			
Private fixed investment New motor vehicles Autos Trucks Light trucks Other Net purchases of used autos	139.0 177.5 77.3 100.3 66.1 34.1 -38.4	160.3 201.2 80.5 120.8 81.0 39.9 -40.8	132.1 168.8 71.4 97.5 62.4 35.0 -36.6	150.1 188.7 79.8 109.0 71.2 37.7 –38.5	152.3 192.2 77.2 115.0 76.3 38.8 -39.8	156.0 198.2 81.7 116.6 77.9 38.8 –42.1	170.0 212.7 84.2 128.5 88.1 40.6 -42.4	201.8 78.7 123.1 81.8 41.3 -38.7			
Gross government investment Autos New trucks	11.9 3.6 8.2	12.8 4.1 8.7	10.7 3.6 7.1	12.8 4.0 8.8	11.7 3.7 8.0	10.8 3.5 7.3	13.1 4.1 8.9	15.5 5.1 10.4			
Net exports Exports Autos Trucks Imports Autos Trucks	-66.9 26.1 16.0 10.1 93.0 78.3 14.7	-89.3 25.0 16.0 9.0 114.3 94.4 19.9	-66.5 23.2 14.4 8.8 89.7 75.1 14.6	-75.3 25.7 16.9 8.8 101.1 85.4 15.6	-86.3 23.9 15.3 8.6 110.2 92.0 18.2	-84.7 26.2 17.4 8.8 110.8 89.7 21.2	-93.3 24.3 15.2 9.1 117.6 97.7 19.9	-92.8 25.6 16.1 9.5 118.4 98.1 20.3			
Change in private inventories	1.0	10.1	3.6	16.6	6.4	2.5	13.3	18.1			
Autos New Domestic Foreign Used	3.4 2.6 1.1 1.5 .8	1.2 1.0 2 1.1 .2	7.2 10.2 11.0 7 -3.2	12.9 12.6 10.4 2.2 .1	1.7 1.0 1.0 1 .8	-7.9 -5.4 -7.0 1.5 -2.5	3.3 1.9 1.3 .7 1.3	7.7 6.6 4.1 2.5 1.1			
New trucks Domestic Foreign	-2.2 -2.0 1	8.2 7.8 .5	-3.2 -1.6 -1.7	3.9 3.9 0	4.5 3.3 1.1	9.2 9.6 –.4	9.4 10.2 9	9.9 7.9 2.0			
Residual	3	.4	4	.1	1	.9	.3	.4			
Addenda: Final sales of motor vehicles to domestic purchasers Private fixed investment in new autos and new light trucks	381.7 143.3	424.6 161.3	368.7 133.7	407.2 150.9	409.2 153.3	418.1 159.4		435.1 160.3			
Domestic output of new autos ²	114.6 71.7	117.6 82.5	115.6 67.1	123.8 77.3	115.4 75.5	115.9 81.0	121.3 82.2	118.0 91.2			

Except for exports and imports, consists of new trucks only.
 Consists of final sales and change in private inventories of new autos assembled in the United States.
 Consists of personal consumption expenditures, private fixed investment, and gross government investment.

Except for exports and imports, consists of new trucks only.
 Consists of final sales and change in private inventories of new autos assembled in the United States.
 Consists of personal consumption expenditures, private fixed investment, and gross government investment.

NOTE.-Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the

lines in the addenda.

Chain-type quantity indexes for the series in this table are shown in table 7.18B.

B. Other NIPA and NIPA-Related Tables

Monthly Estimates:

Tables B.1 and B.2 include the most recent estimates of personal income and its components; these estimates were released on February 28, 2000 and include "preliminary" estimates for January 2000 and "revised" estimates for October-December 1999.

Table B.1.—Personal Income

[Billions of dollars; monthly estimates seasonally adjusted at annual rates]

			1998						19	99						2000
	1998	1999	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct. r	Nov. r	Dec. r	Jan. P
Personal income	7,358.9	7,791.0	7,554.5	7,599.0	7,636.4	7,655.3	7,692.7	7,721.8	7,783.3	7,806.0	7,840.0	7,848.1	7,941.4	7,973.2	7,994.2	8,052.8
Wage and salary disbursements Private industries Goods-producing industries Manufacturing Distributive industries Service industries Government	4,186.0 3,493.2 1,038.7 757.5 944.6 1,509.9 692.8	4,472.4 3,745.9 1,082.4 779.7 1,005.8 1,657.7 726.5	4,318.8 3,614.0 1,059.7 765.2 975.0 1,579.3 704.8	4,350.7 3,637.6 1,060.4 766.3 981.3 1,596.0 713.1	4,377.9 3,661.7 1,063.8 767.2 989.7 1,608.2 716.1	4,385.8 3,667.7 1,064.4 767.5 987.8 1,615.5 718.1	4,410.4 3,690.7 1,070.2 770.5 993.4 1,627.1 719.8	4,432.1 3,711.3 1,074.8 774.9 996.4 1,640.0 720.8	4,455.4 3,731.9 1,080.4 779.0 1,003.1 1,648.4 723.5	4,491.4 3,764.2 1,089.8 786.0 1,009.8 1,664.6 727.2	4,508.2 3,777.6 1,087.3 785.2 1,013.1 1,677.2 730.7	4,528.5 3,795.6 1,093.6 788.0 1,017.3 1,684.6 732.9	4,556.9 3,821.2 1,101.4 793.7 1,018.8 1,700.9 735.7	4,569.8 3,831.4 1,100.3 789.3 1,021.1 1,710.0 738.4	4,601.4 3,859.7 1,102.3 788.8 1,037.3 1,720.2 741.7	4,639.7 3,888.2 1,113.6 794.0 1,040.4 1,734.2 751.5
Other labor income	515.7	535.8	523.6	526.1	528.1	529.8	531.3	533.0	534.8	536.7	538.6	540.3	541.9	543.7	545.4	548.3
Proprietors' income with IVA and CCAdj Farm Nonfarm	606.1 25.1 581.0	658.5 31.4 627.1	634.0 33.7 600.3	637.3 33.6 603.7	641.6 33.7 608.0	640.9 30.1 610.8	648.4 30.1 618.4	646.6 27.3 619.4	670.8 45.0 625.8	653.7 23.5 630.2	657.8 21.4 636.4	650.6 18.0 632.5	684.1 45.3 638.7	694.6 46.8 647.8	675.8 22.4 653.4	681.4 22.7 658.7
Rental income of persons with CCAdj	137.4	145.9	146.7	147.6	148.8	149.3	148.6	147.3	150.5	144.9	143.6	128.5	148.1	149.0	144.1	143.5
Personal dividend income	348.3	364.3	353.2	354.6	356.0	357.6	359.3	361.2	363.0	364.9	367.0	369.0	371.1	373.1	375.2	377.5
Personal interest income	897.8	930.5	906.2	905.8	906.8	909.6	914.3	921.0	926.2	932.4	938.8	945.3	950.8	955.6	960.1	964.3
Transfer payments to persons Old-age, survivors, disability, and health insurance benefits Government unemployment insurance benefits Other	983.6 578.1 19.8 385.7	1,018.1 596.4 20.3 401.4	995.1 583.7 20.6 390.7	1,004.7 587.4 20.4 396.9	1,006.6 588.6 20.4 397.5	1,012.0 590.5 20.7 400.8	1,011.3 592.0 20.4 398.9	1,013.0 592.5 20.1 400.3	1,016.4 594.5 20.4 401.5	1,017.8 596.8 20.2 400.8	1,022.6 599.4 20.4 402.8	1,023.6 600.8 20.1 402.8	1,027.9 604.2 19.8 403.9	1,027.3 602.4 20.0 404.9	1,034.0 607.4 20.4 406.2	1,044.4 616.0 20.0 408.3
Less: Personal contributions for social insurance	315.9	334.6	323.1	327.7	329.3	329.6	331.1	332.3	333.7	335.7	336.6	337.8	339.3	340.0	341.8	346.3

P Preliminary

IVA Inventory valuation adjustment. Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table B.2. — The Disposition of Personal Income

[Monthly estimates seasonally adjusted at annual rates]

	1998	1999	1998						19	99						2000
	1330	1333	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct. r	Nov. r	Dec. r	Jan. P
		Billions of dollars, unless otherwise indicated														
Personal income	7,358.9	7,791.0	7,554.5	7,599.0	7,636.4	7,655.3	7,692.7	7,721.8	7,783.3	7,806.0	7,840.0	7,848.1	7,941.4	7,973.2	7,994.2	8,052.8
Less: Personal tax and nontax payments	1,072.6	1,151.9	1,122.8	1,124.0	1,128.3	1,122.2	1,129.3	1,139.4	1,149.5	1,159.5	1,151.0	1,170.7	1,175.8	1,181.3	1,192.4	1,189.5
Equals: Disposable personal income	6,286.2	6,639.0	6,431.7	6,475.0	6,508.1	6,533.1	6,563.5	6,582.4	6,633.8	6,646.5	6,689.0	6,677.4	6,765.6	6,791.9	6,801.9	6,863.3
Less: Personal outlays	6,056.6	6,483.5	6,228.3	6,256.6	6,309.0	6,365.4	6,390.6	6,425.6	6,459.6	6,485.7	6,537.7	6,571.0	6,606.5	6,661.6	6,732.4	6,767.4
Personal consumption expenditures	5,848.6 698.2 1,708.9 3,441.5	6,257.3 758.6 1,842.7 3,656.0	6,010.5 734.8 1,754.6 3,521.1	6,038.0 721.4 1,771.2 3,545.4	6,089.3 741.9 1,790.6 3,556.8	6,145.0 753.8 1,801.6 3,589.6	6,168.4 745.0 1,818.3 3,605.1	6,202.1 752.0 1,826.3 3,623.8	6,231.8 757.8 1,829.8 3,644.1	6,259.1 753.1 1,836.4 3,669.5	6,309.9 765.7 1,854.9 3,689.2	6,342.2 766.6 1,870.4 3,705.1	6,376.1 767.0 1,883.5 3,725.6	6,428.9 784.9 1,895.8 3,748.2	6,497.5 794.1 1,933.5 3,769.9	6,530.5 799.8 1,926.7 3,804.1
Interest paid by persons	185.7 22.3	201.7 24.4	194.4 23.3	195.2 23.5	196.2 23.5	196.9 23.5	197.6 24.6	198.9 24.6	203.3 24.6	202.1 24.5	203.3 24.5	204.4 24.5	205.3 25.1	207.6 25.1	209.8 25.1	211.8 25.1
Equals: Personal saving	229.7	155.5	203.4	218.4	199.1	167.8	172.9	156.8	174.2	160.8	151.4	106.4	159.1	130.3	69.5	95.9
Addenda: Disposable personal income: Billions of chained (1996) dollars ¹ Per capita: Current dollars Chained (1996) dollars Population (thousands)	6,125.1 23,231 22,636 270,595	6,367.2 24,304 23,309 273,161	6,234.3 23,663 22,937 271,803	6,261.2 23,808 23,022 271,965	6,291.1 23,915 23,117 272,136	6,315.5 23,989 23,190 272,335	6,308.3 24,082 23,145 272,551	6,328.2 24,131 23,200 272,771	6,380.9 24,299 23,372 273,011	6,377.8 24,323 23,340 273,260	6,403.5 24,455 23,411 273,520	6,373.3 24,390 23,280 273,773	6,443.9 24,692 23,517 274,005	6,461.9 24,769 23,565 274,209	6,460.4 24,788 23,544 274,399	6,503.9 24,997 23,688 274,562
Personal consumption expenditures: Billions of chained (1996) dollars Durable goods Nondurable goods Services Implicit price deflator, 1996=100	5,698.6 731.5 1,685.3 3,284.5 102.63	6,000.9 815.7 1,775.8 3,417.4 104.27	5,826.1 779.2 1,721.6 3,331.2 103.17	5,838.6 766.7 1,732.3 3,344.2 103.42	5,886.3 791.1 1,752.8 3,349.3 103.45	5,940.3 808.6 1,763.6 3,376.2 103.45	5,928.6 796.6 1,755.4 3,383.2 104.05	5,962.6 806.4 1,765.1 3,398.3 104.02	5,994.2 815.3 1,770.5 3,416.2 103.96	6,006.0 810.8 1,771.9 3,430.3 104.21	6,040.5 826.0 1,782.6 3,440.3 104.46	6,053.3 826.9 1,783.3 3,451.3 104.77	6,072.9 828.8 1,792.5 3,459.8 104.99	6,116.5 849.3 1,805.7 3,471.8 105.11	6,171.3 861.7 1,833.7 3,487.3 105.28	6,188.6 868.9 1,824.8 3,506.7 105.53
Personal saving as percentage of disposable personal income 2	3.7	2.3	3.2	3.4	3.1	2.6	2.6	2.4	2.6	2.4	2.3	1.6	2.4	1.9	1.0	1.4
					Perce	ent change	from prec	eding perio	d, monthly	changes a	at monthly	rates				
Personal income, current dollars	5.9	5.9	0	0.6	0.5	0.2	0.5	0.4	0.8	0.3	0.4	0.1	1.2	0.4	0.3	0.7
Disposable personal income: Current dollars Chained (1996) dollars Personal consumption expenditures:	5.1 4.1	5.6 4.0	2 3	.7 .4	.5 .5	.4 .4	.5 1	.3 .3	.8 .8	.2 0	.6 .4	2 5	1.3 1.1	.4 .3	.1 0	.9 .7

Revised.

CCAdj Capital consumption adjustment.

Disposable personal income in chained (1996) dollars equals the current-dollar figure divided by the implicit price deflator for personal consumption expenditures.

^{2.} Monthly estimates equal personal saving for the month as a percentage of disposable personal income for that month.

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

Annual Estimates:

Except as noted, these tables are derived from the NIPA tables published in the December 1999 Survey of Current Business; they are consistent with the 1999 comprehensive revision.

"Table B.3.—Gross Domestic Product by Industry, Current-Dollar and Real Estimates" is not published in this issue. The table will be published when the estimates of gross domestic product by industry are revised to incorporate the results of the most recent comprehensive revision of the NIPA's. An article presenting the revised estimates of gross domestic product by industry is scheduled to be published in the May 2000 Survey.

Table B.4.—Personal Consumption Expenditures by Type of Expenditure

	I abic	D.7.	1 61301	iai oc	/iiouiii	Puon	Experiences by Type of Experience						
	Billi	ons of do	llars		ns of cha			Billio	ons of do	lars		ns of chai	
	1996	1997	1998	1996	1997	1998		1996	1997	1998	1996	1997	1998
Personal consumption expenditures	5,237.5	5,524.4	5,848.6	5,237.5	5,433.7	5,698.6	Brokerage charges and investment counseling (s.)	43.2	50.9	59.2	43.2	51.1	60.9
Food and tobacco	834.1	866.3	907.4	834.1	846.2	866.2	Bank service charges, trust services, and safe deposit box rental (s.)	42.9	47.9	55.7	42.9	45.7	51.7
Food purchased for off-premise consumption (n.d.) Purchased meals and beverages ¹ (n.d.)	476.7 300.5	489.5 318.5	509.4 334.7	476.7 300.5	480.5 309.8	494.0 317.6	Services furnished without payment by financial intermediaries except life insurance carriers (s.)	177.0	203.3	218.4	177.0	203.1	215.5
Food furnished to employees (including military) (n.d.) Food produced and consumed on farms (n.d.)	8.2	8.5 .5	8.8 .5	8.2 .5	8.3 .5	8.4 .5	Expense of handling life insurance and pension plans 17						
Tobacco products (n.d.)		49.3	54.0	48.2	47.1	45.8	(s.) Legal services (s.)	81.3 51.5	89.0 55.0	91.3 58.5	81.3 51.5	84.5 52.9	82.4 53.8
Addenda: Food excluding alcoholic beverages (n.d.) Alcoholic beverages purchased for off-	689.1	715.2	745.2	689.1	699.7	716.5	Funeral and burial expenses (s.)	14.5	15.3	16.0	14.5	14.6	14.7
premise consumption (n.d.)	56.1	58.3	61.3	56.1	57.4	60.0	Other 18 (s.)	24.8	26.9	29.5	24.8	26.0	27.6
Other alcoholic beverages (n.d.)	40.7	43.5	46.9	40.7	42.0	44.1	Transportation User-operated transportation	594.6 550.2	623.7 575.6	647.4 598.0	594.6 550.2	616.4 570.3	653.8 606.1
Clothing, accessories, and jewelry	333.3 38.8	348.2 40.0	367.9 41.6	333.3 38.8	348.8 40.1	375.8 42.0	New autos (d.)	81.9	82.8	90.6	81.9	82.7	91.2
Shoes (n.d.)	219.5	230.9	244.4	219.5	230.7	249.8	Net purchases of used autos (d.) Other motor vehicles (d.)	51.4 84.3	53.4 87.2	55.5 101.4	51.4 84.3	54.8 86.4	57.6 100.6
Women's and children's (n.d.)	140.8 78.6	147.7 83.2	155.6 88.8	140.8 78.6	148.0 82.7	160.6 89.2	Tires, tubes, accessories, and other parts (d.)	38.7	39.7	41.7	38.7	39.9	42.3
Standard clothing issued to military personnel (n.d)	.3	.3	.3	.3	.3	.3	Repair, greasing, washing, parking, storage, rental, and leasing (s.)	134.2	145.9	153.8	134.2	143.9	149.0
Cleaning, storage, and repair of clothing and shoes (s.) Jewelry and watches (d.)	12.7 40.3	13.5 41.2	13.4 44.2	12.7 40.3	13.2 42.8	12.9 47.7	Gasoline and oil (n.d.)	124.2	126.2	112.9	124.2	126.2	127.7
Other ³ (s.)	21.7	22.3	24.0	21.7	21.8	23.2	Bridge, tunnel, ferry, and road tolls (s.)	3.7 31.8	4.0 36.3	4.4 37.8	3.7 31.8	3.9 32.5	3.9 33.6
Personal care	71.6	76.1	80.5	71.6	75.1	78.2	Purchased local transportation	11.2	11.8	12.1	11.2	11.6	12.0
Toilet articles and preparations (n.d.)	48.0	50.6	53.8	48.0	50.5	52.9	Mass transit systems (s.)	7.7 3.5	8.1 3.7	8.4 3.7	7.7 3.5	8.0 3.6	8.3 3.7
Barbershops, beauty parlors, and health clubs (s.)	23.5	25.5	26.8	23.5	24.6	25.4	Purchased intercity transportation	33.3	36.3	37.2	33.3	34.5	35.7
Owner-occupied nonfarm dwellingsspace rent ⁴ (s.)	772.5 555.4	809.8 585.5	855.9 622.6	772.6 555.4	786.5 569.0	805.6 586.6	Railway (s.) Bus (s.)	.6 1.8	.7 1.8	.7 2.0	.6 1.8	.7 1.8	.7 1.8
Tenant-occupied nonfarm dwellingsrent 5 (s.)	180.6	186.0	193.6	180.6	180.9	182.6	Airline (s.)	26.2	29.0	29.5	26.2	27.4	28.3
Rental value of farm dwellings (s.)	6.2 30.2	6.4 31.9	6.6 33.1	6.2 30.2	6.0 30.6	5.9 30.5	Other ²⁰ (s.)	4.7	4.7	5.1	4.7	4.6	4.9
Household operation	589.2	617.5	646.5	589.2	611.2	643.7	Recreation	429.6 24.9	457.8 26.6	494.7 27.8	429.6 24.9	464.6 26.3	512.2 26.8
Furniture, including mattresses and bedsprings (d.)	50.9	54.1	57.0	50.9	54.2	57.2	Magazines, newspapers and sheet music (n.d.)	27.6	29.5	31.9	27.6	29.2	30.9
Kitchen and other household appliances ⁷ (d.)	30.0 25.4	30.9 27.1	32.3 29.2	30.0 25.4	31.0 27.3	32.9 28.9	Nondurable toys and sport supplies (n.d.)	50.6	53.7	57.7	50.6	54.2	61.1
Other durable house furnishings 8 (d.)	50.5	53.4	57.6	50.5	53.1	57.1	and pleasure aircraft (d.)	40.5	43.2	47.1	40.5	43.4	47.9
Semidurable house furnishings on d. Cleaning and polishing preparations, and miscellaneous	31.0	32.6	34.6	31.0	33.3	36.2	Video and audio goods, including musical instruments, and computer goods (d.)	80.0	84.0	92.6	80.0	97.0	124.5
household supplies and paper products (n.d)	49.8	51.5	54.3	49.8	51.0	52.9	Video and audio goods, including musical instruments						
Stationery and writing supplies (n.d.) Household utilities	18.8 185.0	20.0 188.6	21.3 186.8	18.8 185.0	19.1 184.6	19.9 187.1	(d.) Computers, peripherals, and software (d.)	56.4 23.6	57.8 26.2	62.2 30.4	56.4 23.6	60.3 38.1	68.2 63.9
Electricity (s.)	93.3	93.8	95.9	93.3	93.3	99.3	Radio and television repair (s.)	3.7	3.9	3.9	3.7	3.8	3.8
Gas (s.)	35.5 40.7	36.6 43.0	32.2 45.4	35.5 40.7	34.2 42.0	30.7 42.9	Flowers, seeds, and potted plants (n.d.)	14.9 20.7	15.6 22.2	16.5 23.8	14.9 20.7	16.1 21.6	16.8 22.6
Fuel oil and coal (n.d.)	15.6 97.1	15.2	13.2	15.6 97.1	15.1	14.5 114.6	Motion picture theaters (s.)	5.8	6.4	6.8	5.8	6.2	6.5
Telephone and telegraph (s.) Domestic service (s.)	13.6	103.9 13.8	113.1 16.0	13.6	103.7 13.5	15.2	Legitimate theaters and opera, and entertainments of nonprofit institutions (except athletics) (s.)	8.0	8.7	9.4	8.0	8.4	8.9
Other 10 (s.)	37.1	41.6	44.2	37.1	40.4	42.1	Spectator sports ²¹ (s.)	6.9 14.0	7.1 14.4	7.6 14.9	6.9 14.0	6.9 14.1	7.2 14.1
Medical care	932.3	977.6	1,032.3	932.3	956.6	987.4	Commercial participant amusements 23 (s.)	48.3	52.3	56.2	48.3	51.1	53.8
Drug preparations and sundries ¹¹ (n.d.)	100.3 17.6	108.1 19.4	116.8 21.2	100.3 17.6	106.5 19.1	112.6 20.5	Pari-mutuel net receipts (s.)	3.5 100.8	3.6 109.0	3.7 118.6	3.5 100.8	3.5 105.1	3.5 110.8
Physicians (s.)	199.1	206.9	219.6	199.1	204.1	212.2					- 1		
Dentists (s.)	48.4 119.7	52.0 125.1	54.8 131.8	48.4 119.7	49.7 120.4	50.2 123.8	Education and research Higher education ²⁵ (s.)	122.3 66.1	130.7 69.2	139.2 71.8	122.3 66.1	126.1 66.7	130.1 66.7
Hospitals and nursing homes 13 / Hospitals	390.8	408.5	428.4	390.8	400.8	410.4	Nursery, elementary, and secondary schools 26 (s.)	27.4	29.0	30.1	27.4	28.1	28.3
Nonprofit (s.)	327.6 213.5	341.9 221.3	357.1 230.6	327.6 213.5	336.5 216.9	344.3 219.8	Other ²⁷ (s.)	28.8	32.4	37.3	28.8	31.4	35.2
Proprietary (s.)	38.7	41.6	43.3	38.7	41.3	42.7	Religious and welfare activities ²⁸ (s.)	146.8	150.3	163.5	146.8	145.9	154.7
Government (s.)	75.4 63.2	79.0 66.7	83.2 71.3	75.4 63.2	78.3 64.3	81.9 66.2	Foreign travel and other, net	- 24.1 57.6	- 21.8 63.4	- 15.3 68.2	- 24.1 57.6	- 20.7 62.3	- 11.8 68.5
Health insurance	56.6	57.6	59.8	56.6	56.0	57.9	Expenditures abroad by U.S. residents (n.d.)	2.2	2.9	3.7	2.2	3.3	4.1
Medical care and hospitalization ¹⁴ (s.) Income loss ¹⁵ (s.)	45.3 1.0	46.9 1.2	49.7 1.4	45.3 1.0	45.0 1.0	46.3 1.1	Less: Expenditures in the United States by nonresidents 30 (s.)	82.4	86.5	85.4	82.4	84.7	82.7
Workers' compensation 16 (s.)	10.3	9.6	8.7	10.3	10.0	10.5	Less: Personal remittances in kind to nonresidents (n.d.)	1.5	1.6	1.6	1.5	1.6	1.6
Personal business	435.1	488.3	528.6	435.1	477.5	505.5	Residual	l	l		.1	-3.2	-17.3

- 1. Consists of purchases (including tips) of meals and beverages from retail, service, and amusement establishments, hotels, dining and buffet cars, schools, school fraternities, institutions, clubs, and industrial lunchrooms. Includes meals and beverages consumed both on- and off-premise.
- Includes luggage.
 Consists of watch, clock, and jewelry repairs, costume and dress suit rental, and miscellaneous personal serv-
- ices.

 4. Consists of rent for space and for heating and plumbing facilities, water heaters, lighting fixtures, kitchen cabinets, linoleum, storm windows and doors, window screens, and screen doors but excludes rent for appliances and furniture and purchases of fuel and electricity.

 5. Consists of space rent (see footnote 4) and rent for appliances, furnishings, and furniture.
- 5. Consists or space rent (see tootnote 4) and rent for appliances, furnishings, and furniture.
 6. Consists of transient hotels, motels, clubs, schools, and other group housing.
 7. Consists of refrigerators and freezers, cooking ranges, dishwashers, laundry equipment, stoves, room air conditioners, sewing machines, vacuum cleaners, and other appliances.
 8. Includes such house furnishings as floor coverings, comforters, quilts, blankets, pillows, picture frames, mirrors, art products, portable lamps, and clocks. Also includes writing equipment and hand, power, and garden tools.
 9. Consists largely of textile house furnishings, including piece goods allocated to house furnishing use. Also includes lamp shades, brooms, and brushes.
- 10. Consists of maintenance services for appliances and house furnishings, moving and warehouse expenses, postage and express charges, premiums for fire and theft insurance on personal property less benefits and dividends, and miscellaneous household operation services.

 11. Excludes drug preparations and related products dispensed by physicians, hospitals, and other medical serv-
- ices.

 12. Consists of osteopathic physicians, chiropractors, private duty nurses, chiropodists, podiatrists, and others providing health and allied services, not elsewhere classified.

 13. Consists of (1) current expenditures (including consumption of fixed capital) of nonprofit hospitals and nursing

- viding health and allied services, not elsewhere classified.

 13. Consists of (1) current expenditures (including consumption of fixed capital) of nonprofit hospitals and nursing homes, and (2) payments by patients to proprietary and government hospitals and nursing homes.

 14. Consists of (1) premiums, less benefits and dividends, for health, hospitalization, and accidental death and dismemberment insurance provided by commercial insurance carriers, and (2) administrative expenses (including consumption of fixed capital) of nonprofit and self-insured health plans.

 15. Consists of premiums, less benefits and dividends, for privately administered workers' compensation.

 17. Consists of (1) operating expenses of commercial life insurance carriers, (2) administrative expenses of private noninsured pension plans and publicly administered government employee retirement plans, and (3) premiums, less benefits and dividends, of fraternal benefit societies. For commercial life insurance carriers, excludes expenses for accident and health insurance and includes profits of stock companies and services furnished without payment by banks, credit agencies, and investment companies. For pension and retirement plans, excludes services furnished without payment by banks, credit agencies, and investment companies.

 18. Consists of current expenditures (including consumption of fixed capital) of trade unions and professional associations, employment agency fees, money order fees, spending for classified advertisements, tax return preparation
- ciations, employment agency fees, money order fees, spending for classified advertisements, tax return preparation

services, and other personal business services

- Consists of premiums, less benefits and dividends, for motor vehicle insurance.
- Consists of baggage charges, coastal and inland waterway fares, travel agents' fees, and airport bus fares.
 Consists of admissions to professional and amateur athletic events and to racetracks.
 Consists of dues and fees excluding insurance premiums.

- 23. Consists of billiard parlors; bowling alleys; dancing, riding, shooting, skating, and swimming places; amusement devices and parks; golf courses; sightseeing buses and guides; private flying operations; casino gambling; and other commercial participant amusements.
- Consists of net receipts of lotteries and expenditures for purchases of pets and pet care services, cable TV, film processing, photographic studios, sporting and recreation camps, video cassette rentals, and recreational services, not elsewhere classified.
- 25. For private institutions, equals current expenditures (including consumption of fixed capital) less receipts—such as those from meals, rooms, and entertainments—accounted for separately in consumer expenditures, and less expenditures for research and development financed under contracts or grants. For government institutions, equals student payments of tuition.
- 26. For private institutions, equals current expenditures (including consumption of fixed capital) less receipts— such as those from meals, rooms, and entertainments—accounted for separately in consumer expenditures. For gov-ernment institutions, equals student payments of tuition. Excludes child day care services, which are included in religious and welfare activities.

 27. Consists of (1) fees paid to commercial, business, trade, and correspondence schools and for educational
- services, not elsewhere classified, and (2) current expenditures (including consumption of fixed capital) by research organizations and foundations for education and research.
- organizations and roundations for education and research.

 28. For nonprofit institutions, equals current expenditures (including consumption of fixed capital) of religious, social welfare, foreign relief, and political organizations, museums, libraries, and foundations. The expenditures are net of receipts such as those from meals, rooms, and entertainments accounted for separately in consumer expenditures, and excludes relief payments within the United States and expenditures by foundations for education and research. For proprietary and government institutions, equals receipts from users.

 29. Beginning with 1981, includes U.S. students' expenditures abroad; these expenditures were \$0.3 billion in
- 30. Beginning with 1981, includes nonresidents' student and medical care expenditures in the United States; student expenditures were \$2.2 billion and medical expenditures were \$0.4 billion in 1981.

NOTE.—Consumer durable goods are designated (d.), nondurable goods (n.d.), and services (s.).
Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 currentdollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes
uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table B.5.—Private Fixed Investment in Structures by Type

Table B.o. Thvate Tixea II	IVOSTIII	CIIC III	oti acta	ics by	1 ypc	
	Billio	ons of do	llars		ns of cha 196) dolla	
	1996	1997	1998	1996	1997	1998
Private fixed investment in structures	530.6	575.4	633.2	530.6	556.8	595.8
Nonresidential	225.0 224.6	254.1 252.9	272.8 272.6	225.0 224.6	244.0 242.8	254.1 253.9
Nonresidential buildings, excluding farm	158.0	177.1	193.1	158.0	171.6	180.9
Industrial	32.7	31.4	32.3	32.7	30.4	30.2
Commercial	78.7	89.7	100.0	78.7	86.9	93.8
Office buildings ¹	32.4	39.9	48.3	32.4	38.7	45.3
Other 2	46.3	49.8	51.7	46.3	48.2	48.5
Religious	4.4	5.6	6.5	4.4	5.4	6.1
Educational	7.7	9.8	10.8	7.7	9.5	10.2
Hospital and institutional	13.1	15.1	15.2	13.1	14.6	14.3
Other 3	21.4	25.5	28.2	21.4	24.7	26.4
Utilities	36.0	36.5	39.2	36.0	35.7	38.0
Railroads	4.4	4.9	5.3	4.4	4.8	5.1
Telecommunications	11.7	12.6	14.3	11.7	12.4	14.1
Electric light and power	11.3	11.3	11.7	11.3	11.1	11.2
Gas	7.6	6.6	6.6	7.6	6.5	6.3
Petroleum pipelines	1.0	1.0	1.3	1.0	.9	1.2
Farm	3.7	3.8	3.9	3.7	3.7	3.6
Mining exploration, shafts, and wells	21.1	30.0	30.0	21.1	26.4	25.4
Petroleum and natural gas	19.4	28.3	28.0	19.4	24.7	23.5
Other	1.7	1.7	2.0	1.7	1.6	1.9
Other 4	5.8	5.5	6.4	5.8	5.3	6.0
Brokers' commissions on sale of	١.,					
structures	1.8	2.0	2.2	1.8	2.0	2.1
Net purchases of used structures	-1.4	8	-2.0	-1.4	8	-1.9
Residential	305.6	321.3	360.4	305.6	312.7	341.8
New	269.8 192.2	282.1 200.8	314.4 229.1	269.8 192.2	273.8 194.9	297.5 216.7
New housing units Permanent site	179.4	187.3	213.9	179.4	184.9	202.0
Single-family structures	159.1	164.4	189.5	159.1	159.8	180.3
Multifamily structures	20.3	22.9	24.5	20.3	21.9	21.8
Manufactured homes	12.8	13.5	15.2	12.8	13.3	14.7
Improvements	77.0	80.5	84.4	77.0	78.1	79.9
Other 5	1 .6	8.	.9	.6	.8	.9
Brokers' commissions on sale of	.0	.0		.0	.0	
structures	37.5	41.7	49.0	37.5	41.4	47.3
Net purchases of used structures	-1.7	-2.5	-3.0	-1.7	-2.4	-2.9
Residual				0	.2	3

^{1.} Consists of office buildings, except those constructed at industrial sites and those constructed by utilities for

Note.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table B.6.—Private Fixed Investment in Equipment and Software by Type

	Billio	ns of do	ollars		ns of cha	
	1996	1997	1998	1996	1997	1998
Private fixed investment in equipment and software	682.1	739.9	826.8	682.1	759.7	879.0
Nonresidential equipment and software	674.4 287.3	732.1 315.4	818.5 356.9	674.4 287.3	751.9 339.4	870.6 418.5
Computers and peripheral equipment ¹	70.9 95.1	76.7 106.6	88.5 123.4	70.9 95.1	99.0 109.4	154.2
Communication equipment	65.6 33.3 14.7	73.0 35.0 15.8	83.6 36.3 15.2	65.6 33.3 14.7	73.8 34.8 15.7	85.9 36.1 15.4
Office and accounting equipment	7.8	8.3 142.3	9.8	7.8 136.4	8.4 141.3	9.8
Fabricated metal products Engines and turbines	13.4 4.3	13.2	14.0	13.4 4.3	13.1 3.5	13.9 4.2
Metalworking machinery	31.7 34.6	35.0 35.2	36.4 35.7	31.7 34.6	34.9 34.9	36.0 35.0
General industrial, including materials handling, equipment Electrical transmission, distribution, and	31.6	33.5	36.8	31.6	33.1	36.1
industrial apparatus Transportation equipment	20.9 138.9	21.9 150.9	23.0 176.0	20.9 138.9	21.9 149.6	23.0 175.3
Trucks, buses, and truck trailers	77.9 41.3	87.0 41.7	97.0 40.5	77.9 41.3	87.4 40.2	98.5 39.0
Aircraft Ships and boats Railroad equipment	12.2 2.2 5.4	14.4 2.2 5.6	28.0 3.0 7.5	12.2 2.2 5.4	14.2 2.2 5.7	27.5 2.9 7.6
Other equipment Furniture and fixtures	116.5 27.6	128.0 31.2	140.5 33.7	116.4 27.6	126.7 30.7	137.9 33.0
TractorsAgricultural machinery, except tractors	10.6 11.4	11.4 12.2	12.1 12.9	10.6 11.4	11.4 12.1	12.0 12.6
Construction machinery, except tractors Mining and oilfield machinery	17.3	19.6 3.1 14.4	22.4 4.6	17.3 2.8 14.2	19.2 3.0	21.6 4.5 15.3
Service industry machinery Electrical equipment, n.e.c. Other	14.2 10.6 21.9	14.4 11.6 24.5	15.7 12.8 26.2	10.6 21.9	14.2 11.8 24.3	13.1
Less: Sale of equipment scrap, excluding autos	4.6	4.5	4.9	4.6	4.4	5.7
Residential equipment	7.7	7.9	8.3	7.7 3	7.9 -2.7	8.4 -15.9
Addenda:				3	-2.1	-15.9
Private fixed investment in equipment and software Less: Dealers' margin on used equipment Net purchases of used equipment from	682.1 7.0	739.9 7.4	826.8 8.3			
government Plus: Net sales of used equipment	.8 38.4	.9 38.9	.9 40.7			
Net exports of used equipmentSale of equipment scrap	.4 4.7	.4 4.6	.7 5.0			
equipment and software	717.7	775.7	864.2			

1. Includes new computers and peripheral equipment only.
2. Excludes software "embedded," or bundled, in computers and other equipment.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

n.e.c. Not elsewhere classified.

Consists of omice buildings, except those considerable and activities, and other buildings used for commercial purposes.
 Consists of hotels and motels, buildings used primarily for social and recreational activities, and buildings not elsewhere classified, such as passenger terminals, greenhouses, and animal hospitals.
 Consists primarily of streets, dams and reservoirs, sever and water facilities, parks, and airfields.
 Consists primarily of domnitories and of fraternity and sorority houses.

Note: Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996.

Table B.7.—Compensation and Wage and Salary Accruals by Industry

[Willion's or dollars]														
	(Compensatio	n	Wage a	and salary a	accruals		C	ompensatio	n	Wage and salary accruals			
	1996	1997	1998	1996	1997	1998		1996	1997	1998	1996	1997	1998	
Total	4,395,585	4,675,738	5,011,190	3,630,142	3,884,713	4,189,515	Communications Telephone and telegraph	75,252 56,822	81,897 62,125	90,050 67,911	62,060 46,612	68,038 51,332	75,333 56,507	
Domestic industries	4,400,135	4,680,700	5,016,446	3,634,692	3,889,675	4,194,771	Radio and television Electric, gas, and sanitary services	18,430 53,233	19,772 54,297	22,139 55,956	15,448 43,920	16,706 45,031	18,826 46.628	
Private industries	3,550,510	3,803,231	4,106,570	2,993,688	3,225,229	3,501,946			310,227	· 1			288,598	
Agriculture, forestry, and fishing	39,815	42,742	46,353	34,570	37,392		Wholesale trade	288,768	,	335,441	246,699	265,850	,	
FarmsAgricultural services, forestry, and	16,576	17,470	18,580	14,184	15,048	.,	Retail trade	398,276	420,173	446,621	345,115	365,733	390,983	
fishing	23,239	25,272	27,773	20,386	22,344	24,657	Finance, insurance, and real estate Depository institutions	351,798 82,740	381,762 87,268	425,875 93,358	300,446 69,505	327,406 73,602	366,882 79.042	
Mining	33,365	35,490	36,283	27,796	29,702	30,482	Nondepository institutions	25,330	30,143	38,764	21,267	25,501	33,035	
Metal mining	3,202	3,247	3,064	2,619	2,672	2,522	Security and commodity brokers	72,063	80,219	92,271	64,026	71,282	82,344	
Coal mining	5,736	5,689	5,573	4,728	4,714	4,628	Insurance carriers	75,441	79,756	86,740	63,367	67,301	73,464	
Oil and gas extraction Nonmetallic minerals, except fuels	19,670 4,757	21,519 5,035	22,295 5,351	16,495 3,954	18,106 4,210		Insurance agents, brokers, and service	32,424	35,006	36,994	28,034	30,389	32.181	
Nonnetanic minerals, except fuels	4,757	3,000	3,331	3,334	7,210	4,454	Real estate	44.526	48,461	54,353	37.978	41.581	46.846	
Construction	208,199	227,184	248,958	172,199	189,379	209,700	Holding and other investment offices	19,274	20,909	23,395	16,269	17,750	19,970	
Manufacturing	822,405	867,598	914,904	675,087	715,009	757,707	Services	1,122,869	1,216,466	1,329,752	960,212	1,047,860	1,151,057	
Durable goods	508,042	540,144	573,894	416,305	443,950	474,133	Hotels and other lodging places	38,117	40,284	43,504	32,321	34,524	37,426	
Lumber and wood products	24,805 15.682	26,172 16,664	27,697 18,138	20,448 12,956	21,739 13.848	23,098 15,156	Personal services	24,167 220,399	25,355	26,886 300,529	21,244 190.630	22,442 223,151	23,848	
Furniture and fixtures Stone, clay, and glass products	22,820	23,737	25,161	18,556	19,425	20,695	Business services Auto repair, services, and parking	30,089	255,822 32,082	34,339	26,211	28,128	263,626 30,180	
Primary metal industries	35,852	36,839	37,826	28,662	29,633	30,544	Miscellaneous repair services	12,050	12,460	13,337	10.443	10,877	11,672	
Fabricated metal products	59,626	62.803	65,925	48,438	51,361	54.184	Motion pictures	17,976	20,225	21.723	15,599	17,739	19.069	
Industrial machinery and equipment	103,632	112,597	120,168	86,419	94,488	101,317	Amusement and recreation services	36,934	39,947	43,554	31,670	34,649	37,893	
Electronic and other electric							Health services	365,617	383,237	399,740	303,697	319,388	335,207	
equipment	80,905	86,864	93,350	66,305	71,668	77,424	Legal services	55,150	62,541	67,700	47,851	54,931	59,561	
Motor vehicles and equipment	58,037	61,731	65,081	46,773	48,427	51,389	Educational services	54,500	57,763	62,609	46,493	49,702	53,998	
Other transportation equipment	45,627	48,930 49,279	52,687	37,099 39,455	40,133 41,388	43,459 44,327	Social services and membership	94,666	99.728	106.667	82.818	87.999	94.268	
Instruments and related products Miscellaneous manufacturing	47,211	49,279	52,549	39,400	41,300	44,327	organizations Social services	47,894	51,109	55.606	40.468	43.668	94,268 47.698	
industries	13,845	14,528	15,312	11,194	11.840	12,540	Membership organizations	46,772	48,619	51,061	42,350	44,331	46,570	
Nondurable goods	314,363	327.454	341.010	258,782	271.059	283.574	Other services 2	161.195	174,969	195,159	139,550	152,598	170,667	
Food and kindred products	61,472	63,596	66,368	50,558	52,652	55,218	Other services 2 Private households	12,009	12,053	14,005	11,685	11,732	13,642	
Tobacco products	2,900	3,095	2,951	2,199	2,378	2,246					·			
Textile mill products	18,623	19,176	19,171	15,612	16,142	16,196	Government	849,625	877,469	909,876	641,004	664,446	692,825	
Apparel and other textile products	20,195	20,050	19,722	16,778	16,751	16,524	Federal	263,231	266,942	270,470	175,561	177,337	179,803	
Paper and allied products Printing and publishing	32,978 61.849	33,860 65.098	34,511 68,925	27,566 51.835	28,427 54.831	29,087 58,353	General government	211,001 124,935	211,725 125,748	214,394 128,743	140,104 85.294	140,083 85,116	142,060 86.980	
Chemicals and allied products	67.418	71.262	75.339	54,422	57.851	61,478	Civilian Military ³	86.066	85,977	85.651	54.810	54.967	55.080	
Petroleum and coal products	9,721	10,109	10,757	7,754	8,105	8,669	Government enterprises	52,230	55,217	56,076	35,457	37,254	37,743	
Rubber and miscellaneous plastics	-,	,	,	.,	-,	-,,,,,,	State and local	586,394	610,527	639,406	465,443	487,109	513,022	
products	36,524	38,530	40,638	29,817	31,672	33,590	General government	548,416	571,835	599,389	434,766	455,669	480,277	
Leather and leather products	2,683	2,678	2,628	2,241	2,250	2,213	Education	290,650	304,851	321,361	228,486	240,772	255,052	
-		004 500					Other	257,766	266,984	278,028	206,280	214,897	225,225	
Transportation and public utilities Transportation	285,015 156,530	301,589 165,395	322,383 176,377	231,564 125,584	246,898 133,829	265,657 143,696	Government enterprises	37,978	38,692	40,017	30,677	31,440	32,745	
Railroad transportation	15,652	15,888	15,851	11,543	11,753	11,546	Rest of the world	-4.550	-4.962	-5,256	-4,550	-4.962	-5,256	
Local and interurban passenger	10,002	10,000	10,001	11,040	11,700	11,540	Receipts from the rest of the world	1.756	1.802	1.856	1.756	1.802	1.856	
transit	10,053	10,520	11,211	8,366	8,857	9,496	Less: Payments to the rest of the world 4	6,306	6,764	7,112	6,306	6,764	7,112	
Trucking and warehousing 1	58,494	62,333	66,698	47,074	50,678	54,671	•			'				
Water transportation	7,873	8,358	8,797	6,463	6,912	7,325	Addenda:							
Transportation by air 1	48,637	51,162	55,213	38,839	41,143	44,826	Households and institutions	348,558	366,180	385,575				
Pipelines, except natural gas	971 14.850	995 16.139	997 17.610	816 12.483	839 13.647	847 14.985	Nonfarm business	3,275,584	3,513,490	3,798,508				
Transportation services	1 14,650	1 10,139	17,010	1 12,483	13,047	1 14,905								

temporarily in the United States.

Reflects the reclassification of air couriers from trucking and warehousing to transportation by air.
 Consists of museums, botanical and zoological gardens; engineering and management services; and services, not elsewhere classified.
 Includes Coast Guard.
 Includes estimates of foreign professional workers and undocumented Mexican migratory workers employed.

NOTE.-Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).

Compensation equals wage and salary accruals plus supplements to wages and salaries. "Supplements" are listed in table 8.17 of the December 1999 SURVEY OF CURRENT BUSINESS.

Table B.8.—Employment by Industry

[Thousands]

,													
	Full-time and part-time employees Persons engaged in production ¹								me and par employees			ons engage production ¹	
	1996	1997	1998	1996	1997	1998		1996	1997	1998	1996	1997	1998
Total	127,009	130,085	133,378	123,824	126,757	129,549	Pipelines, except natural gas Transportation services	14 431	14 453	14 471	14 434	14 455	14 465
Domestic industries	127,494	130,617	133,917	124,240	127,213	130,011	Communications	1,348 936	1,421 1,003	1,477 1,045	1,259 873	1,324 938	1,365 963
Private industries	105,559	108,583	111,702	105,912	108,798	111,461	Telephone and telegraph	412 882	418 870	432 858	386 878	386 865	402 850
Agriculture, forestry, and fishing	2,048 832		2,193 880	3,338 1.827	3,321 1.814	3,338 1,705	Wholesale trade	6.560	6.746	6,923	6,587	6,735	6.919
Agricultural services, forestry, and fishing	1,216		1,313	1,511	1,507	1,633	Retail trade	22.256	22,636	23,006	19.851	20.258	20.419
Mining	582		593	586	603	601		,	'	'	.,	.,	.,
Metal mining Coal mining	54 99	97	93	97	95	49 93	Finance, insurance, and real estate Depository institutions	7,053 2,017	7,256 2,031	7,539 2,046	7,310 1,923	7,424 1,925	7,636 1,933
Oil and gas extraction Nonmetallic minerals, except fuels	321 108	340 110		326 107	345 109	349 110	Nondepository institutions Security and commodity brokers	514 581	575 630	664 681	507 646	564 679	645 732
Construction	5,671	5,964	6,297	6,950	7,254	7,603	Insurance carriersInsurance agents, brokers, and service	1,505 746	1,527 767	1,576 787	1,449 871	1,463 875	1,503 880
Manufacturing	18,579	18,770	18,935	18,576	18,774	18,944	Real estate Holding and other investment offices	1,442 248	1,481 245	1,535 250	1,676 238	1,684 234	1,706 237
Durable goods Lumber and wood products	10,838 801	11,061 819	11,277 840	10,911 856	11,134 862	11,355 896	Services	36,517	38,006	39,545	36,396	37,956	39,353
Furniture and fixturesStone, clay, and glass products	506 546			521 561	530 563	544 569	Hotels and other lodging places Personal services	1,794 1,318	1,833 1,326	1,876 1,340	1,620 1,798	1,665 1,789	1,703 1.804
Primary metal industries	708 1,453	710	714	706 1.447	706 1,481	710 1.514	Business services Auto repair, services, and parking	7,485 1,205	8,148 1,248	8,793 1,275	7,651 1,481	8,261 1,511	9,000 1,522
Industrial machinery and equipment Electronic and other electric equipment	2,117 1,660	2,175 1,693	2,217	2,096 1,655		2,216 1,699	Miscellaneous repair services Motion pictures	389 539	389 569	395 592	569 583	582 610	591 644
Motor vehicles and equipment	968 821	984 858	999	961 820	977	997 902	Amusement and recreation services	1,590 9.813	1,664 10.038	1,729 10.197	1,400 9.167	1,485 9,402	1,496 9,503
Other transportation equipment Instruments and related products	854	865	872	849	860	864	Health services Legal services	1,064	1.084	1,113	1,145	1,200	1,231
Miscellaneous manufacturing industries Nondurable goods	7,741	7,709	7,658		7,640	7,589	Educational services Social services and membership	2,113	2,179	2,262	1,962	2,003	2,092
Food and kindred products Tobacco products	1,697 41	1,694 41	40	1,664 40		1,672 39	organizations Social services	4,759 2,515	4,949 2,620	5,154 2,750	4,618 2,752	4,816 2,879	4,991 2,992
Textile mill products Apparel and other textile products	630 874	829	770	632 880	830	600 775	Membership organizations Other services ³	2,244 3,202	2,329 3,346	2,404 3,539	1,866 3,574	1,937 3,798	1,999 3,894
Paper and allied products Printing and publishing	683 1,564	1,579	1,594	678 1,535	677 1,562	672 1,578	Private households	1,246	1,233	1,280	828	834	882
Chemicals and allied products Petroleum and coal products	1,033 139			1,025 138	1,023 135	1,028 136	Government	21,935 5,387	22,034 5,268	22,215 5,196	18,328 4,378	18,415 4,272	18,550 4,218
Rubber and miscellaneous plastics products	981	998	1.016	971	988	1.004	General government	4,397 1,951	4,276 1,900	4,200 1,878	3,575 1,913	3,477 1,870	3,416 1,845
Leather and leather products	99		87	102		85	Military ⁴ Government enterprises	2,446 990	2,376 992	2,322 996	1,662	1,607 795	1,571 802
Transportation and public utilities Transportation	6,293 4,063	6,467 4,176	6,671 4,336	6,318 4,181	6,473 4,284	6,648 4,433	State and local	16,548 15,704	16,766 15,933	17,019 16.181	13,950 13,079	14,143 13,282	14,332 13,466
Railroad transportation Local and interurban passenger transit	223 440	220			208	205 486	Education Other	8,522 7,182	8,716 7,217	8,896 7,285	6,887 6,192	7,054 6,228	7,184 6,282
Trucking and warehousing ² Water transportation	1,659 177	1,708	1,777	1,853 174		1,954 185	Government enterprises	844	833	838	871	861	866
Transportation by air ²							Rest of the world 5	-485	-532	-539	-416	-456	-462
												$\overline{}$	

Equals the number of full-time equivalent employees plus the number of self-employed persons. Unpaid family workers are not included.
 Reflects the reclassification of air couriers from trucking and warehousing to transportation by air.
 Consists of museums, botanical and zoological gardens; engineering and management services; and services, not elsewhere classified.

Includes Coast Guard.
 Beginning with 1993, includes estimates of foreign professional workers and undocumented Mexican migratory workers employed temporarily in the United States.

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).

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Table B.9.—Wage and Salary Accruals Per Full-Time Equivalent Employee and Full-Time Equivalent Employees by Industry

	- Caiai	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	uu.o						,	,,				
		ind salary a II-time equi			ime equiva mployees ¹	lent			ınd salary a II-time equi			me equiva nployees ¹	lent	
		Dollars			Thousands				Dollars		Thousa		sands	
	1996	1997	1998	1996	1997	1998		1996	1997	1998	1996	1997	1998	
Total	32,040	33,428	35,112	113,300	116,213	119,317	Pipelines, except natural gas	58,286 31,523	59,929 32,805	60,500 34,688	14 396	14 416	14 432	
Domestic industries	31,963	33,339	35,021	113,716	116,669	119,779	Transportation services Communications Telephone and telegraph	50,496 54.581	52,620 56,223	56,177 59.544	1,229 854	1,293 913	1,341 949	
Private industries	31,384	32,825	34,594	95,388	98,254	101,229	Radio and television Electric, gas, and sanitary services	41,195 50,367	43,963 52,484	48,026 55,246	375 872	380 858	392 844	
Agriculture, forestry, and fishing	19,324 19,893	20,333 20,037	20,730 21,516	1,789 713	1,839 751	1,972 754	Wholesale trade	39,283	41,166	43,549	6,280	6,458	6,627	
Agricultural services, forestry, and fishing	18,946	20,537	20,244	1,076	1,088	1,218	Retail trade	18,774	19,496	20,508	18,383	18,759	19,065	
Mining	48,680	50,428	52,465	571	589	581	Totali tida	10,774	10,400	20,000	10,000	10,700	10,000	
Metal mining	48,500	49,481	51,469	54	54	49	Finance, insurance, and real estate	45,268	48,176	52,210	6,637	6,796	7,027	
Coal mining	48,742	49,621	50,857	97	95	91	Depository institutions	36,201	38,255	40,976	1,920	1,924	1,929	
Oil and gas extraction Nonmetallic minerals, except fuels	52,365 37,657	54,372 39,346	56,571 41,611	315 105	333 107	333 108	Nondepository institutions Security and commodity brokers	43,226 114,948	46,535 118,606	52,437 127,467	492 557	548 601	630 646	
Noninetallic Illinerals, except fuels	31,031	35,340	41,011	103	107	100	Insurance carriers	43,732	46.002	48.878	1.449	1.463	1.503	
Construction	31,631	32,924	34,524	5,444	5,752	6,074	Insurance agents, brokers, and service	39,652	41,974	43,547	707	724	739	
	'	. ,	. ,.	-,	., .		Real estate	29,810	31,936	34,882	1,274	1,302	1,343	
Manufacturing	37,158	38,965	40,928	18,168	18,350	18,513	Holding and other investment offices	68,357	75,855	84,262	238	234	237	
Durable goods	39,038	40,804	42,715	10,664	10,880	11,100								
Lumber and wood products	26,148	27,448	28,272	782	792	817	Services	29,791	31,118	32,746	32,232	33,674	35,151	
Furniture and fixtures	26,068	27,641	28,979	497 532	501	523 558	Hotels and other lodging places	20,705	21,537	22,696	1,561	1,603	1,649	
Stone, clay, and glass products Primary metal industries	34,880 40,771	35,708 42,033	37,088 43,080	703	544 705	709	Personal services	18,267 27,724	19,330 29,651	20,279 32,224	1,163 6.876	1,161 7,526	1,176 8,181	
Fabricated metal products	33,968	35,155	36,292	1,426	1.461	1.493	Business services Auto repair, services, and parking	23,073	23,797	24,860	1,136	1,182	1,214	
Industrial machinery and equipment	41.668	44,133	46.454	2.074	2.141	2.181	Miscellaneous repair services	29,170	30,214	31,717	358	360	368	
Electronic and other electric equipment	40,307	42.838	45.840	1.645	1.673	1.689	Motion pictures	37.052	39,685	40.833	421	447	467	
Motor vehicles and equipment	48,773	49,669	51,908	959	975	990	Amusement and recreation services	24,474	25,477	27,183	1,294	1,360	1,394	
Other transportation equipment	45,520	47,215	48,776	815	850	891	Health services	34,598	35,531	36,820	8,778	8,989	9,104	
Instruments and related products	46,859	48,635	51,663	842	851	858	Legal services	50,636	57,042	59,740	945	963	997	
Miscellaneous manufacturing industries	28,776	30,594	32,072	389	387	391	Educational services	25,213	26,187	27,230	1,844	1,898	1,983	
Nondurable goods	34,486	36,286	38,254	7,504	7,470	7,413	Social services and membership							
Food and kindred products	30,567	31,891	33,506	1,654	1,651	1,648	organizations	20,373	20,759	21,289	4,065	4,239	4,428	
Tobacco products	54,975	59,450	57,590	40	40	39	Social services	18,403	18,970	19,637	2,199	2,302	2,429	
Textile mill products	25,019 19.832	26,376 20.861	27,312	624 846	612 803	593 745	Membership organizations	22,696	22,886 49,035	23,297 51,592	1,866 2,963	1,937 3,112	1,999 3,308	
Apparel and other textile products Paper and allied products	40.718	42.177	22,180 43,349	677	674	671	Other services ³	47,098 14,112	14,067	15,467	828	834	882	
Printing and publishing	35.897	37.427	39,481	1.444	1.465	1.478	r iivate iiouseiiolus	14,112	14,007	13,407	020	034	002	
Chemicals and allied products	53,303	56,772	60.096	1.021	1,019	1.023	Government	34.974	36.082	37.349	18.328	18,415	18,550	
Petroleum and coal products	56,188	60,037	64,215	138	135	135	Federal	40,101	41,511	42,628	4,378	4,272	4,218	
Rubber and miscellaneous plastics		,	. , .				General government	39,190	40,288	41,587	3,575	3,477	3,416	
products	30,898	32,253	33,691	965	982	997	Civilian	44,587	45,517	47,144	1,913	1,870	1,845	
Leather and leather products	23,589	25,281	26,345	95	89	84	Military 4	32,978	34,205	35,060	1,662	1,607	1,571	
Towns and allow and mobile collision		40.00-	40.74-	F 00 1		0.046	Government enterprises	44,156	46,860	47,061	803	795	802	
Transportation and public utilities	39,355	40,897	42,717	5,884	6,037	6,219	State and local	33,365	34,442	35,796	13,950	14,143	14,332	
Transportation	33,197 54,706	34,439 56,505	35,621 56,322	3,783 211	3,886 208	4,034 205	General government Education	33,242 33,176	34,307 34,133	35,666 35,503	13,079 6,887	13,282 7.054	13,466 7,184	
Local and interurban passenger transit	20,811	21,189	21,981	402	418	432	Other	33,314	34,505	35,852	6,192	6,228	6,282	
Trucking and warehousing 2	30.351	31,753	32,934	1,551	1,596	1.660	Government enterprises	35,220	36,516	37,812	871	861	866	
Water transportation	38,934	40.421	42.341	166	171	173	Socialinon onorphoso	00,220	00,010	07,012	0, 1	001	550	
Transportation by air 2			40,095	1,043	1,063	1,118	Rest of the world 5	l	l		-416	-456	-462	

Full-time equivalent employees equals the number of employees on full-time schedules plus the number of employees on part-time schedules converted to a full-time basis. The number of full-time equivalent employees in each industry is the product of the total number of employees and the ratio of average weekly hours per employee for all employees to average weekly hours per employee on full-time schedules.
 Reflects the reclassification of air couriers from trucking and warehousing to transportation by air.
 Consists of museums, botanical and zoological gardens; engineering and management services; and services,

not elsewhere classified.

Includes Coast Guard.
 Includes estimates of foreign professional workers and undocumented Mexican migratory workers employed temporarily in the United States.

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).

Table B.10.—Farm Sector Output, Gross Product, and National Income

	Billio	ons of do	llars		ns of cha 996) dolla	
	1996	1997	1998	1996	1997	1998
Farm output Cash receipts from farm marketings Crops Livestock Farm housing Farm products consumed on farms Other farm income Change in farm inventories Crops Livestock	222.6 201.2 108.3 93.0 6.2 .5 6.8 7.9 9.0 -1.1	226.2 208.7 112.1 96.5 6.4 .5 7.8 2.8 3.1	214.2 198.2 103.7 94.5 6.6 .5 8.6 .3 .9	222.6 201.2 108.3 93.0 6.2 .5 6.8 7.9 9.0 -1.1	237.3 218.7 121.2 97.5 6.0 .5 8.2 3.0 3.4	237.9 220.3 121.8 98.7 5.9 .5 9.6 .9
Less: Intermediate goods and services purchased	130.4 114.3 16.1	138.1 122.1 16.0	134.1 119.0 15.1	130.4 114.3 16.1	134.7 119.2 15.5	137.4 121.9 15.5
Equals: Gross farm product	92.2	88.0	80.2	92.2	103.1	100.5
Less: Consumption of fixed capital	25.4	26.2	27.1	25.4	25.8	26.3
Equals: Net farm product	66.8	61.9	53.1	66.8	77.7	74.2
Less: Indirect business tax and nontax liability	5.0	5.2	5.3			
Plus: Subsidies to operators	6.2 68.1 16.6 14.2	6.3 63.0 17.5 15.0	10.7 58.6 18.6 16.2			
Supplements to wages and salaries	2.4	2.4	2.4			
adjustments Proprietors' income Corporate profits Net interest	42.0 34.3 7.7 9.5	35.5 29.5 6.0 10.1	29.2 25.1 4.1 10.8			

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Table B.11.—Housing Sector Output, Gross Product, and National

Ir	ncome					
	Billio	ons of do	llars		ns of cha 196) dolla	
	1996	1997	1998	1996	1997	1998
Housing output ¹ Nonfarm housing Owner-occupied Tenant-occupied Farm housing	742.3 736.1 555.4 180.6 6.2	777.9 771.5 585.5 186.0 6.4	822.8 816.2 622.6 193.6 6.6	742.3 736.1 555.4 180.6 6.2	755.9 749.9 569.0 180.9 6.0	775.2 769.3 586.6 182.6 5.9
Less: Intermediate goods and services consumed	94.4	103.9	116.8	94.4	100.1	110.0
Equals: Gross housing product Nonfarm housing Owner-occupied Tenant-occupied Farm housing	647.9 642.8 482.3 160.5 5.1	673.9 668.6 505.7 162.9 5.3	705.9 700.4 531.5 169.0 5.5	648.0 642.8 482.3 160.5 5.1	655.8 650.8 491.9 158.9 5.0	665.1 660.2 500.9 159.4 4.9
Less: Consumption of fixed capital	119.6 63.6 –56.0	126.2 67.6 -58.6	131.9 71.9 –60.0	119.6		125.7
Equals: Net housing product	528.4	547.7	574.0	528.4	533.2	539.4
Less: Indirect business tax and nontax liability plus business transfer payments	118.9	123.4	127.9			
Plus: Subsidies less current surplus of government enterprises	23.3	23.9	23.9			
Equals: Housing national income Compensation of employees Proprietors' income with inventory valuation adjustment and capital	432.8 8.4	448.3 9.0	470.0 9.6			
consumption adjustment	22.6 111.2	21.6 111.5	22.0 119.3			
valuation adjustment and capital consumption adjustment Net interest	4.7 285.7	4.7 301.6				

^{1.} Equals personal consumption expenditures for housing less expenditures for other housing as shown in table B.4.

Note.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

"Table B.12.—Net Stock of Fixed Private Capital, by Type" is not published in this issue. The table will be published when the estimates of fixed assets and consumer durable goods are revised to incorporate the results of the most recent comprehensive revision of the NIPA's. An article presenting the revised estimates of fixed assets and consumer durable goods is scheduled to be published in the April 2000 Survey.

C. Historical Measures_

This table is derived from the "GDP and Other Major NIPA Series" tables that were published in the December 1999 issue of the Survey of Current Business and from the "Selected NIPA Tables" that are published in this issue. (Changes in prices are calculated from indexes expressed to three decimal places.)

Table C.1.—Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases
[Quarterly estimates are seasonally adjusted at annual rates]

	Rillions	of chained (1996	\ dollare	Percent change		Chain-type p	onally adjusted	at annual rates	-	l p	proont change from	n preceding period	4
Year and	DIIIIOIIS) dollars	peri		Criain-type p	nice indexes	implicit pric	e deliators		price index	Implicit price	
quarter	Gross domestic product	Final sales of domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	Gross domestic product			Gross national product
1959	2,300.0	2,298.4	2,315.7			22.06	21.57	22.06	22.04				
1960 1961 1962 1963	2,357.2 2,412.1 2,557.6 2,668.2	2,359.0 2,415.5 2,548.1 2,661.4	2,374.4 2,430.9 2,578.8 2,690.7	2.5 2.3 6.0 4.3	2.6 2.4 5.5 4.4	22.37 22.62 22.93 23.18	21.87 22.10 22.40 22.67	22.37 22.62 22.93 23.19	22.35 22.60 22.91 23.16	1.4 1.1 1.4 1.1	1.1	1.4 1.1 1.4 1.1	1.4 1.1 1.4 1.1
1964	2,822.7	2,820.2	2,847.0	5.8	6.0	23.53	23.02	23.54	23.51	1.5	1.6	1.5	1.5
1965 1966 1967 1968 1969	3,002.8 3,199.5 3,279.5 3,435.6 3,543.2	2,982.7 3,163.3 3,259.4 3,419.5 3,527.6	3,028.3 3,223.7 3,304.3 3,462.2 3,568.8	6.4 6.6 2.5 4.8 3.1	5.8 6.1 3.0 4.9 3.2	23.98 24.66 25.43 26.52 27.81	23.44 24.10 24.80 25.87 27.11	23.98 24.67 25.43 26.53 27.81	23.96 24.64 25.41 26.50 27.78	1.9 2.9 3.1 4.3 4.8	1.8 2.8 2.9 4.3 4.8	1.9 2.9 3.1 4.3 4.8	1.9 2.9 3.1 4.3 4.8
1970 1971 1972 1973 1974	3,549.4 3,660.2 3,854.2 4,073.1 4,061.7	3,559.7 3,650.5 3,843.3 4,043.9 4,043.4	3,574.7 3,688.8 3,885.2 4,114.7 4,108.0	.2 3.1 5.3 5.7 3	.9 2.6 5.3 5.2	29.29 30.83 32.18 34.01 36.94	28.57 30.12 31.50 33.37 36.65	29.29 30.83 32.18 34.02 36.96	29.26 30.80 32.15 33.98 36.92	5.3 5.3 4.4 5.7 8.6	5.4 5.4 4.6 5.9 9.8	5.3 5.3 4.4 5.7 8.6	5.3 5.3 4.4 5.7 8.6
1975 1976 1977 1978	4,050.3 4,262.6 4,455.7 4,709.9	4,083.9 4,239.6 4,422.8 4,672.4	4,086.5 4,306.3 4,505.2 4,758.8	3 5.2 4.5 5.7	1.0 3.8 4.3 5.6	40.37 42.78 45.58 48.74	39.99 42.37 45.31 48.49	40.37 42.79 45.59 48.75	40.34 42.75 45.55 48.71	9.3 6.0 6.5 6.9	9.1 6.0 6.9 7.0	9.2 6.0 6.5 6.9	9.3 6.0 6.5 6.9
1979 1980 1981 1982 1983	4,870.1 4,872.3 4,993.9 4,900.3 5,105.6	4,852.4 4,899.2 4,962.5 4,935.6 5,127.5	4,935.6 4,936.2 5,050.8 4,956.4 5,160.6	3.4 0 2.5 –1.9 4.2	3.9 1.0 1.3 5 3.9	52.69 57.39 62.71 66.51 69.23	52.67 58.10 63.36 66.94 69.37	52.70 57.38 62.70 66.51 69.24	52.66 57.35 62.68 66.49 69.21	8.1 8.9 9.3 6.1 4.1	8.6 10.3 9.1 5.7 3.6	8.1 8.9 9.3 6.1 4.1	8.1 8.9 9.3 6.1 4.1
1984 1985 1986 1987 1988	5,477.4 5,689.8 5,885.7 6,092.6 6,349.1	5,400.5 5,671.6 5,885.9 6,068.2 6,333.4	5,528.7 5,726.3 5,908.4 6,112.2 6,373.7	7.3 3.9 3.4 3.5 4.2	5.3 5.0 3.8 3.1 4.4	71.80 74.05 75.67 77.84 80.46	71.78 73.87 75.52 77.94 80.57	71.80 74.05 75.66 77.84 80.46	71.77 74.02 75.63 77.81 80.44	3.7 3.1 2.2 2.9 3.4	3.5 2.9 2.2 3.2 3.4	3.7 3.1 2.2 2.9 3.4	3.7 3.1 2.2 2.9 3.4
1989 1990 1991 1992 1993	6,568.7 6,683.5 6,669.2 6,891.1 7,054.1	6,542.4 6,671.3 6,674.2 6,878.7 7,035.3	6,594.7 6,718.1 6,696.9 6,915.8 7,080.3	3.5 1.7 2 3.3 2.4	3.3 2.0 0 3.1 2.3	83.56 86.84 89.76 91.70 94.17	83.71 87.14 89.90 91.90 94.24	83.56 86.83 89.76 91.70 94.16	83.54 86.81 89.76 91.71 94.16	3.9 3.4 2.2 2.7	2.2 2.5	3.9 3.9 3.4 2.2 2.7	3.9 3.9 3.4 2.2 2.7
1995 1996 1997	7,337.8 7,537.1 7,813.2 8,165.1 8,516.3	7,275.9 7,505.5 7,783.2 8,095.7 8,441.3	7,355.5 7,558.0 7,831.2 8,168.8 8,506.0	4.0 2.7 3.7 4.5 4.3	3.4 3.2 3.7 4.0 4.3 4.5	96.14 98.19 100.00 101.66 102.86	96.18 98.28 100.00 101.39 102.14	96.14 98.19 100.00 101.66 102.86	96.13 98.19 100.00 101.67 102.87	2.1 2.1 1.8 1.7 1.2	1.4	2.1 2.1 1.8 1.7 1.2	2.1 2.1 1.8 1.7 1.2
1999 1959: I II IV	8,867.0 2,254.4 2,313.3 2,312.4 2,320.0	8,818.8 2,256.3 2,295.8 2,325.0 2,316.4	2,269.3 2,328.3 2,328.4 2,336.9	4.1 10.9 2 1.3	7.2 5.2 -1.5	104.31 21.97 22.02 22.08 22.17	103.65 21.48 21.53 21.59 21.68	22.01 22.01 22.06 22.16	21.98 21.99 22.04 22.14	1.4 	1.5 	1.5 	
1960: I II III IV	2,371.4 2,359.7 2,364.1 2,333.7	2,340.9 2,363.1 2,360.5 2,371.4	2,387.7 2,376.4 2,381.4 2,351.8	9.1 -1.9 .7 -5.0	4.3 3.8 4 1.9	22.22 22.32 22.42 22.52	21.72 21.82 21.92 22.02	22.26 22.34 22.42 22.48	22.24 22.31 22.39 22.45	.9 1.7 1.8 1.8	1.8	1.8 1.4 1.4 1.1	1.8 1.4 1.4 1.1
1961: I II III IV	2,347.2 2,391.1 2,430.4 2,479.8	2,373.2 2,398.5 2,417.7 2,472.6	2,366.3 2,409.4 2,449.1 2,499.0	2.3 7.7 6.7 8.4	.3 4.3 3.2 9.4	22.55 22.59 22.64 22.70	22.04 22.07 22.12 22.17	22.54 22.58 22.64 22.72	22.51 22.55 22.62 22.70	.5 .7 .9 1.0	.5	1.0 .8 1.1 1.4	1.0 .8 1.1 1.4
1962: I II III IV	2,522.9 2,550.2 2,575.3 2,581.8	2,501.5 2,543.2 2,564.6 2,582.9	2,541.9 2,571.0 2,596.3 2,605.6	7.1 4.4 4.0 1.0	4.8 6.8 3.4 2.9	22.83 22.90 22.96 23.03	22.29 22.37 22.42 22.50	22.86 22.90 22.95 23.02	22.84 22.87 22.92 23.00	2.4 1.1 1.1 1.4	2.2 1.3 1.0 1.4	2.5 .6 .9 1.3	2.5 .6 1.0 1.3
1963: I II III IV	2,612.4 2,646.3 2,697.2 2,716.8	2,597.6 2,641.8 2,689.5 2,716.8	2,635.1 2,668.3 2,719.6 2,739.8	4.8 5.3 7.9 2.9	2.3 7.0 7.4 4.1	23.12 23.14 23.17 23.31	22.59 22.62 22.66 22.80	23.10 23.13 23.17 23.35	23.07 23.11 23.14 23.32	1.4 .3 .6 2.5	.5 .7	1.3 .6 .6 3.2	1.3 .6 .6 3.2
1964: I II III IV	2,777.3 2,810.2 2,848.0 2,855.3	2,775.9 2,809.7 2,844.1 2,851.1	2,802.3 2,834.3 2,872.9 2,878.6	9.2 4.8 5.5 1.0	9.0 5.0 5.0 1.0	23.39 23.47 23.58 23.69	22.89 22.97 23.07 23.17	23.42 23.47 23.57 23.69	23.39 23.45 23.54 23.66	1.4 1.2 2.0 1.9	1.8	1.2 .9 1.6 2.0	1.2 1.0 1.6 2.0
1965: I II III IV	2,925.1 2,964.4 3,024.6 3,096.8	2,895.4 2,947.7 3,003.4 3,084.6	2,951.4 2,991.5 3,050.1 3,120.3	10.1 5.5 8.4 9.9	6.4 7.4 7.8 11.3	23.80 23.91 24.02 24.18	23.26 23.36 23.48 23.65	23.81 23.92 24.01 24.18	23.79 23.89 23.99 24.15	1.9 1.8 1.8 2.7		2.1 1.8 1.5 2.8	2.1 1.8 1.6 2.8
1966: I II III IV	3,173.4 3,185.4 3,205.7 3,233.5	3,137.6 3,152.2 3,177.0 3,186.4	3,197.6 3,209.6 3,229.3 3,258.1	10.3 1.5 2.6 3.5	7.1 1.9 3.2 1.2	24.32 24.55 24.79 25.00	23.77 24.00 24.22 24.41	24.34 24.53 24.79 25.01	24.31 24.51 24.77 24.98	2.4 3.8 4.0 3.5	3.8 3.7	2.6 3.3 4.3 3.5	2.7 3.3 4.3 3.5

Table C.1.—Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases—Continued
[Quarterly estimates are seasonally adjusted at annual rates]

	T				-	ı	onally adjusted	1	-				
	Billions of	of chained (1996)	dollars	Percent change peri		Chain-type p	orice indexes	Implicit pric	e deflators		ercent change fron		
Year and quarter	Gross domestic product	Final sales of domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	,,	Gross domestic purchases	Implicit price Gross domestic product	Gross national product
1967: I	3,263.2	3,218.6	3,287.6	3.7	4.1	25.12	24.51	25.11	25.08	1.9	1.6	1.6	1.6
II	3,261.1	3,252.7	3,284.8	3	4.3	25.28	24.66	25.27	25.24	2.5	2.5	2.5	2.5
III	3,284.6	3,268.5	3,310.4	2.9	1.9	25.52	24.89	25.53	25.51	3.8	3.9	4.3	4.3
IV	3,309.1	3,297.6	3,334.4	3.0	3.6	25.80	25.16	25.82	25.79	4.5	4.3	4.6	4.5
1968: I	3,375.9	3,363.8	3,401.8	8.3	8.3	26.09	25.45	26.11	26.08	4.7	4.7	4.6	4.6
II	3,434.0	3,397.8	3,460.4	7.1	4.1	26.38	25.71	26.38	26.35	4.5	4.2	4.1	4.2
III	3,458.6	3,447.3	3,485.7	2.9	6.0	26.63	25.97	26.63	26.60	3.8	4.1	3.9	3.8
IV	3,473.9	3,469.2	3,500.8	1.8	2.6	26.99	26.33	26.99	26.97	5.6	5.6	5.7	5.6
1969: I	3,529.1	3,505.8	3,556.0	6.5	4.3	27.25	26.56	27.25	27.23	3.8	3.6	3.9	3.9
II	3,539.2	3,522.9	3,565.1	1.1	2.0	27.61	26.92	27.61	27.58	5.4	5.5	5.2	5.2
III	3,560.5	3,541.1	3,585.2	2.4	2.1	28.01	27.30	28.01	27.98	5.9	5.7	5.9	5.9
IV	3,544.0	3,540.8	3,568.8	–1.8	0	28.36	27.65	28.37	28.34	5.2	5.3	5.2	5.2
1970: I	3,539.3	3,551.5	3,564.6	5	1.2	28.75	28.04	28.77	28.74	5.6	5.8	5.8	5.8
II	3,546.1	3,545.2	3,572.3	.8	7	29.17	28.43	29.17	29.14	5.9	5.7	5.7	5.7
III	3,576.0	3,575.6	3,602.0	3.4	3.5	29.41	28.71	29.42	29.39	3.4	4.0	3.4	3.4
IV	3,536.1	3,566.5	3,560.1	-4.4	-1.0	29.81	29.11	29.81	29.78	5.5	5.6	5.5	5.5
1971: I	3,631.9	3,608.9	3,660.2	11.3	4.8	30.28	29.56	30.28	30.25	6.5	6.4	6.5	6.5
II	3,649.7	3,631.3	3,679.6	2.0	2.5	30.70	29.98	30.70	30.67	5.7	5.7	5.6	5.6
III	3,675.8	3,660.2	3,703.2	2.9	3.2	31.03	30.33	31.03	31.00	4.3	4.8	4.4	4.4
IV	3,683.5	3,701.8	3,712.4	.8	4.6	31.30	30.60	31.30	31.27	3.5	3.7	3.5	3.5
1972: I	3,755.6	3,760.7	3,785.7	8.1	6.5	31.77	31.06	31.75	31.72	6.1	6.1	5.8	5.9
II	3,840.6	3,819.4	3,870.4	9.4	6.4	31.97	31.29	31.96	31.93	2.6	3.0	2.7	2.7
III	3,877.2	3,852.1	3,909.4	3.9	3.5	32.29	31.63	32.29	32.26	4.1	4.4	4.2	4.2
IV	3,943.3	3,941.0	3,975.5	7.0	9.6	32.68	32.01	32.71	32.67	4.9	4.9	5.2	5.2
1973: I II III IV	4,040.9 4,081.4 4,066.8 4,103.3	4,023.9 4,042.6 4,050.4 4,058.8	4,077.8 4,120.6 4,111.8 4,148.5	10.3 4.1 -1.4 3.6	8.7 1.9 .8	33.14 33.69 34.32 34.89	32.46 33.07 33.67 34.27	33.12 33.67 34.28 34.98	33.09 33.64 34.24 34.94	5.7 6.8 7.7 6.7	5.7 7.7 7.4 7.3	5.2 6.9 7.4 8.4	5.2 6.9 7.4 8.4
1974: I	4,077.5	4,059.9	4,129.7	-2.5	.1	35.55	35.12	35.56	35.53	7.8	10.4	6.8	6.9
II	4,091.8	4,067.1	4,141.1	1.4	.7	36.31	36.09	36.36	36.32	8.8	11.5	9.3	9.3
III	4,048.9	4,054.0	4,093.9	-4.1	–1.3	37.39	37.16	37.41	37.38	12.5	12.4	12.1	12.1
IV	4,028.5	3,992.5	4,067.4	-2.0	–5.9	38.51	38.21	38.52	38.48	12.5	11.8	12.3	12.3
1975: I	3,978.2	4,022.4	4,011.1	-4.9	3.0	39.39	39.04	39.39	39.36	9.4	8.9	9.4	9.5
II	4,012.7	4,066.1	4,046.0	3.5	4.4	39.95	39.61	39.95	39.92	5.8	6.0	5.8	5.8
III	4,080.7	4,100.9	4,116.7	7.0	3.5	40.70	40.30	40.68	40.64	7.7	7.1	7.5	7.5
IV	4,129.4	4,146.3	4,172.1	4.9	4.5	41.43	41.01	41.42	41.39	7.3	7.2	7.5	7.5
1976: I II III	4,222.1 4,253.6 4,270.8 4,303.6	4,204.9 4,216.5 4,238.6 4,298.3	4,264.0 4,297.2 4,315.1 4,349.1	9.3 3.0 1.6 3.1	5.8 1.1 2.1 5.8	41.92 42.40 43.02 43.79	41.50 41.99 42.64 43.37	41.93 42.39 43.01 43.81	41.89 42.35 42.97 43.77	4.9 4.7 5.9 7.3	4.9 4.8 6.3 7.0	5.0 4.5 6.0 7.6	5.0 4.5 6.0 7.6
1977: I	4,355.4	4,338.5	4,407.0	4.9	3.8	44.52	44.19	44.52	44.48	6.9	7.8	6.7	6.7
	4,433.3	4,407.5	4,484.0	7.3	6.5	45.26	44.97	45.26	45.22	6.8	7.3	6.8	6.9
	4,513.7	4,453.2	4,564.0	7.5	4.2	45.89	45.66	45.80	45.76	5.7	6.3	4.9	4.9
	4,520.5	4,491.9	4,565.5	.6	3.5	46.65	46.43	46.73	46.69	6.7	6.9	8.3	8.3
1978: I II	4,536.2 4,713.6 4,761.7 4,828.0	4,499.5 4,678.9 4,724.8 4,786.3	4,587.6 4,757.1 4,808.9 4,881.8	1.4 16.6 4.1 5.7	.7 16.9 4.0 5.3	47.40 48.32 49.15 50.11	47.17 48.08 48.91 49.81	47.41 48.30 49.11 50.08	47.36 48.26 49.08 50.05	6.6 8.0 7.1 8.0	6.5 8.0 7.1 7.5	5.9 7.8 6.9 8.2	5.9 7.8 6.9 8.2
IV	4,841.7	4,808.8	4,897.0	1.1	1.9	51.07	50.82	51.03	51.00	7.9	8.3	7.8	7.8
1979: I	4,847.8	4,809.5	4,909.3	.5	.1	52.20	52.00	52.17	52.14	9.2	9.7	9.2	9.3
II	4,885.6	4,881.3	4,958.4	3.2	6.1	53.23	53.28	53.25	53.22	8.1	10.2	8.5	8.5
IV	4,905.4	4,910.3	4,977.4	1.6	2.4	54.27	54.57	54.30	54.27	8.0	10.0	8.2	8.2
1980: I	4,926.8	4,929.1	4,999.5	1.8	1.5	55.44	56.05	55.47	55.44	8.9	11.3	8.9	8.9
II	4,829.0	4,832.7	4,896.2	-7.7	-7.6	56.68	57.44	56.68	56.65	9.3	10.3	9.0	9.0
III	4,823.3	4,896.5	4,886.8	5	5.4	57.94	58.72	57.92	57.89	9.2	9.2	9.1	9.1
IV	4,910.1	4,938.5	4,962.3	7.4	3.5	59.48	60.18	59.45	59.42	11.0	10.3	11.0	11.0
1981: I	5,003.6	4,956.8	5,060.1	7.8	1.5	61.02	61.74	61.01	60.99	10.7	10.8	10.9	11.0
II	4,969.3	4,967.8	5,022.7	-2.7	.9	62.10	62.84	62.11	62.08	7.3	7.3	7.4	7.4
III	5,030.0	4,976.8	5,086.1	5.0	.7	63.29	63.86	63.29	63.27	7.9	6.6	7.9	7.9
IV	4,972.5	4,948.4	5,034.5	-4.5	–2.3	64.42	64.99	64.42	64.40	7.3	7.2	7.3	7.3
1982: I II III IV	4,894.6 4,916.9 4,893.5 4,896.1	4,939.7 4,935.5 4,898.2 4,969.2	4,951.5 4,980.0 4,946.8 4,947.2	-6.1 1.8 -1.9	7 3 -3.0 5.9	1	65.79 66.51 67.39 68.07	65.25 66.08 67.00 67.72	65.24 66.06 66.98 67.70	5.4 5.2 5.6 4.3	5.0 4.5 5.4 4.1	5.3 5.2 5.7 4.4	5.3 5.1 5.7 4.4
1983: I	4,948.5	5,011.8	4,999.9	4.3	3.5	68.31	68.51	68.27	68.25	3.6	2.6	3.3	3.3
	5,063.6	5,086.7	5,118.5	9.6	6.1	68.95	69.12	68.92	68.89	3.8	3.6	3.8	3.8
	5,152.6	5,172.1	5,208.5	7.2	6.9	69.54	69.68	69.54	69.51	3.5	3.3	3.7	3.7
	5,257.6	5,239.4	5,315.6	8.4	5.3	70.14	70.17	70.16	70.13	3.5	2.8	3.6	3.6
1984: I	5,374.1	5,286.2	5,427.1	9.2	3.6	70.96	71.00	70.96	70.93	4.8	4.8	4.6	4.6
II	5,465.9	5,383.2	5,519.0	7.0	7.5	71.54	71.57	71.52	71.50	3.3	3.3	3.2	3.2
III	5,513.6	5,428.7	5,566.1	3.5	3.4	72.10	72.04	72.09	72.06	3.2	2.7	3.2	3.2
IV	5,555.9	5,503.9	5,602.6	3.1	5.7	72.60	72.49	72.60	72.57	2.8	2.5	2.8	2.8
1985: I II III IV	5,602.4 5,646.6 5,731.4 5,778.8	5,503.9 5,592.4 5,629.7 5,718.8 5,745.4	5,639.7 5,686.3 5,764.0 5,815.1	3.4 3.2 6.1 3.4	6.6 2.7 6.5 1.9	73.36 73.85 74.23 74.75	73.12 73.63 74.04 74.69	73.36 73.85 74.20 74.74	73.33 73.82 74.18 74.72	4.3 2.7 2.1 2.8	3.5 2.8 2.2 3.6	4.3 2.7 1.9 2.9	4.2 2.7 1.9 3.0
1986: I II	5,831.1 5,856.0 5,911.3	5,801.0 5,845.4 5,929.3	5,862.3 5,877.4 5,935.1	3.7 1.7 3.8 2.2	3.9 3.1 5.9 2.6	75.04 75.39 75.85	75.02 75.16 75.68	75.03 75.40 75.84	75.00 75.37 75.81	1.6 1.9 2.5	1.8 .7 2.8 2.9	1.6 2.0 2.4	1.6 1.9 2.4
IV 1987: I II IV	5,944.3 5,990.7 6,056.1 6,108.3 6,215.4	5,967.8 5,962.8 6,045.8 6,118.8 6,145.3	5,959.0 6,007.2 6,076.9 6,127.9 6,237.0	3.2 4.4 3.5 7.2	3 5.7 4.9 1.7	76.38 77.02 77.54 78.09 78.71	76.23 77.02 77.64 78.23 78.86	76.33 76.99 77.54 78.09 78.70	76.31 76.97 77.51 78.07 78.67	2.8 3.4 2.7 2.8 3.2	4.2 3.3 3.1	2.6 3.5 2.9 2.9 3.1	2.6 3.5 2.9 2.9 3.1

Table C.1.—Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases—Continued

[Quarterly estimates are seasonally adjusted at annual rates]

	Billions of	of chained (1996) dollars	Percent change		Chain-type p		Implicit pric		Pe	ercent change from	n preceding period	
Year and		Final sales of		peri						Chain-type	price index	Implicit price	e deflators
quarter	Gross domestic product	domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
1988: I	6,257.0	6,244.3	6,285.0	2.7	6.6	79.23	79.42	79.22	79.20	2.7	2.9	2.7	2.7
II	6,331.0	6,315.2	6,355.8	4.8	4.6	80.03	80.22	80.03	80.01	4.1	4.1	4.1	4.1
III	6,363.1	6,346.7	6,384.7	2.0	2.0	80.97	80.97	80.96	80.94	4.8	3.8	4.7	4.7
IV	6,445.0	6,427.3	6,469.2	5.2	5.2	81.61	81.69	81.59	81.57	3.2	3.6	3.1	3.2
1989: I	6,522.4	6,471.5	6,546.4	4.9	2.8	82.47	82.61	82.47	82.45	4.3	4.6	4.4	4.4
II	6,556.9	6,520.4	6,579.5	2.1	3.1	83.30	83.51	83.30	83.28	4.1	4.5	4.1	4.1
III	6,586.8	6,582.1	6,612.0	1.8	3.8	83.92	84.01	83.92	83.90	3.0	2.4	3.0	3.0
IV	6,608.7	6,595.6	6,641.0	1.3	.8	84.56	84.71	84.56	84.54	3.1	3.4	3.1	3.1
1990: I	6,689.2	6,678.7	6,719.3	5.0	5.1	85.53	85.79	85.52	85.51	4.7	5.2	4.6	4.7
II	6,705.4	6,671.3	6,737.1	1.0	4	86.51	86.57	86.50	86.47	4.7	3.7	4.6	4.6
III	6,695.4	6,675.2	6,721.0	6	.2	87.31	87.54	87.30	87.28	3.7	4.6	3.8	3.8
IV	6,643.9	6,659.6	6,695.0	-3.0	9	88.03	88.65	88.01	88.00	3.3	5.1	3.3	3.3
1991: I	6,616.2	6,637.3	6,653.9	-1.7	-1.3	88.98	89.27	88.97	88.96	4.4	2.9	4.4	4.4
II	6,658.4	6,682.4	6,683.0	2.6	2.7	89.54	89.63	89.54	89.53	2.6	1.6	2.6	2.6
III	6,680.2	6,684.5	6,700.5	1.3	.1	90.05	90.09	90.06	90.05	2.3	2.1	2.3	2.3
IV	6,721.7	6,692.8	6,750.1	2.5	.5	90.46	90.59	90.46	90.47	1.8	2.2	1.8	1.9
1992: I	6,792.9	6,798.5	6,819.7	4.3	6.5	91.04	91.13	91.03	91.04	2.6	2.4	2.5	2.5
II	6,859.3	6,839.5	6,885.1	4.0	2.4	91.51	91.66	91.51	91.52	2.1	2.3	2.1	2.1
III	6,912.1	6,895.1	6,934.6	3.1	3.3	91.82	92.11	91.81	91.82	1.3	2.0	1.3	1.3
IV	7,000.0	6,981.7	7,023.7	5.2	5.1	92.44	92.70	92.43	92.44	2.7	2.6	2.7	2.7
1993: I	6,986.9	6,951.9	7,019.5	7	-1.7	93.35	93.44	93.34	93.34	4.0	3.3	4.0	4.0
II	7,024.0	7,001.6	7,049.6	2.1	2.9	93.93	94.06	93.92	93.91	2.5	2.7	2.5	2.5
III	7,050.8	7,046.6	7,082.3	1.5	2.6	94.41	94.45	94.39	94.39	2.0	1.7	2.0	2.0
IV	7,155.0	7,141.1	7,169.8	6.0	5.5	94.97	94.99	94.98	94.97	2.4	2.3	2.5	2.5
1994: I	7,218.5	7,176.3	7,240.1	3.6	2.0	95.42	95.34	95.42	95.42	1.9	1.5	1.9	1.9
II	7,319.8	7,239.8	7,337.0	5.7	3.6	95.85	95.86	95.85	95.85	1.8	2.2	1.8	1.8
III	7,360.5	7,308.9	7,376.6	2.2	3.9	96.41	96.54	96.41	96.40	2.4	2.8	2.4	2.3
IV	7,452.3	7,378.4	7,468.2	5.1	3.9	96.85	96.96	96.85	96.85	1.8	1.8	1.9	1.9
1995: I	7,480.4	7,419.1	7,502.7	1.5	2.2	97.56	97.60	97.55	97.55	2.9	2.7	2.9	2.9
II	7,496.0	7,462.3	7,522.0	.8	2.3	97.96	98.12	97.95	97.95	1.6	2.1	1.7	1.7
III	7,555.0	7,543.4	7,566.7	3.2	4.4	98.39	98.49	98.38	98.38	1.8	1.5	1.8	1.8
IV	7,616.8	7,597.3	7,640.6	3.3	2.9	98.86	98.91	98.85	98.85	1.9	1.7	1.9	1.9
1996: I	7,671.4	7,664.6	7,698.7	2.9	3.6	99.46	99.48	99.45	99.45	2.5	2.3	2.5	2.5
II	7,800.5	7,770.9	7,818.3	6.9	5.7	99.77	99.77	99.77	99.77	1.3	1.2	1.3	1.3
III	7,843.3	7,793.5	7,854.7	2.2	1.2	100.21	100.14	100.20	100.20	1.8	1.5	1.7	1.7
IV	7,937.5	7,903.7	7,953.3	4.9	5.8	100.56	100.62	100.55	100.56	1.4	1.9	1.4	1.4
1997: I	8,033.4	7,981.1	8,038.1	4.9	4.0	101.14	101.09	101.15	101.16	2.4	1.9	2.4	2.4
II	8,134.8	8,042.0	8,144.0	5.1	3.1	101.53	101.23	101.53	101.54	1.5	.6	1.5	1.5
III	8,214.8	8,155.3	8,216.2	4.0	5.8	101.83	101.48	101.82	101.83	1.2	1.0	1.1	1.2
IV	8,277.3	8,204.3	8,277.2	3.1	2.4	102.15	101.76	102.12	102.13	1.3	1.1	1.2	1.2
1998: I	8,412.7	8,307.0	8,414.8	6.7	5.1	102.41	101.79	102.35	102.36	1.0	.1	.9	.9
II	8,457.2	8,410.4	8,456.6	2.1	5.1	102.70	101.99	102.68	102.69	1.1	.8	1.3	1.3
III	8,536.0	8,459.6	8,510.6	3.8	2.4	103.06	102.26	103.07	103.07	1.4	1.1	1.5	1.5
IV	8,659.2	8,588.3	8,641.9	5.9	6.2	103.28	102.51	103.33	103.34	.9	1.0	1.0	1.0
1999: I II III IV	8,737.9 8,778.6 8,900.6 9,050.9	8,685.2 8,757.9 8,855.8 8,976.3	8,723.3 8,764.3 8,885.5	3.7 1.9 5.7 6.9	4.6 3.4 4.5 5.6	103.79 104.13 104.41 104.93	102.92 103.40 103.85 104.44	103.83 104.19 104.46 104.98	103.84 104.19 104.47	2.0 1.3 1.1 2.0	1.6 1.9 1.7 2.3	2.0 1.4 1.1 2.0	2.0 1.4 1.0

D. Domestic Perspectives_____

This table presents data collected from other government agencies and private organizations, as noted. Quarterly data are shown in the middle month of the quarter.

Table D.1.—Domestic Perspectives

			1 a	DIC D.I.		CSLIC I	cispeci									
	4000	4000	1998						19	99						2000
	1998	1999	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
					Consu	mer and	producer p	orices, (m	onthly dat	a season	ally adjust	ted) 1				
Consumer price index for all urban consumers, 1982–84=100: All items Less food and energy Services	163.0 173.4 184.2	166.6 177.0 188.8	164.4 175.5 186.2	164.7 175.8 186.5	164.8 175.8 186.9	165.1 176.1 187.6	166.2 176.7 188.1	166.2 176.8 188.3	166.2 177.0 188.5	166.7 177.4 189.1	167.2 177.5 189.4	167.8 178.1 189.8	168.1 178.4 190.2	168.4 178.7 190.8	168.8 178.9 191.1	169.1 179.2 191.6
Producer price index, 1982=100: Finished goods Less food and energy Finished consumer goods Capital equipment Intermediate materials Crude materials	130.7 143.7 128.9 137.6 123.0 96.8	133.1 146.1 132.1 137.6 123.2 98.2	131.1 145.8 129.5 137.6 121.2 90.2	131.6 145.6 130.2 137.6 121.1 91.1	131.1 145.7 129.5 137.7 120.8 88.9	131.6 145.6 130.1 137.5 121.1 89.6	132.2 145.7 130.9 137.6 121.9 91.5	132.3 145.8 131.0 137.7 122.3 96.7	132.4 145.8 131.3 137.5 122.7 96.9	132.7 145.7 131.7 137.3 123.5 97.1	133.5 145.8 132.7 137.4 124.1 102.1	134.6 146.7 134.1 137.6 124.7 106.8	134.6 146.9 134.0 137.9 125.1 105.1	134.9 146.9 134.4 137.8 125.5 108.9	135.0 147.0 134.5 138.0 125.8 104.6	135.0 146.7 134.5 138.1 126.3 107.4
						N	Money, into	erest rate	s, and sto	ck prices						
Money stock (monthly and quarterly data seasonally adjusted): ² Percent change: M1 M2 Ratio: Gross domestic product to M1	8.106	8.394	0.34 .75	-0.13 .58	-0.16 .57 8.269	0.65 .36	0.53 .60	-0.49 .51 8.292	-0.15 .40	-0.07 .50	-0.10 .42 8.470	-0.25 .46	0.52 .39	0.82 .44 8.543	1.37 .63	-0.31 .50
Personal income to M2	1.743	1.716	1.718	1.718	1.717	1.715	1.713	1.711	1.718	1.714	1.714	1.708	1.722	1.721	1.715	1.719
Interest rates (percent, not seasonally adjusted): ² Federal funds rate Discount rate on new 91-day Treasury bills Yield on new high-grade corporate bonds 10-Year U.S. Treasury bonds Yield on municipal bonds, 20-bond average Mortgage commitment rate Average prime rate charged by banks	5.35 4.81 6.44 5.26 5.09 6.94 8.35	4.97 4.66 7.00 5.65 5.43 7.43 8.00	4.68 4.42 6.13 4.65 4.98 6.72 7.75	4.63 4.34 6.14 4.72 5.01 6.79 7.75	4.76 4.45 6.33 5.00 5.03 6.81 7.75	4.81 4.48 6.52 5.23 5.10 7.04 7.75	4.74 4.28 6.58 5.18 5.08 6.92 7.75	4.74 4.51 6.86 5.54 5.18 7.15 7.75	4.76 4.59 7.21 5.90 5.37 7.55 7.75	4.99 4.60 7.20 5.79 5.36 7.63 8.00	5.07 4.76 7.36 5.94 5.58 7.94 8.06	5.22 4.73 7.38 5.92 5.69 7.82 8.25	5.20 4.88 7.51 6.11 5.92 7.85 8.25	5.42 5.07 7.35 6.03 5.86 7.74 8.37	5.30 5.23 7.55 6.28 5.95 7.91 8.50	5.45 5.34 7.83 6.66 6.08 8.21 8.50
Index of stock prices (not seasonally adjusted): 3 500 common stocks, 1941–43=10	1,084.31	1,326.06	1,190.05	1,248.77	1,246.58	1,281.66	1,334.76	1,332.07	1,322.55	1,380.99	1,327.49	1,318.17	1,300.01	1,391.00	1,428.68	1,425.59
													vise noted			
Civilian labor force	137 673	139,368	138,545	139,232	139 137	138,804	139 086	139 013	139,332	139 336	139 372	139 475	139,697	139,834	140,108	140 910
Labor force participation rates (percent): Males 20 and over Females 20 and over 16–19 years of age Civilian employment	76.8 60.4 52.8 131,463	76.7 60.7 52.0	76.8 60.6 52.8	77.0 60.9 52.4 133,225	76.9 60.7 52.9 133,029	76.7 60.7 52.0	76.7 60.8 52.0	76.6 60.7 51.9	76.6 60.9 51.4	76.6 60.7 51.8	76.6 60.7 51.2	76.6 60.6 51.5	76.5 60.7 52.1	76.5 60.7 52.1	76.6 60.7 52.3	77.0 61.2 52.1 135,221
Ratio, civilian employment to working-age population (percent) Persons engaged in nonagricultural activities Employees on nonagricultural payrolls Goods-producing industries Services-producing industries Average weekly hours, manufacturing (hours) Average weekly overtime hours, manufacturing	64.1 128,085 125,826 25,347 100,480 41.7	128,616 25,240 103,376 41.7	25,354 101,832 41.7	127,378 25,315 102,063 41.6	64.3 129,701 127,730 25,329 102,401 41.6	127,813 25,285 102,528 41.5	128,134 25,288 102,846 41.6	64.2 129,900 128,162 25,199 102,963 41.7	128,443 25,180 103,263 41.7	64.2 130,121 128,816 25,247 103,569 41.9	25,148 103,797 41.8	64.2 130,471 129,048 25,186 103,862 41.8	64.2 130,702 129,332 25,198 104,134 41.8	64.3 130,788 129,589 25,257 104,332 41.7	129,905 25,275 104,630 41.6	64.8 131,850 130,292 25,406 104,886 41.7
(hours)	4.6	4.6	4.5	4.5	4.5	4.5	4.3	4.6	4.7	4.7	4.7	4.7	4.7	4.6	4.7	4.6
Number of persons unemployed Unemployment rates (percent): Total 15 weeks and over Average duration of unemployment (weeks)	6,210 4.5 1.2 14.5	5,880 4.2 1.1 13.4	6,028 4.4 1.1 14.0	6,007 4.3 1.1 13.5	6,108 4.4 1.1 13.8	5,828 4.2 1.1 13.6	6,032 4.3 1.1 13.2	5,823 4.2 1.1 13.4	5,934 4.3 1.2 14.3	5,937 4.3 1.1 13.5	5,842 4.2 1.0 13.2	5,825 4.2 1.0 13.0	5,757 4.1 1.0 13.2	5,736 4.1 1.0 13.0	5,688 4.1 1.0 12.8	5,689 4.0 1.0 13.2
Nonfarm business sector, 1992=100: Output per hour of all persons Unit labor costs Hourly compensation	110.2 108.6 119.7	113.4 110.6 125.4			112.2 109.8 123.3			112.4 111.0 124.7			110.9			115.2 110.6 127.4		

See footnotes at the end of the table.

Table D.1.—Domestic Perspectives—Continued

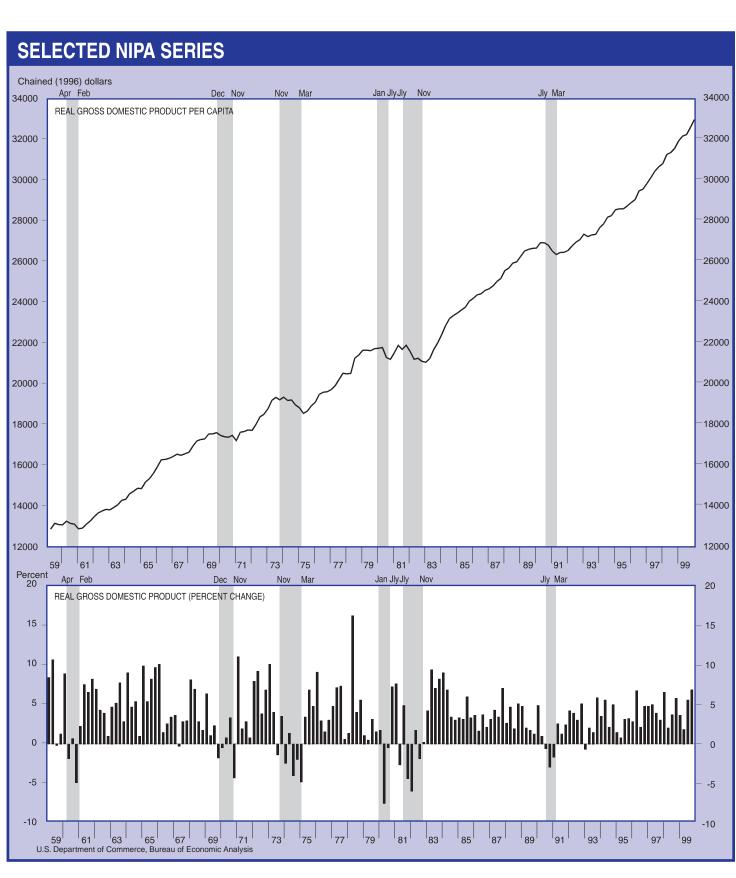
				Table D	.1.—DOI	ilestic r	erspect	ives—C	onunueu							
	1998	1999	1998						19	99						2000
	1990	1999	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
					Co	nstruction	(monthly d	ata season	ally adjuste	ed at annua	al rates) 4					
Total new private construction put in place (billions of dollars)	520.1 294.3 181.9	547.0 321.7 183.8	541.6 310.3 190.0	543.5 315.8 185.8	548.7 318.5 189.0	555.4 323.1 189.3	547.9 322.2 184.4	546.9 321.8 184.2	546.9 320.9 182.9	546.0 320.3 183.3	541.8 319.7 181.0	540.9 320.0 180.9	543.8 322.7 180.8	549.3 325.7 183.0	330.1	569.0 338.2 189.5
Housing starts (thousands of units): Total 1-unit structures	1,617 1,271	1,665 1,333	1,792 1,412	1,804 1,393	1,738 1,379	1,737 1,377	1,561 1,248	1,649 1,368	1,562 1,269	1,704 1,348	1,657 1,285	1,628 1,290	1,636 1,343	1,663 1,344		1,775 1,396
New 1-family houses sold (thousands of units)	886	904	958	908	909	885	952	914	932	929	912	860	919	861	900	ļ
				Manufactu	ring and tra	ade, invento	ories and s	ales (millio	ons of dolla	rs, monthly	data seas	onally adju	isted) 4			
Inventories: Total manufacturing and trade Manufacturing Merchant wholesalers Retail trade	1,094,345 466,798 286,705 340,842	470,951 305,005	1,094,345 466,798 286,705 340,842	1,095,209 464,867 286,698 343,644	1,098,308 464,198 288,638 345,472	1,103,619 463,578 289,360 350,681	1,105,654 463,194 289,636 352,824	1,108,901 463,742 290,216 354,943	462,690	1,115,790 465,043 293,982 356,765	1,119,251 464,351 295,558 359,342	1,124,016 465,669 298,469 359,878	467,522 299,793	1,139,025 469,836 303,649 365,540	470,951 305,005	
Sales: Total manufacturing and trade Manufacturing Merchant wholesalers Retail trade	4,052,248 2,535,008	2,721,795	795,774 344,247 215,061 236,466	794,865 341,673 213,597 239,595	803,481 343,724 216,138 243,619	812,055 349,065 219,595 243,395	812,237 347,568 219,921 244,748	821,761 350,624 223,909 247,228	829,593 354,702 227,863 247,028	834,062 357,301 227,293 249,468	844,439 361,844 229,827 252,768	842,647 358,709 231,135 252,803	846,797 360,201 233,048 253,548	859,289 364,971 237,464 256,854	868,827 367,353 240,142 261,332	
				Industr	ial product	ion indexes	and capa	city utilizat	ion rates (r	nonthly dat	a seasona	lly adjusted	l) ²			
Industrial production indexes, 1992=100: Total	132.4	137.1	133.8	134.1	134.5	135.1	135.5	136.2	136.6	137.4	137.7	138.1	139.1	139.5	140.1	141.5
By industry: Durable manufactures Nondurable manufactures By market category:	160.7 111.6	172.8 111.8	166.2 111.1	166.3 111.3	166.8 112.3	168.1 111.8	169.4 111.5	170.8 111.9	172.2 111.3	173.8 111.0	174.4 111.5	175.0 111.8	176.5 113.0	177.2 113.6		180.4 113.9
Consumer goods	116.2	116.9	115.1	116.3	117.2	116.7	116.5	116.8	117.0	116.8	117.6	117.1	118.2	117.7	118.2	119.3
Capacity utilization rates (percent): Total industry Manufacturing	81.8 80.9	80.7 79.8	80.6 79.9	80.4 79.6	80.4 79.7	80.5 79.6	80.4 79.5	80.5 79.7	80.5 79.6	80.7 79.7	80.6 79.7	80.4 79.5	81.0 80.2	81.0 80.3	81.1 80.2	
				Credit i	market bori	owing (billi	ons of doll	ars, quarte	rly data se	asonally ad	djusted at a	annual rate	s) ²			
All sectors, by instrument: Total Open market paper U.S. government securities Municipal securities Corporate and foreign bonds Bank loans, n.e.c. Other loans and advances Mortgages Consumer credit	145.0 158.5 511.4				765.7			34.1 467.0 48.0 564.8 38.3 98.9			570.1 74.8 380.2 99.6 231.5					

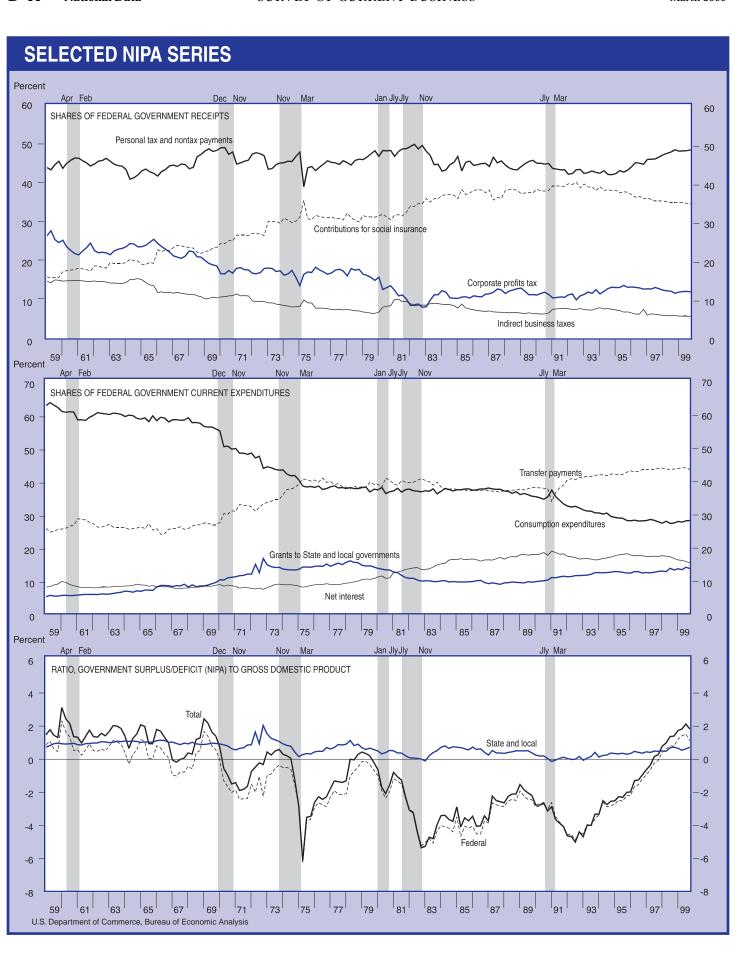
Sources: 1. Bureau of Labor Statistics 2. Federal Reserve Board

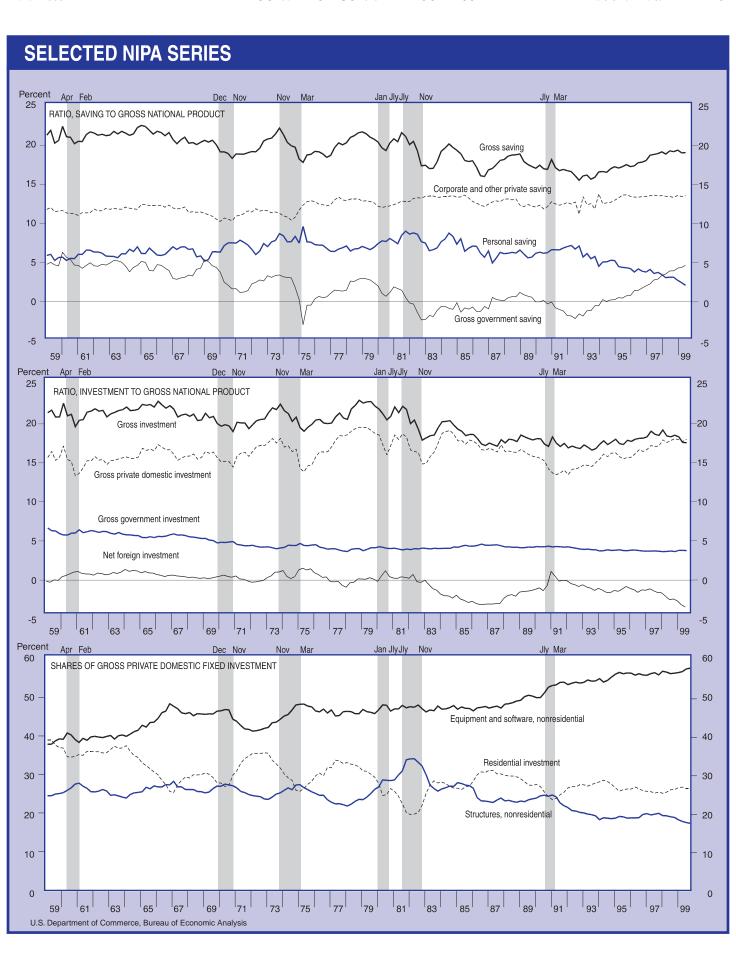
Standard and Poor's, Inc.
 Bureau of the Census
 n.e.c. Not elsewhere classified

E. Charts.

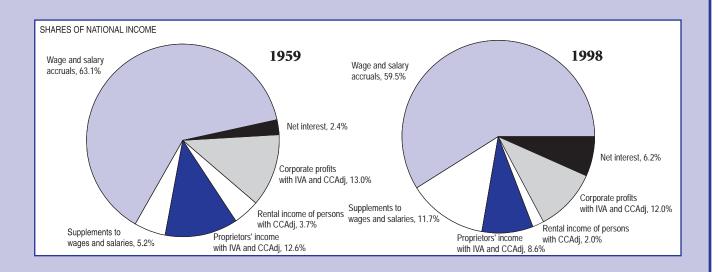
Percent changes shown in this section are based on quarter-to-quarter changes and are expressed at seasonally adjusted annual rates; likewise, levels of series are expressed at seasonally adjusted annual rates as appropriate.

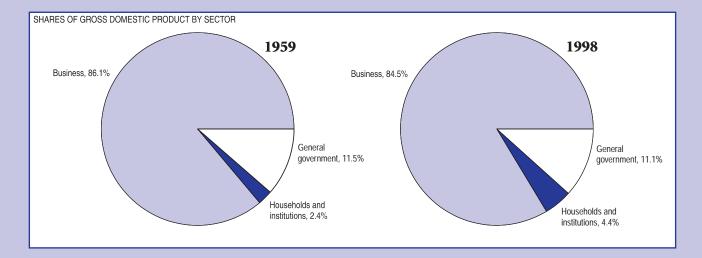


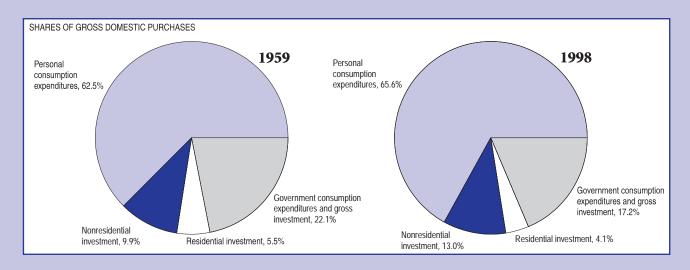


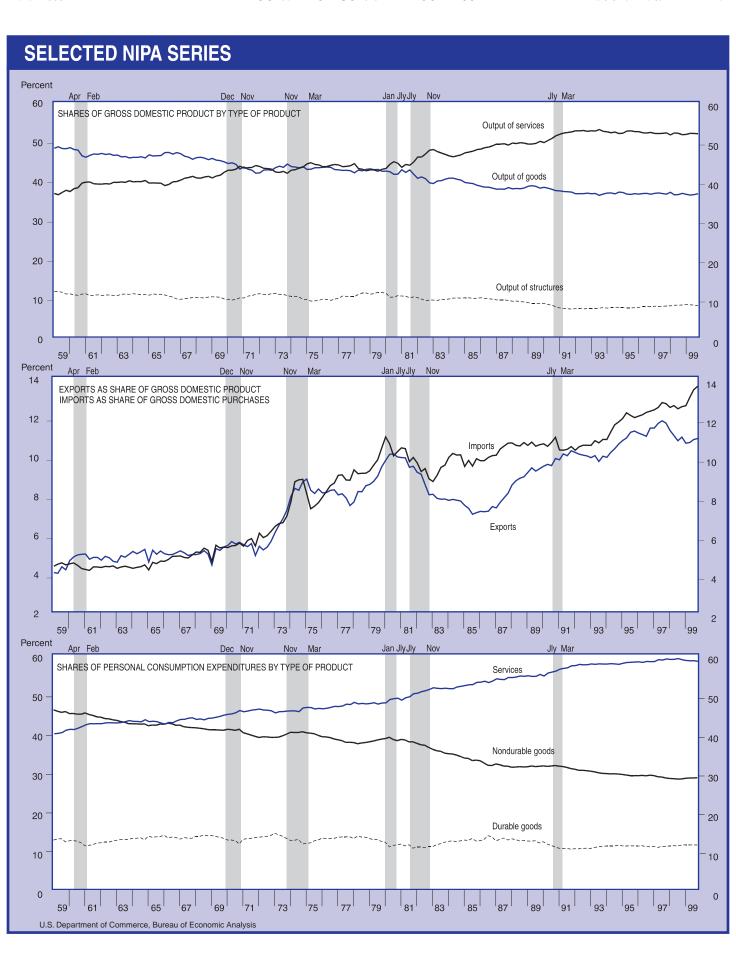


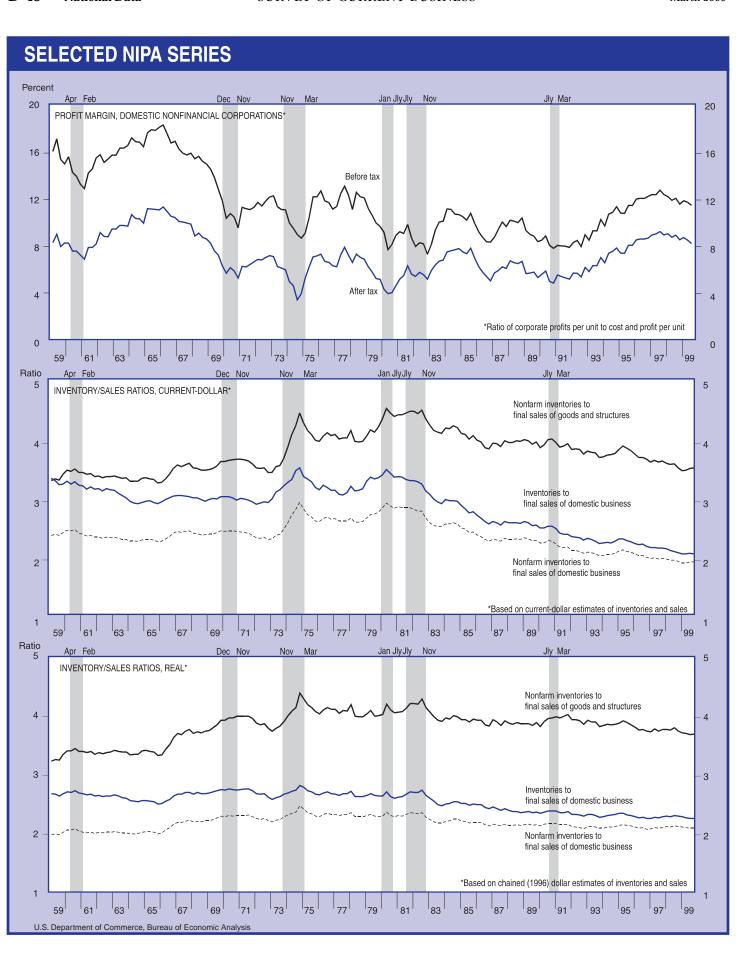
SELECTED NIPA SERIES



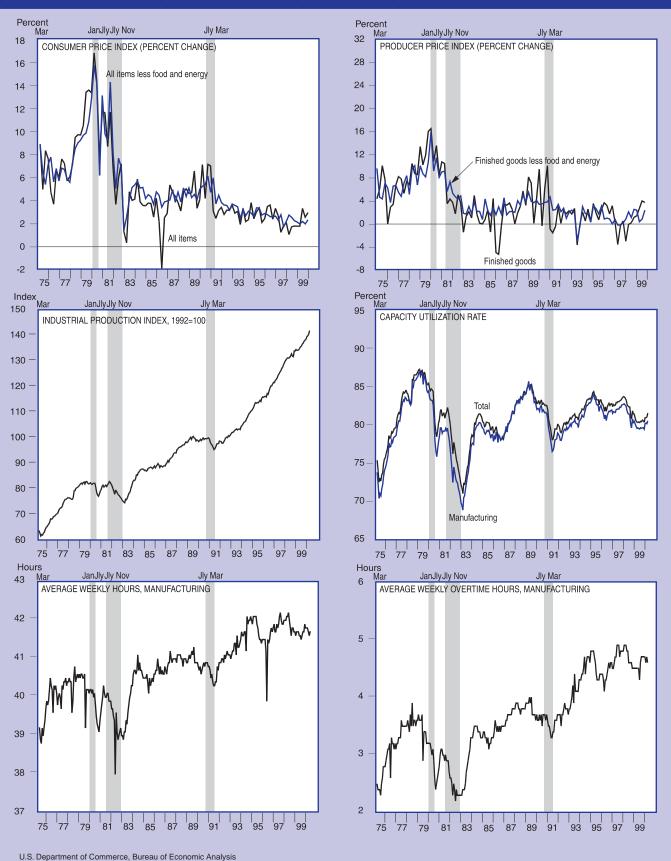




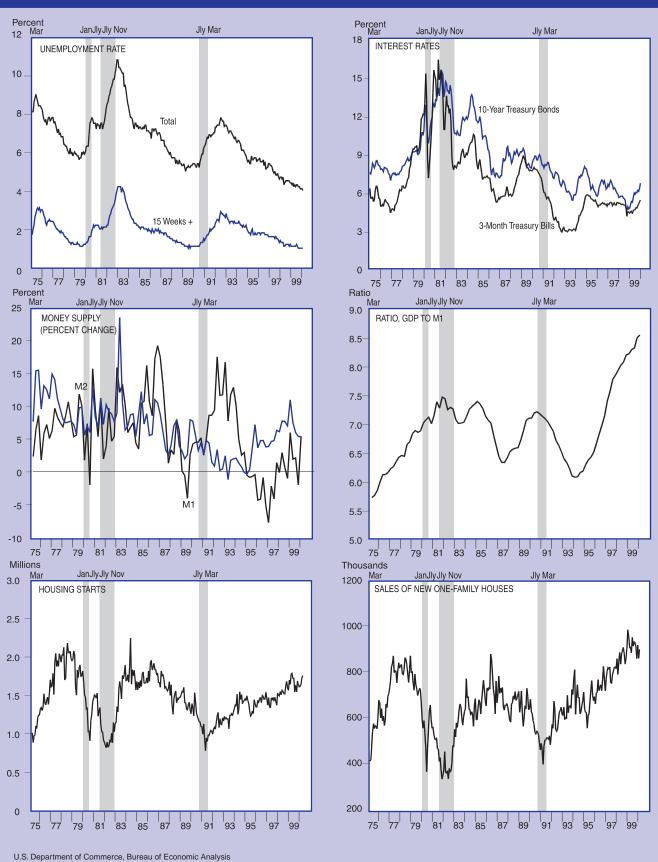




OTHER INDICATORS OF THE DOMESTIC ECONOMY



OTHER INDICATORS OF THE DOMESTIC ECONOMY



International Data

F. Transactions Tables

Table F.1 includes the most recent estimates of U.S. international trade in goods and services; the estimates were released on February 18, 2000 and include "preliminary" estimates for December 1999 and "revised" estimates for January-November 1999. The sources for the other tables in this section are as noted.

Table F.1.—U.S. International Transactions in Goods and Services

[Millions of dollars; monthly estimates seasonally adjusted]

	4000	4000		1998							19	99					
	1998	1999	Oct.	Nov.	Dec.	Jan. r	Feb. r	Mar. r	Apr. "	May r	June ^r	July ^r	Aug. r	Sept. r	Oct. r	Nov. r	Dec. p
Exports of goods and services	933,907	958,491	79,617	79,126	78,161	77,738	76,930	76,952	77,967	77,798	78,462	78,721	82,077	81,930	82,240	82,503	85,173
Goods Foods, feeds, and beverages Industrial supplies and materials Capital goods, except automotive Automotive vehicles, engines, and parts Consumer goods (nonfood), except automotive Other goods Adjustments ¹	670,246 46,397 148,266 299,612 73,157 79,261 35,444 –11,892	683,021 45,339 146,957 310,591 74,666 80,619 36,837 -11,988	57,193 4,018 12,371 26,117 6,156 6,620 3,119 -1,208	56,926 3,866 12,483 25,696 6,341 6,647 3,500 -1,608	56,005 3,992 11,832 25,470 6,186 6,530 3,181 -1,186	55,168 3,627 11,252 25,576 6,039 6,562 3,065 -953	54,609 3,588 11,366 24,852 5,958 6,794 3,162 -1,113	54,231 3,545 11,413 24,858 5,834 6,507 3,112 -1,038	55,174 3,727 11,590 25,043 6,164 6,727 2,918 -994	55,026 3,722 11,730 24,911 6,076 6,490 3,239 -1,143	55,377 3,828 11,704 24,799 6,490 6,533 3,224 -1,202	55,796 3,799 11,511 25,699 6,087 6,643 3,089 -1,032	59,045 3,919 12,506 27,314 6,681 6,571 2,908 -855	58,839 4,018 13,110 26,681 6,193 6,901 3,085 -1,149	58,833 4,025 13,296 26,316 6,301 6,738 3,057 -900	59,184 3,703 13,804 26,222 6,240 6,902 2,990 -676	61,739 3,837 13,675 28,320 6,602 7,251 2,988 –934
Travel Passenger fares Other transportation Royalties and license fees Other private services Transfers under U.S. military agency sales con-	263,661 71,250 19,996 25,518 36,808 92,116	275,470 73,685 21,041 27,273 37,399 98,641	22,424 5,953 1,627 2,253 3,266 7,821	22,200 5,904 1,626 2,197 3,314 7,672	22,156 6,081 1,590 2,125 3,314 7,747	22,570 5,973 1,621 2,128 3,144 7,879	22,321 6,031 1,659 2,129 3,105 8,037	22,721 6,134 1,715 2,244 3,088 8,179	22,793 6,183 1,731 2,239 3,122 8,159	22,772 6,097 1,743 2,212 3,123 8,146	23,085 6,157 1,766 2,280 3,120 8,226	22,925 6,093 1,760 2,252 3,106 8,247	23,032 6,052 1,768 2,342 3,104 8,213	23,091 6,177 1,804 2,327 3,107 8,236	23,407 6,342 1,871 2,368 3,120 8,344	23,319 6,229 1,805 2,367 3,124 8,449	23,434 6,217 1,798 2,385 3,136 8,526
tracts ²	17,155 818	16,568 863	1,435 69	1,417 70	1,229 70	1,757 68	1,291 69	1,292 69	1,289 70	1,380 71	1,430 106	1,399 68	1,485 68	1,373 67	1,293 69	1,276 69	1,303 69
Imports of goods and services	1,098,189	1,229,802	93,975	93,789	92,402	93,944	95,505	96,323	96,910	99,340	103,240	104,120	106,089	106,142	107,861	109,606	110,722
Foods, feeds, and beverages Industrial supplies and materials Capital goods, except automotive Automotive vehicles, engines, and parts Consumer goods (nonfood), except automotive Other goods Adjustments ¹	917,178 41,243 200,140 269,557 149,054 216,515 35,387 5,282	1,030,152 43,586 221,567 296,870 179,519 239,591 43,899 5,120	78,183 3,432 16,549 22,948 13,045 18,402 3,217 592	78,464 3,445 16,241 23,132 13,377 18,470 3,278 522	77,064 3,515 15,289 22,466 13,887 18,362 3,278 267	78,577 3,525 15,540 23,089 13,955 18,901 3,395 171	79,841 3,513 15,390 23,652 14,271 19,436 3,366 213	79,971 3,381 16,040 23,045 14,577 18,915 3,786 226	80,568 3,546 16,967 23,286 13,672 19,341 3,485 271	82,984 3,632 17,977 24,205 14,553 18,898 3,505 213	86,616 3,757 18,202 25,467 15,439 19,909 3,565 277	87,277 3,671 18,673 25,499 15,432 20,193 3,612 197	89,236 3,667 19,934 25,141 15,693 20,235 4,098 468	89,110 3,707 20,254 24,935 15,325 20,255 3,771 863	90,707 3,634 20,842 25,851 15,040 20,919 3,907 514	92,053 3,722 20,703 26,274 15,515 21,188 3,730 922	93,212 3,830 21,044 26,426 16,048 21,399 3,679 786
Services Travel Passenger fares Other transportation Royalties and license fees Other private services Direct defense expenditures ² U.S. Government miscellaneous services	181,011 56,105 19,797 30,457 11,292 47,670 12,841 2,849	199,650 60,744 21,424 34,557 12,403 52,659 14,946 2,917	15,792 4,832 1,771 2,760 950 4,108 1,120 251	15,325 4,602 1,695 2,588 974 4,082 1,135 249	15,338 4,697 1,659 2,501 999 4,086 1,151 245	15,367 4,742 1,627 2,508 1,040 4,064 1,157 229	15,664 4,890 1,678 2,528 1,061 4,113 1,168 226	16,352 5,215 1,809 2,690 1,075 4,158 1,178 227	16,342 5,057 1,767 2,695 1,077 4,321 1,186 239	16,356 4,951 1,758 2,739 1,070 4,398 1,197 243	16,624 4,952 1,791 2,928 1,050 4,446 1,210 247	16,843 5,033 1,833 2,961 981 4,519 1,265 251	16,853 5,028 1,801 3,108 968 4,456 1,240 252	17,032 5,130 1,822 3,033 972 4,477 1,345 253	17,154 5,233 1,833 3,017 1,012 4,499 1,309 251	17,553 5,291 1,867 3,180 1,039 4,594 1,332 250	17,510 5,222 1,838 3,170 1,058 4,614 1,359 249
Memoranda: Balance on goods Balance on services Balance on goods and services	-246,932 82,650 -164,282	-347,130 75,820 -271,310	-20,990 6,632 -14,358	-21,539 6,875 -14,664	-21,059 6,818 -14,241	-23,409 7,203 -16,206	-25,232 6,657 -18,575	-25,740 6,369 -19,371	-25,393 6,451 -18,942	-27,958 6,416 -21,542	-31,239 6,461 -24,778	-31,481 6,082 -25,399	-30,191 6,179 -24,012	-30,271 6,059 -24,212	-31,875 6,253 -25,622	-32,869 5,766 -27,103	-31,472 5,924 -25,548

P Preliminary.

Reflects adjustments necessary to bring the Census Bureau's component data in line with the concepts and definitions used to prepare BEA's international and national accounts.

2. Contains goods that cannot be separately identified.
Source: U.S. Department of Commerce, Bureau of Economic Analysis and Bureau of the Census

Table F.2.—U.S. International Transactions

				No	ot seasona	lly adjusted					Seasonally	adjusted		
Line	(Credits +; debits -) 1	1998		1998			1999			1998			1999	
			II	III	IV	I	r	<i>P</i>	II	III	IV	I	r	<i>p</i>
1	Current account Exports of goods and services and income receipts	1,192,231	299,641	288,254	303,581	293,632	302,257	308,910	298,463	291,493	299,985	295,932	301,369	312,189
2	Exports of goods and services	933,907	232,905	226,261	241,003	229,124	235,175	239,619	231,889	229,284	236,904	231,904	234,512	242,626
3 4	Goods, balance of payments basis ²	670,246 263,661	168,021 64,884	157,386 68,875	174,468 66,535	163,344 65,780	168,453 66,722	166,436 73,183	165,198 66,691	164,259 65,025	170,124 66,780	164,292 67,612	165,862 68,650	173,578 69,048
5	Transfers under U.S. military agency sales contracts 4	17,155	4,489	3,979	4,081	4,340	4,099	4,257	4,489	3,979	4,081	4,340	4,099	4,257
6 7	Travel Passenger fares	71,250 19,996	18,119 5,000	20,354 5,733	17,125 4,682	15,809 4,651	18,271 5,049	21,661 6,051	18,260 5,185	17,149 5,052	17,938 4,843	18,138 4,995	18,437 5,240	18,322 5,332
8	Other transportation	25,518 36,808	6,261 8,716	6,367 8,866	6,689 10,571	6,362 9,124	6,727 9,063	6,951 9,189	6,268 9,002	6,339 9,029	6,575 9,894	6,501 9,337	6,731 9,365	6,921 9.317
10	Other private services 5	92,116	22,108	23,377	23,178	25,288	23,266	24,871	23,296	23,278	23,240	24,095	24,531	24,696
11 12	U.S. Government miscellaneous services	818 258,324	191 66,736	199 61,993	209 62,578	206 64,508	247 67,082	203 69,291	191 66,574	199 62,209	209 63,081	206 64,028	247 66,857	203 69,563
13 14	Income receipts on U.Sowned assets abroad	256,467 102,846	66,273 27,095	61,528 22,779	62,113 25,168	64,038 27,313	66,611 28,890	68,821 29,539	66,111 26,744	61,744 23,124	62,617 25,639	63,558 26,910	66,386 28,486	69,093 29,916
15 16	Other private receipts U.S. Government receipts	150,001 3,620	38,412 766	37,744 1,005	36,019 926	35,760 965	37,072 649	38,426 856	38,412 955	37,744 876	36,019 959	35,760 888	37,072 828	38,426 751
17	Compensation of employees	1,857	463	465	465	470	471	470	463	465	464	470	471	470
18 19	Imports of goods and services and income payments Imports of goods and services		- 341,493 -273,914	- 351,539 -282,050	- 351,384 -283,536	- 342,780 -275,023	- 371,764 -299,857	- 397,886 - 323,064	- 340,977 -273,850	- 344,182 -275,008	- 348,180 -280,166	- 354,246 -285,878	- 371,066 -299,597	- 390,934 -316,451
20	Goods, balance of payments basis ²	-917,178	-227,633	-232,395	-239,118	-230,903	-249,336	-268,109	-228,698	-229,228	-233,711	-238,495	-250,274	-265,723
21 22	Services ³	-181,011 -12,841	-46,281 -3,061	-49,655 -3,276	-44,418 -3,406	-44,120 -3,503	-50,521 -3,593	-54,955 -3,850	-45,152 -3,061	-45,780 -3,276	-46,455 -3,406	-47,383 -3,503	-49,323 -3,593	-50,728 -3,850
23	Travel	-56,105	-15,193	-17,234	-12,016	-12,543	-16,063	-18,636	-14,168	-14,070	-14,131	-14,847	-14,960	-15,191
24 25	Passenger fares Other transportation	-19,797 -30,457	-5,325 -7,533	-5,722 -7,820	-4,518 -7,957	-4,691 -7,554	-5,711 -8,290	-6,147 -9,230	-4,958 -7,590	-5,085 -7,700	-5,125 -7,849	-5,114 -7,726	-5,316 -8,362	-5,456 -9,102
26 27	Royalties and license fees ⁵ Other private services ⁵	-11,292	-2,587	-2,685	-3,081	-3,162	-3,073	-2,881	-2,694	-2,721	-2,923	-3,176	-3,197	-2,921
28	U.S. Government miscellaneous services	-47,670 -2,849	-11,915 -667	-12,153 -765	-12,695 -745	-11,985 -682	-13,062 -729	-13,455 -756	-12,014 -667	-12,163 -765	-12,276 -745	-12,335 -682	-13,166 -729	-13,452 -756
29 30	Income payments	-270,529 -263,423	-67,579 -65,898	-69,489 -67,631	-67,848 -65,907	-67,757 -66,024	-71,907 -70,138	-74,822 -72,871	-67,127 -65,376	-69,174 -67,381	-68,014 -66,188	-68,368 -66,504	-71,469 -69,611	-74,483 -72,613
31	Direct investment payments	-43,441 -128,863	-11,089 -31,849	-11,540 -33,314	-10,800 -32,408	-11,596 -31,759	-15,023 -31,960	-14,517 -34,207	-10,567 -31,849	-11,290 -33,314	-11,081 -32,408	-12,076 -31,759	-14,496 -31,960	-14,259 -34,207
32 33 34	U.S. Government payments Compensation of employees	-91,119	-22,960	-22,777	-22,699	-22,669	-23,155 -1,769	-24,147	-22,960	-22,777	-22,699	-22,669 -1,864	-23,155	-24,147
	Unilateral current transfers, net	-7,106 - 44,075	-1,681 - 9,494	-1,858 - 10,607	-1,941 - 13,831	-1,733 - 10,420	-10,744	-1,951 - 11,179	-1,751 - 9,886	-1,793 - 10,787	-1,826 - 13,474	-10,340	-1,858 - 11,212	-1,870 - 11,204
35 36 37	U.S. Government grants ⁴	-13,057 -4,350	-2,168 -919	-2,807 -865	-5,742 -1,541	-2,200 -893	-2,760 -857	-2,700 -997	-2,168 -1,095	-2,807 -1,106	-5,742 -1,071	-2,200 -1,104	-2,760 -1,116	-2,700 -1,107
38	Private remittances and other transfers 6	-26,668	-6,407	-6,935	-6,548	-7,327	-7,127	-7,482	-6,623	-6,874	-6,661	-7,036	-7,336	-7,397
	Capital and infancial account													
39	Capital account transactions, net	617	160	148	166	166	178	166	160	148	166	166	178	166
40	Financial account U.Sowned assets abroad, net (increase/financial outflow (-))	-292,818	-121,852	-63,492	-44,586	-18,746	-156,044	-102,510	-120,517	-62,097	-50,607	-15,148	-154,713	-101,483
41 42	U.S. official reserve assets, net	-6,784	-1,945	-2,026	-2,369	4,068	1,159	1,950	-1,945	-2,026	-2,369	4,068	1,159	1,950
43 44	Gold 7 Special drawing rights	-149	72	188	-227	563	-190	-185	72	188	-227	563	-190	-185
44	Reserve position in the International Monetary Fund	-5,118 -1,517	-1,031 -986	-2,078 -136	-1,924 -218	3,502	1,413 -64	2,268 -133	-1,031 -986	-2,078 -136	-1,924 -218	3,502	1,413 –64	2,268 -133
46 47	U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets	-429 -4,676	-483 -1,156	185 -1,285	-50 -1,043	119 -1,304	-392 -2,167	-673 -1,591	-483 -1,156	185 -1,285	-50 -1,043	119 -1,304	-392 -2,167	-673 -1,591
48 49	Repayments on U.S. credits and other long-term assets ⁸	4,102 145	699 -26	1,332	938	1,545 -122	1,887 -112	1,020 -102	699 -26	1,332	938	1,545 -122	1,887 -112	1,020 -102
50	U.S. private assets, net	-285,605	-119,424	-61,651	-42,167	-22,933	-156,811	-103,787	-118,089	-60,256	-48,188	-19.335	-155,480	-102,760
51 52	Direct investment	-132,829 -102,817	-44,507 -32,886	-22,981 14,994	-24,752 -70,809	-44,983 8,132	-32,897 -64,579	-45,562 -26,511	-43,172 -32,886	-21,586 14,994	-30,773 -70,809	-41,385 8,132	-31,566 -64,579	-44,535 -26,511
53 54	U.S. člaims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere	-25,041 -24,918	-14,327 -27,704	-20,320 -33,344	16,202 37,192	-13,853 27,771	-16,816 -42,519	-32,098 384	-14,327 -27,704	-20,320 -33,344	16,202 37,192	-13,853 27,771	-16,816 -42,519	-32,098 384
55	Foreign-owned assets in the United States, net (increase/financial inflow(+))	502,637	163,275	94,776	147,893	88,636	275,220	208,177	162,466	93,547	149,805	88,860	274,271	207,153
56 57	Foreign official assets in the United States, net U.S. Government securities	-21,684 -3,625	-10,551 -20,064	-46,489 -30,905	24,352 33,398	4,708 6,793	-628 -916	12,106 14,812	-10,551 -20,064	-46,489 -30,905	24,352 33,398	4,708 6,793	-628 -916	12,106 14,812
58 59	U.S. Treasury securities 9 Other 10	-9,957 6,332	-20,318 254	-32,811 1,906	31,836 1,562	800 5,993	-6,708 5,792	12,880 1,932	-20,318 254	-32,811 1,906	31,836 1,562	800 5,993	-6,708 5,792	12,880 1,932
60 61	Other U.S. Government liabilities 11	-3,113 -11,469	-807 9,488	-224 -12,866	-1,054 -7,133	-1,594 -589	-647 1,437	-1,163 -1,832	-807 9,488	-224 -12,866	-1,054 -7,133	-1,594 -589	-647 1,437	-1,163 -1,832
62	Other foreign official assets 12	-3,477	832	-2,494	-859	98	-502	289	832	-2,494	-859	98	-502	289
63 64	Other foreign assets in the United States, net	524,321 193,375	173,826 21,755	141,265 26,135	123,541 118,593	83,928 22,725	275,848 155,322	196,071 45,498	173,017 20,946	140,036 24,906	120,505	84,152 22,949	274,899 154,373	195,047 44,474
65 66	U.S. Treasury securities	46,155 218,026	25,759 71,785	-1,438 20,103	24,391 49,328	-8,781 61,540	-5,407 79,067	9,713 93,062	25,759 71,785	-1,438 20,103	24,391 49,328	-8,781 61,540	-5,407 79,067	9,713 93,062
67 68	U.S. currency	16,622 9,412	2,349 18,040	7,277 11,875	6,250 -53,210	2,440 20,188	3,057 8,871	4,697 12,136	2,349 18,040	7,277 11,875	6,250 -53,210	2,440 20,188	3,057 8,871	4,697 12,136
69	U.S. liabilities reported by U.S. banks, not included elsewhere	40,731	34,138	77,313	-21,811	-14,184	34,938	30,965	34,138	77,313	-21,811	-14,184	34,938	30,965
70 70a	Statistical discrepancy (sum of above items with sign reversed) Of which seasonal adjustment discrepancy	10,126	9,763	42,460	-41,839	-10,488	-39,103	-5,678	10,291 528	31,878 -10,582	- 37,695 4,144	-5,224 5,264	- 38,827 276	−15,887 − 10,209
71	Memoranda: Balance on goods (lines 3 and 20)	-246,932	-59,612	-75,009	-64,650	-67,559	-80.883	-101,673	-63,500	-64,969	-63,587	-74,203	-84,412	-92,145
72 73	Balance on services (lines 4 and 21) Balance on goods and services (lines 2 and 19)	82,650 -164,282	18,603 -41,009	19,220 -55,789	22,117 -42,533	21,660 -45,899	16,201 -64,682	18,228 -83,445	21,539 -41,961	19,245 -45,724	20,325 -43,262	20,229 -53,974	19,327 -65,085	18,320 -73,825
74 75	Balance on income (lines 12 and 29)	-12,205 -44,075	-843 -9,494	-7,496 -10,607	-5,270 -13,831	-3,249 -10,420	-4,825 -10,744	-5,531 -11,179	-553 -9,886	-6,965 -10,787	-4,933 -13,474	-4,340 -10,340	-4,612 -11,212	-4,920 -11,204
76	Unilateral current transfers, net (line 35)	-220,562	-51,346	-73,892	-61,634	-59,568	-80,251	-100,155	-52,400	-63,476		-68,654	-80,909	-89,949

^p Preliminary.

r Revised.

^{1.} Credits, +: Exports of goods and services and income receipts; unilateral current transfers to the United States; capital account transactions receipts; financial inflows--increase in foreign-owned assets (U.S. liabilities) or decrease in U.S.-owned assets (U.S. claims).

Debits, -: Imports of goods and services and income payments; unilateral current transfers to foreigners; capital account transactions payments; financial outflows--decrease in foreign-owned assets (U.S. liabilities) or increase in U.S.-owned assets (U.S. liabilities) or increase in U.S.-owned assets (U.S. claims).

^{2.} Excludes exports of goods under U.S. military agency sales contracts identified in Census export documents, excludes imports of goods under direct defense expenditures identified in Census imports of goods under direct defense expenditures identified in Census incommon documents, and reflects various other adjustments (for valuation, coverage, and timing) of Census statistics to balance of payments basis; see table 2 in "U.S. International Transactions, Third Quarter 1999" in the January 2000 SURVEY.

3. Includes some goods: Mainly military equipment in line 5; major equipment, other materials, supplies, and petroleum products purchased abroad by U.S. military agencies in line 22; and fuels purchased by airline and steamship operators in lines 8 and 25.

^{4.} Includes transfers of goods and services under U.S. military grant programs.

Table F.3.—U.S. International Transactions, by Area

		W	estern Europ	е	Eur	ropean Unior	1 ¹⁴	U	nited Kingdo	m	Europ	ean Union (6	S) 15
Line	(Credits +; debits -) ¹		2000			2000			2000			2000	
		Ţ	$\parallel r$	III	I	$\parallel r$	III	Ţ	$\ r\ $	III	Ţ	r	<i>P</i>
	Current account												
1	Exports of goods and services and income receipts	94,152	92,875	94,140	85,586	83,763	84,729	26,593	26,166	26,796	44,932	43,857	44,674
2	Exports of goods and services	64,445 41,287	64,038 40,173	63,831 37,697	58,946 38,499	58,246 36,847	57,769 34,446	16,267 9,809	16,106 9,302	16,181 8,967	32,458 22,381	32,026 21,596	31,931 20,106
4	Services ³	23,158	23,865	26,134	20,447	21,399	23,323	6,458	6,804	7,214	10,077	10,430	11,825
5	Transfers under U.S. military agency sales contracts 4	1,169	1,025	1,262	589	592	791	118	97	87	169	150	323
6 7	TravelPassenger fares	4,788 1,481	5,784 1,748	7,055 2,081	4,402 1,426	5,306 1,693	6,462 2,009	1,601 493	1,975 566	2,188 625	2,030 734	2,424 869	3,238 1,098
8	Other transportation	1,784	1,785	1,914	1,540	1,551	1,662	385	391	417	724	744	824
9 10	Royalties and license fees 5 Other private services 5	4,615 9,282	4,477 9,001	4,445 9,341	4,366 8,091	4,220 7,997	4,191 8,177	874 2,980	837 2,929	880 3,008	2,578 3,830	2,436 3,791	2,393 3,934
11	U.S. Government miscellaneous services	39	45	36	33	40	31	7	9	9	12	16	15
12 13	Income receipts	29,707 29,670	28,837 28,800	30,309 30,272	26,640 26,606	25,517 25,483	26,960 26,926	10,326 10,309	10,060 10,042	10,615 10,597	12,474 12,459	11,831 11,817	12,743 12,729
14 15	Direct investment receipts Other private receipts	13,952 15,427	12,914 15,760	13,212 16,838	12,232 14,130	11,042 14,331	11,531 15,217	3,795 6,514	3,314 6,728	3,276 7,321	6,679 5,616	6,115 5,609	6,743 5,884
16	U.S. Government receipts	291	126	222	244	110	178				164	93	102
17 18	Compensation of employees Imports of goods and services and income payments	37 - 101,041	37 - 110,488	37 - 115,271	34 - 91,871	34 - 100,244	34 - 104,133	17 -31,919	18 - 34,799	18 - 36,526	15 -47,166	14 -51,464	14 - 52,930
19	Imports of goods and services	-66,068	-74,157	-77,538	-60,195	-67,146	-69,384	-14,364	-16,250	-16,765	-35,847	-39,500	-40,379
20	Goods, balance of payments basis 2	-48,566	-52,424	-54,252	-44,717	-47,919	-48,921	-8,823	-9,612	-9,918	-28,096	-29,920	-30,237
21 22	Services ³	-17,502 -1,935	-21,733 -2,070	-23,286 -2,280	-15,478 -1,704	-19,227 -1,775	-20,463 -1,880	-5,541 -166	-6,638 -182	-6,847 -180	-7,751 -1,440	-9,580 -1,490	-10,142 -1,600
23	Travel	-3,593	-6,192	-7,013	-3,284	-5,568	-6,230	-1,108	-1,601	-1,697	-1,619	-2,861	-3,089
24 25	Passenger faresOther transportation	-2,064 -2,554	-3,154 -2,714	-3,341 -3,104	-1,869 -2,103	-2,831 -2,248	-3,017 -2,592	-818 -555	-1,202 -581	-1,246 -714	-762 -1,020	-1,190 -1,102	-1,247 -1,235
26	Royalties and license fees 5	-2,087	-1,942	-1,747	-1.788	-1,626	-1,452	-601	-477	-337	-963	-897	-899
27 28	Other private services 5	-5,002 -267	-5,373 -288	-5,505 -296	-4,504 -226	-4,931 -248	-5,037 -255	-2,271 -22	-2,571 -24	-2,649 -24	-1,770 -177	-1,877 -163	-1,886 -186
29	Income payments	-34,973	-36,331	-37,733	-31,676	-33,098	-34,749	-17,555	-18,549	-19,761	-11,319	-11,964	-12,551
30 31	Income payments on foreign-owned assets in the United States Direct investment payments	-34,886 -9,059	-36,255 -10,028	-37,661 -9,752	-31,606 -7,950	-33,035 -9,056	-34,689 -9,232	-17,534 -2,312	-18,529 -2,560	-19,741 -2,718	-11,277 -4,644	-11,926 -5,550	-12,516 -5,738
32 33	Other private payments	-15,750	-16,246	-17,719	-14,368 -9,288	-14,749	-16,051	-10,041	-10,783	-11,693	-3,658	-3,352	-3,688
33 34	U.S. Government payments	-10,077 -87	-9,981 -76	-10,190 -72	-9,266 -70	-9,230 -63	-9,406 -60	-5,181 -21	-5,186 -20	-5,330 -20	-2,975 -42	-3,024 -38	-3,090 -35
35	Unilateral current transfers, net	-30 470	66	-22	296	345	311	387	417	432	141	151	110
36 37	U.S. Government grants ⁴ U.S. Government pensions and other transfers	-172 -328	-100 -329	-167 -340	-293	-297	-299	-51	-50	-48	-161	-162	-171
38	Private remittances and other transfers 6	470	495	485	589	642	610	438	467	480	302	313	281
	Capital and financial account Capital account												
39	Capital account transactions, net	37	37	38	34	34	35	12	12	12	16	16	17
	Capital account transactions, net											16	17
40	Capital account transactions, net	-22,065	-143,513	-42,804	-17,814	-119,750	-34,648	6,178	-104,891	-26,888	-16,051	-18,111	17 -6,444
40 41 42	Capital account transactions, net												
40 41 42 43	Capital account transactions, net	- 22,065 5,502	- 143,513 348	- 42,804 -103	-17,814	- 119,750 -159	-34,648	6,178	-104,891	-26,888	-16,051	-18,111 	-6,444
40 41 42 43 44 45	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies	- 22,065 5,502	- 143,513 348	- 42,804 -103	- 17,814 -1,972	- 119,750 -159159	- 34,648 67 	6,178	-104,891 	-26,888	-16,051 	-18,111 	-6,444
40 41 42 43 44 45 46	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net	- 22,065 5,5025,502 206	- 143,513 348	- 42,804 -103	-17,814 -1,972 	- 119,750 -159	-34,648 67 	6,178	-104,891 	-26,888 	-16,051 -16	-18,111 	-6,444
40 41 42 43 44 45 46 47 48	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets 8	- 22,065 5,502	-143,513 348 348 61 -36 91	-42,804 -103 	-17,814 -1,972 -1,972 -1,972 139 -37 196	-119,750 -159 	-34,648 -67 -67 -67 -6 -195 190	6,178 	-104,891 	-26,888 	-16,051	-18,111 	-6,444
40 41 42 43 44 45 46 47 48 49	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets 8 U.S. foreign currency holdings and U.S. short-term assets, net	-22,065 5,502 5,502 206 -62	-143,513 348 348 61 -36	- 42,804 -103	-17,814 -1,972 	-119,750 -159 	-34,648 -67 	6,178 	-104,891 	-26,888 	-16,051 	-18,111 	-6,444
40 41 42 43 44 45 46 47 48 49 50	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets * U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment	-22,065 5,502 	-143,513 348 	-42,804 -103 103 103 97 -196 288 5 -42,798 -32,331	-17,814 -1,972 	-119,750 -159 	-34,648 -67 -67 -6 -195 190 -1 -34,575 -30,982	6,178 	-104,891 	-26,888 	-16,051 16 16 16,035 -11,464	-18,111	-6,444
40 41 42 43 44 45 46 47 48 49	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets, net U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffilialted foreigners reported by U.S. nonbanking	-22,065 5,502 	-143,513 348 348 61 -36 91 6 -143,922 -8,262 -49,590	-42,804 -103 	-17,814 -1,972 	-119,750 -159 -159 9 -29 35 3 -119,600 -8,218 -51,891	-34,648 -67 -67 -67 -6 -195 190 -1 -34,575	6,178 	-104,891 	-26,888 	-16,051 16 16 16,035 -11,464 3,095	-18,111 	-6,444
40 41 42 43 44 45 46 47 48 49 50 51 52	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets 8 U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities	-22,065 5,502 	-143,513 348 	-42,804 -103 103 103 97 -196 288 5 -42,798 -32,331	-17,814 -1,972 	-119,750 -159 	-34,648 -67 -67 -6 -195 190 -1 -34,575 -30,982	6,178 	-104,891 	-26,888 	-16,051 16 16 16,035 -11,464	-18,111	-6,444
40 41 42 43 44 45 46 47 48 49 50 51 52 53	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold? Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets, net U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow	-22,065 5,502 5,502 206 -62 294 -24 -27,773 -21,262 21,689 -23,909 -4,291	-143,513 348 	-42,804 -103 -103 -103 97 -196 288 5 -42,798 -32,331 -12,110	-17,814 -1,972 -1,972 139 -37 196 -20 -15,981 -17,296 20,853 -22,230 2,692	-119,750 -159 -159 -159 9 -29 35 3 3 -119,600 -8,218 -51,891 -6,161 -53,330	-34,648 -67 -67 -6 -195 190 -1 -34,575 -30,982 -14,525 -10,932	6,178 	-104,891 	-26,888 4 4 -26,884 -21,157 -13,678	-16,051 16 16 -16,035 -11,464 3,095 -5,018 -2,648	-18,111 	-6,444
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold ⁷ Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets s, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+))	-22,065 5,502 206 -62 294 -26 -27,73 -21,262 21,689 -4,291 78,971	-143,513 348 61 -36 91 6 -143,922 -8,262 -49,590 -7,476 -78,594	-42,804 -103 -103 -103 97 -196 288 5 -42,798 -32,331 -12,110 -1,643 105,732	-17,814 -1,972 -1,972 -1,972 -139 -37 196 -20 -15,981 -17,5981 -17,5981 -22,230 2,692 79,175	-119,750 -159 -159 -29 -29 -35 3 3 -119,600 -8,218 -51,891 -6,161 -53,330	-34,648 -67 -67 -6 -195 -190 -1 -34,575 -30,982 -14,525	6,178 -4 6.182 -2,679 17,912 -14,819 5,768 45,073	-104,891 	-26,888 -4 -26,884 -21,157 -13,678 7,951	-16,051 	-18,111 	-6,444
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets, net U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+) Foreign official assets in the United States, net	-22,065 5,502 5,502 206 -62 294 24,26 -27,773 -21,262 21,689 -23,909 -4,291 78,971 -4,419	-143,513 348 	-42,804 -103 -103 -103 -196 288 5 -42,798 -32,331 -12,110 -1,643 -1,057,32 -1,057,12	-17,814 -1,972 -1,972 -1,972 139 -37 196 -20 -15,981 -17,296 20,853 -22,230 2,692 79,175	-119,750 -159 -159 -159 -29 -35 -3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (IS) (IS) (IS)	-34,648 -67 -67 -6 -195 190 -1 -34,575 -30,982 -14,525 	6,1784 6,1822,679 17,912 -14,819 5,768 45,073 (IS) (IS) (IS)	-104,891 	-26,888 	-16,051 -16 -16 -16,035 -11,464 3,095 -5,018 -2,648 39,728 (18) (18)	-18,111 	-6,444 1 1 -6,445 -8,046 -2,520 4,121 24,526 (18)
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold? Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets. Repayments on U.S. credits and other long-term assets s U.S. foreign currency holdings and U.S. short-term assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+) U.S. Government securities U.S. Treasury securities s U.S. Treasury securities s U.S. Treasury securities s Other 10	-22,065 5,502 206 -62 294 -27,773 -21,262 21,689 -23,909 -4,291 78,971 -4,419 (17) (17) (17)	-143,513 348 611 -346 91 62 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17)	-42,804 -103 -103 -103 -17 -196 288 5 -42,798 -32,331 -12,110 -1,057 -1,057 (17) (17) (17)	-17,814 -1,972 -1,972 -1,972 -139 -37 196 -20,853 -22,230 2,692 79,175 (18) (18) (18) (18)	-119,750 -159 -159 9-29 35 3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (18) (18) (18) (18) (18) (18) (18) (18)	-34,648 -67 -67 -68 -195 190 -1 -34,575 -30,982 -14,525 	6,178	-104,891 	-26,888 	-16,051 -16 -16,035 -11,464 3,095 -5,018 -2,648 39,728 (18) (18) (18) (18)	-18,111 	-6,444
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 57 58 59 60	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets 8 U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities U.S. Treasury securities Other 10 Other U.S. Government liabilities 11	-22,065 5,502 206 -62 294 -26 -27,773 -21,262 21,689 -23,909 -4,291 78,971 -4,419 (17) (17) (17) (17) (17)	-143,513 348 61 -36 61 -36 -36 -4143,922 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17) -473 (17)	-42,804 -103 97 -196 288 5 -42,798 -32,331 -12,110 -1,643 -1,057,732 -1,057,(17) (17) (17) -505	-17,814 -1,972 -1,972 -1,972 -139 -37 -196 -20,853 -22,230 -2,692 -79,175 (18) (18) (18) (18) (18)	-119,750 -159 -159 9-29 35 3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (18) (18) (18) (18) (18) (18)	-34,648 -67 -67 -67 -69 -195 190 -1 -34,575 -30,982 -14,525	6,178 	-104,891 	-26,888 4 -26,884 -21,157 -13,678 	-16,051 -16 -16,035 -11,464 -3,095 -5,018 -2,648 39,728 (18) (18) (18) (18)	-18,111	-6,444
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 60 61 61 62	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold? Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets. Repayments on U.S. credits and other long-term assets. U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+) Foreign official assets in the United States, net (uncrease/financial inflow U.S. Treasury securities U.S. Treasury securities U.S. Treasury securities U.S. Irasury securities U.S. Isiabilities reported by U.S. banks, not included elsewhere Other U.S. Government liabilities 11 U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign official assets 12 U.S. banks, not included elsewhere Other foreign official assets 12	-22,065 5,502 206 -62 294 -27,773 -21,262 21,689 -23,909 -4,291 78,971 -4,419 (17) (17) (17) (17) (17)	-143,513 348 61 -36 61 -36 -143,922 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17) (17) (17)	-42,804 -103 -103 -103 -17 -196 -288 -32,331 -12,110 -1,057,732 -1,057,732 -1,057,732 -1,057,732 -1,057,732 -1,057,732	-17,814 -1,972 -1,972 -1,972 139 -37 196 -20,853 -22,230 2,692 79,175 (18) (18) (18) (18) (18) (18) (18) (18)	-119,750 -159 -159 -159 -29 -29 -35 -3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (18) (18) (18) (18) (18) (18) (18) (18)	-34,648 -67 -66 -195 190 -1 -34,575 -30,982 -14,525 -10,932 -14,525 -10,932	6,178414,819 5,768 45,073 (18) (18) (18) (18) (18) (18) (18) (18)	-104,891 -2 -104,899 -9,303 -45,591 -8,520 -40,475 113,605 (18) (18) (18) (18) (18) (18) (18) (18)	-26,888 -4 -4 -26,884 -21,157 -13,678 -7,951 -70,224 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-16,051 -16 -16,035 -11,464 -3,095 -5,018 -2,648 39,728 (is) (is) (is) (is) (is) (is) (is) (is)	-18,111	-6,444
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 60 62 63 64	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets * U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities U.S. Treasury securities U.S. liabilities reported by U.S. banks, not included elsewhere Other U.S. Government liabilities 11 U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign assets in the United States, net	-22,065 5,502 206 -62 294 -26 -27,773 -21,262 21,689 -23,909 -4,291 78,971 -4,419 (17) (17) (17) (17) (17)	-143,513 348 61 -36 61 -36 -36 -4143,922 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17) -473 (17)	-42,804 -103 97 -196 288 5 -42,798 -32,331 -12,110 -1,643 -1,057,732 -1,057,(17) (17) (17) -505	-17,814 -1,972 -1,972 -1,972 -139 -37 -196 -20,853 -22,230 -2,692 -79,175 (18) (18) (18) (18) (18)	-119,750 -159 -159 9-29 35 3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (18) (18) (18) (18) (18) (18)	-34,648 -67 -67 -69 -195 190 -1 -34,575 -30,982 -14,525 -10,932 102,937 (18) (18) (18) (18) (18) (18) (18) (18)	6,178	-104,891 -2 -104,899 -9,303 -46,591 -8,520 -40,475 113,605 (18) (18) (18) (18) (18) (18) (18) (18)	-26,888 -4 -26,888 -24 -21,157 -13,678 -7,951 -70,224 (18) (18) (18) (18) (18) (18) (18) (18)	-16,051 -16 -16 -16,035 -11,464 3,095 -5,018 -2,618 39,728 (18) (18) (18) (18) (18) (18)	-18,111	-6,444
40 41 42 43 44 45 46 47 73 50 51 52 53 54 55 56 66 61 63 64 65	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets * U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities * Other 10 Other U.S. Government liabilities 11 U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign assets in the United States, net Direct investment U.S. Treasury securities * Other foreign assets in the United States, net Direct investment U.S. Treasury securities	-22,065 5,502 206 -62 294 -26 -27,73 -21,262 21,689 -4,291 78,971 -4,419 (17) (17) (17) (17) (17) (17) (17) (17)	-143,513 348 61 -36 91 6 -143,922 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17) (17) (17) (17) (17) (17	-42,804 -103 -103 -103 -197 -196 -288 -5 -42,798 -32,331 -12,110 -1,643 -1,057	-17,814 -1,972 -1,972 -1,972 139 -37 196 -20 -15,981 -17,296 20,853 -22,230 2,692 79,175 (18) (18) (18) (18) (18) (18) (18) (18)	-119,750 -159 -159 -159 -29 -35 -3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (18) (18) (18) (18) (18) (18) (18) (18)	-34,648 -67 -6 -195 190 -1 -34,575 -30,982 -14,525 -10,932 102,937 (18) (18) (18) (18) (18) (18) (18) (18)	6,178441,191214,8195,768 45,073 (18) (18) (18) (18) (18) (18) (18) (18)	-104,891 -2 -104,891 -2 -104,893 -9,303 -46,591 -8,520 -40,475 113,605 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-26,888 -4 -4 -26,884 -21,157 -13,678 -7,951 -70,224 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-16,051 -16 -16 -16,035 -11,464 3,095 -5,018 -2,648 39,728 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-18,111	-6,444
40 41 42 43 44 45 46 47 48 49 50 51 51 52 53 54 55 56 60 61 62 63 66 66 66	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets s, net U.S. credits and other long-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign official assets 12 U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign official assets 12 U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign official assets 12 U.S. liabilities reported by U.S. banks, not included elsewhere U.S. lireasury securities U.S. treasury securities U.S. securities other than U.S. Treasury securities U.S. securities other than U.S. Treasury securities	-22,065 5,502 206 6-62 294 -26 -27,773 -21,262 21,689 -3,991 -4,419 -4,191 -4,1	-143,513 348 61 -36 -36 -143,922 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17) (17) (17) (17) (10) (10) (10) (10) (11) (11) (11) (11	-42,804 -103 -103 -103 -107 -196 -288 -5 -42,798 -32,331 -12,110 -105,732 -1,057 (17) (17) -505 (17) (17) -106,789 31,623	-17,814 -1,972 -1,972 -1,972 -1,972 -1,973 -37 -196 -20,853 -22,230 -2,692 -79,175 (18) (18) (18) (18) (18) (18) (18) (18)	-119,750 -159 -159 -159 -29 -35 -3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (18) (18) (18) (18) (18) (18) (18) (18)	-34,648 -67 -67 -69 -195 190 -1 -34,575 -30,982 -14,525 -10,932 102,937 (18) (18) (18) (18) (18) (18) (18) (18)	6,178	-104,891 -2 -104,889 -9.303 -46,591 -8,520 -40,475 113,605 (18) (18) (18) (18) (18) (18) (18) (18)	-26,888 -4 -26,84 -21,157 -13,678 -7,951 -70,224 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-16,051 -16 -16 -16,035 -11,464 3,095 -5,018 -2,648 (is) (is) (is) (is) (is) (is) (is) (is)	-18,111	-6,444
40 41 42 43 44 45 46 47 48 49 50 51 51 52 53 55 56 67 60 61 62 63 64 65 66 66 66 66 66 66 66 66 66 66 66 66	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold? Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets * U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims on unaffiliated foreigners reported by U.S. nonbanking toncerns U.S. claims teported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities U.S. Italiaties reported by U.S. banks, not included elsewhere Other U.S. Government liabilities 11 U.S. liabilities reported by U.S. banks, not included elsewhere U.S. Treasury securities U.S. currency U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-22,065 5,502 206 6,62 294 -27,773 -21,262 21,689 -23,909 -4,291 -4,419 -(17) (17) (17) (17) (17) (17) (17) (17)	-143,513 348 611 -36 -91 6 -143,922 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17) (17) -473 (17) (201,316 140,447 (17) (49,525	-42,804 -103 -103 -17 -196 -288 -32,331 -12,110 -1,657,732 -1,057 (17) (17) -505 (17) (16,789 -31,623 (17) 62,883	-17,814 -1,972 -1,972 -1,972 139 -37 196 -20 -15,981 -17,296 20,853 -22,230 2,692 79,175 (18) (18) (18) (18) (18) (18) (18) (18)	-119,750 -159 -159 -159 -29 -35 -3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (18) (18) (18) (18) (18) (18) (18) (18)	-34,648 -67 -67 -6-195 190 -1 -34,575 -30,982 -14,525 -10,932 -14,525 -10,932 -14,525 -17,1 (18) (18) (18) (18) (18) (18) (18) (18	6,178441,191214,8195,768 45,073 (18) (18) (18) (18) (18) (18) (18) (18)	-104,891	-26,888 -4 -26,884 -21,157 -13,678 -7,951 -70,224 (18) (18) (18) (18) (18) (18) (18) (18)	-16,051 -16 -16,035 -11,464 3,095 -5,018 -2,648 39,728 (18) (18) (18) (18) (18) (18) (18) (18	-18,111	-6,444
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 60 61 61 62 66 66 66 66 66 66 66 66 66 66 66 66	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets ong-term assets net U.S. credits and other long-term assets ong-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities U.S. liabilities reported by U.S. banks, not included elsewhere Other U.S. Government liabilities 11 U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign official assets 12 Other U.S. Government liabilities 11 U.S. liabilities reported by U.S. banks, not included elsewhere U.S. treasury securities U.S. securities other than U.S. Treasury securities U.S. securities other than U.S. Treasury securities U.S. liabilities reported by U.S. banks, not included elsewhere U.S. liabilities reported by U.S. banks, not included elsewhere	-22,065 5,502 206 6-62 294 -26 -27,773 -21,262 21,689 -4,291 78,971 -4,419 (17) (17) (17) (17) (183,390 21,839 21,839 (21,839 (17) 48,854	-143,513 348 61 -36 -36 -143,922 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17) (17) 201,316 140,447 (17) 49,525	-42,804 -103 -103 -103 -17 -196 -288 -32,331 -12,110 -1,643 -1,057,732 -1,057 -17 -17 -17 -17 -17 -17 -17 -17 -17 -1	-17,814 -1,972 -1,972 -1,972 -139 -37 -196 -20,853 -22,230 -2,692 -79,175 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-119,750 -159 -159 -159 -29 -29 -35 -3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (18) (18) (18) (18) (18) (18) (18) (18)	-34,648 -67 -6 -195 -190 -1 -34,575 -30,982 -14,525 -10,932 -14,525 -10,932 -14,525 -17,1 (18) (18) (18) (18) (18) (18) (18) (18	6,178 -4 -4 6.182 -2,679 17,912 -14,819 5,768 45,073 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-104,891 -2 -104,899 -9,303 -45,591 -8,520 -40,475 113,605 (18) (18) (18) (18) (18) (18) (18) (18)	-26,888 -4 -4 -26,884 -21,157 -13,678 -7,951 -70,224 (18) (18) (18) (18) (18) (18) (18) (18)	-16,051 -16 -16 -16,035 -11,464 3,095 -5,018 -2,648 39,728 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-18,111	-6,444 1 1 -6,445 -8,046 -2,520 4,121 24,526 (1s) (1s) (1s) (1s) (1s) (1s) (1s) (1s)
40 41 42 43 44 45 46 47 48 49 50 51 51 52 53 55 56 67 60 61 62 63 64 65 66 66 66 66 66 66 66 66 66 66 66 66	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets * U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities U.S. liabilities reported by U.S. banks, not included elsewhere Other 10 Other U.S. Government liabilities 11 U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign assets in the United States, net Direct investment U.S. Treasury securities U.S. securities other than U.S. Treasury securities U.S. securities other than U.S. Treasury securities U.S. securities other than U.S. Treasury securities U.S. liabilities reported by U.S. banks, not included elsewhere U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns U.S. liabilities reported by U.S. banks, not included elsewhere Statistical discrepancy (sum of above items with sign reversed)	-22,065 5,502 206 6,62 294 -27,773 -21,262 21,689 -23,909 -4,291 -4,419 -(17) (17) (17) (17) (17) (17) (17) (17)	-143,513 348 611 -36 -91 62 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17) (17) (201,316 140,447 49,525	-42,804 -103 -103 -17 -196 -288 -32,331 -12,110 -1,657,732 -1,057 (17) (17) -505 (17) (16,789 -31,623 (17) 62,883	-17,814 -1,972 -1,972 -1,972 -1,972 -1,981 -17,296 -20,853 -22,230 -2,692 -79,175 (18) (18) (18) (18) (18) (18) (18) (18)	-119,750 -159 -159 -19 -29 -29 -35 -3 -119,600 -8,218 -51,891 -6,161 -53,330 -18, (18)	-34,648 -67 -67 -6-195 190 -1 -34,575 -30,982 -14,525 -10,932 -14,525 -10,932 -14,525 -17,1 (18) (18) (18) (18) (18) (18) (18) (18	6,178	-104,891	-26,888 -4 -26,884 -21,157 -13,678 -7,951 -70,224 (18) (18) (18) (18) (18) (18) (18) (18)	-16,051 -16 -16 -16,035 -11,464 3,095 -5,018 -2,648 39,728 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-18,111	-6,444
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 67 68 66 66 67 68 69 70	Capital account transactions, net Financial account U.Sowned assets abroad, net (Increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets * U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (Increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities U.S. Itabilities reported by U.S. banks, not included elsewhere Other foreign official assets 12 U.S. liabilities reported by U.S. banks, not included elsewhere U.S. Ireasury securities U.S. liabilities reported by U.S. banks, not included elsewhere U.S. Ireasury securities U.S. Ireasury securities U.S. securities other than U.S. Treasury securities U.S. securities other than U.S. Treasury securities U.S. securities other than U.S. Treasury securities U.S. liabilities reported by U.S. banks, not included elsewhere Statistical discrepancy (sum of above items with sign reversed)	-22,065 5,502 206 -62 294 -26 -27,773 -21,262 21,689 -23,909 -4,291 78,971 -4,419 (17) (17) (17) (17) (17) (183,390 21,839 21,839 (17) 48,854	-143,513 348 61 -36 91 6 -143,922 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17) (17) (201,316 140,447 49,525 18,265 (17) -30,586 -12,251	-42,804 -103 -103 -17 -196 -288 -32,331 -12,110 -1,643 -1,057 -106 -17 -106,789 -1,057 -106,789 -1,057 -1,0	-17,814 -1,972 -1,972 -1,972 -139 -37 -196 -20,853 -22,230 -2,692 -79,175 (18) (18) (18) (18) (18) (18) (18) (18)	-119,750 -159 -159 -159 -29 -35 -3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (18) (18) (18) (18) (18) (18) (18) (18)	-34,648 -67 -6 -195 -190 -1 -34,575 -30,982 -14,525 -10,932 -14,525 -10,932 -14,525 -17,1 (18) (18) (18) (18) (18) (18) (18) (18	6,178441,791214,8197,768 45,073 (18) (18) (18) (18) (18) (18) (18) (18)	-104,891 -2 -104,899 -9,303 -45,591 -8,520 -40,475 113,605 (18) (18) (18) (18) (18) (18) (18) (18)	-26,888 -4 -4 -26,884 -21,157 -13,678 -7,951 -70,224 (18) (18) (18) (18) (18) (18) (18) (18)	-16,051 -16 -16,035 -11,464 -3,095 -5,018 -2,648 39,728 (18) (18) (18) (18) (18) (18) (18) (18	-18,111	-6,444 1 1-6,445 -8,046 -2,520 4,121 24,526 (1s) (1s) (1s) (1s) (1s) (1s) (1s) (1s)
40 41 42 43 44 45 46 47 48 49 50 51 51 52 53 54 55 56 60 61 62 63 64 67 68 69 70 71 72 73	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold? Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets. Repayments on U.S. credits and other long-term assets, net U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+) Foreign official assets in the United States, net (increase/financial inflow (+) Other 10 Other 10 Other 10 Other 10 Other foreign assets in the United States, net Direct investment U.S. Treasury securities U.S. Isabilities reported by U.S. banks, not included elsewhere Statistical discrepancy (sum of above items with sign reversed) Memoranda: Balance on goods (lines 3 and 20) Balance on goods (lines 2 and 19)	-22,065 5,502 206 -62 294 -26 -27,773 -21,262 21,689 -23,909 -4,291 78,971 -4,419 (17) (17) (17) (17) (183,390 21,839 21,839 (17) 48,854 -21,0024 -7,279 5,666 -1,623	-143,513 348 611 -36 -91 62 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17) (201,316 140,447 (17) 49,525 18,265 (17) -30,586 -12,251 2,132 -10,119	-42,804 -103 -103 -17 -196 -288 -5 -42,798 -32,331 -12,110 -1,65732 -1,057 (17) (17) -505 (17) (17) -505 (17) (17) -62,883 -1,057 -41,813 -16,555 2,848 -13,707	-17,814 -1,972 -1,972 -1,972 -139 -37 -196 -17,296 -20,853 -22,230 -2,692 -79,175 (18) (18) (18) (18) (18) (18) (18) (18)	-119,750 -159 -159 -159 -29 -29 -35 -3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (18) (18) (18) (18) (18) (18) (18) (18)	-34,648 -67 -67 -6-6195 190 -1 -34,575 -30,982 -14,525 -10,932 -14,525 -10,932 -14,525 -17,1 (18) (18) (18) (18) (18) (18) (18) (18	6,178 -4 6.182 -2,679 17,912 -14,819 5,768 45,073 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-104,891 -2 -104,899 -9,303 -46,591 -8,520 -40,475 113,605 (18) (18) (18) (18) (18) (18) (18) (18)	-26,888 -4 -4 -26,884 -21,157 -13,678 -7,951 -70,224 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-16,051 -16 -16 -16,035 -11,464 -3,095 -5,018 -2,648 39,728 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-18,111	-6,444 1 1-6,445 -8,046 -2,520 4,121 24,526 (1s) (1s) (1s) (1s) (1s) (1s) (1s) (1s)
40 41 42 43 44 45 46 46 47 47 88 49 51 52 53 54 45 55 56 66 67 68 69 70 71 72 73 4	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold 7 Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets 8 U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities U.S. Isabilities reported by U.S. banks, not included elsewhere Other 10 Other U.S. Government liabilities 11 U.S. liabilities reported by U.S. banks, not included elsewhere U.S. reasury securities U.S. securities official assets 12 Other foreign official assets 12 U.S. Ireasury securities U.S. Treasury securities U.S. reasury securities U.S. Treasury securities U.S. Securities other than U.S. Treasury securities U.S. Liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns U.S. liabilities reported by U.S. banks, not included elsewhere Statistical discrepancy (sum of above items with sign reversed) Memoranda: Balance on goods (lines 3 and 20) Balance on services (lines 4 and 21) Balance on income (lines 12 and 29)	-22,065 5,502 206 6-62 294 -26 -27,773 -21,262 21,689 -4,291 78,971 -4,419 (17) (17) (17) (17) (432 (17) (17) (432 (17) (17) (43,28) (17) (17) (17) (17) (17) (17) (17) (17	-143,513 348 61 -36 -31 -62 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17) (17) (17) (17) -473 (17) (17) 49,525 -30,586 -12,251 2,132 -10,119	-42,804 -103 -103 -103 -17 -196 -288 -32,331 -12,110 -1,643 -1,057 -1,057 -1,057 -1,07 -506 -(17) -106,789 -31,623 -1,07 -41,813 -16,555 -2,848 -13,707 -7,424	-17,814 -1,972 -1,972 -139 -37 -196 -20 -15,981 -17,296 -20 -15,981 -17,296 -20,855 -22,230 -22,230 -22,230 -24,692 -79,175 -(18) -(-119,750 -159 -159 9 -29 35 3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-34,648 -67 -67 -6 -69 -1955 190 -190 -34,575 -30,982 -14,525 -10,932 -14,525 -10,932 -14,525 -10,932 -14,525 -17,189 (18) (18) (18) (18) (18) (18) (18) (18)	6,178	-104,891 -2 -104,889 -9,303 -46,591 -8,520 -40,475 113,605 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-26,888 -4 -26,884 -21,157 -13,678 -7,951 -70,224 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-16,051 -16 -16,035 -11,464 -3,095 -5,018 -2,648 39,728 (18) (18) (18) (18) (18) (18) (18) (18	-18,111	-6,444
40 41 42 43 44 45 46 47 48 49 50 51 51 52 53 55 56 60 61 61 62 63 66 67 68 69 70 71 72 73	Capital account transactions, net Financial account U.Sowned assets abroad, net (increase/financial outflow (-)) U.S. official reserve assets, net Gold? Special drawing rights Reserve position in the International Monetary Fund Foreign currencies U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets Repayments on U.S. credits and other long-term assets. Repayments on U.S. credits and other long-term assets, net U.S. foreign currency holdings and U.S. short-term assets, net U.S. private assets, net Direct investment Foreign securities U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+) Foreign official assets in the United States, net (increase/financial inflow (+) Other 10 Other 10 Other 10 Other 10 Other foreign assets in the United States, net Direct investment U.S. Treasury securities U.S. Isabilities reported by U.S. banks, not included elsewhere Statistical discrepancy (sum of above items with sign reversed) Memoranda: Balance on goods (lines 3 and 20) Balance on goods (lines 2 and 19)	-22,065 5,502 206 -62 294 -26 -27,773 -21,262 21,689 -23,909 -4,291 78,971 -4,419 (17) (17) (17) (17) (183,390 21,839 21,839 (17) 48,854 -21,0024 -7,279 5,666 -1,623	-143,513 348 611 -36 -91 62 -8,262 -49,590 -7,476 -78,594 191,609 -9,707 (17) (17) (17) (201,316 140,447 (17) 49,525 18,265 (17) -30,586 -12,251 2,132 -10,119	-42,804 -103 -103 -17 -196 -288 -5 -42,798 -32,331 -12,110 -1,65732 -1,057 (17) (17) -505 (17) (17) -505 (17) (17) -62,883 -1,057 -41,813 -16,555 2,848 -13,707	-17,814 -1,972 -1,972 -1,972 -139 -37 -196 -17,296 -20,853 -22,230 -2,692 -79,175 (18) (18) (18) (18) (18) (18) (18) (18)	-119,750 -159 -159 -159 -29 -29 -35 -3 -119,600 -8,218 -51,891 -6,161 -53,330 167,196 (18) (18) (18) (18) (18) (18) (18) (18)	-34,648 -67 -67 -6-6195 190 -1 -34,575 -30,982 -14,525 -10,932 -14,525 -10,932 -14,525 -17,1 (18) (18) (18) (18) (18) (18) (18) (18	6,178 -4 6.182 -2,679 17,912 -14,819 5,768 45,073 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-104,891 -2 -104,899 -9,303 -46,591 -8,520 -40,475 113,605 (18) (18) (18) (18) (18) (18) (18) (18)	-26,888 -4 -4 -26,884 -21,157 -13,678 -7,951 -70,224 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-16,051 -16 -16 -16,035 -11,464 -3,095 -5,018 -2,648 39,728 (IS) (IS) (IS) (IS) (IS) (IS) (IS) (IS)	-18,111	-6,444 1 1-6,445 -8,046 -2,520 4,121 24,526 (1s) (1s) (1s) (1s) (1s) (1s) (1s) (1s)

^{5.} Beginning in 1982, these lines are presented on a gross basis. The definition of exports is revised to exclude U.S. parents' payments to foreign affiliates and to include U.S. affiliates' receipts from foreign parents. The definition of imports is revised to include U.S. parents' payments to foreign affiliates and to exclude U.S. affiliates' receipts from foreign parents.

6. Beginning in 1982, the "other transfers" component includes taxes paid by U.S. private residents to foreign governments and taxes paid by private nonresidents to the U.S. Government.

7. At the present time, all U.S. Treasury-owned gold is held in the United States.

8. Includes sales of foreign obligations to foreigners.

9. Consists of bills, certificates, marketable bonds and notes, and nonmarketable convertible and nonconvertible

bonds and notes.

10. Consists of U.S. Treasury and Export-Import Bank obligations, not included elsewhere, and of debt securities of U.S. Government corporations and agencies.

11. Includes, primarily, U.S. Government liabilities associated with military agency sales contracts and other transactions arranged with or through foreign official agencies; see table 4 in "U.S. International Transactions, Third Quarter 1999" in the January 2000 Survey.

12. Consists of investments in U.S. corporate stocks and in debt securities of private corporations and State

and local governments.

Table F.3.—U.S. International Transactions, by Area—Continued

		-) 15 OI UOIIA		Concdo		Lotin Amar	rion and Oth	ır Mootoro		lones	
		E	astern Europ 2000	t		Canada 2000			rica and Othe Hemisphere	vvestern		Japan 2000	
Line	(Credits +; debits -) ¹								2000		. 1		
		I	r	III	ı	r	≡	I	Π^r	≡	I	r	<i>p</i>
	Current account												
1 2	Exports of goods and services and income receipts Exports of goods and services	2,653 2,156	2,770 2,273	3,239 2,565	50,011 45,304	53,800 48,257	50,240 44,759	57,854 43,520	62,330 46,284	65,270 49,063	25,346 22,928	23,678 21,152	25,031 22,729
3	Goods, balance of payments basis ²	1,213	1,304	1,458	40,070	42,857	39,594	32,125	34,060	35,417	14,432	13,328	13,586
4 5	Services ³ Transfers under U.S. military agency sales contracts ⁴	943 67	969 81	1,107 94	5,234 28	5,400 34	5,165 25	11,395 152	12,224 135	13,646 99	8,496 501	7,824 173	9,143 183
6	Travel	258	319	381	1,674	1,808	1,477	4,347	4,897	5,856	2,358	2,231	2,923
7 8	Passenger fares Other transportation	40 65	44 105	41 112	438 585	363 627	367 625	1,255 820	1,375 874	1,653 910	922 752	872 817	1,117 840
9	Royalties and license fees 5	67	66	70	424	400	434	610	672	672	1,563	1,596	1,689
10 11	Royalties and license fees ⁵ Other private services ⁵ U.S. Government miscellaneous services	439 7	344 10	397 12	2,064 21	2,147 21	2,216 21	4,170 41	4,193 78	4,416 40	2,383 17	2,125 10	2,380 11
12 13	Income receipts	497 495	497 495	674 672	4,707 4,687	5,543 5,524	5,481 5,463	14,334 14,297	16,046 16,008	16,207 16,172	2,418 2,415	2,526 2,523	2,302 2,298
14 15	Direct investment receipts Other private receipts	-45 484	13 472	159 466	1,909 2,778	2,831 2,693	2,787 2,676	3,979 10,212	5,127	4,886 11,208	1,003 1,405	871	921 1,360
16	U.S. Government receipts	56	10	47				106	10,754 127	78	7	1,667 -15	17
17 18	Compensation of employees	2 - 3,294	2 - 4,411	2 -4,346	20 - 52,743	19 -56,926	18 -57,328	37 - 58,343	38 - 63,021	35 - 67,952	3 - 42,970	3 - 44,236	4 -47,341
19	Imports of goods and services	-2,874	-3,998	-3,934	-50,640	-54,264	-54,780	-45,878	-49,579	-53,709	-35,150	-35,203	-37,984
20 21	Goods, balance of payments basis ²	-2,402 -472	-3,096 -902	-2,856 -1,078	-47,684 -2,956	-50,096 -4,168	-49,408 -5,372	-37,327 -8,551	-41,166 -8,413	-44,660 -9,049	-31,098 -4,052	-30,849 -4,354	-33,435 -4,549
22	Direct defense expenditures	-472 -50	-902 -47	-1,076 -80	-2,930 -14	-4,106 -16	-3,372 -20	-6,551 -94	-6,413 -76	-9,049 -79	-4,032 -328	-4,354 -378	-4,549 -380
23 24	Travel Passenger fares	-151 -57	-458 -141	-573 -161	-875 -125	-1,526 -189	-2,531 -210	-4,028 -856	-3,909 -713	-4,367 -805	-790 -200	-795 -227	-706 -230
25	Other transportation	-42	-71	-80	-727	-822	-817	-605	-620	-656	-1,065	-1,193	-1,405
26 27	Royalties and license fees ⁵ Other private services ⁵ U.S. Government miscellaneous services	-1 -155	-3 -163	-3 -160	-114 -1,055	–114 –1,447	–119 –1,619	–67 –2,781	-64 -2,899	-68 -2,942	-627 -1,008	-687 -1,039	-686 -1,109
28	U.S. Government miscellaneous services	-16 -420	–19 –413	-21 -412	-46 -2,103	-54 -2,662	-56 -2,548	-120 -12,465	-132 -13,442	-132 -14,243	-34 -7,820	-35 -9,033	-33 -9,357
29 30 31 32 33 34	Income payments on foreign-owned assets in the United States	-401	-397	-397	-2,024	-2,586	-2,474	-11,087	-11,960	-12,555	-7,797	-9,017	-9,343
31	Direct investment payments Other private payments	-2 -97	-4 -91	-5 -92	-641 -1,176	-1,239 -1,099	-984 -1,168	-282 -8,503	-492 -8,941	-484 -9,297	65 -2,859	-1,768 -2,118	-1,606 -2,187
33 34	U.S. Government payments	-302 -19	-302 -16	-300 -15	-207 -79	-248 -76	-322 -74	-2,302 -1,378	-2,527 -1,482	-2,774 -1,688	-5,003 -23	-5,131 -16	-5,550 -14
35	Unilateral current transfers, net	- 856 -424	−871 −442	- 996 -581	-174	-145	-175	-3,379	-3,445	- 3,615 -493	-101	-53	-71
35 36 37	U.S. Government grants ⁴	-12	-11	-10	-120	-121	-126	-380 -154	-421 -156	-158	-26	-25	-23
38	Private remittances and other transfers 6	-420	-418	-405	-54	-24	-49	-2,845	-2,868	-2,964	-75	-28	-48
	Capital account												
39	Capital account transactions, net	6	6	6	28	36	31	62	59	54	6	6	6
40	Financial account U.Sowned assets abroad, net (increase/financial outflow (-))	-1,518	622	-759	2,889	4,023	-706	11,682	-16,356	-38,596	-994	7,605	-15,174
41	U.S. official reserve assets, net										-2,000	-412	-30
42 43	Gold ⁷ Special drawing rights												
44 45	Reserve position in the International Monetary Fund										-2,000	-412	-30
46 47	U.S. Government assets, other than official reserve assets, net	–19 –164	–57 –1,138	–119 –139				170 -602	87 –401	127 -230	12	30	-8
48 49	Repayments on U.S. credits and other long-term assets ⁸	160	1,086	21				765	497	356			
50	U.S. private assets, net	-15 -1,499	-5 679	-1 -640	2,889	4,023	-706	7 11,512	-9 -16,443	-38,723	12 994	30 7,987	-8 -15,136
51 52 53	Direct investment	-258 -120	-301 -118	-276 -7	-2,644 -980	-6,860 166	-2,726 -265	-7,013 -731	-9,663 -9,713	-1,786 -7,941	-499 -10,476	-730 -5,357	-2,170 -9,648
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking	72	11		-2.787	1.212		6.346	-8.553	-24.900	6.094	-955	5,515
54									11,486	-4,096	5,875	15,029	-3,318
E E	U.S. claims reported by U.S. banks, not included elsewhere	-1,193	1,087	-357	9,300	9,505	2,285	12,910	,				
55	U.S. claims reported by U.S. banks, not included elsewhere Foreign-owned assets in the United States, net (increase/financial inflow (+))	-1,193 2,910	1,087 - 2,632	-357 41	9,300 7,951	9,505 10,166	2,285 7,905	937	57,821	39,267	-21,605	4,855	30,797
56	Foreign-owned assets in the United States, net (increase/financial inflow (+))	2,910	-2,632 (18)	41 (18)	7,951 2.904	10,166 -598	7,905	937 (18)	57,821 (18)	(18)	-21,605	4,855	30,797
56 57 58	Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities "	2,910	-2,632 (18) (18) (18)	(18) (18) (18)	7,951 2.904	10,166 -598	7,905 328 (17) (17)	937 (18) (18) (18)	57,821 (18) (18) (18)	(18) (18) (18)	(18) (18) (18)	(18) (18) (18)	(18) (18) (18)
56 57 58 59 60	Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net	2,910 (18) (18) (18) (18) (18) (59	-2,632 (18) (18) (18) (18) (18) (18) 141	(18) (18) (18) (18) (18) (18)	7,951 2,904 (17) (17) (17) (17) 8	10,166 -598 (17) (17) (17) (17) 12	7,905 328 (17) (17) (17) (17) -8	937 (18) (18) (18) (18) (18) (-13)	57,821 (18) (18) (18) (18) (18) (18) -25	(18) (18) (18) (18) (18)	(18) (18) (18) (18) (18)	(18) (18) (18) (18) (18)	(18) (18) (18) (18) -14
56 57 58 59 60 61	Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities of the United States, net increase/financial inflow inflowed	2,910	-2,632 (18) (18) (18) (18)	(18) (18) (18) (18) (18)	7,951 2,904 (17) (17) (17)	10,166 -598 (17) (17) (17) (17) 12	7,905 328 (17) (17) (17)	937 (18) (18) (18) (18)	57,821 (18) (18) (18) (18) (18) -25 (18)	(18) (18) (18) (18)	(18) (18) (18) (18)	(18) (18) (18) (18)	(18) (18) (18) (18) -14
56 57 58 59 60 61 62 63	Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net	2,910 (18) (18) (18) (18) (18) (18) (18) (18)	-2,632 (18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)	7,951 2,904 (17) (17) (17) (17) (17) (17) (17) (17)	10,166 -598 (17) (17) (17) (17) 12 (17) (17) (17)	7,905 328 (17) (17) (17) (17) -8 (17) (17) 7,577	937 (18) (18) (18) (18) (18) (18) (18) (18)	57,821 (18) (18) (18) (18) (18) -25 (18) (18) (18)	(18) (18) (18) (18) -23 (18) (18)	(18) (18) (18) (18) (18) -487 (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) -14 (18) (18)
56 57 58 59 60 61 62 63	Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net	2,910 (18) (18) (18) (18) (18) (18) (18) (18)	-2,632 (18) (18) (18) (18) (18) 141 (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)	7,951 2,904 (17) (17) (17) (17) (17) (17) 5,047 1,825 (17)	10,166 -598 (17) (17) (17) (17) (17) (17) (17) (17) 10,764 7,099 (17)	7,905 328 (17) (17) (17) -8 (17) (17) 7,577 3,685 (17)	937 (18) (18) (18) (18) (18) (18) (18) (18)	57,821 (18) (18) (18) (18) (18) (-25) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) -23 (18) (18) (18) (18) 4,650 (18)	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) -52 (18) (18) (18) 4,827 (18)	(18) (18) (18) (18) (18) -14 (18) (18) (18) 3,435 (18)
56 57 58 59 60 61 62 63 64 65 66 67	Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities of the United States, net U.S. Treasury securities of the United States, net Other U.S. Government liabilities 11 U.S. liabilities reported by U.S. banks, not included elsewhere other foreign official assets 12 Other foreign assets in the United States, net Direct investment U.S. Treasury securities U.S. securities other than U.S. Treasury securities U.S. currency	2,910 (18) (18) (18) (18) (18) (18) (18) (18)	-2,632 (18) (18) (18) (18) (19) 141 (18) (18) (18) (18) 50	(18) (18) (18) (18) (18) (18) (18) (18)	7,951 2,904 (17) (17) (17) (17) 8 (17) (17) (17) 5,047 1,825	10,166 -598 (17) (17) (17) (17) 12 (17) (17) 10,764 7,099	7,905 328 (17) (17) (17) -8 (17) (17) 7,577 3,685	937 (18) (18) (18) (18) (18) (18) (18) (18)	57,821 (18) (18) (18) (18) (18) (18) (18) (18	(18) (18) (18) (18) (18) -23 (18) (18) (18) 4,650	(18) (18) (18) (18) (18) -487 (18) (18) (18) -2,889	(18) (18) (18) (18) (18) -52 (18) (18) (18) 4,827	(18) (18) (18) (18) (18) -14 (18) (18) (18) (18) 3,435
56 57 58 59 60 61 62 63 64 65 66 67	Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities Other 10 Other 10 Other U.S. Government liabilities 11 U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign assets in the United States, net Direct investment U.S. Treasury securities U.S. securities other than U.S. Treasury securities U.S. currency U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	2,910 (18) (18) (18) (18) (19) (19) (19) (19) (19) (19) (19) (19	-2,632 (18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)	7,951 2,904 (17) (17) (17) (17) 8 (17) (17) 5,047 1,825 (17) (17) 2,241	10,166 -598 (17) (17) (17) (17) (17) (17) (17) 10,764 7,099 (17) (17) -306 	7,905 328 (17) (17) (17) -8 (17) (17) 7,577 3,685 (17) (17) 224	937 (18) (18) (18) (18) (18) (18) (18) (18)	57,821 (18) (18) (18) (18) (18) (18) (18) (1	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (-52) (18) (18) (18) (18) 4,827 (18) 3,508	(18) (18) (18) (18) (18) (-14 (18) (18) (18) (18) 3,435 (18) 11,614
56 57 58 59 60 61 62 63 64 65 66 67 68	Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities of the United States, net U.S. Treasury securities of the United States, net Other U.S. Government liabilities 11 U.S. liabilities reported by U.S. banks, not included elsewhere other foreign official assets 12 Other foreign assets in the United States, net Direct investment U.S. Treasury securities U.S. securities other than U.S. Treasury securities U.S. currency U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns U.S. liabilities reported by U.S. banks, not included elsewhere	2,910 (18) (18) (18) (18) (18) (18) (18) (18)	-2,632 (18) (18) (18) (18) (18) (18) (18) (18)	41 (18) (18) (18) (18) (18) (18) (18) (18) (18) (19) (1	7,951 2,904 (17) (17) (17) (17) (17) (17) (17) (17)	10,166 -598 (17) (17) (17) (17) (17) (17) (17) (17)	7,905 328 (17) (17) (17) (17) -8 (17) (17) (17) (17) 224	937 (18) (18) (18) (18) (18) (18) (18) (18)	57,821 (18) (18) (18) (18) (18) (18) (18) (18	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) -487 (18) (18) -2,889 (18) -1,636	(18) (18) (18) (18) (-52) (18) (18) (18) (18) 3,508 	(18) (18) (18) (18) (18) (18) (18) (18)
56 57 58 59 60 61 62 63 64 65 66 67 68	Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities (1) Other (1) Other (2) Other (3) Other (4) U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign assets in the United States, net Direct investment U.S. Treasury securities U.S. securities other than U.S. Treasury securities U.S. securities other than U.S. Treasury securities U.S. liabilities reported by U.S. banks, not included elsewhere Statistical discrepancy (sum of above items with sign reversed) Memoranda:	2,910 (18) (18) (18) (18) (19) (19) (19) (19) (10) (10) (10) (10) (10) (10) (10) (10	-2,632 (18) (18) (18) (18) (19) (19) (19) (19) (10) (10) (10) (10) (10) (10) (10) (10	41 (18) (18) (18) (18) (19) (112 (18) (19) (19) (19) (19) (19) (19) (19) (19	7,951 2,904 (17) (17) (17) (17) (17) (17) (17) (17)	10,166 -598 (17) (17) (17) (17) (17) (17) (17) (17)	7,905 328 (17) (17) (17) -8 (17) (17) 7,577 3,685 (17) 224	937 (18) (18) (18) (18) (19) (19) (19) (19) (10) (10) (10) (10) (10) (10) (10) (10	57,821 (18) (18) (18) (18) (18) (18) (18) (18	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)
56 57 58 59 60 61 62 63 64 65 66 67 68 69 70	Foreign-owned assets in the United States, net (increase/financial inflow (+))	2,910 (18) (18) (18) (18) (18) (18) (18) (18)	-2,632 (18) (18) (18) (18) (19) 141 (18) (19) 50 (19) -140 -122 -2,561 4,516	41 (18) (18) (18) (19) (19) (19) (19) (10) (10) (10) (10) (10) (10) (10) (10	7,951 2,904 (17) (17) (17) (17) 8 (17) 5,047 1,825 (17) 2,241 	10,166 -598 (17) (17) (17) (17) (17) (17) (17) (17)	7,905 328 (17) (17) (17) (19) -8 (17) (17) (17) 7,577 3,6855 (17) 224	937 (18) (18) (18) (18) (18) (18) (18) (18)	57,821 (18) (18) (18) (18) (18) (18) (18) (18	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (-52) (18) (18) (18) (18) 3,508 	(18) (18) (18) (18) (18) (18) (18) (18)
56 57 58 59 60 61 62 63 64 65 66 67 68 69 70	Foreign-owned assets in the United States, net (increase/financial inflow (+)) Foreign official assets in the United States, net U.S. Government securities U.S. Treasury securities (1) Other 10 Other 10 Other 10 Other U.S. Government liabilities 11 U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign assets in the United States, net Direct investment U.S. Treasury securities U.S. securities other than U.S. Treasury securities U.S. currency U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns U.S. liabilities reported by U.S. banks, not included elsewhere Statistical discrepancy (sum of above items with sign reversed) Memoranda: Balance on goods (lines 3 and 20) Balance on goods (lines 4 and 21) Balance on goods and services (lines 2 and 19)	2,910 (18) (18) (18) (18) (18) (18) (18) (19) (19) (19) (18) (10) (10) (10) (11) (11) (12) (13) (14) (15) (15) (16) (17) (18) (18) (19) (19) (19) (19) (19) (19) (19) (19	-2,632 (18) (18) (18) (18) (18) (18) (18) (18)	41 (18) (18) (18) (18) (18) (18) (18) (18	7,951 2,904 (17) (17) (17) (17) (18) 5,047 1,825 (17) 2,241 	10,166 -598 (17) (17) (17) (17) (17) (17) (17) (17)	7,905 328 (1²) (17) (17) -8 (1²) (17) 7,577 3,6855 (1²) 224	937 (18) (18) (18) (18) (18) (19) (19) (19) (19) (19) (19) (19) (19	57,821 (18) (18) (18) (18) (18) (18) (25) (18) (18) 1,642 (18) 22,921 -10,399 43,682 -37,388 -7,106 3,811 -3,295	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)
56 57 58 59 60 61 62 63 64 65 66 67 68 69 70	Foreign-owned assets in the United States, net (increase/financial inflow (+))	2,910 (18) (18) (18) (18) (18) (18) (18) (18)	-2,632 (18) (18) (18) (18) (19) 141 (18) (19) 50 (19) -140 -122 -2,561 4,516	41 (18) (18) (18) (19) (19) (19) (19) (10) (10) (10) (10) (10) (10) (10) (10	7,951 2,904 (17) (17) (17) (17) 8 (17) 5,047 1,825 (17) 2,241 	10,166 -598 (17) (17) (17) (17) (12) (17) 10,764 7.0999 (17) -306	7,905 328 (17) (17) (17) (19) -8 (17) (17) (17) 7,577 3,6855 (17) 224	937 (18) (18) (18) (18) (19) (19) (19) (19) (19) (19) (19) (19	57,821 (18) (18) (18) (18) (18) (18) (18) (18	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)	(18) (18) (18) (18) (18) (18) (18) (18)

^{13.} Conceptually, line 76 is equal to "net foreign investment" in the national income and product accounts (NIPA's). However, the foreign transactions account in the NIPA's (a) includes adjustments to the international transactions accounts for the treatment of gold, (b) includes adjustments for the different geophical treatment of transactions with U.S. territories and Puerto Rico, and (c) includes services furnished without payment by financial

pension plans except life insurance carriers and private noninsured pension plans.

14. The "European Union" includes the "European Union (6)," United Kingdom, Denmark, Ireland, Greece, Spain, and Portugal. Beginning with the first quarter of 1995, the "European Union" also includes Austria, Finland, and Sweden.

Table F.3.—U.S. International Transactions, by Area—Continued

[Millions of dollars]

			Australia		Other cou	ntries in Asia a	nd Africa		nal organizatior nallocated 16	is and
Line	(Credits +; debits -) ¹	1	2000			2000			2000	
		1	r	III	1	\parallel^r	III	1	$\ r \ $	<i>P</i>
	Current account									
1 2	Exports of goods and services and income receipts	4,834 3,734	5,458	5,593 4,337	51,342 45,919	53,930 47,922	58,028	7,440	7,416 1,147	7,369 1,187
3	Exports of goods and services	2,543	4,102 2,758	2,938	31,674	33,973	51,148 35,746	1,118	1,147	1,107
4	Services ³	1,191	1,344	1,399	14,245	13,949	15,402	1,118	1,147	1,187
5 6	Transfers under U.S. military agency sales contracts ⁴	51 342	95 416	99 425	2,372 2,042	2,556 2,816	2,495 3,544			
7 8	Passenger fares Other transportation	123 81	154 86	163 91	392 2,160	493 2,286	629 2,294	115	147	165
9	Royalties and license fees 5	187	187	199	1,165	1,174	1,181	493	491	499
10 11	Other private services 5 U.S. Government miscellaneous services	406	405 1	421 1	6,034 80	4,542 82	5,177 82	510	509	523
12 13	Income receipts	1,100	1,356 1,354	1,256 1,254	5,423 5,406	6,008 5,991	6,880 6,862	6,322 5,970	6,269 5,916	6,182
14	Income receipts on U.Sowned assets abroad Direct investment receipts	1,098 365	585	520	2,792	3,367	3,962	3,358	3,182	5,828 3,092
15 16	Other private receipts	733	769	734	2,325 289	2,414 210	2,599 301	2,396 216	2,543 191	2,545 191
17 18	Compensation of employees	2 - 2,259	2 - 2,475	2 - 2,786	17 - 79,349	17 - 87,337	18 -99,867	352 - 2,781	353 -2,870	354 -2,995
19	Imports of goods and services	-1,888	-2,176	-2,383	-71,961	-79,916	-92,113	-564	-564	-623
20	Goods, balance of payments basis ²	-1,093	-1,372	-1,447	-62,733	-70,333	-82,051			
21 22	Services ³	-795 -18	-804 -8	-936 -10	-9,228 -1,064	-9,583 -998	-10,062 -1,001	-564	-564	-623
23 24	Travel Passenger fares	-301 -166	-310 -141	-427 -154	-2,805 -1,223	-2,873 -1,146	-3,019 -1,246			
25	Other transportation	-46	-47	-52	-2,230	-2,525	-2,766	-285	-298	-350
26 27	Royalties and license fees 5 Other private services 5	-7 -249	-10 -277	-10 -268	-74 -1,642	-73 -1,778	–75 –1,752	-185 -93	-180 -86	-173 -100
28 29	U.S. Government miscellaneous services	-8 -371	-11 -299	-15 -403	-190 7.200	-190 7.424	-203	-1 2 247	-2,306	0.070
30	Income payments Income payments on foreign-owned assets in the United States Direct investment payments	-369	-297	-401	-7,388 -7,243	-7,421 -7,320	-7,754 -7,668	-2,217 -2,217	-2,306	-2,372 -2,372
31 32	Other private payments	-153 -145	-44 -172	-112 -206	-159 -2,381	-3 -2,438	-169 -2,580	-1,365 -848	-1,445 -855	-1,405 -958
32 33 34	U.S. Government payments	-71 -2	-81 -2	-83 -2	-4,703 -145	-4,879 -101	-4,919 -86	-4	-6	-9
35 36 37	Unilateral current transfers, net	-39	-36	-39	-3,414	-3,569	-3,728	-2,427	-2,691	−2,533 −186
37	U.S. Government grants ⁴	-10	-10	-9	-967 -119	-1,423 -121	-1,273 -121	-257 -124	-374 -84	-210
38	Private remittances and other transfers 6	-29	-26	-30	-2,328	-2,025	-2,334	-2,046	-2,233	-2,137
	Capital account									
39	Capital account transactions, net	2	2	2	25	32	29			
40	Financial account U.Sowned assets abroad, net (increase/financial outflow (-))	-2,357	-4,709	5,526	-2,448	-2,172	-2,621	-3,935	-1,544	-7,376
41	U.S. official reserve assets, net							566	1,223	2,083
42 43	Gold ⁷ Special drawing rights							563	-190	-185
44 45	Reserve position in the International Monetary Fund							3	1,413	2,268
46 47	U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets	6	-6	-2	11 -209	-218 -303	-520 -778	-267 -267	-289 -289	-248 -248
48	Repayments on U.S. credits and other long-term assets 8				326	213	355	-207	-209	-240
49 50	U.Ś. foreign currency holdings and U.S. short-term assets, net	6 -2,363	-6 -4,703	-2 5,528	-106 -2,459	-128 -1,954	–97 –2,101	-4,234	-2,478	-9,211
50 51 52 53	Direct investment Foreign securities	-3,389 -82	-265 -974	-331 -114	-6,725 -1,217	-3,808 1,118	-3,018 3,094	-3,193 49	-3,008 -111	-2,924 480
53 54	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	430 678	-43 -3,421	5,973	-92 5,575	-1,034 1,770	-2,177	-7 -1,083	22 619	-7,198 431
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	691	3,893	1,000	13,028	3,249	5,839	5,753	6,259	17,596
56 57	Foreign official assets in the United States, net U.S. Government securities	(18) (18)	(18) (18)	(18) (18)	(18) (18)	(18) (18)	(18) (18)			
58	U.S. Treasury securities ⁹ Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)			
59 60	Other U.S. Government liabilities 11	` á l	` 35	-44	-737	-215	- <u>6</u> 81			
61 62	U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign official assets 12	(18) (18)	(18) (18)	(18) (18)	(18) (18)	(18)	(18) (18)	(18)	(18)	(18)
63 64	Other foreign assets in the United States, net Direct investment	(18) 167	(18) 425	(18) 217	(18) -48	(18) -400	(¹⁸) 514	5,753 1,197	6,259 1,232	17,596 1,267
65 66	U.S. Treasury securities U.S. securities other than U.S. Treasury securities	(18) 42	(18) 157	(18) 1,155	(18) 3,119	(18) 3,532	(18) 2,413	(¹⁸) -148	(18) -130	(18) 493
67	U.S. currency						۷,413	2,440	3,057	4,697
68 69	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concernsU.S. liabilities reported by U.S. banks, not included elsewhere	-175 649	1,879 1,467	-328	805 9,889	1,892 -1,560	3,593	18 2,246	37 2,063	9,136 2,003
70	Statistical discrepancy (sum of above items with sign reversed)	-872	-2,133	-9,296	20,816	35,867	42,320	-4,050	-6,570	-12,061
71	Memoranda: Balance on goods (lines 3 and 20)	1,450	1,386	1,491	-31,059	-36,360	-46,305			
72 73	Balance on services (lines 4 and 21)	396 1,846	540 1,926	463 1,954	5,017 -26,042	4,366 -31,994	5,340 -40,965	554 554	583 583	564 564
74 75	Balance on income (lines 12 and 29)	729 -39	1,057 -36	853 -39	-1,965 -3,414	-1,413 -3,569	-874 -3,728	4,105 -2,427	3,963 -2,691	3,810 -2,533
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) 13	2,536	2,947	2,768	-31,421	-36,976	-45,567	2,232	1,855	1,841

source data are not available.

^{15.} The "European Union (6)" includes Belgium, France, Germany (includes the former German Democratic Republic (East Germany) beginning in the fourth quarter of 1990), Italy, Luxembourg, Netherlands, European Atomic Energy Community, European Coal and Steel Community, and European Investment Bank.

16. Includes, as part of international and unallocated, the estimated direct investment in foreign affiliates engaged in international shipping, in operating oil and gas drilling equipment internationally, and in petroleum trading. Also includes taxes withheld; current-cost adjustments associated with U.S. and foreign direct investment; small transactions in business services that are not reported by country; and net U.S. currency flows, for which geographic

^{17.} Details not shown separately; see totals in lines 56 and 63. 18. Details not shown separately are included in line 69.

NOTE.—The data in tables F.2 and F.3 are from tables 1 and 10 in "U.S. International Transactions, Third Quarter 1999" in the January 2000 SURVEY OF CURRENT BUSINESS, which presents the most recent estimates from the U.S. international transactions accounts.

Table F.4—Private Service Transactions

						Seasonally	adjusted		
Line		1997	1998		1998			1999	
				Ш	III	IV	I	$\ r\ $	P
1	Exports of private services	240,443	245,688	62,011	60,847	62,490	63,066	64,304	64,588
2	Travel (table F.2, line 6)	73,301	71,250	18,260	17,149	17,938	18,138	18,437	18,322
3 4	Passenger fares (table F.2, line 7)	20,789 27,006	19,996 25,518	5,185 6,268	5,052 6,339	4,843 6,575	4,995 6,501	5,240 6,731	5,332 6.921
5	Freight	11,789	11,178	2.769	2.684	2,852	2.819	2.848	2.966
6	Port services	15,217	14,340	3,498	3,654	3,722	3,682	3,883	3,955
7	Royalties and license fees (table F.2, line 9)	33,781	36,808	9,002	9,029	9,894	9,337	9,365	9,317
8	Affiliated	25,024	26,761	6,542	6,491	7,223	6,640 6,081	6,603	6,493
10	U.S. parents' receipts	23,221 1,803	24,712 2,049	6,066 476	6,091 400	6,591 632	559	6,003 600	5,971 522
11	Unaffiliated	8,757	10,047	2,460	2,538	2,671	2,697	2,762	2,824
12	Industrial processes ¹	3.552	4.138	1.018	1.053	1.094	1.093	1.097	1.097
13	Other ²	5,205	5,909	1,442	1,485	1,578	1,604	1,665	1,727
14	Other private services (table F.2, line 10)	85,566	92,116	23,296	23,278	23,240	24,095	24,531	24,696
15	Affiliated services	27,272	28,321	7,114	7,184	7,036	7,454	7,086	7,316
16	U.S. parents' receipts	17,271	18,212	4,631	4,411	4,561	4,560	4,402	4,626
17	U.S. affiliates' receipts	10,001	10,109	2,483	2,773	2,475	2,894	2,684	2,690
18 19	Unaffiliated services	58,294	63,795	16,182	16,094	16,204	16,641	17,445	17,380
20	EducationFinancial services	8,343 11,539	8,964 13,698	2,251 3,778	2,310 3,419	2,243 3,369	2,312 3,419	2,309 3,950	2,351 3,624
21	Insurance, net	2,485	2,842	696	717	746	794	831	869
22	Premiums received	6,133	6,985	1,722	1,780	1,826	1,860	1,887	1,911
23 24	Losses paid	3.648	4.143	1,026	1.063	1,080	1,066	1.056	1.042
24	Telecommunications	3,949	3,689	926	900	908	882	872	818
25	Business, professional, and technical services	22,467	24,338	6,017	6,164	6,299	6,544	6,746	6,892
26	Other unaffiliated services ³	9,511	10,264	2,513	2,583	2,640	2,690	2,737	2,826
27	Imports of private services	152,447	165,321	41,424	41,739	42,304	43,198	45,001	46,122
28	Travel (table F.2, line 23)	52,051	56,105	14,168	14,070	14,131	14,847	14,960	15,191
29	Passenger fares (table F.2, line 24)	18,138	19,797	4,958	5,085	5,125	5,114	5,316	5,456
30	Other transportation (table F.2, line 25)	28,959	30,457	7,590					9.102
31					7,700	7,849	7,726	8,362	
	Freight	17,654	19,412	4,858	4,999	5,006	4,864	5,413	6,031
32	Port services	11,305	19,412 11,048	4,858 2,732	4,999 2,701	5,006 2,843	4,864 2,862	5,413 2,949	6,031 3,071
33	Port services	11,305 9,390	19,412 11,048 11,292	4,858 2,732 2,694	4,999 2,701 2,721	5,006 2,843 2,923	4,864 2,862 3,176	5,413 2,949 3,197	6,031 3,071 2,921
33 34	Port services	11,305 9,390 6,967	19,412 11,048 11,292 8,374	4,858 2,732 2,694 2,050	4,999 2,701 2,721 2,037	5,006 2,843 2,923 2,271	4,864 2,862 3,176 2,514	5,413 2,949 3,197 2,519	6,031 3,071 2,921 2,208
33 34 35	Port services	9,390 6,967 989	19,412 11,048 11,292 8,374 1,169	4,858 2,732 2,694 2,050 273	4,999 2,701 2,721 2,037 298	5,006 2,843 2,923 2,271 308	4,864 2,862 3,176 2,514 304	5,413 2,949 3,197 2,519 310	6,031 3,071 2,921 2,208 307
33 34 35 36	Port services	9,390 6,967 989 5,978	19,412 11,048 11,292 8,374 1,169 7,205	4,858 2,732 2,694 2,050 273 1,777	4,999 2,701 2,721 2,037 298 1,739	5,006 2,843 2,923 2,271 308 1,963	4,864 2,862 3,176 2,514 304 2,210	5,413 2,949 3,197 2,519 310 2,209	6,031 3,071 2,921 2,208 307 1,901
33 34 35 36 37	Port services	9,390 6,967 989 5,978 2,423	19,412 11,048 11,292 8,374 1,169 7,205 2,918	4,858 2,732 2,694 2,050 273 1,777 644	4,999 2,701 2,721 2,037 298 1,739 684	5,006 2,843 2,923 2,271 308 1,963 652	4,864 2,862 3,176 2,514 304 2,210 662	5,413 2,949 3,197 2,519 310 2,209 678	6,031 3,071 2,921 2,208 307 1,901 713
33 34 35 36	Port services	9,390 6,967 989 5,978	19,412 11,048 11,292 8,374 1,169 7,205	4,858 2,732 2,694 2,050 273 1,777	4,999 2,701 2,721 2,037 298 1,739	5,006 2,843 2,923 2,271 308 1,963	4,864 2,862 3,176 2,514 304 2,210	5,413 2,949 3,197 2,519 310 2,209	6,031 3,071 2,921 2,208 307 1,901
33 34 35 36 37 38	Port services	9,390 6,967 989 5,978 2,423 1,418	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546	4,858 2,732 2,694 2,050 273 1,777 644 382	4,999 2,701 2,721 2,037 298 1,739 684 392	5,006 2,843 2,923 2,271 308 1,963 652 401	4,864 2,862 3,176 2,514 304 2,210 662 408	5,413 2,949 3,197 2,519 310 2,209 678 414	6,031 3,071 2,921 2,208 307 1,901 713 420
33 34 35 36 37 38 39 40 41	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes ¹ Other ² Other private services (table F.2, line 27) Affiliated services	11,305 9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095	4,858 2,732 2,694 2,050 273 1,777 644 382 262 12,014 4,856	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974	5,006 2,843 2,923 2,271 308 1,963 652 401 252 12,276 4,998	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033	5,413 2,949 3,197 2,519 310 2,209 678 414 264 13,166 5,620	6,031 3,071 2,921 2,208 307 1,901 713 420 292 13,452 5,742
33 34 35 36 37 38 39 40 41 42	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes ' Other 2 Other private services (table F.2, line 27) Affiliated services U.S. parents' payments	11,305 9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,730	4,858 2,732 2,694 2,050 273 1,777 644 382 262 12,014 4,856 2,424	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974 2,453	5,006 2,843 2,923 2,271 308 1,963 652 401 252 12,276 4,998 2,565	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033 2,581	5,413 2,949 3,197 2,519 310 2,209 678 414 264 13,166 5,620 2,744	6,031 3,071 2,921 2,208 307 1,901 713 420 292 13,452 5,742 2,726
33 34 35 36 37 38 39 40 41 42 43	Port services	11,305 9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927 8,801	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,730 9,365	4,858 2,732 2,694 2,050 273 1,777 644 382 262 12,014 4,856 2,424 2,432	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974 2,453 2,521	5,006 2,843 2,923 2,271 308 1,963 652 401 252 12,276 4,998 2,565 2,433	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033 2,581 2,452	5,413 2,949 3,197 2,519 310 2,209 678 414 264 13,166 5,620 2,7744 2,876	6,031 3,071 2,921 2,208 307 1,901 713 420 292 13,452 5,742 2,726 3,016
33 34 35 36 37 38 39 40 41 42 43 44	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes ¹ Other ² Other private services (table F.2, line 27) Affiliated services U.S. parents' payments U.S. parents' payments U.S. parents' payments U.S. parents' payments U.S. diffiliated services	9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927 8,801 26,181	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,730 9,365 28,575	4,858 2,732 2,694 2,050 273 1,777 644 382 262 12,014 4,856 2,424 4,854 2,424 2,432 7,158	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974 2,453 2,453 2,521 7,189	5,006 2,843 2,923 2,271 308 1,963 652 401 252 12,276 4,998 2,565 2,433 7,278	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033 2,581 2,452 7,302	5,413 2,949 3,197 2,519 310 2,209 678 414 264 13,166 5,620 2,744 2,876 7,546	6,031 3,071 2,921 2,208 307 1,901 713 420 292 13,452 5,742 2,726 3,016 7,710
33 34 35 36 37 38 39 40 41 42 43 44 45	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes 1 Other 2 Other private services (table F.2, line 27) Affiliated services U.S. parents' payments U.S. affiliates' payments U.Affiliated services Education	11,305 9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927 8,801 26,181 1,395	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,730 9,365 28,575 1,538	4,858 2,732 2,694 2,050 273 1,777 644 382 262 12,014 4,856 2,424 2,432 7,158 380	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974 2,453 2,521 7,189 401	5,006 2,843 2,923 2,271 308 1,963 652 401 252 12,276 4,998 2,565 2,433 7,278 401	4,864 2,862 3,176 2,514 2,210 662 408 254 12,335 5,033 2,581 2,452 7,302 404	5,413 2,949 3,197 2,519 310 2,209 678 414 264 13,166 5,620 2,744 2,876 7,546 423	6,031 3,071 2,921 2,208 307 1,901 713 420 292 13,452 5,742 2,726 3,016 7,710 440
33 34 35 36 37 38 39 40 41 42 43 44 45 46	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes I Other 2 Other private services (table F.2, line 27) Affiliated services U.S. parents' payments U.S. affiliates' payments U.S. affiliates' payments Unaffiliated services Education Financial services	9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927 8,801 26,181 1,395 3,563	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,730 9,365 28,575 1,538 3,771	4,858 2,732 2,694 2,050 273 1,777 644 382 262 12,014 4,856 2,424 2,432 7,158 380 1,010	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974 2,453 2,521 7,189 401 932	5,006 2,843 2,923 2,271 308 1,963 652 401 252 12,276 4,998 2,565 2,433 7,278 401 902	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033 2,581 2,452 7,302 404 834	5,413 2,949 3,197 2,519 310 2,209 678 414 264 13,166 5,620 2,744 2,876 7,546 423 949	6,031 3,071 2,921 2,208 307 1,901 713 420 292 13,452 5,742 2,726 3,016 7,710 440 1,072
33 34 35 36 37 38 39 40 41 42 43 44 45 46 47	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes ¹ Other ² Other private services (table F.2, line 27) Affiliated services U.S. parents' payments	9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927 8,801 1,395 3,563 3,563 6,002	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,730 9,365 28,575 1,538 3,771 6,908	4,858 2,732 2,694 2,050 1,777 644 382 262 12,014 4,856 2,424 2,432 380 1,010 1,717	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974 2,453 2,521 1,7189 401 932 1,736	5,006 2,843 2,923 2,271 308 1,963 652 401 1252 12,276 4,998 2,565 2,433 7,278 401 902 1,753	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033 2,581 2,452 7,302 404 404 8,1816	5,413 2,949 3,197 2,519 3,197 2,209 678 414 4264 13,166 5,620 2,744 2,876 423 949 1,878	6,031 3,071 2,921 2,208 3,071 1,901 713 420 292 13,452 5,742 2,726 3,016 4,710 4,40 1,072 1,949
33 34 35 36 37 38 39 40 41 42 43 44 45 46	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes 1 Other 2 Other private services (table F.2, line 27) Affiliated services U.S. parents' payments U.S. affiliates' payments Unaffiliated services Education Financial services Insurance, net Premiums paid	9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927 8,801 26,181 1,395 3,563	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,730 9,365 28,575 1,538 3,771	4,858 2,732 2,694 2,050 273 1,777 644 382 262 12,014 4,856 2,424 2,432 7,158 380 1,010	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974 2,453 2,521 7,189 401 932	5,006 2,843 2,923 2,271 308 1,963 652 401 252 12,276 4,998 2,565 2,433 7,278 401 902	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033 2,581 2,452 7,302 404 834 1,816 4,998	5,413 2,949 3,197 2,519 310 2,209 678 414 264 13,166 5,620 2,744 2,876 7,546 423 949	6,031 3,071 2,921 2,208 307 1,901 713 420 292 13,452 5,742 2,726 3,016 7,710 440 1,072
33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes ¹ Other ² Other private services (table F.2, line 27) Affiliated services U.S. parents' payments U.S. payments' payments U.S. payments' payments U.S. payments' payments' payments U.S. payments' paym	11,305 9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927 8,801 1,395 3,563 6,002 15,233 9,231 8,351	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,730 9,365 28,575 1,538 3,771 6,908 18,581 11,673 8,125	4,858 2,732 2,694 2,050 1,777 644 382 262 12,014 4,856 2,424 2,432 4,158 380 1,010 1,717 4,572 2,855 2,032	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974 2,453 2,521 1,7189 401 932 1,736 4,770 3,034 2,014	5,006 2,843 2,923 2,271 3,963 652 401 252 12,276 4,998 2,565 2,433 7,278 4,910 3,157 2,029	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033 2,581 2,452 7,302 404 834 4,998 3,183 2,024	5,413 2,949 3,197 2,519 678 414 264 13,166 5,620 2,744 2,876 423 949 1,878 5,054 3,175 2,011	6,031 3,071 2,921 2,208 3,071 1,901 713 420 292 13,452 5,742 2,726 3,016 7,710 440 1,072 1,949 5,095 3,146 1,915
33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes 1 Other 2 Other 2 Other private services (table F.2, line 27) Affiliated services U.S. parents' payments U.S. affiliates' payments U.S. affiliates' payments Unaffiliated services Education Financial services Insurance, net Premiums paid Losses recovered Telecommunications Business, professional, and technical services	11,305 9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927 8,801 26,181 1,395 3,563 6,002 15,233 9,231 8,351 6,358	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,730 9,365 28,575 1,538 3,771 6,908 18,581 11,673 8,125 7,684	4,858 2,732 2,694 2,050 1,777 644 382 262 12,014 4,856 2,424 2,432 7,158 380 1,010 1,717 4,572 2,855 2,032 1,884	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974 2,453 2,521 7,189 401 932 1,736 4,770 3,034 2,014 1,968	5,006 2,843 2,923 2,271 308 1,963 652 401 252 12,276 4,998 2,565 2,433 7,278 401 902 1,753 4,910 3,157 2,029 2,045	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033 2,581 2,452 7,302 404 834 1,816 4,998 3,183 2,024 2,103	5,413 2,949 3,197 2,519 310 2,209 678 414 264 13,166 5,620 2,744 2,876 423 949 1,878 5,054 3,175 2,011 2,160	6,031 3,071 2,921 2,208 307 1,901 713 420 292 13,452 2,726 3,016 7,710 440 1,072 1,949 5,095 3,146 1,915 2,211
33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes ¹ Other ² Other private services (table F.2, line 27) Affiliated services U.S. parents' payments U.S. payments' payments U.S. payments' payments U.S. payments' payments' payments U.S. payments' paym	11,305 9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927 8,801 1,395 3,563 6,002 15,233 9,231 8,351	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,730 9,365 28,575 1,538 3,771 6,908 18,581 11,673 8,125	4,858 2,732 2,694 2,050 1,777 644 382 262 12,014 4,856 2,424 2,432 4,158 380 1,010 1,717 4,572 2,855 2,032	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974 2,453 2,521 1,7189 401 932 1,736 4,770 3,034 2,014	5,006 2,843 2,923 2,271 3,963 652 401 252 12,276 4,998 2,565 2,433 7,278 4,910 3,157 2,029	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033 2,581 2,452 7,302 404 834 4,998 3,183 2,024	5,413 2,949 3,197 2,519 678 414 264 13,166 5,620 2,744 2,876 423 949 1,878 5,054 3,175 2,011	6,031 3,071 2,921 2,208 3,071 1,901 713 420 292 13,452 5,742 2,726 3,016 7,710 440 1,072 1,949 5,095 3,146 1,915
33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 50 51 52	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes 1 Other 2 Other private services (table F.2, line 27) Affiliated services U.S. parents' payments U.S. affiliates' payments U.S. affiliates' payments Unaffiliated services Education Financial services Insurance, net Premiums paid Losses recovered Telecommunications Business, professional, and technical services Other unaffiliated services 3 Memoranda:	11,305 9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927 8,801 26,181 1,395 3,563 6,002 15,233 9,231 8,351 6,358 511	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,730 9,365 28,575 1,538 3,771 6,908 18,581 11,673 8,125 7,684 549	4,858 2,732 2,694 2,050 2,73 1,777 644 382 262 12,014 4,856 2,424 2,432 7,158 380 1,010 1,717 4,572 2,855 2,032 1,884 1,35	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974 2,453 2,521 7,189 401 932 1,736 4,770 3,034 2,014 1,968 138	5,006 2,843 2,923 2,271 3,063 652 401 1252 12,276 4,998 2,565 2,433 7,278 401 902 1,753 4,910 3,157 2,045 148	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033 2,581 2,452 7,302 404 834 1,816 4,998 3,183 2,024 2,103 121	5,413 2,949 3,197 2,519 310 2,209 678 414 264 13,166 5,620 2,744 2,876 7,546 423 949 1,878 5,054 3,175 2,011 2,160 124	6,031 3,071 2,921 2,208 307 1,901 713 420 292 13,452 2,726 3,016 7,710 440 1,072 1,949 5,095 3,146 1,915 2,211 123
33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes 1 Other 2 Other private services (table F.2, line 27) Affiliated services U.S. parents' payments U.S. affiliates' payments U.S. affiliates' payments U.S. affiliates' payments Unaffiliated services Education Financial services Insurance, net Premiums paid Losses recovered Telecommunications Business, professional, and technical services Other unaffiliated services 3 Memoranda: Balance on goods (table F.2, line 71)	11,305 9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927 8,801 26,181 1,395 3,563 6,002 15,233 8,351 6,358 511	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,760 9,365 28,575 1,538 3,771 6,908 18,581 11,673 8,125 7,684 549	4,858 2,732 2,694 2,050 1,777 644 382 262 12,014 4,856 2,424 2,432 7,158 380 1,010 1,717 4,572 2,032 1,884 135	4,999 2,701 2,721 2,037 684 392 292 12,163 4,974 2,453 2,521 7,189 401 932 1,736 4,770 3,034 2,014 1,968 138	5,006 2,843 2,923 2,271 308 1,963 652 401 2,52 12,276 4,998 2,565 2,433 7,278 401 902 1,753 4,910 3,157 2,029 2,045 148	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033 2,581 2,452 7,302 404 834 1,816 4,998 3,183 2,024 2,103 121	5,413 2,949 3,197 2,519 310 2,209 678 414 4264 13,166 5,620 2,744 2,876 7,546 423 949 1,878 5,054 3,175 2,011 2,160 124	6,031 3,071 2,921 2,208 307 1,901 713 420 292 13,452 5,742 2,726 3,016 7,710 440 1,072 1,949 5,095 3,146 1,915 2,211 123
33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 50 51 52	Port services Royalties and license fees (table F.2, line 26) Affiliated U.S. parents' payments U.S. affiliates' payments Unaffiliated Industrial processes 1 Other 2 Other private services (table F.2, line 27) Affiliated services U.S. parents' payments U.S. affiliates' payments U.S. affiliates' payments Unaffiliated services Education Financial services Insurance, net Premiums paid Losses recovered Telecommunications Business, professional, and technical services Other unaffiliated services 3 Memoranda:	11,305 9,390 6,967 989 5,978 2,423 1,418 1,006 43,909 17,728 8,927 8,801 26,181 1,395 3,563 6,002 15,233 9,231 8,351 6,358 511	19,412 11,048 11,292 8,374 1,169 7,205 2,918 1,546 1,372 47,670 19,095 9,730 9,365 28,575 1,538 3,771 6,908 18,581 11,673 8,125 7,684 549	4,858 2,732 2,694 2,050 2,73 1,777 644 382 262 12,014 4,856 2,424 2,432 7,158 380 1,010 1,717 4,572 2,855 2,032 1,884 1,35	4,999 2,701 2,721 2,037 298 1,739 684 392 292 12,163 4,974 2,453 2,521 7,189 401 932 1,736 4,770 3,034 2,014 1,968 138	5,006 2,843 2,923 2,271 3,063 652 401 1252 12,276 4,998 2,565 2,433 7,278 401 902 1,753 4,910 3,157 2,045 148	4,864 2,862 3,176 2,514 304 2,210 662 408 254 12,335 5,033 2,581 2,452 7,302 404 834 1,816 4,998 3,183 2,024 2,103 121	5,413 2,949 3,197 2,519 310 2,209 678 414 264 13,166 5,620 2,744 2,876 7,546 423 949 1,878 5,054 3,175 2,011 2,160 124	6,031 3,071 2,921 2,208 307 1,901 713 420 292 13,452 2,726 3,016 7,710 440 1,072 1,949 5,095 3,146 1,915 2,211 123

^p Preliminary.

Revised.

1. Patented techniques, processes, and formulas and other intangible property rights that are used in goods production.

2. Copyrights, trademarks, franchises, rights to broadcast live events, and other intangible property rights.

Other unaffiliated services receipts (exports) include mainly expenditures of foreign govern-ments and international organizations in the United States. Payments (imports) include mainly ex-penditures of U.S. residents temporarily working abroad and film rentals.

NOTE.—The data in this table are from table 3 in "U.S. International Transactions, Third Quarter 1999" in the January 2000 SURVEY OF CURRENT BUSINESS, which presents the most recent estimates from the U.S. international transactions accounts.

G. Investment Tables.

Table G.1.—International Investment Position of the United States at Yearend, 1997 and 1998 [Millions of dollars]

	[IMIIIIOIIS OF C	ioliaisj						
			Cha	anges in po	sition in 199	98 (decrease	e (-))	
				Attribut	able to:			
Line	Type of investment	Position, 1997 ^r		Valua	ation adjustr	ments	Total	Position, 1998 P
			Financial flows	Price changes	Exchange rate changes ¹	Other changes 2	Total	
			(a)	(b)	(c)	(d)	(a+b+c+d)	
1 2	Net international investment position of the United States: With direct investment positions at current cost (line 3 less line 24) With direct investment positions at market value (line 4 less line 25)	-968,208 -1,066,262	-209,819 -209,819	-167,585 -319,300	45,380 56,282	61,064 1,633	-270,960 -471,204	-1,239,168 -1,537,466
3 4	U.Sowned assets abroad: With direct investment positions at current cost (lines 5+10+15) With direct investment positions at market value (lines 5+10+16)	4,508,626 5,288,892	292,818 292,818	101,041 315,522	43,704 54,584	-15,293 -3,833	422,270 659,091	4,930,896 5,947,983
5 6	U.S. official reserve assets	134,836 75,929	6,784	-628 3-628	5,024	-10 4-10	11,170 –638	146,006 75,291
7 8 9	Special drawing rights Reserve position in the International Monetary Fund Foreign currencies	10,027 18,071 30,809	149 5,118 1,517		427 922 3,675		576 6,040 5,192	10,603 24,111 36,001
10 11 12 13 14	U.S. Government assets, other than official reserve assets U.S. credits and other long-term assets 5 Repayable in dollars Other 6 U.S. foreign currency holdings and U.S. short-term assets	81,960 79,607 79,273 334 2,353	429 574 602 –28 –145			-2 -2 -1 -1	422 572 601 –29 –150	82,382 80,179 79,874 305 2,203
14	U.S. private assets:	2,303	-145		-5		-150	2,203
15 16	With direct investment at current cost (lines 17+19+22+23)	4,291,830 5,072,096	285,605 285,605	101,669 316,150	38,685 49,565	-15,281 -3,821	410,678 647,499	4,702,508 5,719,595
17 18 19 20 21 22	Direct investment abroad: At current cost At market value Foreign securities Bonds Corporate stocks U.S. claims on unaffiliated foreigners reported by U.S. nonbanking	1,004,228 1,784,494 1,739,400 538,400 1,201,000	132,829 132,829 102,817 25,064 77,753	2,892 217,373 98,777 18,441 80,336	1,957 12,837 27,962 –20,079 48,041	-18,465 -7,005	119,213 356,034 229,556 23,426 206,130	1,123,441 2,140,528 1,968,956 561,826 1,407,130
23	concerns	562,396 985,806	25,041 24,918		5,610 3,156	3,175 9	33,826 28,083	596,222 1,013,889
24 25	Foreign-owned assets in the United States: With direct investment at current cost (lines 26+33) With direct investment at market value (lines 26+34)	5,476,834 6,355,154	502,637 502,637	268,626 634,822	-1,676 -1,698	-76,357 -5,466	693,230 1,130,295	6,170,064 7,485,449
26 27 28 29 30 31 32	Foreign official assets in the United States U.S. Government securities U.S. Treasury securities Other Other U.S. Government liabilities 7 U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign official assets	835,709 614,530 589,792 24,738 21,459 135,384 64,336	-21,684 -3,625 -9,957 6,332 -3,113 -11,469 -3,477				344 5,719 -805 6,524 -3,113 -11,469 9,207	836,053 620,249 588,987 31,262 18,346 123,915 73,543
33 34	Other foreign assets: With direct investment at current cost (lines 35+37+38+39+42+43) With direct investment at market value (lines 36+37+38+39+42+43)	4,641,125 5,519,445	524,321 524,321	246,189 612,385	-1,676 -1,698	-75,948 -5,057	692,886 1,129,951	5,334,011 6,649,396
35 36 37 38 39 40 41	Direct investment in the United States: At current cost At market value U.S. Treasury securities U.S. currency U.S. securities other than U.S. Treasury securities Corporate and other bonds Corporate stocks	764,045 1,642,365 662,228 211,628 1,578,694 715,196 863,498	193,375 193,375 46,155 16,622 218,026 170,539 47,487	-3,877 362,319 18,961 231,105 21,019 210,086		-74,848 -3,957	114,672 551,737 65,116 16,622 443,126 185,553 257,573	878,717 2,194,102 727,344 228,250 2,021,820 900,749 1,121,071
42 43	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns U.S. liabilities reported by U.S. banks, not included elsewhere	453,555 970,975	9,412 40,731		-1,080 5,387	-1,100	7,232 46,118	460,787 1,017,093
			<u>.</u>		<u>.</u>		· ·	

P Preliminary.

Revised.

^{1.} Represents gains or losses on foreign-currency-denominated assets due to their revaluation at current exchange rates.

 ^{2.} Includes changes in coverage, statistical discrepancies, and other adjustments to the value of assets.
 3. Reflects changes in the value of the official gold stock due to fluctuations in the market

Reflects changes in the value of the onicial gold stock due to includations in the market price of gold.
 Reflects changes in gold stock from U.S. Treasury sales of gold medallions and commemorative and bullion coins; also reflects replenishment through open market purchases. These demonetizations/monetizations are not included in international transactions capital flows.

^{5.} Also includes paid-in capital subscriptions to international financial institutions and outstanding amounts of miscellaneous claims that have been settled through international agreements to be payable to the U.S. Government over periods in excess of 1 year. Excludes World War I debts that are not being serviced.

^{6.} Includes indebtedness that the borrower may contractually, or at its option, repay with its currency, with a third country's currency, or by delivery of materials or transfer of services.
7. Primarily U.S. Government liabilities associated with military sales contracts and other transactions arranged with or through foreign official agencies.

NOTE.—The data in this table are from table 1 in "International Investment Position of the United States at Yearend 1998" in the July 1999 issue of the SURVEY OF CURRENT BUSINESS.

Table G.2.—U.S. Direct Investment Abroad: Selected Items, by Country and by Industry of Foreign Affiliate, 1996–98
[Millions of dollars]

		estment posi orical-cost ba		Capital o	outflows (inflo	ows (-))		Income	
	1996	1997	1998	1996	1997	1998	1996	1997	1998
All countries, all industries	795,195	865,531	980,565	84,426	99,517	121,644	93,594	103,892	90,242
By country									
Canada	89,592	96,031	103,908	7,181	7,493	10,259	9,258	10,548	8,104
Europe	389,378	420,108	489,539	40,148	51,698	74,538	44,286	48,757	49,308
France Germany Netherlands United Kingdom	35,200 41,281 54,118 134,559	35,800 38,490 64,361 153,108	39,188 42,853 79,386 178,648	4,463 1,956 6,308 16,421	2,543 1,627 14,327 22,411	2,895 2,025 14,996 34,428	3,224 3,797 9,632 12,220	2,575 3,339 12,370 13,126	2,450 4,787 12,594 11,582
Latin America and Other Western Hemisphere	155,925	178,505	196,655	18,138	21,966	18,020	17,762	21,408	16,908
Of which: Brazil Mexico	29,105 19,351	35,091 24,181	37,802 25,877	4,159 2,405	6,514 5,646	3,790 2,533	4,172 2,721	4,675 3,905	3,037 3,177
Africa	8,162	11,157	13,491	1,678	3,371	2,712	1,801	1,954	1,719
Middle East	8,294	8,803	10,599	467	601	2,062	1,412	1,328	757
Asia and Pacific	139,548	146,610	161,797	15,363	13,693	13,471	18,795	19,513	12,623
Australia	30,006 34,578	29,910 33,725	33,676 38,153	3,787 -280	2,393 -371	3,659 3,844	2,851 3,475	3,598 3,516	1,898 2,179
International	4,295	4,317	4,578	1,451	694	582	278	383	823
By industry									
Petroleum	75,232	82,212	91,113	6,239	9,603	9,780	12,082	11,823	8,059
Manufacturing 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	270,288 31,024 74,858 16,309 30,336 31,832 32,092 53,837	280,332 32,465 77,112 15,924 32,293 31,624 34,907 56,006	304,690 33,871 83,589 17,098 34,755 34,531 35,615 65,231	24,325 2,095 5,796 6,064 2,752 3,440 708 3,470	28,097 3,806 7,210 444 4,381 2,992 4,419 4,845	26,680 1,670 7,072 1,109 2,810 2,670 1,692 9,658	34,342 4,452 9,529 1,358 4,637 4,280 3,409 6,677	38,283 4,910 10,050 1,406 5,669 4,700 5,048 6,500	31,416 4,262 9,930 1,278 4,213 2,763 2,385 6,586
Wholesale trade	67,125	64,432	75,188	6,498	846	9,130	9,068	9,538	10,794
Depository institutions	36,807	40,169	42,029	2,448	3,036	1,253	3,329	3,374	577
Finance, (except depository institutions), insurance, and real estate	254,739	293,116	337,600	31,601	41,388	44,445	28,938	31,912	30,702
Services	37,850	42,342	52,514	3,511	4,557	10,867	3,627	5,533	4,722
Other industries	53,155	62,925	77,432	9,804	11,990	19,490	2,209	3,429	3,972

NOTES.—In this table, unlike in the international transactions accounts, income and capital outflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. In addition, unlike in the international investment position, the direct investment position is valued at historical cost.

The data in this table are from tables 16 and 17 in "U.S. Direct Investment Abroad: Detail for Historical-Cost Position and Related Capital and Income Flows, 1998" in the September 1999 issue of the SURVEY.

Table G.3.—Selected Financial and Operating Data for Nonbank Foreign Affiliates of U.S. Companies, by Country and by Industry of Foreign Affiliate, 1997

	Number of		Millions of dollars		Thousands of
	affiliates	Total assets	Sales	Net income	employees
All countries, all industries	22,871	3,397,262	2,356,416	155,267	8,018.0
By country					
Canada	2,073	294,943	274,205	13,654	941.9
Europe	11,209	1,914,373	1,214,194	77,854	3,333.9
France Germany Italy Netherlands Switzerland United Kingdom	1,297 1,424 783 1,104 545 2,532	144,057 213,029 66,091 179,751 93,348 923,207	130,883 234,508 74,035 130,053 67,620 337,907	3,424 7,531 2,311 17,014 9,155 18,020	483.7 627.4 205.5 169.4 L 977.2
Latin America and Other Western Hemisphere	3,583	458,889	268,912	30,849	1,629.2
Brazil Mexico	461 874	79,240 83,500	67,380 88,063	4,934 8,488	340.8 793.0
Africa	559	40,602	29,150	2,653	186.6
Middle East	355	39,411	24,950	2,603	77.4
Asia and Pacific	4,977	628,118	536,462	26,231	1,835.8
Australia Japan	904 990	96,250 266,028	68,519 205,072	3,899 5,925	304.2 396.7
International	115	20,926	8,545	1,422	13.2
By industry					
Petroleum	1,622	295,313	360,452	19,778	226.1
Manufacturing 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	8,528 789 2,065 760 1,090 908 530 2,386	884,113 112,875 220,923 47,209 123,273 84,525 131,550 163,757	1,086,129 127,710 207,988 44,679 178,257 110,625 244,199 172,671	61,660 8,810 17,900 2,043 9,033 6,905 6,198 10,772	4,592.9 598.0 622.4 244.7 634.1 774.5 724.2 995.0
Wholesale trade	5,045	223,451	422,285	15,218	588.0
Finance, (except depository institutions), insurance, and real estate $\ \dots \dots$	3,115	1,498,127	135,331	42,922	218.8
Services	2,873	154,234	128,639	6,843	988.9
Other industries	1,688	342,025	223,580	8,846	1,403.3

NOTES.—Size ranges are given in employment cells that are suppressed. The size range is L=50,000=99,999.

The data in this table are from "U.S. Multinational Companies: Operations in 1997" in the July 1999 issue of the SURVEY.

Table G.4.—Foreign Direct Investment in the United States: Selected Items, by Country of Foreign Parent and by Industry of Affiliate, 1996–98

[Millions of dollars]

	_								
		restment pos orical-cost b		Capital i	nflows (outfl	ows (-))		Income	
	1996	1997	1998	1996	1997	1998	1996	1997	1998
All countries, all industries	. 598,021	693,207	811,756	84,455	105,488	188,960	30,407	42,115	38,015
By country									
Canada	54,836	69,866	74,840	8,590	15,399	11,859	3,190	3,361	3,010
Europe	. 370,843	432,622	539,906	55,989	70,508	167,655	23,724	31,380	27,635
France Germany Netherlands United Kingdom	61,096 75,349	49,503 71,289 89,570 131,315	62,167 95,045 96,904 151,335	7,244 19,616 12,262 14,404	10,993 12,919 13,658 11,234	12,308 42,145 7,018 69,968	2,405 2,509 5,271 10,374	3,183 3,294 7,103 11,440	3,137 4,392 5,920 7,815
Latin America and Other Western Hemisphere	. 28,002	33,546	32,210	1,990	3,993	278	1,383	1,752	1,494
Brazil		742 3,315	609 4,029	-64 -47	64 330	-132 864	45 1	44 171	82 270
Africa	. 994	1,465	884	-101	435	-572	-136	-352	-89
Middle East	. 5,812	6,593	7,831	496	791	967	118	617	475
Asia and Pacific	. 14,968	149,115 14,703	156,085 14,755 132,569	17,493 5,321 13,337	14,361 2,254 9,275	8,773 2,034 7,101	2,129 492 2,939	5,356 214 5,780	5,489 672 5,187
JapanBy industry	. 110,144	125,131	132,369	13,337	9,275	7,101	2,939	5,760	5,107
Petroleum	. 43,483	42,085	53,254	8,852	2,805	57,355	4,160	4,555	1,443
Manufacturing Food and kindred products Chemicals and allied products Primary and fabricated metals Machinery Other manufacturing	28,088 79,515 18,576 39,093	273,122 26,710 88,831 23,366 46,636 87,580	329,346 18,112 101,351 22,512 59,260 128,112	37,538 1,981 8,081 5,397 2,868 19,211	36,086 -903 13,746 4,258 7,573 11,411	87,454 -5,020 10,325 1,041 18,475 62,632	15,694 1,819 5,014 1,024 1,166 6,671	18,628 1,532 5,556 1,572 2,805 7,162	20,696 1,056 6,190 1,744 2,718 8,988
Wholesale trade	. 73,506	87,630	96,261	7,974	14,729	11,004	2,256	3,972	5,247
Retail trade	. 13,765	16,718	18,778	2,708	2,622	1,946	509	487	579
Depository institutions	. 31,264	38,118	44,785	138	6,800	5,684	2,867	3,930	3,067
Finance, except depository institutions	. 37,531	43,413	50,858	6,186	7,140	5,812	855	1,979	-718
Insurance	. 56,124	70,492	80,378	6,747	12,097	6,817	2,382	4,681	4,019
Real estate	. 35,169	40,060	44,436	2,535	4,675	3,284	-59	789	948
Services	. 29,391	38,521	50,252	4,214	7,862	10,744	-14	916	1,358
Other industries	. 32,126	43,049	43,409	7,562	10,673	-1,139	1,757	2,178	1,376

NOTES.—In this table, unlike in the international transactions accounts, income and capital inflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. In addition, unlike in the international investment position, the direct investment position is valued at historical cost.

The data in this table are from tables 16 and 17 in "Foreign Direct Investment in the United States: Detail for Historical-Cost Position and Related Capital and Income Flows, 1998" in the September 1999 issue of the SURVEY.

Table G.5.—Selected Financial and Operating Data of Nonbank U.S. Affiliates of Foreign Companies by Country of Ultimate Beneficial Owner and by Industry of Affiliate, 1997

			Millions	of dollars			Millions	of dollars
	Number of affiliates	Total assets	Sales	Net income	Gross product	Thousands of employees	U.S. exports of goods shipped by affiliates	U.S. imports of goods shipped to affiliates
All countries, all industries	9,474	3,034,404	1,717,240	42,547	384,883	5,164.3	140,924	261,482
By country								
Canada	945	309,080	139,409	3,693	34,464	601.6	7,787	14,356
EuropeOf which:	4,071	1,809,319	940,672	31,107	245,919	3,213.9	62,392	94,512
France Germany Netherlands Switzerland United Kingdom	513 1,011 302 404 929	322,270 302,740 260,034 339,896 454,081	135,414 194,492 124,109 110,077 258,845	2,959 5,071 5,508 2,986 12,119	35,863 46,171 33,750 25,637 78,550	411.2 657.6 391.4 352.1 983.2	14,032 13,973 4,592 6,233 14,543	12,936 32,032 10,191 7,127 15,363
Latin America and Other Western Hemisphere	632	59,833	53,469	2,522	13,545	168.1	5,308	9,622
Africa	41	11,969	11,222	326	2,843	22.4	855	634
Middle East	307	28,841	25,246	1,151	7,295	92.7	814	5,534
Asia and Pacific	3,373	687,245	523,479	918	73,667	1,012.6	62,709	135,739
Australia Japan	135 2,587	55,514 582,570	26,132 446,422	–101 2,701	5,207 62,345	80.1 812.4	1,410 52,883	1,501 120,357
United States	105	128,117	23,742	2,829	7,151	52.9	1,058	1,084
By industry ¹								
Manufacturing Of which:	2,846	680,260	667,576	18,826	188,477	2,227.0	70,053	99,304
Food Chemicals Primary and fabricated metals Machinery Computers and electronic products Electrical equipment, appliances, and components Transportation equipment	214 339 373 359 333 104 260	43,894 190,326 67,516 47,246 53,182 22,574 49,211	47,082 141,744 65,075 56,680 73,413 26,203 72,607	183 4,280 1,744 1,390 -257 631 2,060	10,953 40,906 16,510 16,607 15,658 7,537 13,554	152.7 389.4 219.4 260.8 239.6 129.5 207.9	2,620 15,259 5,133 10,357 13,092 3,430 7,631	2,675 16,019 8,329 8,267 20,612 3,421 18,203
Wholesale trade	1,708	293,144	530,141	3,889	51,856	538.5	63,231	155,716
Retail trade	210	49,802	96,624	1,197	25,009	688.7	1,951	3,973
Information	236	144,497	80,845	2,445	27,120	293.4	888	374
Finance (except depository institutions) and insurance	570	1,534,492	175,822	11,220	26,331	219.8	(D)	(D)
Real estate and rental and leasing	1,935	116,679	20,813	204	9,084	47.0	(D)	(D)
Professional, scientific, and technical services	301	17,299	15,972	-570	5,981	82.6	361	567
Other industries	1,668	198,229	129,448	5,337	51,025	1,067.3	4,332	1,255

D Suppressed to avoid disclosure of data of individual companies.
 The industry classification system used to classify the data for U.S. affiliates is based on the North American Industry Classification System. Prior to 1997, the affiliate data were classified

using an industry classification system based on the Standard Industrial Classification system. NOTE.—The data in this table are from "Foreign Direct Investment in the United States: Preliminary Results from the 1997 Benchmark Survey" in the August 1999 issue of the SURVEY.

H. International Perspectives_____

Quarterly data in this table are shown in the middle month of the quarter.

Table H.1.—International Perspectives

				I able	; n. i.—i	internati	Ullai Fe	erspectiv	763							·
	1000	1000	19	998						199	99					
	1998	1999	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
						Exchang	e rates pe	r U.S. doll	lar (not sea	asonally ac	djusted) 1					
Canada (Can.\$/US\$)	1.4836 5.8995 1.7597	1.0653	5.6422 1.6827	1.5433 5.5981 1.6698	1.5194 1.1591	1.4977 1.1203	1.5176 1.0886	1.4881 1.0701	1.4611 1.0630	1.4695 1.0377		1.4932 1.0605	1.4771 1.0497	1.4776 1.0706	1.4674 1.0328	
Italy (L/US¢) ² Japan (¥/US¢) Mexico (Peso/US\$) United Kingdom (US\$/£)	17.3685 1.3099 9.1520 1.6573	1.1373 9.5530		16.5323 1.1707 9.9070 1.6708	1.1329 10.1280 1.6498	1.1667 10.0060 1.6276	1.1947 9.7320 1.6213	1.1977 9.4300 1.6089		1.2072 9.5150 1.5950	9.3700	1.1323 9.3980 1.6058	1.0688 9.3410 1.6247	1.0597 9.5750 1.6572	1.0465 9.4160 1.6205	9.4270
Addendum: Exchange value of the U.S. dollar ³	116.48	116.87	115.73	114.98	115.16	116.84	118.22	117.57	117.34	117.93	117.97	117.00	116.38	115.88	116.08	116.09
					U	nemploym	ent rates (percent, m	ionthly dat	a seasona	ally adjusted	d)				
Canada	8.3 11.8 11.1 11.8 4.1 3.2	11.2 10.5 11.4 4.7	11.6	10.7 4.4	10.6	7.9 11.4 10.6 11.8 4.6 3.2	7.9 11.4 10.6 4.8 2.7	8.2 11.3 10.6 	11.4	11.3 10.5 4.9	11.2 10.5 4.9	11.3	10.5 4.6	11.0 10.5 4.6	6.9 10.8 10.4 11.0 4.5 2.1	10.6 10.2
United Kingdom	4.7	4.3		4.6		4.6	4.5					4.2			4.1	4.0
Addendum: United States	4.5	4.2	4.4	4.4	4.3	4.4	4.2	4.3	4.2	4.3	4.3	4.2	4.2	4.1	4.1	4.1
					C	Consumer p	prices (mo	nthly data	seasonally	/ adjusted,	, 1995=100)	·)				
Canada France Germany Italy Japan Mexico United Kingdom	104.25 104.01 104.30 108.22 102.50 187.91 109.27	104.57 104.91 110.01	103.91 104.21 108.80 103.19	104.31 104.02 104.31 108.80 102.79 203.73 110.29	104.50 103.70 104.11 108.90 102.29 208.88 109.62	104.69 104.02 104.31 109.10 101.89 211.68 109.82	105.08 104.43 104.41 109.30 101.99 213.65 110.09	105.65 104.64 104.81 109.60 102.49 215.61 110.83	104.64 104.81 109.80 102.49 216.91	106.04 104.64 104.91 109.80 102.19 218.33 111.10	104.43 105.41 110.10 101.79 219.78	104.54 105.31 110.20 102.09 221.01	106.90 104.74 105.11 110.40 102.39 223.15 111.50	104.85 105.01 110.80 102.59 224.56	106.90 104.85 105.21 111.00 101.99 226.56 111.84	105.37 105.51 111.10 101.69 228.83
Addendum: United States	106.97	109.31	107.75	107.89	108.02	108.08	108.28	109.07	109.07	109.07	109.40	109.72	110.18	110.38	110.51	110.77
			Real gros	s domesti	c product ((percent ch	nange from	ı precedinç	g quarter,	quarterly d	data season	nally adjus	ted at ann	ual rates)		
Canada France Germany Italy Japan Mexico United Kingdom	3.1 3.3 2.2 1.3 -2.5 4.8 2.2		4.8 3.0 8 -1.5 -2.0 -4.3 .1			4.1 1.8 2.5 .9 6.3 3.6 1.4			3.1 3.0 .5 1.5 3.9 9.2 3.0			4.7 3.9 2.9 3.8 -3.9 10.2 3.1				
Addendum: United States	4.3	4.1	5.9			3.7			1.9			5.7			6.9	

See footnotes at the end of the table.

Table H.1.—International Perspectives—Continued

						•										
	1998	1999	19	98						19	99					
	1990	1999	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
					Short-te	erm, 3-mo	onth, inter	est rates	(percent	, not sea	sonally a	djusted)				
CanadaFrance	5.04 3.56 3.54		5.13 3.59 3.63	4.99 3.32 3.38	4.99	5.02	5.00	4.71	4.58	4.80	4.77	4.89	4.81	5.00	5.03	
Italy Japan Mexico United Kingdom	4.99 .72 26.11 7.33	.25 22.38 5.45	3.95 .63 34.30 6.88	3.38 .62 34.35 6.37		.58 28.72 5.42		.19 21.05 5.23	.08 21.02 5.25	.07 21.35 5.12	.08 20.78 5.07		.12 21.34 5.32	.28 20.30 5.94	.34 18.68 5.78	.26 17.65 5.96
Addendum: United States	4.81	4.66	4.44	4.42	4.34	4.45	4.48	4.28	4.51	4.59	4.60	4.76	4.73	4.88	5.07	5.23
				Long-	term inte	rest rates	s, governr	nent bon	d yields (percent, i	not seaso	nally adj	usted)			
Canada France Germany Italy Japan United Kingdom	5.45 4.82 4.58 4.88 1.54 5.52	5.68 4.94 4.50 4.73 1.75 5.08	5.39 4.43 4.10 4.38 .98 4.91	5.07 4.41 3.90 4.00 1.49 4.50	5.13 4.13 3.70 3.92 1.91 4.29	5.26 4.42 3.90 4.05 2.12 4.45	5.34 4.39 4.00 4.27 1.82 4.66	5.26 4.25 3.90 4.11 1.56 4.59	5.51 4.45 4.00 4.28 1.33 4.91	5.70 4.94 4.40 4.62 1.63 5.16	5.61 5.08 4.68 4.94 1.70 5.33	5.85 5.17 4.88 5.13 1.88 5.38	5.88 5.35 5.04 5.28 1.76 5.65	6.26 5.67 5.29 5.52 1.69 5.83	6.15 5.66 5.04 5.25 1.82 5.28	6.22 5.81 5.15 5.36 1.77 5.38
Addendum: United States	5.26	5.65	4.83	4.65	4.72	5.00	5.23	5.18	5.54	5.90	5.79	5.94	5.92	6.11	6.03	6.28
					8	Share pric	e indices	(not sea	sonally a	djusted,	1995=100))				
Canada France Germany Italy Japan Mexico United Kingdom	152.40 192.24 197.73 220.53 85.36 191.09 150.50	159.20 234.63 204.92 245.52 100.35 240.25 168.45	143.10 190.90 188.86 213.89 80.59 169.86 148.92	146.30 193.39 186.88 224.00 80.25 178.41 150.07	151.80 210.44 199.85 241.37 78.31 178.34 157.29	142.40 210.06 195.26 236.94 79.78 191.98 159.40	148.80 211.54 191.41 248.62 87.18 222.15 162.89	158.20 220.92 200.13 251.95 96.31 243.96 169.18	154.30 225.11 200.70 247.42 96.25 246.81 168.18	99.81 262.67	159.70 236.08 209.77 248.11 106.74 237.02 173.50	157.20 231.73 200.77 234.24 106.15 229.20 168.92	156.90 242.28 203.21 242.54 108.33 227.56 166.66	163.70 243.01 202.72 234.98 110.01 245.58 164.26	169.70 264.86 218.10 241.43 116.78 276.50 174.97	189.80 289.32 234.84 271.26 118.61 321.26 185.11
Addendum: United States	189.00	212.67	193.80	197.85	204.51	202.20	207.35	215.61	218.31	216.22	222.85	213.30	208.78	205.75	217.83	219.34

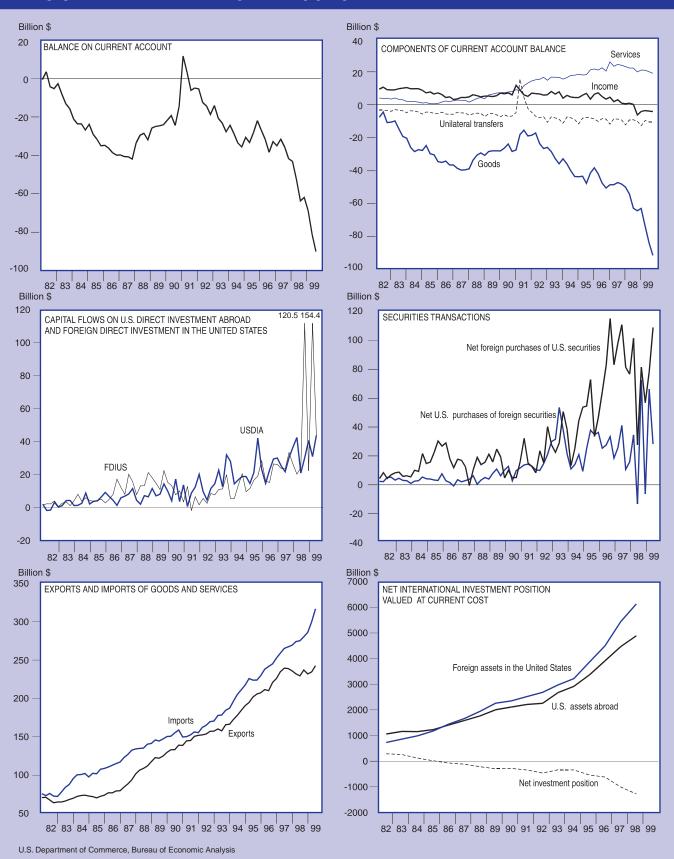
All exchange rates are from the Board of Governors of the Federal Reserve System.
 As of January 1, 1999, the euro is reported in place of the individual euro-area currencies. These currency rates can be derived from the euro rate by using the following conversion rates: 1 euro = 6.55957 French francs, 1.95583 German marks, and 1936.27 Italian lire.
 The rate shown for the United States is an index of the weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of major U.S. trading partners, January 1997=100 and

reflects revised trade weights. For more information on the exchange rate indexes, see "New Summary Measures of the Foreign Exchange Value of the Dollar," Federal Reserve Bulletin, vol. 84 (October 1998), pp. 811–18.

NOTE—U.S. interest rates, unemployment rates, and GDP growth rates are from the Federal Reserve, the Bureau of Labor Statistics, and BEA, respectively. All other data (including U.S. consumer prices and U.S. share prices, both of which have been rebased to 1995 to facilitate comparison) are © OECD, February 2000, OECD Main Economic Indicators and are reproduced with permission of the OECD.

I. Charts





Regional Data

J. State and Regional Tables.

The tables in this section include the most recent estimates of State personal income and gross state product. The sources of these estimates are noted.

The quarterly and annual State personal income estimates and the gross state product estimates are available on diskettes or CD-ROM. For information on State personal income, E-mail reis.remd@bea.doc.gov; write to the Regional Economic Information System, BE-55, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; or call 202-606-5360. For information on gross state product, E-mail gspread@bea.doc.gov; write to the Regional Economic Analysis Division, BE-61, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; or call 202-606-5340.

Table J.1.—Quarterly Personal Income by State and Region

	Millions of dollars, seasonally adjusted at annual rates 1997 1998 1999										Percent of	change 1			
Area name		19	97			19	98			1999		1998:III-	1998:IV-	1999:I-	1999:II-
	- 1	II	III	IV	- 1	II	III	IV	- 1	II	III	1998:IV	1999:I	1999:II	1999:III
United States	6,650,207	6,726,629	6,807,506	6,898,259	7,016,041	7,108,060	7,199,440	7,309,162	7,406,673	7,504,566	7,601,815	1.5	1.3	1.3	1.3
New England Connecticut Maine Massachusetts New Hampshire Rhode Island Vermont	399,830 115,126 26,877 187,831 31,755 24,886 13,354	403,744 116,357 27,112 189,367 32,233 25,223 13,452	408,242 117,455 27,267 191,863 32,759 25,372 13,524	415,615 119,755 27,715 194,969 33,436 25,877 13,864	419,963 121,057 27,865 197,207 33,646 26,152 14,037	426,088 122,052 28,406 200,905 34,124 26,370 14,230	433,011 123,950 28,936 204,031 34,937 26,762 14,394	440,347 126,664 29,271 206,866 35,796 27,172 14,578	443,257 127,236 29,236 209,219 35,587 27,335 14,644	450,901 129,428 30,017 212,737 36,190 27,564 14,965	457,711 131,570 30,390 215,906 36,692 28,007 15,147	1.7 2.2 1.2 1.4 2.5 1.5	.7 .5 1 1.1 6 .6	1.7 1.7 2.7 1.7 1.7 .8 2.2	1.5 1.7 1.2 1.5 1.4 1.6
Mideast Delaware District of Columbia Maryland New Jersey New York Pennsylvania	1,287,567 20,631 18,760 143,770 257,066 543,350 303,989	1,293,436 20,639 18,805 145,016 258,617 543,675 306,686	1,309,439 21,094 19,028 146,589 261,795 551,780 309,153	1,325,328 21,422 19,085 148,983 265,466 556,901 313,471	1,345,232 21,892 19,191 150,778 270,299 565,642 317,430	1,364,051 22,118 19,408 153,116 273,177 575,201 321,031	1,380,603 22,225 19,687 155,299 278,572 581,019 323,801	1,389,923 22,796 19,817 157,464 280,078 581,208 328,561	1,420,878 23,078 20,235 159,802 288,406 598,865 330,493	1,435,616 23,191 20,450 161,725 291,133 603,200 335,917	1,453,918 23,541 20,709 163,589 294,092 612,924 339,062	.7 2.6 .7 1.4 .5 0 1.5	2.2 1.2 2.1 1.5 3.0 3.0 .6	1.0 .5 1.1 1.2 .9 .7 1.6	1.3 1.5 1.3 1.2 1.0 1.6
Great Lakes Illinois Indiana Michigan Ohio Wisconsin	1,089,113 325,749 133,919 240,467 266,151 122,827	1,102,312 330,416 135,408 243,025 269,084 124,378	1,112,380 333,657 136,348 245,370 271,385 125,620	1,126,771 338,040 138,619 247,430 275,181 127,501	1,143,432 342,467 140,635 253,117 278,627 128,587	1,155,114 346,668 142,285 254,683 280,966 130,512	1,163,136 350,023 143,902 253,375 283,518 132,318	1,185,908 356,961 146,627 258,980 288,569 134,771	1,192,794 361,142 147,355 259,761 290,063 134,472	1,207,693 366,399 148,532 262,359 293,306 137,098	1,223,340 371,323 150,129 265,883 297,072 138,932	2.0 2.0 1.9 2.2 1.8 1.9	.6 1.2 .5 .3 .5 2	1.2 1.5 .8 1.0 1.1 2.0	1.3 1.3 1.1 1.3 1.3
Plains lowa Kansas Minnesota Missouri Nebraska North Dakota South Dakota	438,635 64,874 61,007 120,365 126,067 38,487 12,646 15,190	444,771 65,808 62,081 122,372 127,093 39,037 12,838 15,541	449,351 66,185 62,782 123,869 128,381 39,412 12,986 15,736	454,161 67,105 63,581 125,434 129,637 39,604 13,072 15,729	460,014 67,104 64,435 128,013 130,680 40,140 13,623 16,019	466,078 67,830 65,385 129,951 132,228 40,820 13,680 16,185	470,605 68,745 65,973 130,696 133,834 41,349 13,758 16,250	482,185 71,199 67,625 134,286 135,080 42,538 14,358 17,099	484,446 70,660 67,566 135,399 136,906 42,435 14,419 17,062	492,615 71,542 68,751 137,966 138,775 43,082 14,906 17,594	496,817 72,266 69,264 140,045 139,964 43,198 14,692 17,388	2.5 3.6 2.5 2.7 .9 2.9 4.4 5.2	.5 8 1 .8 1.4 2 .4 2	1.7 1.2 1.8 1.9 1.4 1.5 3.4 3.1	.9 1.0 .7 1.5 .9 .3 -1.4 -1.2
Southeast Alabama Arkansas Florida Georgia Kentucky Louisiana Mississippi North Carolina South Carolina Tennessee Virginia West Virginia	1,458,318 88,240 48,531 357,463 175,822 79,087 87,638 48,597 169,449 76,523 120,173 173,146 33,649	1,472,319 88,927 49,268 361,282 177,615 80,058 88,570 49,213 171,121 77,139 120,999 174,227 33,900	1,488,852 89,599 49,629 366,450 179,751 80,819 89,247 49,609 172,593 78,010 122,280 176,798 34,066	1,509,533 90,626 50,338 370,723 182,310 81,777 90,811 50,330 175,453 79,071 124,284 179,473 34,337	1,535,161 91,987 50,874 377,760 186,808 83,283 91,958 51,250 178,542 79,995 125,583 182,445 34,676	1,557,124 92,976 51,403 383,881 189,851 84,440 93,334 51,828 180,852 81,170 127,546 184,931 34,911	1,580,149 94,041 51,790 389,957 193,919 85,430 93,822 52,680 183,188 82,960 129,172 187,900 35,290	1,601,518 95,265 52,984 395,019 196,882 86,183 94,605 53,374 185,561 84,033 130,676 191,467 35,469	1,620,186 95,780 95,780 53,182 396,747 201,289 87,280 94,707 53,518 188,551 84,595 132,161 196,815 35,562	1,638,193 97,014 53,759 403,978 203,893 88,019 95,555 54,094 190,432 86,002 133,735 195,755 35,955	1,657,547 98,145 53,827 411,109 206,991 89,326 96,399 54,754 188,436 87,303 135,935 198,751 36,570	1.4 1.3 2.3 1.3 1.5 .9 .8 1.3 1.3 1.3 1.2 1.9	1.2 .5 .4 .4 2.2 1.3 .1 .3 1.6 .7 1.1 2.8 .3	1.1 1.3 1.1 1.8 1.3 .8 9 1.1 1.0 1.7 1.2 5 1.1	1.2 1.2 .1 1.8 1.5 1.5 1.2 -1.0 1.5 1.6 1.5
Southwest Arizona New Mexico Oklahoma Texas	643,609 97,748 32,780 66,453 446,628	655,242 99,234 33,202 67,024 455,782	666,522 100,914 33,404 67,623 464,580	676,461 102,744 33,689 68,676 471,352	692,740 104,765 34,239 69,562 484,174	702,120 106,967 34,543 70,257 490,352	713,181 109,091 34,800 70,847 498,443	723,371 111,522 35,431 71,211 505,206	731,553 111,051 35,190 71,909 513,403	743,460 115,051 36,063 72,927 519,419	754,190 117,435 36,471 73,682 526,601	1.4 2.2 1.8 .5	1.1 4 7 1.0 1.6	1.6 3.6 2.5 1.4 1.2	1.4 2.1 1.1 1.0 1.4
Rocky Mountain Colorado Idaho Montana Utah Wyoming	194,734 101,986 24,167 17,007 40,836 10,737	198,098 104,199 24,524 17,182 41,410 10,783	201,433 106,206 24,894 17,349 42,087 10,897	204,128 108,182 25,017 17,565 42,393 10,972	209,209 111,925 25,426 17,547 43,288 11,023	211,736 113,255 25,622 17,786 44,070 11,004	214,437 114,793 26,076 17,728 44,561 11,278	219,191 117,823 26,480 18,246 45,269 11,372	222,178 119,334 27,054 18,476 45,727 11,587	227,417 122,654 27,403 18,964 46,729 11,666	230,648 124,766 27,660 19,024 47,466 11,732	2.2 2.6 1.5 2.9 1.6	1.4 1.3 2.2 1.3 1.0 1.9	2.4 2.8 1.3 2.6 2.2	1.4 1.7 .9 .3 1.6
Far West Alaska California Hawaii Nevada Oregon Washington	1,138,401 14,984 828,154 30,224 43,671 76,340 145,028	1,156,706 15,237 842,113 30,437 44,255 77,063 147,601	1,171,286 15,275 853,136 30,727 44,662 78,110 149,376	1,186,262 15,393 863,952 30,669 45,450 78,803 151,995	1,210,289 15,805 881,119 31,022 46,344 80,391 155,609	1,225,749 15,749 892,504 31,192 47,203 81,101 157,999	1,244,320 15,762 906,175 31,316 48,135 81,532 161,400	1,266,721 15,978 923,802 31,543 49,497 82,215 163,686	1,291,380 16,154 941,435 31,649 50,522 84,336 167,285	1,308,673 16,114 956,059 32,061 51,156 85,366 167,917	1,327,645 16,236 969,041 32,523 52,435 86,664 170,746	1.8 1.4 1.9 .7 2.8 .8 1.4	1.9 1.1 1.9 .3 2.1 2.6 2.2	1.3 2 1.6 1.3 1.3 1.2	1.4 .8 1.4 1.4 2.5 1.5

^{1.} Percent changes are expressed at quarterly rates.

NOTE.—The personal income level shown for the United States is derived as the sum of the State estimates. It differs from the estimate of personal income in the national income and product accounts (NIPA's) because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing of the availability

of source data. In particular, it differs from the NIPA estimate because, by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed abroad temporarily by private U.S. free.

Source: Table 1 in "State Personal Income, Third Quarter 1999" in the February 2000 issue of the SURVEY OF CURRENT BUSINESS.

Table J.2.—Annual Personal Income and Disposable Personal Income for States and Regions

		P	ersonal incom	ie			Disposa	ble personal	income	
Area name	Mi	illions of dolla	irs	Percent	change	M	llions of dolla	ırs	Percent	change
	1996	1997	1998	1996–97	1997–98	1996	1997	1998	1996–97	1997–98
United States	6,408,103	6,770,650	7,158,176	5.7	5.7	5,518,569	5,782,712	6,061,088	4.8	4.8
New England	384,540	406,858	429,852	5.8	5.7	323,239	338,425	353,824	4.7	4.6
Connecticut	110,904	117,173	123,431	5.7	5.3	91,503	95,453	99,259	4.3	4.0
Maine	25,934	27,243	28,620	5.0	5.1	22,772	23,671	24,650	3.9	4.1
Massachusetts	179,998	191,008	202,252	6.1	5.9	149,777	157,389	164,889	5.1	4.8
New Hampshire	30,633	32,546	34,626	6.2	6.4	26,831	28,254	29,849	5.3	5.6
Rhode Island	24,067	25,340	26,614	5.3	5.0	21,022	21,942	22,878	4.4	4.3
Vermont	13,004	13,549	14,309	4.2	5.6	11,333	11,717	12,299	3.4	5.0
Mideast	1,245,254	1,303,943	1,369,952	4.7	5.1	1,057,756	1,096,946	1,140,195	3.7	3.9
Delaware	19,723	20,946	22,258	6.2	6.3	16,796	17,699	18,647	5.4	5.4
District of Columbia	18,463	18,919	19,526	2.5	3.2	15,623	15,851	16,100	1.5	1.6
Maryland	138,068	146,090	154,164	5.8	5.5	117,094	122,434	128,282	4.6	4.8
New Jersey	247,381	260,736	275,531	5.4	5.7	210,191	219,885	229,892	4.6	4.6
New York	526,390	548,927	575,768	4.3	4.9	442,273	456,565	472,647	3.2	3.5
Pennsylvania	295,230	308,325	322,706	4.4	4.7	255,779	264,511	274,626	3.4	3.8
Great Lakes	1,054,547	1,107,644	1,161,898	5.0	4.9	902,103	939,326	977,559	4.1	4.1
Illinois	314,960	331,966	349,029	5.4	5.1	268,434	280,280	292,419	4.4	4.3
Indiana	129,570	136,073	143,362	5.0	5.4	111,656	116,414	121,876	4.3	4.7
Michigan	233,571	244,073	255,039	4.5	4.5	199,607	206,608	214,329	3.5	3.7
Ohio	257,506	270,450	282,920	5.0	4.6	221,394	230,780	239,089	4.2	3.6
Wisconsin	118,940	125,081	131,547	5.2	5.2	101,011	105,244	109,846	4.2	4.4
Plains	425,718	446,730	469,721	4.9	5.1	367,001	381,713	398,925	4.0	4.5
lowa	62,759	65,993	68,720	5.2	4.1	54,824	57,253	59,222	4.4	3.4
Kansas	58,690	62,363	65,854	6.3	5.6	50,703	53,488	56,057	5.5	4.8
Minnesota	117,293	123,010	130,737	4.9	6.3	97,774	101,468	107,358	3.8	5.8
Missouri	121,265	127,795	132,955	5.4	4.0	105,529	110,307	113,948	4.5	3.3
Nebraska	37,652	39,135	41,212	3.9	5.3	32,903	33,827	35,446	2.8	4.8
North Dakota	12,983	12,885	13,855	8	7.5	11,620	11,389	12,230	-2.0	7.4
South Dakota	15,076	15,549	16,388	3.1	5.4	13,649	13,982	14,665	2.4	4.9
Southeast	1,401,506	1,482,256	1,568,488	5.8	5.8	1,225,384	1,286,377	1,350,586	5.0	5.0
Alabama	85,128	89,348	93,567	5.0	4.7	75,473	78,809	82,148	4.4	4.2
Arkansas	47,116	49,442	51,763	4.9	4.7	41,791	43,686	45,394	4.5	3.9
Florida	343,806	363,980	386,654	5.9	6.2	298,933	313,790	330,157	5.0	5.2
Georgia	167,956	178,875	191,865	6.5	7.3	145,199	153,506	163,232	5.7	6.3
Kentucky	75,612	80,435	84,834	6.4	5.5	65,938	69,749	73,168	5.8	4.9
Louisiana	85,099	89,067	93,430	4.7	4.9	76,061	78,903	82,179	3.7	4.2
Mississippi	47,150	49,437	52,283	4.9	5.8	42,827	44,697	47,079	4.4	4.2 5.3 4.7
North Carolina	161,179	172,154	182,036	6.8	5.7	139,842	148,266	155,290	6.0	4.7
South Carolina	73,435	77,686	82,039	5.8	5.6	64,545	67,858	71,340	5.1	5.1 4.5
Tennessee	115,697	121,934	128,244	5.4	5.2	102,991	107,789	112,656	4.7	4.5
Virginia	166,351 32,976	175,911 33,988	186,686 35.087	5.7 3.1	6.1 3.2	142,308 29,476	149,103 30,222	156,916 31,026	4.8 2.5	5.2 2.7
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Southwest	614,265 93,391	660,458 100,160	707,853 108,087	7.5 7.2	7.2 7.9	543,363 81,041	581,106 86,119	618,773 92,333	6.9	6.5
Arizona									6.3	7.2
New Mexico	31,826	33,269	34,753	4.5 5.8	4.5	28,249	29,307	30,524	3.7	4.2 3.8
Oklahoma Texas	63,750 425,298	67,444 459,585	70,469 494.544	5.8 8.1	4.5 7.6	56,059 378,015	58,974 406,707	61,218 434.698	5.2 7.6	6.9
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Rocky Mountain	186,887 97,735	199,598 105,143	213,643 114,449	6.8 7.6	7.0 8.9	160,565 83,250	170,034 88,686	180,610 95,810	5.9 6.5	6.2 8.0
Idaho	23,418	24,651	25,901	7.6 5.3	5.1	20,420	21,347	22,275	4.5	4.3
Montana	16,546	17,276	17,827	4.4	3.1	14,546	15,064	15,434	3.6	2.5
Utah	38,856	41.681	44,297	7.3	6.3	33,433	35,657	37,627	6.7	5.5
Wyoming	10,333	10,847	11,169	5.0	3.0	8,915	9,281	9,463	4.1	2.0
Far West	1,095,386	1,163,164	1,236,770	6.2	6.3	939,159	988,785	1,040,616	5.3	5.2
Alaska	14,713	15,222	15,823	3.5	3.9	12,567	12,926	13,349	2.9	3.3
California	798,580	846,839	900,900	6.0	6.4	682,968	717,988	755,232	5.1	5.2
Hawaii	29,784	30,514	31,268	2.5	2.5	25,911	26,398	26,843	1.9	1.7
	41,412	44,510	47,795	7.5	7.4	35,342	37,654	40,107	6.5	6.5
Nevada					1.4	00,042				
Nevada Oregon	73,156	77,579	81,310	6.0	4.8	62,206	65,177	67,866	4.8	4.1

NOTE.—The personal income level shown for the United States is derived as the sum of the State estimates. It differs from the national income and product accounts (NIPA's) because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing of the availability of source data. In particular, it differs from the NIPA estimate because, by defini-

tion, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed abroad temporarily by private U.S. firms.

Source: Tables 1 and 2 in "State Personal Income, First Quarter 1999" in the August 1999 issue of the SURVEY.

Table J.3.—Per Capita Personal Income and Per Capita Disposable Personal Income for States and Regions

		Per capita pers	sonal income 1		Per	capita disposable	personal incon	ne 1
Area name		Dollars		Rank in U.S.		Dollars		Rank in U.S.
	1996	1997	1998	1998	1996	1997	1998	1998
United States	24,164	25,288	26,482		20,810	21,598	22,424	
New England	28,872	30,427	32,007		24,269	25,309	26,346	
Connecticut	33,979	35,863	37,700	.11	28,035	29,215	30,317	.1
Maine	20,948	21,937	23,002	36	18,394	19,061	19,811	35
Massachusetts	29,591	31,239	32,902	3	24,623	25,740	26,824	3
New Hampshire	26,418	27,766	29,219	7	23,140	24,104	25,188	.5
Rhode Island Vermont	24,356 22,179	25,667 23,017	26,924 24,217	15 30	21,274 19,328	22,225 19,905	23,145 20,815	11 28
Mideast	27.978	29.252	30,652		23,765	24.609	25,512	
Delaware	27,125	28,493	29,932	6	23,100	24,076	25.077	
District of Columbia	34,213	35,704	37,325		28,950	29,914	30,776	
Maryland	27,298	28,674	30,023	5	23,151	24,031	24,983	1
New Jersey	30,892	32,356	33,953	2 4	26,248	27,286	28,329	
New York	29,015	30,250	31,679	l 4	24,378	25,160	26,005	2
Pennsylvania	24,533	25,670	26,889	16	21,255	22,022	22,883	15
Great Lakes	24,055	25,158	26,290		20,578	21,335	22,119	
Illinois	26,393	27,688	28,976	8	22,494	23,377	24,277	
Indiana	22,234	23,202	24,302	29	19,160	19,849	20,660	32
Michigan	23,996	24,956	25,979	18	20,507	21,126	21,832	20
Ohio	23,054	24,163	25,239	21	19,821	20,618	21,329	23
Wisconsin	22,987	24,048	25,184	22	19,521	20,235	21,029	26
Plains	23,039	24,034	25,126		19,861	20,536	21,339	
lowa	22,032	23,120	24,007	32	19,246	20,058	20,689	30
Kansas	22,707	23,972	25,049	24	19,617	20,561	21,322	24
Minnesota	25,235	26,243	27,667	11	21,035	21,647	22,719	16
Missouri	22,586	23,629	24,447	28	19,656	20,395	20,952	27
Nebraska	22,847	23,618	24,786	26	19,965	20,415	21,318	16 27 25 38
North Dakota	20,197 20,450	20,103 21,076	21,708 22,201	38 37	18,077 18,513	17,768 18,952	19,162 19,866	38
	21,787	22,751	·		19.049	19.744	20,488	
Southeast		20,672	23,793 21,500	40	17,588	18,234	18,876	39
Alabama	19,838 18,808	19,595	20,393	46	16.682	17,314	17.884	46
Arkansas	23,834	24,799	25,922	19	20,723	21,379	22,134	18
Georgia	22,900	23,882	25,922	23	19,798	20,495	21,359	22
Kentucky	19,475	20,570	21,551	39	16,983	17,837	18,587	42
	19,609	20,458	21,331	42	17,526	18,123	18,810	40
Louisiana	17,398	18,098	18,998	50	15,803	16,363	17,107	50
North Carolina	22,053	23,168	24.122	31	19,134	19,953	20,578	50 33
South Carolina	19,651	20,508	21,387	41	17,272	17.913	18.598	1 11
Tennessee	21,800	22,699	23.615	33	19.406	20.066	20,745	429
Virginia	24.950	26,109	27,489	13	21,344	22,130	23,105	13
West Virginia	18,116	18,724	19,373	49	16,193	16,649	17,131	49
Southwest	21.577	22,787	23,985		19.086	20.049	20.967	
Arizona	21,071	21,998	23,152	35	18,284	18,914	19,777	36
New Mexico	18,634	19,298	20,008	48	16,540	17,000	17,574	47
Oklahoma	19,342	20,305	21,056	45	17,008	17,755	18,292	43
Texas	22,345	23,707	25,028	25	19,861	20,980	21,999	19
Rocky Mountain	22,304	23,414	24,668		19,163	19,946	20,854	
Colorado	25,627	27,015	28,821	9	21,829	22,787	24,128	(
Idaho	19,741	20,392	21,080	44	17,214	17,658	18,129	44
Montana	18,872	19,660	20,247	47	16,591	17,143	17,530	48
Utah Wyoming	19,214 21,524	20,185 22,596	21,096 23,225	43 34	16,533 18,570	17,267 19,333	17,920 19,678	45 37
				34				
Far West	24,969 24,310	26,127 24,969	27,367 25,771	20	21,408 20,765	22,210 21,203	23,027 21,741	2
California	25,142	26.314	27,579	12	21,503	22,310	23,119	1 1
Hawaii	25,086	25,598	26,210	17	21,824	22,145	22,500	l i
Nevada	25,877	26,514	27,360	14	22.084	22,143	22,959	1 1
Oregon	22,894	23,920	24,775	27	19.467	20.096	20,678	3
Washington	24.958	26,451	28,066	10	21,774	22,914	24,119	1

Per capita personal income and per capita disposable personal income were computed using midyear population estimates from the Bureau of the Census.

NOTE.—The personal income level shown for the United States is derived as the sum of the State estimates. It differs from the national income and product accounts (NIPA's) because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing

of the availability of source data. In particular, it differs from the NIPA estimate because, by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed abroad temporarily by private U.S. firms.

Source: Tables 1 and 2 in "State Personal Income, First Quarter 1999" in the August 1999 issue of the SURVEY.

Table J.4.—Gross State Product for States and Regions by Industry, 1997

[Millions of dollars]

				[IVIIIIONS OF	dollarsj							
State and region	Rank of total gross state product	Total gross state product	Agri- culture, forestry, and fishing	Mining	Construc- tion	Manufac- turing	Transpor- tation and public utilities	Wholesale trade	Retail trade	Finance, insurance, and real estate	Services	Govern- ment
United States		8,103,234	131,745	120,515	328,806	1,378,869	676,313	562,755	712,890	1,570,308	1,656,849	964,184
New England		466,857	3,445	310	15,771	76,656	29,998	32,219	38,059	116,542	109,730	44,128
Connecticut	21	134,565	899	36	4.351	22,510 5,153	8,011	9,373	9,862	38,988	29,184	11,350
Maine	42	30,156	460	19	1,356	5,153	2,250	1,848	3,459	5,779	5,800	4,033
Massachusetts	11	221,009	1,284	156	7,161	32,394	13,924	16,133	17,510	53,708	58,449	20,291
New Hampshire	39 44	38,106 27,806	263 210	45 15	1,282 959	9,521 4,347	2,671	2,410 1,537	3,348 2,385	8,377 6,941	7,004 6.092	3,186 3,410
Rhode Island Vermont	50	15,214	329	39	663	2,731	1,911 1,231	918	1,494	2,749	3,202	1,858
Mideast		1,523,401	8,905	2,737	51,564	204,283	122,778	99.738	112,108	392,621	344,626	184,041
Delaware	41	31.585	273	2,737 5	1,038	6,108	1,545	1.192	1.842	12,348	4,482	2,753
District of Columbia		52,372	16	13	481	1,308	2,710	588	1,314	9,531	16,969	19,441
Maryland	16	153,797	1,304	116	7,835	13,230	11,457	9,716	13,254	34,137	36,268	26,479
New Jersey	8	294,055	1,502	186	10,414	41,062	28,256	27,283	21,293	68,841	64,380	30,838
New York	2 6	651,652	2,689	480	18,505	74,446	49,335	40,277	44,440	203,219	148,253	70,007
Pennsylvania		339,940	3,121	1,935	13,291	68,129	29,476	20,683	29,965	64,544	74,274	34,523
Great Lakes		1,295,671	17,478	4,860	54,174	316,788	100,547	94,731	115,023	217,559	242,173	132,337
Illinois	4	393,532 161,701	5,110 2.883	1,268 846	16,385	71,671	35,807	30,972	31,881	79,466 21,351	82,375	38,597 15,732
Indiana Michigan	15 9	272,607	2,698	1,246	7,845 11,052	50,155 70,234	12,369 18,230	10,036 20,831	14,807 25,735	41,850	25,676 51,635	29,095
Ohio	l š	320,506	3,947	1,210	12,515	83,850	23,955	23,338	29,669	50,967	57,798	33,256
Wisconsin	19	147,325	2,840	290	6,378	40,878	10,186	9,553	12,930	23,924	24,690	15,657
Plains		538.494	21.360	3,164	23,831	102.629	49.367	42,281	48,237	85.150	99,193	63,280
lowa	29	80,479	5,612	193	3,287	19,617	6,177	5,701	6,579	11,889	12,327	9,096
Kansas	31	71,737	2,933	1,021	3,040	12,784	7,608	5,822	7,039	9,432	12,298	9,759
Minnesota	18	149,394	3,631	679	6,693	28,271	11,485	12,568	13,004	27,515	29,839	15,710
Missouri	17	152,100	2,855	453	7,146	31,195	15,521	11,564	14,033	22,615	29,825	16,892
Nebraska North Dakota	36 49	48,812 15,786	3,506 1,072	125 451	2,088 784	6,681 1,389	5,394 1,629	3,839 1,463	4,148 1.523	7,429 2,128	8,663 2,908	6,939 2,438
South Dakota	46	20,186	1,751	241	793	2,692	1,554	1,324	1,911	4,141	3,332	2,430
		,	,			,	,	·		,		· '
Southeast	25	1,763,114 103,109	31,716 2,145	32,479 1,600	76,652 4,304	315,895 22,115	157,072 9,172	121,470 6,687	171,379 10,535	286,834 13,657	333,401 17,155	236,216 15,738
Arkansas	32	58,479	2,775	606	2,333	14,006	6,129	3,689	6,170	6,929	8,862	6,980
Florida	5	380,607	6,691	1,027	17,876	29,108	33,388	28,533	42,487	83,763	91,196	46,538
Georgia	10	229,473	4,066	1,002	8,910	40,035	25,274	20,947	20,587	37,774	42,441	28,439
Kentucky	26	100,076	2,723	2,659	4,101	27,360	8,087	6,014	9,033	11,646	15,217	13,239
Louisiana	23 33	124,350	1,292	19,797 540	5,395	19,566	11,037	7,078	10,232	16,068	20,127	13,758
Mississippi North Carolina	12	58,314 218,888	1,659 5,118	298	2,355 9,643	13,198 57,971	5,865 16,578	3,383 14,328	5,985 19,427	6,898 33,045	9,725 34,351	8,705 28,130
South Carolina	28	93,259	1,280	215	4,500	23,289	7,057	5,619	9,955	12,894	14,626	13,824
Tennessee	20	146,999	1,745	480	6,012	31,281	11,759	11,299	16,267	21,233	29,856	17,067
Virginia	13	211,331	1,961	1,102	9,439	31,282	18,056	11,839	17,278	38,537	43,411	38,426
West Virginia	38	38,228	261	3,154	1,785	6,684	4,672	2,053	3,423	4,391	6,434	5,371
Southwest		844,766	13,481	52,354	37,222	133,678	84,895	60,142	76,363	126,830	157,507	102,294
Arizona	24	121,239	1,934	1,300	6,937	17,815	9,047	8,095	12,574	23,531	24,974	15,031
New Mexico	37 30	45,242	897 2,085	3,271	2,046	7,887	3,280	1,981	4,137	6,207	7,791	7,745 12,090
Oklahoma Texas	30	76,642 601,643	8,565	4,087 43,695	2,377 25.861	13,015 94,961	7,523 65,044	4,697 45,369	7,664 51,987	9,587 87,505	13,514 111,227	67,428
		,	,	,	-,	,	,	, i		,	,	· ·
Rocky Mountain	22	247,372 126,084	5,924 2,147	11,026 2,708	13,354 6,910	31,372 14,480	25,517 13,762	15,282 8,223	24,137 12,229	39,172 21,885	48,933 27,850	32,656 15,891
Idaho	43	29,149	1,730	273	1,669	5,809	2,492	1,838	2,961	3,644	4,860	3,873
Montana	47	19,160	1,019	880	965	1,486	2,241	1,241	1,956	2,593	3,773	3,005
Utah	35	55,417	612	1,654	3,132	8,601	4,709	3,383	5,791	9,119	10,735	7,682
Wyoming	48	17,561	416	5,512	679	996	2,312	595	1,201	1,930	1,715	2,205
Far West		1,423,561	29,436	13,585	56,236	197,569	106,140	96,892	127,584	305,601	321,285	169,233
Alaska	45	24,494	314	5,169	1,007	1,134	3,822	713	1,673	2,795	3,029	4,838
California	1 40	1,033,016 38,024	21,633	6,381	34,883 1,640	146,173	72,301 3,904	71,177	91,300	237,282 8,503	236,925	114,962 8,036
Hawaii Nevada	34	57,407	463 427	26 1,568	4,978	1,213 2,608	4,333	1,493 2,809	4,332 5,553	10,773	8,413 18,670	5,688
Oregon	27	98,367	2,473	124	5,173	24,666	6,943	7,727	8,175	14,903	17,030	11,154
Washington	14	172,253	4,127	317	8,555	21,776	14,837	12,974	16,550	31,344	37,219	24,554
		i										

NOTE.—Totals shown for the United States differ from the national income and product account estimates of gross domestic product (GDP) because GSP is derived from gross domestic income, which differs from GDP by the statistical discrepancy. In addition, GSP excludes and GDP includes the compensation of Federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and for military equipment except domestically located office equipment. GSP and GDP also have different revision

schedules.

Source: Tables 6 and 7 in "Gross State Product by Industry, 1995–97" in the June 1999 issue of the SURVEY OF CURRENT BUSINESS.

K. Local Area Table__

Table K.1.—Personal Income and Per Capita Personal Income by Metropolitan Area, 1995–97

	•	Personal Income by Metrop	Personal income Per capita personal income														
				Personal income Per capita personal income Millions of dollars Percent Rank in									Per d	Pank in			
Area name	1995	lions of dol	lars 1997	change	1995	Dollars 1996	1997	U.S. 1997	Area name	Mill 1995	Millions of dollars 1995 1996 1997		Percent change 1996–97	inge		1997	1997
United States 2	6,059,091	6,408,103	6,770,650	5.7	23,059	24,164	25,288		Colorado Springs, CO	9,748	10,514	11,270	7.2	20,978		23,493	131
Metropolitan portion Nonmetropolitan portion		5,430,631 977,472		5.8 4.7	24,470 17,449	25,623 18,359	26,840 19,089		Columbia, MO	2,618	2,779	2,915	4.9 6.3	21,232	22,106 22,344	22,797 23,435	152 134
Consolidated Metropolitan Statistical Areas									Columbia, SC Columbus, GA-AL Columbus, OH	10,429 5,021 33,904	11,121 5,331 35,336	11,820 5,700 37,471	6.9 6.0	21,259 18,468 23,706	19,624 24,502	20,929 25,728	232 75
Chicago-Gary-Kenosha, IL-IN-WI Cincinnati-Hamilton, OH-KY-IN	235,526 44,660	248,253 47,149	262,357 50,006	5.7 6.1	27,296 23,427	28,555 24,574	25,855		Corpus Christi, TX	6,830 1,715	7,235 1,788	7,639 1,874	5.6 4.8 9.5	18,045 17,027	17,859	19,781 18,919	269 291
Cleveland-Akron, OH Dallas-Fort Worth, TX Denver-Boulder-Greeley, CO	71,327 113,904 60,179	74,337 123,121 64,674	77,920 134,293 69,800	4.8 9.1 7.9	24,499 25,612 27,024	25,495 27,023 28,483	26,733 28,709 30,099		Dallas, TX* Danville, VA Davenport-Moline-Rock Island, IA-IL	80,161 1,928 7,632	86,962 1,987 8,056	95,191 2,082 8,541	4.8 6.0	27,081 17,609 21,359	28,637 18,193 22,561	30,481 19,126 23,906	22 288 123
Detroit-Ann Arbor-Flint, MI Houston-Galveston-Brazoria, TX	139,276 105,523	143,074 112,366	149,232 121,775	4.3 8.4	25,889 25,408	26,374 26,566	27,419		Dayton-Springfield, OH	21,960	22,576	23,685	4.9	22,918	23,607	24,877	96
Los Angeles-Riverside-Orange County, CA	355,870 78,661	373,755 83,186	393,604 86,917	5.3 4.5	23,321 22,619	24,318 23,459	25,313 24,131		Daytona Beach, FL Decatur, AL Decatur, IL	8,300 2,764 2,512	8,864 2,874 2,665	9,341 3,003 2,753	5.4 4.5 3.3	18,492 19,814 21,629	20,458		256 216 117
Milwaukee-Racine, WI	41,484	43,512	45,898	5.5	25,230	26,433			Denver, CO* Des Moines, IA	50,303 10,522	54,103 11,167	58,471 11,830	8.1 5.9	27,553 24,883	29,055 26,102	30,743 27,403	20 45
New York-No. New Jersey-Long Is- land, NY-NJ-CT-PA Philadelphia-Wilmington-Atlantic City,	619,350	654,862	688,267	5.1	31,352	33,031	34,560		Detroit, MI* Dothan, AL Dover, DE	115,080 2,492 2,308	118,194 2,559 2,507	123,417 2,668 2,550	4.4 4.3 1.7	26,009 18,589 19,094	19,073	27,619 19,869 20,776	44 267 239
PA-NJ-DE-MD Portland-Salem, OR-WA	158,253 47,988	166,947 52,031	175,008 55,815	4.8 7.3	26,493 23,697	27,936 25,100	29,292 26,396		Dubuque, IADuluth-Superior, MN-WI	1,832 4,708	1,931 4,950	2,016 5,167	4.4 4.4	20,746 19,794	21,849	22,874 21,723	149 191
Sacramento-Yolo, CA San Francisco-Oakland-San Jose, CA Seattle-Tacoma-Bremerton, WA	37,445 200,245 86,045	39,292 215,695 92,306	41,621 232,660 100,810	5.9 7.9 9.2	23,326 30,562 26,363	24,099 32,571 27,855	34,634		Dutchess County, NY*Eau Claire, WI	6,404 2,720	6,776 2,878	7,144 3,035	5.4 5.5	24,522 19,132	25,805 20,155	27,085 21,154	54 219
Washington-Baltimore, DC-MD-VA- WV	202,626	213,221	225,524	5.8	28,601	29,838			El Paso, TX Elkhart-Goshen, IN	9,431 3,781	9,895 3,873	10,504 3,998	6.2 3.2	14,037 22,718	14,600 22,969	15,216 23,423	312 135
Metropolitan Statistical Areas ³ Abilene, TX	2,300	2,424	2,566	5.9	18,800	20.014	21,202	216	Elmira, NY Enid, OK Erie, PA	1,825 1,091 5,670	1,906 1,143 5,925	1,968 1,222 6,140	3.3 6.9 3.6	19,088	20,459 20,092 21,285	21,312 21,474 22 120	210 205 179
Akron, OH* Albany, GA Albany-Schenectady-Troy, NY	15,555 2,163	16,229 2,296	17,079 2,381	5.2 3.7	22,856 18,586	23,700 19,617	24,849 20,207	99 255	Eugene-Springfield, OR Evansville-Henderson, IN-KY	6,117 6,290	6,544 6,643	6,920 6,942	5.7 4.5	20,201 21,906	21,358 23,051	22,231 24,010	173 121
Albany-Schenectady-Troy, NY Albuquerque, NM Alexandria, LA	20,787 14,064 2,389	21,444 14,759 2,456	22,217 15,466 2,532	3.6 4.8 3.1	23,606 21,324 18,861	24,429 22,089 19,447	22,937	146	Fargo-Moorhead, ND-MN	3,315 5,209	3,608 5,461	3,746 5,742	3.8 5.1		21,876 19,240		166 253
Allentown-Bethlehem-Easton, PA	14,328 2,453	15,045 2,578	15,835 2,677	5.3 3.8	23,438 18,597	24,551 19,644	25,762 20,482	73 246	Fayetteville-Springdale-Rogers, AR Flagstaff, AZ-UT	5,053 1,939	5,413 2,076	5,799 2,178	7.1 4.9	19,923 16,663	20,704 17,585	21,655 18,184	198 298
Amarillo, TX Anchorage, AK	4,171 6,989	4,343 7,162	4,576 7,475	5.4 4.4	20,457 27,845	21,112 28,690	22,051 29,765	180 28	Flint, MI* Florence, AL Florence, SC	9,827 2,544 2,280	9,891 2,636 2,426	9,875 2,715 2,566	2 3.0 5.8	22,647 18,729 18,617	19,295	22,685 19,800 20,622	158 268 242
Ann Arbor, MI*	14,369 2,024	14,989 2,110	15,941 2,210	6.4 4.7	27,573 17,350	28,266 18,098	18,855	292	Fort Collins-Loveland, CO Fort Lauderdale, FL*	4,810 36,123	5,259 38,534	5,613 40,743	6.7 5.7	22,174 25,561	23,750 26,752	24,852 27,661	98 43
Appleton-Oshkosh-Neenah, WI Asheville, NC	7,601 4,363 2,588	8,047 4,604 2,788	8,530 4,898 2,936	6.0 6.4 5.3	22,655 21,083 19,232	23,718 21,971 20,428	24,957 23,158 21,256	91 140 214	Fort Myers-Cape Coral, FL Fort Pierce-Port St. Lucie, FL	8,749 6,681	9,303 7,211	9,863 7,607	6.0 5.5	23,372 23,804	24,510 25,209	25,568 26,135	78 68
Atlanta, GA	87,823 8,999	95,356 9,431	9,722	7.7 3.1	25,603 27,188	26,993 28,339	28,253 29,083	36 33	Fort Smith, AR-OKFort Walton Beach, FL	3,403 3,176	3,563 3,511	3,772 3,736	5.9 6.4	18,061 19,453	18,648 21,200	19,570 22,274	280 171
Atlantic-Cape May, NJ* Augusta-Aiken, GA-SC Austin-San Marcos, TX Bakersfield, CA	8,763 22,572 10,544	9,086 24,580 11,004	9,476 27,194 11,449	4.3 10.6 4.0	19,398 22,524 17,201	20,106 23,665 17,801	20,821 25,420 18,319	236 84 297	Fort Wayne, IN Fort Worth-Arlington, TX* Fresno, CA	10,859 33,743 15,106	11,288 36,159 15,850	11,886 39,102 16,367	5.3 8.1 3.3	23,072 22,689 17,959	23,805 23,798 18,573	24,891 25,150 18,958	94 88 290
Baltimore, MD* Bangor, ME (NECMA)	61,948 2,683	65,177 2,794	68,758 2,927	5.5 4.8	25,157 18,582	26,399 19,418	27,770 20,425	41 248	Gadsden, AL	1,814 3,876	1,884 4,095	1,984 4,313	5.3 5.3	17,465 19,871	18,341 20,844	19,126 21,822	288 189
Barnstable-Yarmouth, MA (NECMA) Baton Rouge, LA Beaumont-Port Arthur, TX	5,415 11,776	5,815 12,331	6,190 12,786	6.4 3.7	27,199 20,956	28,758 21,786	30,199 22,408	25 168	Galveston-Texas City, TX* Gary, IN* Glens Falls, NY	5,014 13,236 2,317	5,269 13,943 2,410	5,514 14,689 2,484	4.6 5.4 3.1	21,164 21,363 18,961	21,986 22,460 19,754	22,737 23,593 20,386	155 128 250
Bellingham, WA Benton Harbor MI	7,276 2,920 3,366	7,505 3,151 3,451	8,034 3,309 3,647	7.0 5.0 5.7	19,413 19,589 20,839	20,062 20,694 21,415	21,438	208	Goldsboro, NC	1,866	1,971	2,085	5.8	16,877	17,640	18,611	295
Bergen-Passaic, NJ* Billings, MT Biloxi-Gulfport-Pascagoula, MS	44,162 2,634	46,207 2,729	49,111 2,851	6.3 4.5	33,425 21,162	34,795 21,737	36,769 22,647	5 159	Grand Forks, ND-MN Grand Junction, CO Grand Rapids-Muskegon-Holland, MI	1,854 1,998 22,907	1,985 2,125 24,185	1,991 2,276 25,653	.3 7.1 6.1	17,854 18,853 22,857	19,206 19,644 23,812	19,657 20,593 24,960	275 243 90
Binghamton, NY	6,006 5,208	6,266 5,357	6,614 5,542	5.6 3.5	17,594 20,251	18,350 21,147			Great Falls, MT	1,602 2,715	1,659 2,930	1,710 3,117	3.1 6.4	19,824 18,355	20,538 19,369	21,630 20,038	199 260
Birmingham, AL Bismarck, ND Bloomington, IN	20,268 1,789	21,363 1,906	1,972	5.1 3.5	22,640 20,103	23,858 21,151	24,898 21,711	93 192	Green Bay, WI Greensboro-Winston-Salem-High Point, NC	4,917 26,142	5,208 27,734	5,476 29,344	5.1 5.8		24,512		
Bloomington-Normal, IL Boise City, ID	2,135 3,181 8,423	2,269 3,373 8,906	3,545	5.1	18,544 22,944 23,349	24,172 23,901	20,316 25,200 24,567	87	Greenville, NC	2,312 17,912	2,449 18,870	2,620 19,921	7.0 5.6	19,268 20,304	24,348 20,103 21,081	21,117 21,972	220 185
Boston-Worcester-Lawrence-Lowell- Brockton, MA-NH (NECMA) Boulder-Longmont, CO*	164,632 7,160	174,335 7,641	185,340 8,212	6.3 7.5	28,612 28,269	30,124 29,702	31,808	15	Hagerstown, MD* Hamilton-Middletown, OH*	2,396 6,809	2,537 7,176	2,661 7,624	4.9 6.2	18,890 21,305	19,953 22,181	20,800 23,309	238 137
Brazoria, TX* Bremerton, WA*	4,200 4,517	4,510 4,756	4,787	6.1	19,492	20,508 20,597	21,285	211	Harrisburg-Lebanon-Carlisle, PA Hartford, CT (NECMA)	14,369 32,012	15,247 33,500	15,923 35,453	4.4 5.8	23,525 28,899	24,850 30,268	25,899 32,035	72 14
Brownsville-Harlingen-San Benito, TX Bryan-College Station, TX	3,641 2,065	3,850 2,190	4,095 2,384	6.4 8.9	11,967 15,749	12,357 16,697	12,857 17,963	315 301	Hattiesburg, MS Hickory-Morganton-Lenoir, NC Honolulu, HI	1,749 6,230 23,078	1,852 6,547 23,296	1,960 6,898 23,836	5.8 5.4 2.3 10.5	16,523 20,094 26,434	17,164 20,839 26,681	17,889 21,664 27,259	302 195 50
Buffalo-Niagara Falls, NY Burlington, VT (NECMA)	26,422 4,298	27,200 4,554 8,727	28,031 4,758	3.1 4.5	22,382	23,184	24,099	118 97	Houma, LA Houston, TX*	3,085 96,308	3,315 102,587	3,663 111,475	8.7	16,414 26,024	17,510 27,211	19,146 28,977	287 34
Canton-Massillon, OH Casper, WY Cedar Rapids, IA	8,433 1,562 4,294	8,727 1,616 4,541	9,086 1,710 4,830	4.1 5.8 6.4	20,968 24,487 23,979	21,668 25,390 25,251	22,571 26,866 26,641	56	Huntington-Ashland, WV-KY-OH Huntsville, AL	5,462 7,118	5,644 7,407	5,876 7,824	4.1 5.6		17,870 22 413	18,652 23,459	294 133
Champaign-Urbana, IL Charleston-North Charleston, SC	3,361 9,397	3,554 9,855	3,703 10,472	4.2 6.3	20,118 17,857	21,144 18,851	21,962 19,601	186 279	Indianapolis, INlowa City, IA	36,252 2,251	37,939 2,385	40,111 2,510	5.7 5.2	24,602	22,413 25,475 23,523	26,662 24,628	57 105
Charleston, WV Charlotte-Gastonia-Rock Hill, NC-SC	5,597 30,999	5,844 33,285	6,046 35,792	3.5 7.5	22,011 24,083		23,850 26,480		Jackson, MI Jackson, MS Jackson, TN	3,030 8,533 1,946	3,119 8,973 2,051	3,271 9,456 2,186	4.9 5.4 6.6	19 754	20,197 21,288 20,862	21,057 22,227 21,988	222 174 183
Charlottesville, VACharlottesville, VA	3,546 9,409	3,755 9,902	3,958 10,387	5.4 4.9	24,930 21,279	25,237 25,996 22,268	23,195	55 138	Jackson, TN Jacksonville, FL Jacksonville, NC	22,147 2,153	23,821 2,261	25,465 2,421	6.9 7.1	22,601 15,113	23,614 15,817	24,751 16,900	101 308
Cheyenne, WY Chicago, IL* Chico-Paradise, CA	1,662 217,348 3,426	1,726 229,112 3,614	1,793 242,155 3,809	3.9 5.7 5.4	21,224 27,978 17,795	21,925 29,260 18,813	30,717	21	Jamestown, NY	2,538 3,228	2,616 3,301	2,689 3,444	2.8 4.3	17,985 21,799	18,579 22,024	19,260 22,915	285 148
Cincinnati, OH-KY-IN*Clarksville-Hopkinsville, TN-KY	37,850 3,069	39,973 3,245	42,382 3,410	6.0 5.1	23,855 16,351	25,059 16,715	26,373 17,248	63 306	Jersey City, NJ*Johnson City-Kingsport-Bristol, TN-VA	12,824 8,412	13,369 8,851	13,831 9,152	3.5 3.4	18,559	24,233 19,378	19,896	266
Cleveland-Lorain-Elyria, OH*	55,772	58,108	60,841	4.7	24,999	26,046	21,314	49	Johnstown, PA	4,321	4,500	4,645	3.2	17,987	18,819	19,528	281

See footnotes at the end of the table.

Ta	ble K.1	I.—Pers	sonal li	ncome	e and Per Capita Personal Income by Metropolitan						,							
		Personal	income		Per capita personal income ¹					Per c	apita pei	sonal in						
Area name		ions of dolla		Percent		Dollars		Rank in U.S.	Area name		ons of doll		Percent	ge Dollars			Rank in U.S.	
Jonesboro, AR Joplin, MO Kalamazoo-Battle Creek, MI Kankakee, IL: Kansas City, MO-KS Kenosha, WI* Killeen-Temple, TX	1995 1,328 2,717 9,639 2,007 40,847 2,936 4,819	1,404 2,872 10,057 2,124 43,133 3,073 5,074	1,487 3,065 10,438 2,211 45,714 3,302 5,348	5.9 6.7 3.8 4.1 6.0 7.5 5.4	21,820 19,828 24,233 21,082	18,581 19,724 22,693 20,925 25,450 21,743 17,059	1997 19,456 20,817 23,481 21,677 26,627 23,124	283 237 132 194 59 142 303	Raleigh-Durham-Chapel Hill, NC	24,621 1,720 8,339 3,095 8,064 3,681	26,671 1,770 8,761 3,202 8,747 3,780	29,107 1,852 9,220 3,341 9,262 3,876	9.1 4.6 5.2 4.3 5.9 2.5	24,798 19,760 23,813 19,283 27,761 20,650	24,893 19,843 29,284 21,120	21,270 26,051 20,539 30,214 21,417	42 212 69 244 24 209	
Knoxville, TN Kokomo, IN La Crosse, WI-MN Lafayette, LA Lafayette, IN Lake Charles, LA Lakeland-Winter Haven, FL Lancaster, PA Lansing-East Lansing, MI Laredo, TX	13,738 2,370 2,509 6,424 3,291 3,359 8,133 10,107 9,541 1,993	14,260 2,336 2,643 6,911 3,393 3,547 8,643 10,726 9,835 2,158	14,888 2,412 2,770 7,453 3,582 3,747 9,207 11,207 10,208 2,357	4.4 3.3 4.8 7.8 5.6 5.6 6.5 4.5 3.8 9.2	21,482 23,780 20,812 17,627 19,386 19,109 18,699	22,004 23,287 21,812 18,783 19,841 19,906 19,649 23,816 21,907	22,745 24,061 22,815 20,031 20,880 20,901 20,625	154 119 150 261 235 234 241 102 156 314	Richmond-Petersburg, VA Riverside-San Bernardino, CA* Roanoke, VA Rochester, MN Rochester, NY Rockford, IL Rocky Mount, NC Sacramento, CA* Saginaw-Bay City-Midland, MI St. Cloud, MN St. Joseph, MO	23,575 54,153 5,476 2,752 26,383 7,839 2,618 34,184 8,840 2,888 1,855	24,857 56,769 5,730 2,945 27,410 8,165 2,809 35,895 9,103 3,081 1,947	26,312 59,748 5,977 3,119 28,374 8,528 2,937 38,101 9,485 3,164 2,035	5.9 5.2 4.3 5.9 3.5 4.4 4.6 6.1 4.2 2.7 4.5	25,429 18,335 24,003 24,466 24,310 22,432 18,414 23,452 21,969 18,230 19,056	25,085 26,044 25,247 23,128 19,554 24,236 22,604 19,285	19,604 26,182 27,233 26,170 24,024 20,214 25,335 23,570	40 278 66 51 67 120 254 85 129 277 230	
Las Cruces, NM Las Vegas, NV-AZ Lawrence, KS Lawton, OK Lewiston-Auburn, ME (NECMA) Lexington, KY Lima, OH Lincoln, NE Little Rock-North Little Rock, AR Longview-Marshall, TX	2,254 26,458 1,603 1,882 1,979 9,650 3,069 5,058 11,717 3,852	2,370 29,423 1,695 1,932 2,067 10,275 3,129 5,429 12,446 4,105	2,482 31,876 1,820 1,993 2,120 11,033 3,248 5,752 13,089 4,374	4.7 8.3 7.4 3.2 2.6 7.4 3.8 5.9 5.2 6.6	22,237 19,744 22,081 21,629	18,896	24,838 20,997 24,602 23,707	313 86 264 304 230 100 227 106 125 224	St. Louis, MO-IL Salem, OR* Salinas, CA Salt Lake City-Ogden, UT San Angelo, TX San Antonio, TX San Diego, CA San Francisco, CA* San Jose, CA*	63,014 6,055 8,357 24,016 1,930 29,796 60,432 60,217 50,602	65,847 6,471 8,631 25,953 2,027 31,526 63,908 64,159 55,607	2,033 69,547 6,796 9,227 27,849 2,146 33,716 67,998 68,671 61,345	7.3 5.9 6.9 6.9 6.4 7.0	19,802 19,802 19,053 20,474 22,882 36,668 32,289	25,824 20,310 24,890 21,121 19,898 21,276 23,903 38,813	27,177 20,927 25,747 22,264 20,968 22,379 24,965	53 233 74 172 228 169 89 1	
Los Angeles-Long Beach, CA* Louisville, KY-IN Lubbock, TX Lynchburg, VA Macon, GA Madison, WI Mansfield, OH McAllen-Edinburg-Mission, TX Medford-Ashland, OR Melbourne-Titusville-Palm Bay, FL	213,656 22,950 4,571 4,087 6,183 10,339 3,328 5,265 3,325 9,265	223,742 24,043 4,853 4,261 6,583 10,958 3,456 5,660 3,553 9,765	234,469 25,353 5,082 4,465 6,884 11,550 3,619 6,058 3,744 10,342	4.8 5.4 4.7 4.8 4.6 5.4 4.7 7.0 5.4 5.9	23,317 19,757 20,037 20,039 25,254 18,993 11,044 20,109	24,706 24,307 20,980 20,729 21,114 26,379 19,719 11,548 21,120 21,531	25,493 22,032 21,543 21,770 27,361 20,673 12,005 21,933	76 80 181 202 190 47 240 316 187	San Luis Obispo-Atascadero-Paso Robles, CA Santa Barbara-Santa Maria-Lompoc, CA Santa Cruz-Watsonville, CA* Santa Fe, NM Santa Rosa, CA* Sarasota-Bradenton, FL Savannah, GA Scranton-Wilkes-Barre-Hazleton, PA	4,575 9,685 6,117 3,351 10,632 15,134 5,884 12,754	4,897 10,197 6,535 3,495 11,447 16,109 6,280 13,309	5,223 10,760 7,010 3,680 12,439 17,020 6,544 13,770	5.5 7.3 5.3 8.7 5.7 4.2 3.5	20,244 25,401 26,059 24,765 25,636 28,918 21,109 20,199	26,675 27,733 25,507 27,295 30,460 22,363 21,228	31,792 23,054 22,177	39 30 64 32 16 143 176	
Memphis, TN-AR-MS Merced, CA Miami, FL* Middlesex-Somerset-Hunterdon, NJ* Milwaukee-Waukesha, WI* Minneapolis-St. Paul, MN-WI Missoula, MT Mobile, AL Modesto, CA Monmouth-Ocean, NJ*	25,271 2,987 42,538 34,966 37,232 74,448 1,734 9,498 7,310 29,420	26,569 3,269 44,653 37,105 39,023 79,350 1,831 10,064 7,762 31,048	28,043 3,394 46,174 39,514 41,131 84,193 1,910 10,604 8,238 32,680	5.5 3.8 3.4 6.5 5.4 6.1 4.3 5.4 6.1 5.3	15,546 20,605 32,461 25,492 27,315 19,850 18,415 17,879	24,725 17,113 21,207 34,027 26,695 28,739 20,735 19,327 18,768 29,148	17,485 21,688 35,734 28,176 30,123 21,496 20,119 19,650	71 305 193 8 37 26 204 257 276 23	Seattle-Bellevue-Everett, WA* Sharon, PA Sheboygan, WI Sherman-Denison, TX Shreveport-Bossier City, LA Sioux City, IA-NE Sioux Falls, SD South Bend, IN Spokane, WA Springfield, IL	63,953 2,227 2,437 1,869 7,554 2,456 3,669 5,697 8,219 4,536	68,967 2,342 2,539 2,017 7,782 2,646 3,955 5,841 8,604 4,814	76,064 2,435 2,637 2,135 8,064 2,730 4,203 6,074 9,037 5,031	10.3 4.0 3.9 5.9 3.6 3.2 6.3 4.0 5.0 4.5	29,088 18,256 22,456 19,069 19,953 20,436 23,417 22,214 20,478 22,339	19,162 23,215 20,144 20,532 21,905 24,797 22,693 21,300	19,950 24,009 21,006 21,259 22,633 26,030 23,537 22,293	13 265 122 226 213 160 70 130 170 103	
Monroe, LA Montgomery, AL Muncie, IN Myrtie Beach, SC Naples, FL Nashville, TN Nassau-Suffolk, NY* New Haven-Bridgeport-Stamford-Dan-	2,706 6,549 2,389 3,056 5,934 27,528 84,441	2,856 6,872 2,438 3,326 6,503 28,986 89,022	2,899 7,185 2,527 3,591 6,969 31,057 92,861	1.5 4.6 3.7 8.0 7.2 7.1 4.3	20,867 20,131 19,380 32,836 25,205 31,890	19,466 21,716 20,635 20,301 35,001 25,995 33,542	22,498 21,504 21,185 36,210 27,324 34,902	271 165 203 218 7 48 10	Springfield, MO Springfield, MA (NECMA) State College, PA Steubenville-Weirton, OH-WV Stockton-Lodi, CA Sumter, SC	6,019 13,307 2,499 2,492 9,764 1,624 15,978 13,372	6,328 13,812 2,651 2,561 10,252 1,719 16,411 14,130	6,686 14,496 2,793 2,564 10,854 1,800 16,949 14,973	5.7 5.0 5.4 .1 5.9 4.7 3.3 6.0	20,481 22,461 19,185 17,887 18,646 15,225 21,363 20,658	21,314 23,397 20,070 18,539 19,286 16,070 22,069 21,551	22,206 24,576 21,028 18,794 20,092 16,883 22,952 22,511	175 107 223 293 259 309 145 163	
bury-Waterbury, CT* New London-Norwich, CT (NECMA) New Orleans, LA New York, NY* Newark, NJ* Newburgh, NY-PA* Norfolk-Virginia Beach-Newport News, VA-NC	58,754 6,552 27,906 268,292 61,710 7,682 31,034	284,422 64,847 8,028 32,448	66,562 7,084 30,281 298,085 68,094 8,314 33,958	5.9 3.6 5.0 4.8 5.0 3.6	26,270 21,293 31,189 31,906 21,446 20,255	32,991 33,455 22,198 21,125	34,459 35,038 22,753 21,983	35 141 11 9 153	Tacoma, WA* Tallahassee, FL Tampa-St. Petersburg-Clearwater, FL Terre Haute, IN Texarkana, TX-Texarkana, AR Toledo, OH Topeka, KS Trenton, NJ* Tucson, AZ	5,111 48,799 2,771 2,212 13,881 3,728 10,696 14,616	5,419 51,926 2,829 2,336 14,291 3,896 11,169 15,627	5,730 55,356 2,895 2,469 14,850 4,027 12,070 16,409	5.7 6.6 2.3 5.7 3.9 3.4 8.1 5.0	22,440 18,513 18,035 22,727 22,637 32,483	21,002 23,654 18,914 18,918 23,422 23,652 33,893 20,375	24,879 19,458 19,990 24,315 24,364 36,598	181 95 282 263 113 112 6 221	
Oakland, CA* Ocala, FL Odessa-Midland, TX Oklahoma City, OK Olympia, WA* Omaha, NE-IA Orange County, CA* Orlando, FL	62,115 4,052 5,063 20,341 4,204 15,878 70,598 29,398	66,771 4,358 5,366 21,381 4,453 17,086 75,099 31,780	71,260 4,652 5,887 22,335 4,719 18,267 80,214 34,194	6.7 6.7 9.7 4.5 6.0 6.9 6.8 7.6	20,086 21,874 23,711 27,447	22,488 20.927	24,386 21,659 23,607 26,570 30,115	111 197	Tulsa, OK Tuscaloosa, AL Tyler, TX Ufica-Rome, NY Vallejo-Fairfield-Napa, CA* Ventura, CA* Victoria, TX Vineland-Miliville-Bridgeton, NJ*	16,334 2,992 3,425 5,966 10,562 17,463 1,675 2,859	17,309 3,127 3,685 6,061 11,174 18,145 1,793 2,918	18,511 3,299 3,943 6,239 11,935 19,173 1,888 3,054	6.9 5.5 7.0 2.9 6.8 5.7 5.3 4.7	21,209 19,394 22,023 24,804	20,121 23,143 25,518	23,696 20,944 24,406	114 245 126 229 110 61 144 196	
Owensboro, KY Panama City, FL Parkersburg-Marietta, WV-OH Pensacola, FL Peoria-Pékin, IL Philadelphia, PA-NJ* Phoenix-Mesa, AZ Pine Bluff, AR Pittsburgh, PA	1,725 2,541 2,963 6,810 7,659 131,272 58,249 1,381 56,561	1,802 2,830 3,081 7,380 8,071 138,525 63,395 1,435 59,485	1,910 2,985 3,203 7,802 8,495 144,970 68,597 1,488 61,928	6.0 5.5 4.0 5.7 5.3 4.7 8.2 3.7	19,058 17,914 19,558 18,060 22,219 26,505 21,887 16,538 23,703	19,866 19,569 20,370 19,189 23,398 27,994 23,025 17,323 25,054	21,018 20,392 21,252 19,759 24,650 29,347 24,137 18,109 26,243	225 249 215 270 104 31 116 300	Visalia-Tulare-Porterville, CA Waco, TX Washington, DC-MD-VA-WV* Waterloo-Cedar Falls, IA Wassau, WI West Palm Beach-Boca Raton, FL Wheeling, WV-OH Wichita, KS Wichita Falls, TX	5,508 3,750 138,283 2,484 2,479 34,157 2,868 11,502 2,676	5,802 3,915 145,507 2,583 2,644 37,065 2,988 12,177 2,791	5,998 4,139 154,105 2,730 2,806 39,269 3,040 13,028 2,944	3.4 5.7 5.9 5.7 6.1 5.9 1.7 7.0 5.5	30,761 20,257 20,543 35,078 18,346 22,137 19,804	31,981 21,127 21,775 37,375 19,246 23,168 20,295	33,433 22,456 22,937 38,772 19,722 24,434 21,458	12 167 146 3 273 109 206	
Pittsfield, MA (NECMA) Pocatello, ID Portland, ME (NECMA) Portland-Vancouver, OR-WA* Providence-Warwick-Pawtucket, RI (NECMA) Provo-Orem, UT Pueblo, CO Punta Gorda, FL Racine, WI*	3,289 1,247 6,196 41,933 21,200 4,750 2,396 2,567 4,252	3,464 1,318 6,591 45,559 21,913 5,138 2,519 2,764 4,489	3,643 1,376 7,049 49,019 23,054 5,456 2,689 2,895 4,767	5.2 4.4 6.9 7.6 5.2 6.2 6.7 4.7 6.2	17,063 25,056 24,489 23,380 14,821 18,529 19,941	25,781 17,938 26,409 25,970 24,205 15,996 19,252 21,229 24,349	18,596 28,044 27,388 25,493 16,567 20,274 21,861	52 296 38 46 80 310 252 188 77	Williamsport, PA Wilmington-Newark, DE-MD* Wilmington, NC Yakima, WA Yolo, CA* York, PA Youngstown-Warren, OH Yuba City, CA Yuma, AZ	2,208 15,123 4,040 3,846 3,262 8,172 12,122 2,330 2,057	2,299 16,073 4,388 4,101 3,396 8,581 12,390 2,417 1,938	2,377 17,262 4,710 4,179 3,519 8,953 12,855 2,485 2,019	3.4 7.4 7.3 1.9 3.6 4.3 3.8 2.8 4.2	20,175 18,150 22,086 22,408 20,215	29,033 21,228 19,154 22,735 23,305 20,736 17,748	30,851 22,122 19,367 23,188 24,138 21,621 18,183	258 19 178 284 139 115 200 299 311	

BUSINESS.

Per capita personal income was computed using Census Bureau midyear population estimates. Estimates for 1995–97 reflect county population estimates available as of March 1999.
 The personal income level shown for the United States is derived as the sum of the county estimates. It differs from the national income and product accounts (NIPA's) because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing of the availability of source data. In particular, it differs from the NIPA estimate because, by definition, it omits the earnings of Federal civilan and military personnel stationed

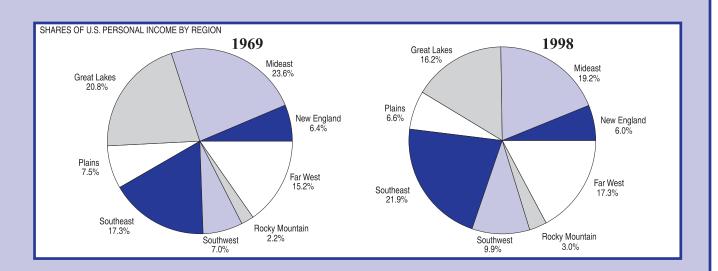
abroad and of U.S. residents employed abroad temporarily by private U.S. firms.

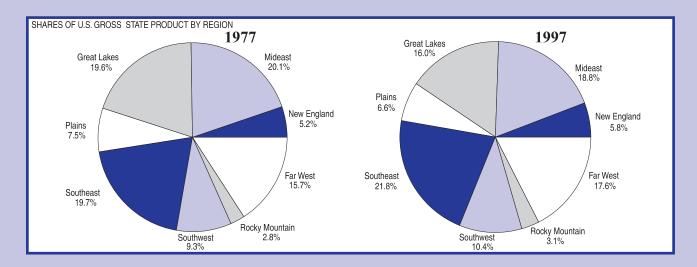
3. Includes Metropolitan Statistical Areas, Primary Metropolitan Statistical Areas (PMSA's designated by *), and New England County Metropolitan Areas (NECMA's). The New Haven-Bridgeport-Stamford-Danbury-Waterbury, CT NECMA is presented as a PMSA (part of the New York CMSA).

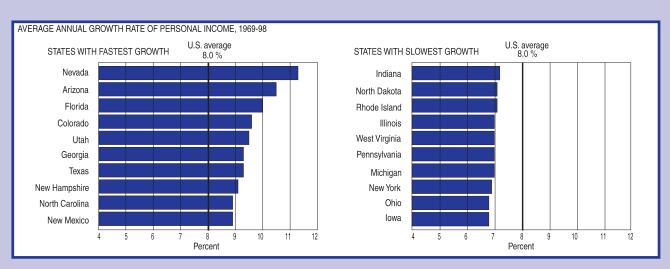
Source: Table 1 in "Local Area Personal Income, 1982–97" in the May 1999 issue of the SURVEY OF CURRENT BURDLESS.

L. Charts

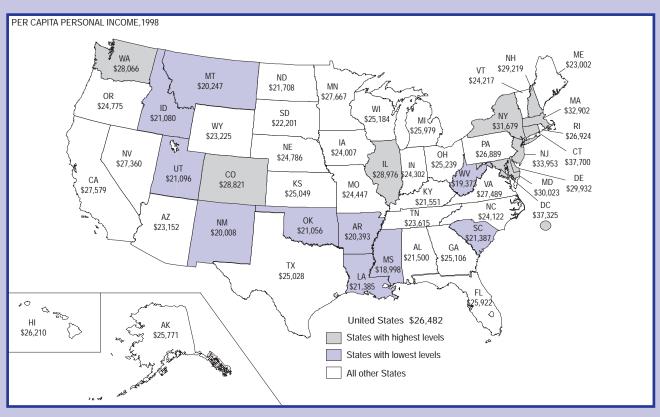
SELECTED REGIONAL ESTIMATES

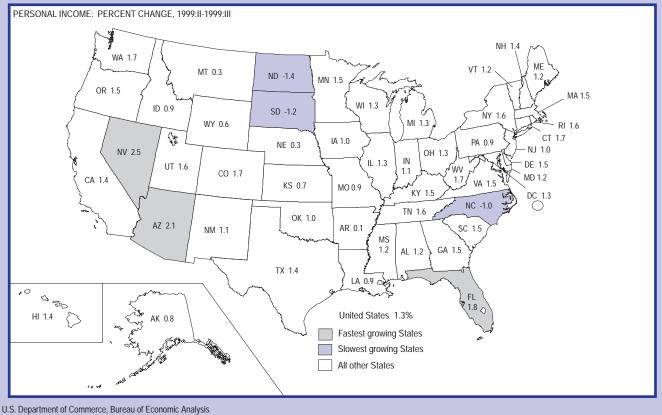






SELECTED REGIONAL ESTIMATES





Appendix A

Additional Information About the NIPA Estimates

Statistical Conventions

Changes in current-dollar GDP measure changes in the market value of goods and services produced in the economy in a particular period. For many purposes, it is necessary to decompose these changes into quantity and price components. To compute the quantity indexes, changes in the quantities of individual goods and services are weighted by their prices. (Quantity changes for GDP are often referred to as changes in "real GDP.") For the price indexes, changes in the prices for individual goods and services are weighted by quantities produced. (In practice, the current-dollar value and price indexes for most GDP components are determined largely using data from Federal Government surveys, and the real values of these components are calculated by deflation at the most detailed level for which all the required data are available.)

The annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from 2 adjacent years. For example, the 1997-98 annual percent change in real GDP uses prices for 1997 and 1998 as weights, and the 1997–98 annual percent change in the GDP price index uses quantities for 1997 and 1998 as weights. Because the Fisher formula allows for the effects of changes in relative prices and in the composition of output over time, the resulting quantity or price changes are not affected by the substitution bias that is associated with changes in quantities and prices calculated using a fixed-weighted formula.¹ These annual changes are "chained" (multiplied) together to form time series of quantity and price; the percent changes that are calculated from these time series are not affected by the choice of reference period.

The quarterly changes in quantities and prices are calculated with weights from two adjacent quarters. As part of an annual or comprehensive revision, the quarterly indexes through the most recent complete year are adjusted to ensure that the average of the quarterly indexes conforms to the corresponding annual index.

In addition, BEA prepares measures of real GDP and its components in a dollar-denominated form, designated "chained (1996) dollar estimates." These estimates are computed by multiplying the 1996 current-dollar value of GDP, or of a GDP component, by the corresponding quantity index number. For example, if a current-dollar GDP component equaled \$100 in 1996 and if real output for this component increased by 10 percent in 1997, then the "chained (1996) dollar" value of this component in 1997 would be \$110 (\$100 \times 1.10).

Note that percentage changes in the chained (1996) dollar estimates and the percentage changes calculated from the quantity indexes are identical, except for small differences due to rounding.

Because of the formula used for calculating real GDP, the chained (1996) dollar estimates for detailed GDP components *do not add* to the chained-dollar value of GDP or to any intermediate aggregates. A "residual" line is shown as the difference between GDP and the sum of the most detailed components shown in each table. The residual generally is small close to the base period but tends to become larger as one moves further from it. Accurate measures of component contributions to the percentage changes in real GDP and its major components are shown in NIPA tables 8.2–8.6.

BEA also publishes the "implicit price deflator" (IPD), which is calculated as the ratio of current-dollar value to the corresponding chained-dollar value, multiplied by 100; the values of the IPD and of the corresponding "chain-type" price index are very close.

For quarters and months, the estimates are presented at annual rates, which show the value that would be registered if the rate of activity measured for a quarter or a month were maintained for a full year. Annual rates are used so that time periods of different lengths—for example, quarters and years—may be compared easily. These annual rates are determined simply by multiplying the estimated rate of activity by 4 (for quarterly data) or 12 (for monthly data).

Percent changes in the estimates are also expressed at annual rates. Calculating these *changes* requires a variant of the compound interest formula:

$$r = \left\lceil \left(\frac{X_t}{X_0} \right)^{m/n} - 1 \right\rceil \times 100,$$

where γ is the percent change at an annual rate;

 X_t is the level of activity in the later period;

X_o is the level of activity in the earlier period;
 m is the yearly periodicity of the data (for example, 1 for annual data, 4 for quarterly, or 12 for monthly); and

n is the number of periods between the earlier and later periods (that is, t - o).

Quarterly and monthly NIPA estimates are seasonally adjusted, if necessary. Seasonal adjustment removes from the time series the average impact of variations that normally occur at about the same time and in about the same magnitude each year—for example, weather, holidays, and tax payment dates. After seasonal adjustment, cyclical and other short-term changes in the economy stand out more clearly.

In addition, because the changes in quantities and prices calculated using these weights are symmetric, the product of a quantity index and the corresponding price index is generally equal to the current-dollar index.

Reconciliation Tables

Table 1.—Reconciliation of Changes in BEA-Derived Compensation Per Hour with BLS Average Hourly Earnings [Percent change from perceding period]

			Seasonally adjusted at annual rates									
	1998	1999	19	98		199	99					
			III	IV	I	II	III	IV <i>P</i>				
BEA-derived compensation per hour of all persons in the nonfarm business sector (less housing) ¹	5.2	4.8	6.2	4.6	4.2	4.8	4.7	4.3				
Less: Contribution of supplements to wages and salaries per hour	5	3	5	5	0	2	3	2				
Plus: Contribution of wages and salaries per hour of persons in housing and in nonprofit institutions	3	2	3	1	1	1	1	1				
Less: Contribution of wages and salaries per hour of persons in government enterprises, unpaid family workers, and self-employed	2	1	1	1	3	.1	1	.5				
Equals: BEA-derived wages and salaries per hour of all employees in the private nonfarm sector	5.6	4.9	6.4	5.0	4.3	4.7	4.9	3.8				
Less: Contribution of wages and salaries per hour of nonproduction workers in manufacturing	1	1	.4	.4	.4	.4	.4	0				
Less: Other differences ²	1.6	1.3	2.3	1.5	0	.7	.8	.6				
Equals: BLS average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls	4.1	3.7	3.7	3.2	4.0	3.6	3.7	3.1				
Addendum: BLS estimates of compensation per hour in the nonfarm business sector ³	5.2	4.8	6.2	4.6	4.2	4.8	4.7	4.0				

Table 2.—Relation of Net Exports of Goods and Services and Net Receipts of Income in the NIPA's to Balance on Goods, Services, and Income in the ITA's

				Seasonally adjusted at annual rates							
	Line	1997	1998		1998						
				II	III	IV	I	II	III		
Exports of goods, services, and income receipts, ITA's	1	1,197.2	1,192.2	1,193.9	1,166.0	1,199.9	1,183.7	1,205.5	1,248.8		
Less: Gold, ITA's Statistical differences ¹ Other items	2 3 4	5.7 0 .8	5.5 0 .8	4.4 0 .6	5.2 0 .8	7.1 0 1.2	2.9 0 .8	3.3 -1.1 .9	6.0 -2.6 .9		
Plus: Adjustment for grossing of parent/affiliate interest payments	5 6	4.5 38.1	5.0 42.3	4.9 40.9	5.2 41.4	5.7 46.4	4.3 47.2	4.4 48.1	4.6 47.3		
carriers	7	17.3	18.5	18.4	18.8	18.9	19.2	19.4	19.9		
Equals: Exports of goods and services and income receipts, NIPA's	8	1,250.6	1,251.6	1,253.0	1,225.5	1,262.7	1,250.7	1,274.3	1,316.2		
Imports of goods, services, and income payments, ITA's		1,298.7	1,368.7	1,363.9	1,376.7	1,392.7	1,417.0	1,484.3	1,563.7		
Less: Gold, ITA's Statistical differences ¹ Other items	10 11 12	6.6 0 0	6.5 0 0	5.5 0 0	7.3 0 0	6.6 0 0	3.2 0 0	3.2 .9 0	7.6 .8 0		
Plus: Gold, NIPA's Adjustment for grossing of parent/affiliate interest payments Adjustment for U.S. territories and Puerto Rico Imputed interest paid to rest of world	13 14 15 16	-3.6 4.5 24.3 17.3	-3.1 5.0 28.5 18.5	-3.1 4.9 28.3 18.4	-2.9 5.2 26.2 18.8	-2.9 5.7 33.1 18.9	-2.3 4.3 31.7 19.2	-2.4 4.4 32.8 19.4	-2.5 4.6 32.3 19.9		
Equals: Imports of goods and services and income payments, NIPA's	17	1,334.7	1,411.1	1,407.0	1,416.8	1,441.0	1,466.7	1,534.4	1,609.8		
Balance on goods, services, and income, ITA's (1-9)	18	-101.5	-176.5	-170.0	-210.7	-192.8	-233.3	-278.8	-314.9		
Less: Gold (2–10+13) Statistical differences (3–11) ¹ Other items (4–12)	19 20 21	-4.5 0 .8	-4.1 0 .8	-4.2 0 .6	-5.0 0 .8	-2.4 0 1.2	-2.6 0 .8	-2.3 -2.0 .9	-4.1 -3.4 .9		
Plus: Adjustment for U.S. territories and Puerto Rico (6-15)	22	13.8	13.8	12.6	15.2	13.3	15.5	15.3	15.0		
Equals: Net exports of goods and services and net receipts of income, NIPA's (8-17)	23	-84.1	-159.5	-154.0	-191.3	-178.3	-216.0	-260.1	-293.6		

^{1.} Consists of statistical revisions in the NIPA's that have not yet been incorporated into the ITA's (1999:III) and statistical revisions in the ITA's that have not yet been incorporated into the NIPA's (1999:II-1999:III).

 $^{^{}p}$ Preliminary 1. Includes BLS data on compensation and hours of nonfarm proprietors and hours worked

of unpaid family workers.

2. Includes BEA use of non-BLS data and differences in detailed weighting. Annual estimates also include differences in BEA and BLS benchmark procedures; quarterly estimates also include differences in seasonal adjustment procedures.

^{3.} These estimates differ from the BEA-derived estimates (first line) because the BLS estimates include compensation and hours of tenant-occupied housing.

BLS Bureau of Labor Statistics

Appendix B Suggested Reading

BEA's Mission and Strategic Plan

BEA's mission statement and the latest update to BEA's strategic plan for improving the accuracy, reliability, and relevance of the national, regional, and international accounts are available on BEA's Web site (see the box below). The initial development and implementation of the strategic plan is described in the following articles in the Survey of Current Business.

"Mid-Decade Strategic Review of BEA's Economic Accounts: Maintaining and Improving Their Performance" (February 1995)

"Mid-Decade Strategic Review of BEA's Economic Accounts: An Update" (April 1995)

"BEA's Mid-Decade Strategic Plan: A Progress Report" (June 1996)

Methodology

BEA has published a wealth of information about the methodology used to prepare its national, regional, and international estimates.

National

National income and product accounts (NIPA's)

NIPA Methodology Papers: This series documents the conceptual framework of the NIPA's and the methodology used to prepare the estimates.

An Introduction to National Economic Accounting (NIPA Methodology Paper No. 1, 1985) [Also appeared in the March 1985 issue of the Survey]

Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends (NIPA Methodology Paper No. 2, 1985)

Foreign Transactions (NIPA Methodology Paper No. 3, 1987) [Revised version forthcoming]

GNP: An Overview of Source Data and Estimating Methods (NIPA Methodology Paper No. 4, 1987) [Largely superseded by "A Guide to the NIPA's" (March 1998 Survey)]

Government Transactions (NIPA Methodology Paper No. 5, 1988)

Personal Consumption Expenditures (NIPA Methodology Paper No. 6, 1990)

The methodologies described in these papers are subject to periodic improvements that are typically introduced as part of the annual and comprehensive revisions of the NIPA's; these improvements are described in the Survey articles that cover these revisions.

The most recent comprehensive revision of the NIPA's is described in the following series of Survey articles.

"A Preview of the 1999 Comprehensive Revision of the National Income and Product Accounts":

"Definitional and Classificational Changes" (August 1999)

"New and Redesigned Tables" (September 1999)

"Statistical Changes" (October 1999)

"Improved Estimates of the National Income and Product Accounts for 1959–98: Results of the Comprehensive Revision" (December 1999)

"Annual Revision of the U.S. National Income and Product Accounts": This series of Survey articles, the latest of which was published in the August 1998 issue, describes the annual NIPA revisions and the improvements in methodology.

"A Guide to the NIPA's" (March 1998 SURVEY) provides the definitions of the major NIPA aggregates and components; discusses the measures of real output and prices; explains how production is classified and how the NIPA's are presented; describes the statistical conventions that are used; and lists the principal source data and methods used to prepare the estimates of gross domestic product (GDP).

Information on the sources and methods used to prepare the national estimates of personal income, which provide the basis for the State estimates of personal income, can be found in *State Personal Income*, 1929–97 (1999).

"BEA's Chain Indexes, Time Series, and Measures of Long-Term Economic Growth" (May 1997) is the most recent in a series of Survey articles that describe the conceptual basis for the chain-type measures of real output and prices used in the NIPA's.

"Reliability of the Quarterly and Annual Estimates of GDP and Gross Domestic Income" (December 1998 SURVEY) evaluates the reliability of these estimates by examining the record of revisions to them.

Availability

Most of the items listed here are available on Bea's Web site at <www.bea.doc.gov>. In addition, see the Bea Catalog of Products for the availability of printed publications. The Catalog is available on Bea's Web site; a printed copy can be obtained by writing to the Public Information Office, Be-53, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or by calling 202-606-9900.

Wealth and related estimates

Fixed Reproducible Tangible Wealth in the United States, 1929–94 (1999) discusses the conceptual and statistical considerations underlying the BEA wealth estimates and explains the derivation of the estimates.

Gross product by industry

"Improved Estimates of Gross Product by Industry, 1959–94" (August 1996 Survey) describes the most recent comprehensive revision of the estimates of gross product by industry.

"Gross Product by Industry, 1947–96" (November 1997 Survey) and "Gross Product by Industry, 1995–97" (November 1998 Survey) present the most recent revisions to the estimates of gross product by industry and briefly describe changes in methodology.

Input-output accounts

"Benchmark Input-Output Accounts for the U.S. Economy, 1992" (November 1997 Survey) describes the preparation of the 1992 input-output (I-O) accounts and the concepts and methods underlying the U.S. I-O accounts.

"Annual Input-Output Accounts of the U.S. Economy, 1996" (January 2000 Survey) presents annual I-O tables for 1996 that update the 1992 benchmark I-O accounts.

Satellite accounts

Satellite accounts that extend the analytical capacity of the national accounts by focusing on a particular aspect of activity are presented in the following Survey articles.

"Integrated Economic and Environmental Satellite Accounts" and "Accounting for Mineral Resources: Issues and BEA's Initial Estimates" (April 1994)

"A Satellite Account for Research and Development" (November 1994)

"U.S. Transportation Satellite Accounts for 1992" (April 1998)

"U.S. Travel and Tourism Satellite Accounts for 1992" (July 1998)

International

International transactions accounts (ITA's)

The Balance of Payments of the United States: Concepts, Data Sources, and Estimating Procedures (1990) describes the methodologies used in preparing the estimates in the ITA's and of the international investment position of the United States. These methodologies are subject to periodic improvements that are typically introduced as part of the annual revisions of the ITA's.

"U.S. International Transactions, Revised Estimates": This series of Survey articles, the latest of which was published in the July 1999 issue, describes

the annual ITA revisions and the improvements in methodology.

Direct investment

International Direct Investment: Studies by the Bureau of Economic Analysis (1999) presents a collection of previously published studies on U.S. direct investment abroad and foreign direct investment in the United States. In addition, it includes the following guides to BEA's statistics and methodologies used to prepare the estimates.

"Methodology for U.S. Direct Investment Abroad" (U.S. Direct Investment Abroad: 1994 Benchmark Survey, Final Results (1998))

"A Guide to BEA Statistics on U.S. Multinational Companies" (March 1995 Survey)

"Methodology for Foreign Direct Investment in the United States" (Foreign Direct Investment in the United States: 1992 Benchmark Survey, Final Results (1995))

"A Guide to BEA Statistics on Foreign Direct Investment in the United States" (February 1990 SURVEY)

Surveys of international services

U.S. International Transactions in Private Services: A Guide to the Surveys Conducted by the Bureau of Economic Analysis (1998) provides information on the 11 surveys that BEA conducts on these transactions—including classifications, definitions, release schedules, and methods used to prepare the estimates—and samples of the survey forms.

Regional

Personal income

State Personal Income, 1929–97 (1999) includes a description of the methodology used to prepare the estimates of State personal income. [Also available on the CD-ROM State Personal Income, 1929–97]

Local Area Personal Income, 1969–92 (1994) includes a description of the methodology used to prepare the estimates of local area personal income. [Also available on the CD-ROM Regional Economic Information System, 1969–97]

Gross state product

"Comprehensive Revision of Gross State Product by Industry, 1977–94" (June 1997 Survey) summarizes the sources and methods for BEA's estimates of gross state product.

"Gross State Product by Industry, 1977–96" (June 1998 Survey) and "Gross State Product by Industry, 1995–97" (June 1999 Survey) present the most recent revisions to the estimates of gross state product by industry and briefly describe changes in methodology.