

U.S. Multinational Companies

Operations in 1996

By Raymond J. Mataloni, Jr.

THE COMBINED domestic and foreign operations of nonbank U.S. multinational companies (MNC's) continued to grow at a relatively fast pace in 1996. The growth in three key measures of MNC operations—gross product, employment, and capital expenditures—exceeded the average annual growth rate for 1989–95. According to preliminary estimates from the annual survey of U.S. direct investment abroad conducted by the Bureau of Economic Analysis (BEA), worldwide gross product of U.S. MNC's (U.S. parents and majority-owned foreign affiliates combined) increased 7 percent, compared with a similar increase in 1995 and an average annual increase

of 5 percent in 1989–95; employment increased 2 percent, compared with a 1-percent increase in 1995 and negligible growth in 1989–95; capital expenditures increased 5 percent, compared with a 7-percent increase in 1995 and an average annual increase of 4 percent in 1989–95 (table 1).¹

1. The year 1989 is used for comparison because it was a benchmark survey year for U.S. direct investment abroad and because before 1994, gross product estimates (which are the basis for much of the analysis in this article) were only available for U.S. parents in the years covered by benchmark surveys. In addition, in 1989, like in 1996, economic growth continued in the United States and in most major host countries.

This article presents highlights from BEA's 1995 and 1996 annual surveys of U.S. direct investment abroad. More detailed estimates will be available later this year on BEA's Web site, on diskettes, and in publications (see the box "Data Availability" on page 51).

Table 1.—Gross Product, Employment, and Capital Expenditures of Nonbank U.S. MNC's, U.S. Parents, and Foreign Affiliates, 1982–96

	MNC's worldwide		Parents	Affiliates				MNC's worldwide		Parents	Affiliates		
	Parents and all affiliates	Parents and MOFA's		Total	MOFA's	Other		Parents and all affiliates	Parents and MOFA's		Total	MOFA's	Other
Gross product													
Millions of dollars:													
1982	n.a.	1,019,734	796,017	n.a.	223,717	n.a.	1992	24,190	22,812	17,530	6,660	5,282	1,378
1983	n.a.	n.a.	n.a.	n.a.	216,683	n.a.	1993	24,222	22,760	17,537	6,685	5,223	1,461
1984	n.a.	n.a.	n.a.	n.a.	220,331	n.a.	1994	25,670	24,273	18,565	7,105	5,707	1,398
1985	n.a.	n.a.	n.a.	n.a.	220,074	n.a.	1995 ^r	25,921	24,500	18,576	7,345	5,924	1,421
1986	n.a.	n.a.	n.a.	n.a.	231,644	n.a.	1996 ^p	26,392	24,933	18,775	7,617	6,158	1,459
1987	n.a.	n.a.	n.a.	n.a.	269,734	n.a.	Percent change at annual rates:						
1988	n.a.	n.a.	n.a.	n.a.	297,556	n.a.	1982–95 .....	.2	.2	-.1	.8	1.3	-1.0
1989	n.a.	1,364,878	1,044,884	n.a.	319,994	n.a.	1989–95 .....	.3	.4	-2	1.7	2.5	-1.0
1990	n.a.	n.a.	n.a.	n.a.	356,033	n.a.	1994–95	1.0	.9	.1	3.4	3.8	1.7
1991	n.a.	n.a.	n.a.	n.a.	355,963	n.a.	1995–96	1.8	1.8	1.1	3.7	4.0	2.6
1992	n.a.	n.a.	n.a.	n.a.	361,524	n.a.	Capital expenditures						
1993	n.a.	n.a.	n.a.	n.a.	359,179	n.a.	Millions of dollars:						
1994	n.a.	1,717,488	1,313,792	n.a.	403,696	n.a.	1982	248,262	233,078	188,266	59,996	44,812	15,184
1995 ^r	n.a.	1,831,046	1,365,470	n.a.	465,576	n.a.	1983	n.a.	197,534	160,656	n.a.	36,878	n.a.
1996 ^p	n.a.	1,965,438	1,466,999	n.a.	498,439	n.a.	1984	n.a.	203,791	168,692	n.a.	35,099	n.a.
Percent change at annual rates:							1985	n.a.	221,509	185,027	n.a.	36,482	n.a.
1982–95	n.a.	4.6	4.2	n.a.	5.8	n.a.	1986	n.a.	203,809	169,131	n.a.	34,678	n.a.
1989–95	n.a.	5.0	4.6	n.a.	6.5	n.a.	1987	n.a.	199,171	162,139	n.a.	37,032	n.a.
1994–95	n.a.	6.6	3.9	n.a.	15.3	n.a.	1988	n.a.	223,814	177,203	n.a.	46,611	n.a.
1995–96	n.a.	7.3	7.4	n.a.	7.1	n.a.	1989	276,790	260,488	201,808	74,982	58,680	16,302
Number of employees							1990	n.a.	274,614	213,079	n.a.	61,535	n.a.
Thousands:							1991	n.a.	269,221	206,290	n.a.	62,931	n.a.
1982	25,345	23,727	18,705	6,640	5,022	1,618	1992	n.a.	272,049	208,834	n.a.	63,215	n.a.
1983	24,783	23,253	18,400	6,383	4,854	1,530	1993	n.a.	271,661	207,437	n.a.	64,224	n.a.
1984	24,548	22,973	18,131	6,418	4,842	1,576	1994	328,240	303,364	231,917	96,323	71,447	24,876
1985	24,532	22,923	18,113	6,419	4,810	1,609	1995 ^r	n.a.	323,616	248,017	n.a.	75,599	n.a.
1986	24,082	22,543	17,832	6,250	4,711	1,609	1996 ^p	n.a.	340,101	258,997	n.a.	81,104	n.a.
1987	24,255	22,650	17,986	6,270	4,664	1,535	Percent change at annual rates:						
1988	24,141	22,498	17,738	6,404	4,761	1,643	1982–95	n.a.	2.6	2.1	n.a.	4.1	n.a.
1989	25,388	23,879	18,765	6,622	5,114	1,508	1989–95	n.a.	3.7	3.5	n.a.	4.3	n.a.
1990	25,264	23,786	18,430	6,834	5,356	1,478	1994–95	n.a.	6.7	6.9	n.a.	5.8	n.a.
1991	24,837	23,345	17,959	6,878	5,387	1,492	1995–96	n.a.	5.1	4.4	n.a.	7.3	n.a.

^p Preliminary.
^r Revised.
n.a. Not available.

MNC Multinational company
MOFA Majority-owned foreign affiliate

The 7-percent increase in MNC gross product in 1996 reflected continued economic growth in the United States and abroad; in 1996, current-dollar gross domestic product (GDP) increased 5 percent in the United States and averaged about 3 percent in most major host countries.² As in

2. The average for major host countries is based on growth in the member countries of the Organisation for Economic Co-Operation and Development other than the United States and Japan. (In Japan, GDP measured in U.S. dollars fell 11 percent.) The 3-percent figure is a weighted average based on estimates denominated in current U.S. dollars and translated at current exchange rates. Underlying this average was significant variation across the individual countries.

1995, the favorable economic conditions resulted in both the expansion of existing MNC operations and the growth of MNC operations through acquiring and establishing other businesses, both in the United States and abroad. MNC growth also resulted from increased production to meet strong demand for new and improved products, such as faster semiconductors and enhanced computer software, and from increases in crude oil prices. Acquisitions of foreign affiliates were spurred by opportunities created by host-country

Key Terms

The data in this article cover nonbank U.S. multinational companies (MNC's). Data are provided for the MNC as a whole and separately for U.S. parents and foreign affiliates. The foreign-affiliate data are provided both for all affiliates and for majority-owned affiliates.

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

The following terms are used in describing U.S. MNC's.

U.S. multinational company. The U.S. parent and its foreign affiliates.

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

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

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

Majority-owned foreign affiliate (MOFA). A foreign affiliate in which the combined ownership of all U.S. parents exceeds 50 percent. MOFA's comprise the foreign operations of a U.S. MNC that are controlled by the parent or parents.

The following terms are used in describing U.S.-MNC operations.

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

Profit-type return. Profits from current production. It is measured before income taxes, and it excludes nonoperating items (such as special charges and capital gains and losses) and income from equity investments.

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

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

Origin of output. In this article, this term refers to the decomposition of a firm's output (sales plus inventory change) into the output that originates within the firm and the output that originates elsewhere and that is incorporated in the intermediate inputs purchased by the firm. The intermediate inputs can also be decomposed into those that are purchased locally and those that are purchased from abroad.

Source of change in gross product. In this article, this term refers to the decomposition of the year-to-year change in the gross product of U.S. parents and MOFA's into changes in operations, the addition of parents and MOFA's to the survey universe, the departure of parents and MOFA's from the survey universe, and all other changes.

privatizations, particularly in the electric power and telecommunications industries.

The growth in U.S. MNC gross product in 1996 was balanced between U.S. parents and their foreign affiliates: The gross product of both U.S. parents and their majority-owned foreign affiliates (MOFA's) grew 7 percent in 1996. For U.S. parents, this rate of growth was slightly faster than the 5-percent growth rate in 1989–95; for MOFA's, it was about the same as the growth rate in 1989–95.

Additional highlights of U.S.-MNC operations in 1996 follow:

- Worldwide production and productive resources of U.S. MNC's remained concentrated in the United States: U.S. parents accounted for about three-quarters and MOFA's for about one-quarter of MNC gross product, capital expenditures, and employment. The U.S. parents' shares were down slightly from those of 1989.
- U.S. exports of goods involving U.S. parents, their foreign affiliates, or both accounted for 65 percent of all U.S. exports of goods, the same as in 1989. Intra-MNC exports (goods shipped by U.S. parents to their foreign affiliates) accounted for 40 percent of the MNC-associated exports, up from 38 percent in 1989.
- U.S. MNC's accounted for 40 percent of U.S. imports of goods, down from 42 percent in 1989. Intra-MNC imports (goods shipped by foreign affiliates to their U.S. parents) accounted for 42 percent of these MNC-associated imports, up from 38 percent in 1989.
- Employment by U.S. MNC's increased here and abroad. U.S.-parent employment increased 1 percent to 18.8 million, and foreign-affiliate employment increased 4 percent to 7.6 million. Growth in employment was more rapid for MOFA's than for other foreign affiliates.
- U.S. parents mainly used U.S.-sourced inputs and served U.S. customers, while MOFA's mainly used foreign-sourced inputs and served foreign customers. For U.S. parents, only 7 percent of their output was accounted for by inputs purchased from abroad, and only 10 percent of their sales were to foreign customers. For MOFA's, only 10 percent of their output was accounted for by inputs purchased from the United States, and only 10 percent of their sales were to U.S. customers.
- The return on assets for nonfinancial MOFA's, at 9 percent, continued to exceed the return on assets for all U.S. nonfinancial corpora-

Data on U.S. Direct Investment Abroad

BEA collects two broad sets of data on U.S. direct investment abroad (USDIA): (1) Financial and operating data of U.S. parent companies and their foreign affiliates, and (2) balance of payments and direct investment position data.¹ This article presents the first set of data; the balance of payments and direct investment position data were published in the following articles in the July 1998 SURVEY OF CURRENT BUSINESS: Russell B. Scholl, "The International Investment Position of the United States in 1997"; Anthony J. DiLullo, "U.S. International Transactions, First Quarter 1998"; and Sylvia E. Bargas, "Direct Investment Positions for 1997: Country and Industry Detail."

Financial and operating data.—The data on the overall operations of U.S. parent companies and their foreign affiliates are collected in BEA's annual and benchmark surveys of USDIA. The data cover balance sheets and income statements, employment and compensation of employees, research and development expenditures, sources of

finance, and trade in goods. In addition, the gross product of U.S. parent companies and their majority-owned foreign affiliates is estimated from the data reported in these surveys.

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

Balance of payments and direct investment position data.—These data are collected in the quarterly survey of USDIA. The data cover the cross-border transactions and positions between U.S. parents and their foreign affiliates, so these data focus on the parent's share, or interest, in the affiliate rather than on the affiliate's size or scale of operations. The major items included in the U.S. balance of payments are direct investment capital flows, direct investment income, royalties and license fees, and other services transactions between U.S. parents and their foreign affiliates.

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

tions (chart 1). The premium earned abroad may reflect the fact that rates of return there must be high enough to offset the added risks and costs to U.S. parents of operating abroad.

- Newly acquired or established affiliates continued to be concentrated in countries with large and prosperous markets rather than in countries with low labor costs. Affiliates in high-wage countries accounted for 70 percent of all new affiliates and for 87 percent of their employment, but low-wage countries have been attracting a rising (though still small) share of the new investments.
- BEA's recently introduced experimental estimates of the real gross product of foreign affiliates indicate that production by MOFA's in manufacturing grew twice as fast—5.3 percent—in 1996 as in 1989–95—2.5 percent. The unusually rapid growth mainly resulted from newly acquired or established affiliates joining the MOFA universe and from rapid economic growth in some low- to middle-income host countries, such as Mexico, Brazil, and China.

Revisions to the 1995 estimates.—The estimates of U.S.-MNC operations for 1995 were revised to incorporate the final results of the 1995 Annual Survey of U.S. Direct Investment Abroad.³ For the key items, the revisions from the preliminary estimates were relatively small: The increase in gross product was revised up 0.6 percentage point to 6.6 percent; the increase in employment was revised down 0.2 percentage point to 0.9 percent; and the increase in capital expenditures was revised down 1.4 percentage points to 6.7 percent.

Organization of the article.—This article has three parts. The first part analyzes the worldwide operations of U.S. MNC's; the second part analyzes their domestic (U.S.-parent) operations; and the third part analyzes their foreign (foreign-affiliate) operations.

Worldwide Operations of U.S. MNC's

This section examines worldwide U.S.-MNC operations. It also compares the domestic and the foreign sides of these operations.⁴

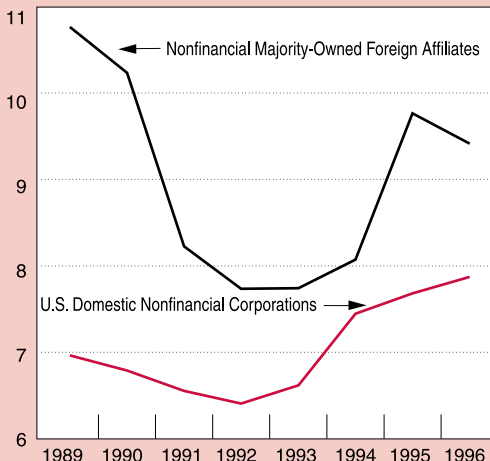
Changes in gross product

Gross product of all U.S. MNC's grew 7 percent in 1996, to \$1,965 billion; the U.S.-parent and

CHART 1

Return on Assets of Nonfinancial Majority-Owned Foreign Affiliates and U.S. Domestic Nonfinancial Corporations, 1989-96

Percent



NOTE.—The return on assets equals the ratio of profit-type return plus interest paid to total assets (at current cost).

Nonfinancial industries are all industries except depository institutions; finance, except depository institutions; and insurance.

For U.S. domestic nonfinancial corporations, data on property income are from tables 1.16 and 8.18 in the national income and product accounts. Data on total assets are from the Federal Reserve Board's flow of funds accounts.

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

3. The preliminary 1995 estimates were published in Raymond J. Matoloni, Jr., "U.S. Multinational Companies: Operations in 1995," SURVEY OF CURRENT BUSINESS 77 (October 1997): 44–68.

4. In most of this section, the examination of the foreign operations of U.S. MNC's uses the data for majority-owned foreign affiliates (MOFA's) rather than data for all foreign affiliates. The data for MOFA's are used because parents and MOFA's are conceptually under U.S. managerial control (other foreign affiliates may be under the control of foreign owners) and because, practically, the necessary data items for this analysis are collected only for MOFA's.

Although MOFA's and U.S. parents are under the control of one or more U.S. parents, the U.S. parent may be under the control of a foreign parent company; in 1996, U.S. parents that were ultimately controlled by foreign parents accounted for 12 percent of all U.S. parents and for 8 percent of their gross product.

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the MOFA components of U.S.-MNC gross product both grew at that rate. Available evidence suggests that these increases reflected substantial increases in the real gross product of both parents and MOFA's as well as moderate increases in prices. The gross product of U.S. parents grew 7 percent, well in excess of the 2-percent rate of U.S. price inflation (as measured by the gross domestic product implicit price deflator for all private U.S. businesses, except depository institutions). Despite the dampening effect of a mild appreciation of the U.S. dollar, the gross product of MOFA's also grew 7 percent, exceeding the 4-percent average rate of price inflation in host countries.⁵

Domestic and foreign shares of MNC operations

Worldwide production and the productive resources of U.S. MNC's remained concentrated in the United States: In 1996, U.S. parents accounted for about three-quarters of MNC gross product, capital expenditures, employment, and profit-type return. From 1989 to 1996, however, the distribution of the first three items shifted slightly from the United States to abroad: The MOFA share of worldwide MNC gross product edged up from 23 percent to 25 percent; the MOFA share of MNC capital expenditures edged up from 23 percent to 24 percent; and the MOFA share of MNC employment rose from 21 percent to 25 percent (table 2). In contrast, the MOFA share of worldwide MNC profit-type return fell from 34 percent in 1989 to 28 percent in 1996, probably in response to cyclical factors here and abroad that were relatively less favorable to MOFA's in 1996 than in 1989.

By industry, the most significant shift towards foreign operations was in manufacturing. The MOFA share of MNC gross product in manufacturing rose from 26 percent in 1989 to 29 percent in 1996; the MOFA share of MNC capital expenditures rose from 26 percent to 29 percent; and the MOFA share of MNC employment rose from 27 percent to 32 percent. The growth in these MOFA shares partly reflected the increasing globalization of manufacturing; both production abroad by U.S. MNC's and production in the United States by foreign MNC's have been expanding. Production abroad by U.S. MNC's may have been stimulated

by structural economic changes, such as the further integration of the European Union and the economic liberalizations in Latin America and in Eastern Europe, that have created new market opportunities in host countries.

Origin of output

This section examines the origins of MNC output and the changes in the pattern of the origins of output from 1989 to 1996. The output of U.S. MNC's (sales to unaffiliated customers plus inventory change) consists of both the gross product that originates within the MNC's themselves and the gross product that originates elsewhere and is incorporated in the intermediate inputs purchased by MNC's from outside suppliers. The gross product originating in U.S. MNC's reflects the gross product of both the U.S. parents and their foreign affiliates.

The origins of U.S.-MNC output were essentially unchanged: The share of the output of U.S. MNC's that originated within the MNC's themselves was 36 percent in 1989 and 35 percent in 1996 (table 3, column 8). The share of MNC output that was accounted for by U.S.-parent gross product edged down from 28 percent to 26 percent, whereas the share accounted for by MOFA gross product edged up from 8 percent to 9 percent.

Data Availability

This article presents a summary of the preliminary estimates of the worldwide operations of U.S. multinational companies (MNC's) from the 1996 Annual Survey of U.S. Direct Investment Abroad and the final estimates from the 1995 Annual Survey of U.S. Direct Investment Abroad. More detailed estimates, including the gross product estimates, will be available later this year on BEA's Web site, on diskettes, and in the publications *U.S. Direct Investment Abroad: Operations of U.S. Parent Companies and Their Foreign Affiliates, Revised 1995 Estimates and Preliminary 1996 Estimates*.

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

Detailed estimates of U.S.-MNC operations for 1983-94 and preliminary estimates for 1995 are available on BEA's Web site. Go to <www.bea.doc.gov> and click on Catalog of Products.

The detailed estimates for each year are also available on diskette at \$20 per diskette. For information, see the Catalog of Products, or call 1-800-704-0415 (outside the United States, call 202-606-9666) for a copy of the catalog.

These estimates are also available in publications. For information, see the Product Guide of the International Investment Division on the Web site, or write to the International Investment Division, BE-50, Bureau of Economic Analysis, Washington, DC 20230.

5. In 1996, the weighted average U.S.-dollar price of the currencies of the top 25 host countries (in terms of MOFA gross product) fell 3 percent. This decline lowered the dollar value of MOFA gross product by a similar amount when the underlying survey data were translated from foreign currencies as is generally necessary. (The weighted average host-country price inflation was derived, in most cases, using the implicit price deflator for the gross domestic product of the countries; however, for a few countries for which the deflator was not available, the consumer price index was used.)

U.S.-MNC-associated trade in goods

In 1996, U.S.-MNC-associated trade—U.S. trade involving U.S. parents, their foreign affiliates, or both—accounted for 65 percent of all U.S. exports of goods and for 40 percent of all U.S. imports of goods (table 4 and chart 2).⁶

6. MNC-associated trade accounts for an even larger share of U.S. trade in goods when U.S. businesses owned by foreign MNC's are also included. In 1996, U.S. affiliates of foreign MNC's accounted for 22 percent of U.S. exports

of goods and 32 percent of U.S. imports of goods. (As previously noted, these U.S.-affiliate shares overlap the U.S.-MNC shares because some U.S. parents belong to both groups; for these parents, part of their "trade with others" represents trade with their foreign parent groups. In 1996, trade between U.S. parents and their foreign parent groups accounted for 5 percent of U.S.-MNC-associated U.S. exports of goods and for 19 percent of U.S.-MNC-associated U.S. imports of goods.)

For the latest estimates of U.S. affiliates' trade, see Mahnaz Fahim-Nader and William J. Zeile, "Foreign Direct Investment in the United States: New Investment in 1997 and Affiliate Operations in 1996," *SURVEY 78* (June 1998): 39-67.

Table 2.—Selected Data for Nonbank U.S. MNC's, U.S. Parents, and MOFA's, by Industry of U.S. Parent, 1989, 1995, and 1996

	MNC's worldwide				Parents				MOFA's				MOFA share of worldwide MNC total (percent)			
	Millions of dollars			Thou-	Millions of dollars			Thou-	Millions of dollars			Thou-	Gross product	Profit-type return	Capital expenditures	Number of employees
	Gross product	Profit-type return	Capital expenditures	Number of employees	Gross product	Profit-type return	Capital expenditures	Number of employees	Gross product	Profit-type return	Capital expenditures	Number of employees				
1989																
All industries	1,364,878	251,434	260,488	23,879.4	1,044,884	164,910	201,808	18,765.4	319,994	86,524	58,680	5,114.0	23	34	23	21
Petroleum	165,680	31,337	41,465	786.0	93,128	15,807	26,790	579.8	72,552	15,530	14,675	206.2	44	50	35	26
Manufacturing	793,771	146,963	133,168	13,791.1	586,568	86,214	98,662	10,127.0	207,203	60,749	34,506	3,664.1	26	41	26	27
Food and kindred products	79,472	19,533	11,982	1,473.1	60,310	14,574	9,361	1,135.8	19,162	4,959	2,621	337.3	24	25	22	23
Chemicals and allied products	141,006	38,398	29,341	1,881.1	97,119	23,389	20,295	1,255.0	43,887	15,009	9,046	626.1	31	39	31	33
Primary and fabricated metals	45,775	9,594	7,222	843.2	37,556	6,335	5,402	684.6	8,219	3,259	1,820	158.6	18	34	25	19
Industrial machinery and equipment	116,146	16,242	18,392	1,905.0	70,887	1,799	11,535	1,249.9	45,259	14,443	6,857	655.1	39	89	37	34
Electronic and other electric equipment	68,515	12,371	13,594	1,479.4	56,139	9,218	11,004	1,093.3	12,376	3,153	2,590	386.1	18	25	19	26
Transportation equipment	160,292	21,989	24,302	2,851.9	121,141	11,552	18,642	2,104.4	39,151	10,437	5,660	747.5	24	47	23	26
Other manufacturing	182,567	28,839	28,334	3,357.4	143,417	19,347	22,423	2,604.0	39,150	9,492	5,911	753.4	21	33	21	22
Wholesale trade	28,766	5,648	6,074	582.6	22,587	3,176	4,953	434.2	6,179	2,472	1,121	148.4	21	44	18	25
Finance (except depository institutions), insurance, and real estate	62,715	20,221	10,006	1,408.0	50,535	16,406	7,581	1,107.6	12,180	3,815	2,425	300.4	19	19	24	21
Services	66,999	7,767	16,675	2,014.6	57,090	5,949	13,628	1,700.0	9,909	1,818	3,047	314.6	15	23	18	16
Other industries	246,946	39,495	53,100	5,297.1	234,975	37,358	50,194	4,816.7	11,971	2,137	2,906	480.4	5	5	5	9
1995																
All industries	1,831,046	381,165	323,616	24,499.7	1,365,470	266,285	248,017	18,576.2	465,576	114,880	75,599	5,923.5	25	30	23	24
Petroleum	205,044	31,807	40,336	644.1	110,014	12,584	24,640	472.3	95,030	19,223	15,696	171.8	46	60	39	27
Manufacturing	1,023,697	224,611	157,650	13,223.6	723,182	145,188	112,182	9,079.7	300,515	79,423	45,468	4,143.9	29	35	29	31
Food and kindred products	119,282	31,082	14,851	1,663.7	78,223	20,702	10,485	1,133.6	41,059	10,380	4,366	530.1	34	33	29	32
Chemicals and allied products	182,827	52,438	29,894	1,712.7	116,949	29,434	19,969	1,050.7	65,878	23,004	9,925	662.0	36	44	33	39
Primary and fabricated metals	59,387	10,167	8,407	768.3	39,937	6,208	5,960	563.9	19,450	3,959	2,447	204.4	33	39	29	27
Industrial machinery and equipment	139,767	31,851	15,863	1,759.0	88,818	18,545	10,667	1,127.8	50,949	13,306	5,196	631.2	36	42	33	36
Electronic and other electric equipment	103,693	30,152	25,858	1,654.1	77,286	21,242	19,677	1,058.3	26,407	8,910	6,181	595.8	25	30	24	36
Transportation equipment	202,108	28,894	32,722	2,471.3	152,834	19,950	21,565	1,707.5	49,274	8,944	11,157	766.8	24	31	34	31
Other manufacturing	216,632	40,028	30,055	3,194.7	169,135	29,108	23,859	2,438.0	47,497	10,920	6,196	753.7	22	27	21	24
Wholesale trade	39,127	6,999	7,355	702.9	30,853	4,321	6,232	499.8	8,274	2,678	1,123	203.1	21	38	15	29
Finance (except depository institutions), insurance, and real estate	72,489	32,671	14,899	1,258.6	52,813	24,628	11,458	1,059.1	19,676	8,043	3,441	199.5	27	25	23	16
Services	118,328	15,497	19,960	2,731.9	97,623	12,479	17,126	2,225.9	20,705	3,018	2,834	506.0	17	19	14	19
Other industries	372,360	69,578	83,420	5,938.6	350,984	67,084	76,381	5,239.4	21,376	2,494	7,039	699.2	6	4	8	12
1996																
All industries	1,965,438	450,909	340,101	24,932.6	1,466,999	325,278	258,997	18,775.1	498,439	125,631	81,104	6,157.5	25	28	24	25
Petroleum	229,265	50,415	40,833	665.4	124,818	25,936	23,397	484.3	104,447	24,479	17,436	181.1	46	49	43	27
Manufacturing	1,060,715	239,064	161,816	13,157.3	752,784	158,078	114,212	8,949.3	307,931	80,986	47,604	4,208.0	29	34	29	32
Food and kindred products	111,905	32,637	12,424	1,373.3	75,322	23,551	9,116	958.2	36,583	9,086	3,308	415.1	33	28	27	30
Chemicals and allied products	197,684	60,717	30,935	1,725.8	127,746	34,700	20,611	1,038.0	69,938	26,017	10,324	687.8	35	43	33	40
Primary and fabricated metals	59,376	8,813	7,846	812.5	39,716	5,975	6,043	574.6	19,660	2,838	1,803	237.9	33	32	23	29
Industrial machinery and equipment	145,119	31,407	19,081	1,799.3	93,670	18,005	12,914	1,151.9	51,449	13,402	6,167	647.4	35	43	32	36
Electronic and other electric equipment	122,232	33,539	28,779	1,899.4	87,913	22,173	20,931	1,192.8	34,319	11,366	7,848	706.6	28	34	27	37
Transportation equipment	209,154	33,548	32,484	2,436.8	162,818	26,063	20,698	1,683.5	46,966	7,485	11,786	753.3	22	22	36	31
Other manufacturing	215,245	38,402	30,265	3,110.2	166,229	27,611	23,898	2,350.3	49,016	10,791	6,367	759.9	23	28	21	24
Wholesale trade	57,229	10,181	10,207	1,020.0	42,425	6,079	8,375	685.4	14,804	4,102	1,832	334.6	26	40	18	33
Finance (except depository institutions), insurance, and real estate	92,933	47,169	14,012	1,290.7	69,768	37,744	11,529	1,069.6	23,165	9,425	2,483	221.1	25	20	18	17
Services	140,597	22,838	21,587	2,947.8	113,882	18,210	18,250	2,381.3	26,715	4,628	3,337	566.5	19	20	15	19
Other industries	384,700	81,243	91,646	5,851.4	363,323	79,231	83,235	5,205.1	21,377	2,012	8,411	646.3	6	2	9	11

Of the \$407 billion in U.S.-MNC-associated exports in 1996, 40 percent represented trade between U.S. parents and their foreign affiliates— intra-MNC trade—and 60 percent represented U.S.-MNC trade with others. Of the \$245 billion in trade with others, 87 percent represented exports shipped by U.S. parents to foreigners other than their foreign affiliates, and 13 percent represented exports shipped to foreign affiliates by U.S. persons other than their U.S. parents.

Of the \$321 billion in U.S.-MNC-associated imports of goods in 1996, 42 percent represented

intra-U.S.-MNC trade, and 58 percent represented U.S.-MNC trade with others. Of the \$185 billion in trade with others, 86 percent represented imports shipped to U.S. parents by foreigners other than their foreign affiliates, and 14 percent represented imports shipped by foreign affiliates to U.S. persons other than their U.S. parents.

U.S. Parents' Operations

This section examines the following selected aspects of the domestic (U.S.-parent) operations

Table 3.—Origin of Output of Nonbank U.S. MNC's, by Major Industry of U.S. Parent, 1989, 1995, and 1996

	Millions of dollars							Share of total output, in percent			
	Sales to unaffiliated persons	Inventory change	Total output ¹	Gross product			Purchases from outside the MNC ²	Gross product			Purchases from outside the MNC
				Total	U.S. parents	MOFA's		Total	U.S. parents	MOFA's	
1989											
All industries	3,780,150	15,656	3,795,806	1,364,878	1,044,884	319,994	2,430,928	36	28	8	64
Petroleum	454,570	-335	454,235	165,680	93,128	72,552	288,555	36	21	16	64
Manufacturing	1,949,221	10,151	1,959,372	793,771	586,568	207,203	1,165,601	41	30	11	59
Food and kindred products	238,629	-564	238,065	79,472	60,310	19,162	158,593	33	25	8	67
Chemicals and allied products	321,167	1,745	322,912	141,006	97,119	43,887	181,906	44	30	14	56
Primary and fabricated metals	122,068	610	122,678	45,775	37,556	8,219	76,903	37	31	7	63
Industrial machinery and equipment	249,741	2,935	252,676	116,146	70,887	45,259	136,530	46	28	18	54
Electronic and other electric equipment	169,909	1,898	171,807	68,515	56,139	12,376	103,292	40	33	7	60
Transportation equipment	432,713	1,133	433,846	160,292	121,141	39,151	273,554	37	28	9	63
Other manufacturing	414,994	2,395	417,389	182,567	143,417	39,150	234,822	44	34	9	56
Wholesale trade	254,746	1,234	255,980	28,766	22,587	6,179	227,214	11	9	2	89
Finance (except depository institutions), insurance, and real estate	433,328	-1,058	432,270	62,715	50,535	12,180	369,555	15	12	3	85
Services	125,561	545	126,106	66,999	57,090	9,909	59,107	53	45	8	47
Other industries	562,724	5,119	567,843	246,946	234,975	11,971	320,897	43	41	2	57
1995											
All industries	5,296,982	49,276	5,346,258	1,831,046	1,365,470	465,576	3,515,212	34	26	9	66
Petroleum	554,092	-1,170	552,922	205,044	110,014	95,030	347,878	37	20	17	63
Manufacturing	2,708,988	40,971	2,749,959	1,023,697	723,182	300,515	1,726,262	37	26	11	63
Food and kindred products	364,493	1,443	365,936	119,282	78,223	41,059	246,654	33	21	11	67
Chemicals and allied products	449,904	7,191	457,095	182,827	116,949	65,878	274,268	40	26	14	60
Primary and fabricated metals	147,329	2,351	149,680	59,387	39,937	19,450	90,293	40	27	13	60
Industrial machinery and equipment	364,649	7,858	372,507	139,767	88,818	50,949	232,740	38	24	14	62
Electronic and other electric equipment	295,754	5,380	301,134	103,693	77,286	26,407	197,441	34	26	9	66
Transportation equipment	564,726	3,453	568,179	202,108	152,834	49,274	366,071	36	27	9	64
Other manufacturing	522,132	13,298	535,430	216,632	169,135	47,497	318,798	40	32	9	60
Wholesale trade	323,457	4,189	327,646	39,127	30,853	8,274	288,519	12	9	3	88
Finance (except depository institutions), insurance, and real estate	578,972	-185	578,787	72,489	52,813	19,676	506,298	13	9	3	87
Services	236,581	1,054	237,635	118,328	97,623	20,705	119,307	50	41	9	50
Other industries	894,890	4,416	899,306	372,360	350,984	21,376	526,946	41	39	2	59
1996											
All industries	5,664,079	10,177	5,674,256	1,965,438	1,466,999	498,439	3,708,818	35	26	9	65
Petroleum	633,773	855	634,628	229,265	124,818	104,447	405,363	36	20	16	64
Manufacturing	2,803,693	745	2,804,438	1,060,715	752,784	307,931	1,743,723	38	27	11	62
Food and kindred products	296,737	-2,860	293,877	111,905	75,322	36,583	181,972	38	26	12	62
Chemicals and allied products	477,850	1,904	479,754	197,684	127,746	69,938	282,070	41	27	15	59
Primary and fabricated metals	146,729	631	147,360	59,376	39,716	19,660	87,984	40	27	13	60
Industrial machinery and equipment	399,998	-2,406	397,592	145,119	93,670	51,449	252,473	36	24	13	64
Electronic and other electric equipment	360,779	4,040	364,819	122,232	87,913	34,319	242,587	34	24	9	66
Transportation equipment	599,125	177	599,302	209,154	162,188	46,966	390,148	35	27	8	65
Other manufacturing	522,478	-742	521,736	215,245	166,229	49,016	306,491	41	32	9	59
Wholesale trade	428,742	5,432	434,174	57,229	42,425	14,804	376,945	13	10	3	87
Finance (except depository institutions), insurance, and real estate	606,069	389	606,458	92,933	69,768	23,165	513,525	15	12	4	85
Services	275,616	755	276,371	140,597	113,882	26,715	135,774	51	41	10	49
Other industries	916,186	2,002	918,188	384,700	363,323	21,377	533,488	42	40	2	58

1. Equals sales to unaffiliated persons plus inventory change; also equals gross product plus purchases from outside the MNC.
 2. Equals total output less gross product. Includes purchases from minority-owned foreign affiliates, which could not be excluded because the necessary data are unavailable.

MNC Multinational company
 MOFA Majority-owned foreign affiliate

Table 4.—U.S. Trade in Goods Associated with Nonbank U.S. MNC's, 1989, 1995, and 1996
 [Millions of dollars, unless otherwise noted]

Line		1989	1995	1996
1	MNC-associated U.S. exports, total	236,371	374,002	407,439
2	Intra-MNC trade	89,539	152,666	162,443
3	Shipped by U.S. parents to their MOFA's	86,050	147,622	160,469
4	Shipped by U.S. parents to their other foreign affiliates	3,489	5,044	1,974
5	MNC trade with others	146,832	221,336	244,997
6	Shipped by U.S. parents to foreigners other than their own affiliates	133,813	196,175	213,332
7	Of which:			
8	Shipped by U.S. parents to their foreign parent groups	10,413	19,007	21,599
9	Shipped to foreign affiliates by U.S. persons other than their own parents	13,019	25,161	31,665
10	To MOFA's	11,437	23,788	26,992
11	To other foreign affiliates	1,582	1,373	4,673
12	MNC-associated U.S. imports, total	201,182	289,941	321,025
13	Intra-MNC trade	77,307	122,273	136,053
14	Shipped by MOFA's to their U.S. parents	71,283	118,359	130,882
15	Shipped by other foreign affiliates to their U.S. parents	6,024	3,914	5,171
16	MNC trade with others	123,875	167,668	184,972
17	Shipped to U.S. parents by foreigners other than their own affiliates	103,788	141,376	158,720
18	Of which:			
19	Shipped to U.S. parents by their foreign parent groups	32,398	51,656	61,192
20	Shipped by foreign affiliates to U.S. persons other than their own parents	20,087	26,292	26,252
21	By MOFA's	13,015	17,923	19,115
22	By other foreign affiliates	7,072	8,369	7,137
23	Addenda:			
24	All U.S. exports of goods	363,836	584,742	625,075
25	U.S.-MNC-associated U.S. exports as a percentage of total (line 1/line 21) * 100	65	64	65
26	Intra-U.S.-MNC exports as a percentage of total (line 2/line 21) * 100	25	26	26
27	All U.S. imports of goods	473,647	743,543	795,289
28	U.S.-MNC-associated U.S. imports as a percentage of total (line 11/line 24) * 100	42	39	40
29	Intra-U.S.-MNC imports as a percentage of total (line 12/line 24) * 100	16	16	17

MNC Multinational company
 MOFA Majority-owned foreign affiliate

of U.S. MNC's: The 1995-96 change in U.S.-parent gross product by industry and by source of change; the U.S.-parent share of the gross product of all private U.S. businesses in 1989 and 1996; and the origin of U.S.-parent output in 1989 and 1996.

Changes in gross product

The gross product of all U.S. parents increased 7 percent in 1996, to \$1,467 billion, compared with a 5-percent increase in 1989-95 (table 5).

By industry.—In 1996, U.S.-parent gross product increased most rapidly in wholesale trade (38 percent), finance (except depository institutions), insurance, and real estate (32 percent), services (17 percent), and petroleum (14 percent).¹

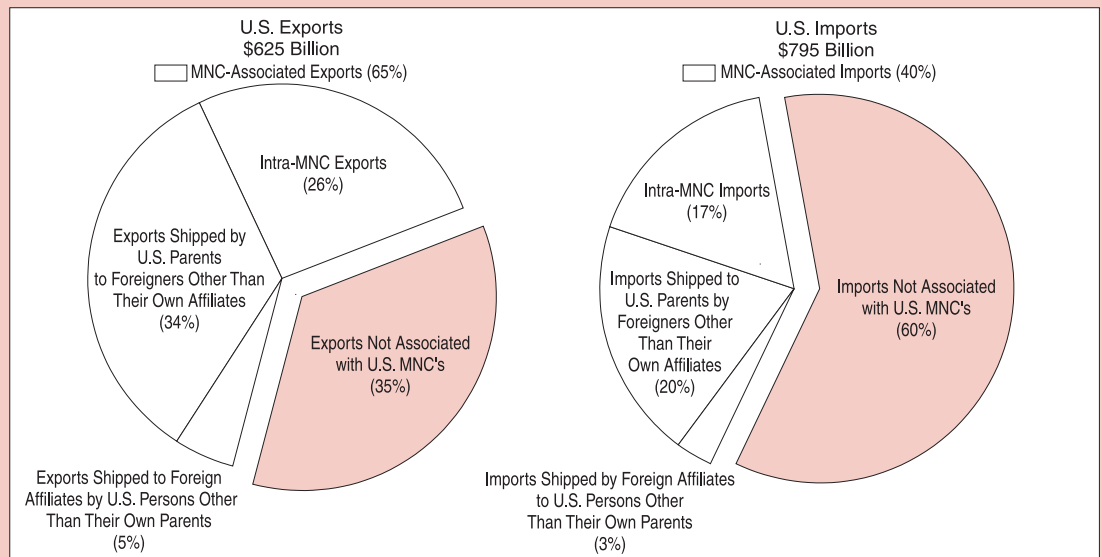
The increase in wholesale trade mostly reflected the reclassification of some U.S. parent companies from manufacturing to wholesale trade.² The increase in finance (except depository institutions), insurance, and real estate partly

1. In BEA's direct investment statistics, petroleum is presented as a major industry that consolidates all the activities associated with petroleum production, transportation, and distribution. Consequently, in this article, the data for these activities are excluded from the major industries in which they would usually be included. In particular, *manufacturing* excludes petroleum and coal products manufacturing, *mining* excludes oil and gas extraction, *wholesale trade* excludes petroleum wholesale trade, *retail trade* excludes gasoline service stations, and *transportation* excludes petroleum tanker operations, pipelines, and storage.

2. Each U.S. parent is classified in the industry that accounts for the largest portion of its sales or, for holding companies, its total income. Many U.S. parents are involved in a variety of business activities, and changes in the mix of these activities can cause a parent's industry classification to change.

CHART 2

U.S. Trade in Goods Associated with U.S. Multinational Companies in 1996



MNC Multinational company
 U.S. Department of Commerce, Bureau of Economic Analysis

Table 5.—Gross Product of Nonbank U.S. Parents by Major Industry for 1989, 1995, and 1996

	Millions of dollars				Percent change at annual rates	
	1989	1995	1996	Change, 1995-96	1989-	1995-
					95	96
All industries	1,044,884	1,365,470	1,466,999	101,529	4.6	7.4
Petroleum	93,128	110,014	124,818	14,804	2.8	13.5
Manufacturing	586,568	723,182	752,784	29,602	3.6	4.1
Food and kindred products	60,310	78,223	75,322	-2,901	4.4	-3.7
Chemicals and allied products	97,119	116,949	127,746	10,797	3.2	9.2
Primary and fabricated metals	37,556	39,937	39,716	-221	1.0	-6
Industrial machinery and equipment	70,887	88,818	93,670	4,852	3.8	5.5
Electronic and other electric equipment ...	56,139	77,286	87,913	10,627	5.5	13.8
Transportation equipment	121,141	152,834	162,188	9,354	4.0	6.1
Other manufacturing ...	143,417	169,135	166,229	-2,906	2.8	-1.7
Wholesale trade	22,587	30,853	42,425	11,572	5.3	37.5
Finance (except depository institutions), insurance, and real estate	50,535	52,813	69,768	16,955	.7	32.1
Services	57,090	97,623	113,882	16,259	9.4	16.7
Other industries	234,975	350,984	363,323	12,339	6.9	3.5

reflected the U.S. parents' expansion through acquisitions. The increase in services partly reflected increased sales to meet strong demand for new products (such as enhanced computer software and data processing services). The increase in petroleum was related to higher product prices.

By source of change.—Changes in the gross product of U.S. parents are the net result of changes in their operations (including the acquisition of other U.S. companies), of parents entering the survey universe because they established or acquired their first foreign affiliate, of parents departing the universe because they sold or liquidated their last foreign affiliate, and of other changes (table 6). In 1996, most of the increase in the gross product of U.S. parents was attributable to changes in the operations of U.S. companies that were parents in both 1995 and 1996; some of their growth reflected the acquisition of other U.S. businesses.

U.S.-parent share of the gross product of private U.S. businesses

The gross product of U.S. parents accounted for 26 percent of the gross product of all private U.S. businesses in both 1989 and 1996 (table 7). Underlying this stability were offsetting changes in the U.S.-parent shares among industries: The U.S.-parent share in manufacturing edged down from 63 percent in 1989 to 61 percent in 1996; the share in services edged up from 6 percent to 8 percent; and the share in all other industries combined edged up from 16 percent to 18 percent.⁹

9. At the all-industries level, the estimates of U.S.-parent gross product are generally conceptually consistent with the estimates of gross product for

Table 6.—Sources of Change in Gross Product for Nonbank U.S. Parents, 1995-96

Line		Millions of dollars
1	1995 level	1,365,470
2	Total change	101,529
3	New parents ¹	613
4	Changes in operations ²	82,213
5	Parents departing the universe ³	-133
6	Other changes ⁴	18,836
7	1996 level	1,466,999

1. Parents that established or acquired their first foreign affiliate in 1996.
 2. In addition to changes in existing operations, includes changes resulting from parents acquiring, establishing, selling, or liquidating parts of their consolidated operations. BEA generally requires survey respondents to fully consolidate their parent operations.
 3. Parents that sold or liquidated their last foreign affiliate in 1996.
 4. Equals the change in the gross product of parents not accounted for in lines 3-5. It includes changes resulting from the addition to the survey universe of parents that were required to report in earlier years but did not.

Table 7.—Gross Product of Nonbank U.S. Parents and Gross Product of All Nonbank U.S. Private Businesses by Major Industry for 1989, 1995, and 1996

	Millions of dollars						Percent		
	1989		1995		1996		U.S.-parent share of gross product of all private U.S. businesses		
	Gross product of U.S. parents	Gross product of all private U.S. businesses ¹	Gross product of U.S. parents	Gross product of all private U.S. businesses ¹	Gross product of U.S. parents	Gross product of all private U.S. businesses ¹	1989	1995	1996
All industries	1,044,884	4,056,084	1,365,470	5,444,494	1,466,999	5,736,898	26	25	26
Manufacturing	671,911	1,074,173	815,435	1,345,445	855,170	1,404,047	63	61	61
Services	57,524	952,060	98,714	1,423,153	115,710	1,522,462	6	7	8
All other industries	315,449	2,029,851	451,321	2,675,896	496,119	2,810,389	16	17	18

1. For improved comparability with U.S.-parent gross product, gross product of all private U.S. businesses was adjusted to remove categories not applicable to nonbank U.S. parents—specifically, gross product of depository institutions; housing product of owner-occupied farm housing (part of farm product); nonfarm housing product (part of real estate product); and business transfer payments.

NOTE.—In this table, petroleum is not shown as a separate major industry. Instead, in order to be consistent with the all-U.S. data on gross product originating by industry, U.S. parent gross product in the various petroleum subindustries is distributed among the other major industries. Thus, manufacturing includes petroleum and coal products; "all other industries" includes petro-

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

Although the U.S.-parent share in manufacturing edged down, the relatively high share partly reflects the firm-specific advantages possessed by U.S. manufacturers that lead them to serve foreign markets primarily through direct investment rather than through international trade (see [footnote 11](#)).

Although the U.S.-parent share in services rose, the relatively low share reflects a variety of factors. U.S. direct investment in some service industries may be inhibited by the structure of those industries in some host countries. For example, U.S. direct investment in health care services is constrained or precluded in countries where the government plays a prominent role in the delivery of health care. In addition, some service industries that are characterized by small-scale production (such as dry cleaners and hair stylists) may lack the firm-specific advantages that often provide the basis for direct investment in other industries.

Origin of output

The output of U.S. parents (sales plus inventory change) consists of both the gross product that originates within the parents themselves and the gross product that originates elsewhere and that is incorporated in the intermediate inputs purchased by parents from foreign affiliates and from outside suppliers.

The origins of U.S.-parent output were essentially the same in 1996 as in 1989: The share of parent output originating in parents themselves was 33 percent in both years ([table 8](#), column 11). Underlying this stability were mildly offsetting changes in the origin of output among industries. In manufacturing, the origin of U.S.-parent output shifted slightly away from internal production, as the share of U.S.-parent output that was accounted for by their gross product edged down from 38 percent to 35 percent; the shift was most pronounced for parents in industrial machinery, particularly in computers and components, and in electric equipment, particularly in consumer electronics. In wholesale trade,

the origin of U.S.-parent output shifted slightly toward internal production; the share of U.S.-parent output that was accounted for by their gross product edged up from 10 percent to 12 percent.

The share of U.S. parents' output that was accounted for by local (U.S.) content—U.S.-parent gross product and purchases from U.S. suppliers—remained high, at 93 percent, in 1996, compared with 94 percent in 1989. Underlying this stability were offsetting changes in the local-content share among industries. In wholesale trade, the local-content share of the output of U.S. parents edged up from 85 percent to 88 percent; most of this change occurred between 1995 and 1996 and largely reflected the industry reclassifications previously noted. Conversely, in petroleum, the local-content share edged down from 92 percent to 90 percent. In manufacturing, the local-content share edged down from 93 percent to 91 percent; the decreases were most pronounced in industrial machinery, particularly in computers and components, and in electric equipment, particularly in consumer electronics.

Judging from the patterns of trade between U.S. parents and their MOFA's, the decrease in the local-content share in manufacturing reflected increased imports from both high-wage countries and low-wage countries.¹⁰ Some of the largest increases in the imports from high-wage countries were the imports from Canadian and European affiliates that produce computers and components. Some of the largest increases in the imports from low-wage countries were the imports from affiliates in Singapore, Mexico, Malaysia, and Hong Kong that produce consumer electronics and computer components.

Foreign Affiliates' Operations

This section examines selected aspects of the foreign (foreign-affiliate) operations of U.S. MNC's. First, the 1995–96 change in employment by all affiliates is examined, and the patterns of newly acquired or established affiliates in 1996 are presented. The remainder of the section focuses on

all U.S. businesses in the national income and product accounts. However, for individual industries, inconsistencies may result from differences in the basis for the industrial distribution of the estimates. The industrial distributions of gross product for all U.S. businesses are based on data collected from establishments, which are classified by the principal product or service produced at each establishment, whereas the industrial distributions of U.S.-parent gross product are based on data collected from enterprises, or companies, which are classified by the principal product or service produced by all of their establishments combined. Because the establishments of a large company may be classified in different industries, the distributions of data by industry of establishment can differ significantly from those by industry of enterprise. In this article, U.S.-parent gross product as a share of the gross product for all private U.S. businesses is computed only at the highly aggregated level shown in [table 7](#).

10. Information on the countries of origin of goods imported by U.S. parents is available only for imports from MOFA's; these imports accounted for 44 percent of all goods imported by U.S. parents in 1996.

The distinction between high-wage countries and low-wage countries is based on estimates of average hourly wages of production workers of MOFA's in manufacturing; the estimates were derived from data collected in the 1994 Benchmark Survey of U.S. Direct Investment Abroad. In order to ensure the significance of the data underlying this distinction, the analysis is restricted to host countries in which employment by these MOFA's totaled at least 10,000 employees in 1994.

selected aspects of the operations of majority-owned foreign affiliates (MOFA's): The changes in the gross product of MOFA's by area, by industry, and by source of change; the MOFA share of host-country gross domestic product; the origin of MOFA output in 1989 and 1996; and the changes in the real gross product of MOFA's in manufacturing.

All affiliates

The broadest perspective on the foreign operations of U.S. MNC's is the perspective of all foreign affiliates. The examination of the operations of these affiliates uses data on employment because estimates of gross product are available only for MOFA's.

Table 8.—Origin of Output of Nonbank U.S. Parents, by Major Industry, 1989, 1995, and 1996

	Millions of dollars										Share of total output, in percent			
	Sales	Inventory change	Total output ¹	Gross product	Purchases					Addendum: Local content of output ⁵	U.S. parent gross product	Imports of goods from foreign affiliates	Purchases from outside the MNC	Addendum: Local content
					Total ²	Imports of goods			Other ⁴					
						Total	Shipped by foreign affiliates ³	Shipped by unaffiliated foreign persons						
1989														
All industries	3,136,837	13,474	3,150,311	1,044,884	2,105,427	178,526	74,738	103,788	1,926,901	2,971,785	33	2	64	94
Petroleum	328,989	-464	328,525	93,128	235,397	25,976	7,789	18,187	209,421	302,549	28	2	69	92
Manufacturing	1,553,374	6,945	1,560,319	586,568	973,751	106,532	61,122	45,410	867,219	1,453,787	38	4	58	93
Food and kindred products	190,617	254	190,871	60,310	130,561	3,609	966	2,643	126,952	187,262	32	1	68	98
Chemicals and allied products	235,731	817	236,548	97,119	139,429	11,783	3,708	8,075	127,646	224,765	41	2	57	95
Primary and fabricated metals	104,727	346	105,073	37,556	67,517	5,665	2,088	3,577	61,852	99,408	36	2	62	95
Industrial machinery and equipment	171,239	1,447	172,686	70,887	101,799	16,660	11,763	4,897	85,139	156,026	41	7	52	90
Electronic and other electric equipment	146,277	1,132	147,409	56,139	91,270	13,169	5,382	7,787	78,101	134,240	38	4	58	91
Transportation equipment	361,979	1,181	363,160	121,141	242,019	44,973	31,808	13,165	197,046	318,187	33	9	58	88
Other manufacturing	342,804	1,768	344,572	143,417	201,155	10,674	5,407	5,267	190,481	333,898	42	2	57	97
Wholesale trade	226,707	1,249	227,956	22,587	205,369	34,644	2,492	32,152	170,725	193,312	10	1	89	85
Finance (except depository institutions), insurance, and real estate	394,461	1,238	395,699	50,535	345,164	(P)	(P)	357	(P)	(P)	13	(P)	(P)	(P)
Services	106,517	214	106,731	57,090	49,641	508	219	289	49,133	106,223	53	(*)	46	100
Other industries	526,789	4,292	531,081	234,975	296,106	(P)	(P)	7,393	(P)	(P)	44	(P)	(P)	(P)
1995														
All industries	4,235,578	31,020	4,266,598	1,365,470	2,901,128	263,649	122,273	141,376	2,637,479	4,002,949	32	3	65	94
Petroleum	390,744	-927	389,817	110,014	279,803	38,397	7,445	30,952	241,406	351,420	28	2	70	90
Manufacturing	2,052,309	23,853	2,076,162	723,182	1,352,980	170,309	107,352	62,957	1,182,671	1,905,853	35	5	60	92
Food and kindred products	253,918	1,462	255,380	78,223	177,157	6,182	2,274	3,908	170,975	249,198	31	1	68	98
Chemicals and allied products	306,816	3,314	310,130	116,949	193,181	18,149	7,009	11,140	175,032	291,981	38	2	60	94
Primary and fabricated metals	121,151	28	121,179	39,937	81,242	6,054	2,450	3,604	75,188	115,125	33	2	65	95
Industrial machinery and equipment	252,676	3,942	256,618	88,818	167,800	38,394	26,281	12,113	129,406	218,224	35	10	55	85
Electronic and other electric equipment	236,016	2,442	238,458	77,286	161,172	28,734	12,164	16,570	132,438	209,724	32	5	62	88
Transportation equipment	464,606	1,204	465,810	152,834	312,976	56,222	49,527	6,695	256,754	409,588	33	11	57	88
Other manufacturing	417,125	11,463	428,588	169,135	259,453	16,572	7,646	8,926	242,881	412,016	39	2	59	96
Wholesale trade	282,997	3,002	285,999	30,853	255,146	40,077	4,345	35,732	215,069	245,922	11	2	88	86
Finance (except depository institutions), insurance, and real estate	489,407	165	489,572	52,813	436,759	(P)	(P)	(P)	436,759	489,572	11	(P)	89	(P)
Services	191,236	654	191,890	97,623	94,267	(P)	444	(P)	94,267	191,890	51	(P)	49	(P)
Other industries	828,886	4,273	833,159	350,984	482,175	13,944	2,687	11,257	468,231	819,215	42	(*)	58	98
1996														
All industries	4,497,607	6,523	4,504,130	1,466,999	3,037,131	294,773	136,053	158,720	2,742,358	4,209,357	33	3	64	93
Petroleum	435,901	-113	435,788	124,818	310,970	44,770	8,300	36,470	266,200	391,018	29	2	69	90
Manufacturing	2,123,437	2,441	2,125,878	752,784	1,373,094	190,844	118,924	71,920	1,182,250	1,935,034	35	6	59	91
Food and kindred products	212,266	352	212,618	75,322	137,296	4,740	1,365	3,375	132,556	207,878	35	1	64	98
Chemicals and allied products	327,105	731	327,836	127,746	200,090	19,804	7,844	11,960	180,286	308,032	39	2	59	94
Primary and fabricated metals	119,282	599	119,881	39,716	80,165	5,640	2,193	3,447	74,525	114,241	33	2	65	95
Industrial machinery and equipment	271,624	-976	270,648	93,670	176,978	37,379	27,859	9,520	139,599	233,269	35	10	55	86
Electronic and other electric equipment	284,925	2,903	287,828	87,913	199,915	35,331	15,449	19,882	164,584	252,497	31	5	64	88
Transportation equipment	499,636	-412	499,224	162,188	337,036	71,152	56,841	14,311	265,884	428,072	32	11	56	86
Other manufacturing	408,599	-756	407,843	166,229	241,614	16,797	7,372	9,425	224,817	391,046	41	2	57	96
Wholesale trade	350,503	307	350,810	42,425	308,385	43,847	6,197	37,650	264,538	306,963	12	2	86	88
Finance (except depository institutions), insurance, and real estate	522,359	174	522,533	69,768	452,765	(P)	(P)	(P)	452,765	522,533	13	(P)	87	(P)
Services	217,339	693	218,032	113,882	104,150	(P)	442	(P)	104,150	218,032	52	(P)	48	(P)
Other industries	848,068	3,021	851,089	363,323	487,766	14,097	2,190	11,907	473,669	836,992	43	(*)	57	98

* Less than \$500,000 or 0.5 percent.

¹ Suppressed to avoid disclosure of data of individual companies.

² Equals sales plus inventory change; also equals gross product plus purchases.

³ Equals total output less gross product.

⁴ As reported on parents' forms.

⁵ Includes purchases of goods and services from U.S. residents and purchases of services from foreign resi-

dents.

⁵ Equals gross product plus "other" purchases. The local content of output is overstated to the extent that "other" purchases include imported services and that imported goods and services are embodied in purchases from domestic suppliers. (These items were not reported separately and thus could not be identified and included in foreign content.)

MNC Multinational company

Changes in employment by area and by industry.—The total employment of nonbank foreign affiliates increased 4 percent to 7.6 million in 1996, compared with a 2-percent average annual increase in 1989–95 (table 9).

By area, most of the increase was accounted for by affiliates in Europe, in Latin America and Other Western Hemisphere, and in Asia and Pacific. By industry, most of the increase was accounted for by affiliates in manufacturing, in “other industries” (mainly communications), and in services.

Newly acquired or established affiliates.—In 1996, 406 affiliates with a combined employment of 150,000 were established or acquired by U.S. MNC’s (table 10). In 1996, like in 1990–95 (the other years for which estimates are available), high-wage countries were the primary locations for new affiliates. Affiliates in high-wage countries accounted for 70 percent of all of these new affiliates and for 87 percent of their employment. This large share suggests that U.S. direct investment abroad tends to be attracted more by access to large and prosperous markets than by access to low-wage labor. The United Kingdom, Germany, and Australia were among the high-wage countries that attracted significant amounts of new investment in 1996.

Low-wage countries, though accounting for a relatively low share, have been attracting a rising proportion of the new investments. Their share of new investments rose steadily from 18

percent in 1989 to 30 percent in 1996. Brazil, Mexico, and Singapore were among the low-wage countries that attracted relatively large amounts of new investment in 1996.

Manufacturing continued to be the primary industry for new investments in 1996; it accounted for 36 percent of all new affiliates and for 39 percent of the employment of these affiliates. “Other industries” also accounted for some large new investments; for example, some U.S. providers of electric power and telecommunications services acquired foreign affiliates through host-country privatizations.

Majority-owned foreign affiliates

In 1996, majority-owned foreign affiliates (MOFA’s) accounted for 89 percent of all foreign affiliates and for 81 percent of the employment of all affiliates. The MOFA share of affiliate employment has increased from 77 percent in 1989. (The employment of both majority-owned foreign affiliates and all affiliates for 1982–96 is shown in table 1.) These high percentages are consistent with the “internalization” theory of the origins of MNC’s, which suggests that MNC’s tend to have firm-specific advantages that must be preserved by strict control of operations.¹¹

11. According to the theory, these firm-specific advantages, such as superior production or marketing techniques, are necessary in order for MNC’s to overcome the various barriers to investing abroad, such as foreign languages and unfamiliar business environments.

For a discussion of the theory, see Stephen H. Hymer, *The International Operations of National Firms* (Cambridge, MA: MIT Press, 1976).

Table 9.—Employment by Nonbank Foreign Affiliates, by Major Area and Industry of Affiliate, 1989, 1995, and 1996

	Thousands of employees				Percent change, at annual rates	
	1989	1995	1996	Change, 1995–96	1989–95	1995–96
All areas, all industries	6,622.1	7,344.9	7,616.5	271.6	1.7	3.7
By major area						
Canada	955.2	925.5	921.8	-3.7	-5	-4
Europe	2,699.1	3,012.4	3,194.2	181.8	1.9	6.0
Latin America and Other Western Hemisphere	1,307.9	1,481.0	1,529.2	48.2	2.1	3.3
Africa	116.8	123.5	122.0	-1.5	.9	-1.2
Middle East	92.0	74.0	79.1	5.1	-3.6	6.9
Asia and Pacific	1,422.0	1,716.1	1,756.9	40.8	3.2	2.4
International ¹	29.1	12.4	13.2	.8	-13.3	6.5
By major industry						
Petroleum	285.2	226.9	236.0	9.1	-3.7	4.0
Manufacturing	4,191.1	4,343.7	4,477.9	134.2	.6	3.1
Food and kindred products	483.5	551.5	557.1	5.6	2.2	1.0
Chemicals and allied products	580.4	595.0	611.1	16.1	.4	2.7
Primary and fabricated metals	222.9	197.0	244.7	47.7	-2.0	24.2
Industrial machinery and equipment	557.4	513.5	527.2	13.7	-1.4	2.7
Electronic and other electric equipment	659.7	797.9	838.5	40.6	3.2	5.1
Transportation equipment	823.2	704.1	707.5	3.4	-2.6	.5
Other manufacturing	863.9	984.8	991.9	7.1	2.2	.7
Wholesale trade	533.2	540.2	563.3	23.1	.2	4.3
Finance (except depository institutions), insurance, and real estate	165.7	185.5	196.2	10.7	1.9	5.8
Services	481.5	781.8	829.1	47.3	8.4	6.1
Other industries	965.3	1,266.7	1,314.0	47.3	4.6	3.7

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

In all but a few countries, well over half of all affiliates are majority owned. The following countries are among those that had a relatively low percentage of MOFA's in 1996: Saudi Arabia (50 percent), Israel (52 percent), and India (51 percent). In some of these countries, laws

constrain, or have constrained, the level of foreign ownership of domestic businesses; these laws have limited the level of foreign ownership or have assessed lower taxes on, or provided other benefits to, businesses that have majority local ownership.

Table 10.—Newly Acquired and Established Nonbank Foreign Affiliates by Major Area and Industry of Affiliate, 1996

	Number of newly acquired and established affiliates			Millions of dollars		Thousands of employees
	Total	Acquired	Established	Total assets	Sales	
All areas, all industries	406	191	215	72,389	38,818	150.4
By major area						
Canada	27	10	17	3,782	1,401	8.3
Europe	201	107	94	43,848	26,559	106.9
Latin America and Other Western Hemisphere	66	20	46	7,986	1,282	10.6
Africa	17	5	12	2,220	676	4.4
Middle East	7	2	5	299	181	1.4
Asia and Pacific	81	40	41	12,215	8,547	16.2
International ¹	7	7	0	2,039	173	2.5
Addenda: ²						
High-wage country sample	236	126	110	50,625	28,084	116.6
Low-wage country sample	100	30	70	8,610	7,927	17.6
Non-sample countries	70	35	35	13,154	2,807	16.2
By major industry						
Petroleum	48	27	21	11,444	13,799	8.2
Manufacturing	145	86	59	13,406	10,686	58.8
Food and kindred products	8	1	7	741	668	4.0
Chemicals and allied products	44	36	8	4,040	4,227	11.8
Primary and fabricated metals	10	4	6	1,772	727	7.8
Industrial machinery and equipment	23	17	6	1,847	1,144	7.4
Electronic and other electric equipment	9	3	6	525	975	2.9
Transportation equipment	11	5	6	1,410	364	7.0
Other manufacturing	40	20	20	3,071	2,581	17.9
Wholesale trade	51	28	23	2,107	2,072	7.9
Finance (except depository institutions), insurance, and real estate	91	24	67	20,735	1,093	8.9
Services	38	12	26	2,889	2,073	18.3
Other industries	33	14	19	21,808	8,892	48.4

1. See footnote 1 to table 9.

2. The distinction between "high-wage" countries and "low-wage" countries is based on estimates of average hourly wages of production workers of majority-owned foreign affiliates (MOFA's) in manufacturing; the estimates were derived from data collected in the 1994 benchmark survey of U.S. direct investment abroad. To ensure the significance of the data underlying this distinction,

the analysis is restricted to host countries in which employment by manufacturing MOFA's totalled at least 10,000 employees in 1994.

NOTE.—The data in this table cover only newly acquired or established foreign affiliates. They exclude data for consolidated units of existing foreign affiliates that were acquired or established during the year.

Table 11.—Gross Product of Nonbank Majority-Owned Foreign Affiliates, by Major Area and Industry of Affiliate, 1989, 1995, and 1996

	Millions of dollars				Percent change at annual rates	
	1989	1995	1996	Change, 1995-96	1989-95	1995-96
All areas, all industries	319,994	465,576	498,439	32,863	6.5	7.1
By major area						
Canada	52,114	50,962	53,790	2,828	-4	5.5
Europe	179,758	279,298	295,652	16,354	7.6	5.9
Latin America and Other Western Hemisphere	29,601	46,450	51,919	5,469	7.8	11.8
Africa	5,299	6,657	8,183	1,526	3.9	22.9
Middle East	4,891	3,674	4,630	956	-4.7	26.0
Asia and Pacific	46,875	77,127	82,489	5,362	8.7	7.0
International ¹	1,457	1,410	1,776	366	-5	26.0
By major industry						
Petroleum	77,195	99,683	109,985	10,302	4.4	10.3
Manufacturing	172,008	238,901	248,644	9,743	5.6	4.1
Food and kindred products	13,643	24,907	24,259	-648	10.6	-2.6
Chemicals and allied products	32,059	46,601	50,508	3,907	6.4	8.4
Primary and fabricated metals	7,623	9,347	11,020	1,673	3.5	17.9
Industrial machinery and equipment	30,430	33,969	33,144	-825	1.9	-2.4
Electronic and other electric equipment	12,646	23,728	24,930	1,202	11.1	5.1
Transportation equipment	33,764	35,467	37,988	2,521	.8	7.1
Other manufacturing	41,843	64,880	66,795	1,915	7.6	3.0
Wholesale trade	37,947	54,320	56,399	2,079	6.2	3.8
Finance (except depository institutions), insurance and real estate	3,439	14,049	16,662	2,613	26.5	18.6
Services	14,612	33,307	37,982	4,675	14.8	14.0
Other industries	14,793	25,318	28,766	3,448	9.4	13.6

1. See footnote 1 to table 9.

Changes in gross product.—The gross product of MOFA's increased 7 percent in 1996, the same as in 1989–95, to \$498.4 billion (table 11). Increases were widespread by area, reflecting a variety of factors that affected MOFA's worldwide but that affected MOFA's in some areas more than those in others. Some contributing factors were continued economic growth in most major host countries, the acquisition and establishment of new affiliates (especially in Europe), and a 26-percent increase in crude oil prices in 1996 that raised gross product for MOFA's engaged in petroleum extraction (especially in Africa and the Middle East). By industry, affiliates in petroleum and manufacturing accounted for most of the increase in MOFA gross product.

Year-to-year changes in the MOFA gross product are the net result of changes in existing MOFA operations, new entrants into the MOFA universe (as new affiliates are acquired or established and as existing affiliates become majority owned), departures from the MOFA universe (as existing affiliates are sold to foreigners or are liquidated), and other changes. In 1996, most of the increase in MOFA gross product was attributable to changes in existing operations (table 12).

MOFA share of host-country GDP.—In 1996, the gross product of MOFA's accounted for 6 percent or more of the gross domestic product (GDP) of six of the host countries shown in table 13: Ireland (14 percent), Canada (9 percent), Singapore (8 percent), United Kingdom (7 percent), Costa Rica (7 percent), and Honduras (6 percent).

The relatively high MOFA shares of host-country GDP in Ireland, Canada, Singapore, and the United Kingdom can be traced to some of the following factors: (1) A common language with

the United States, (2) marketing and commercial legal systems similar to those in the United States, (3) geographic proximity to the United States, (4) the availability of a skilled work force, (5) political stability, and (6) low corporate tax rates. The comparatively high MOFA shares of GDP in Costa Rica and Honduras partly reflect the important role of U.S.-owned agricultural production in those countries' small and relatively undiversified economies.

The MOFA share of host-country GDP was less than 1 percent in four of the host countries shown

Table 13.—Gross Product of MOFA's as a Percentage of GDP of Selected Host Countries, 1989, 1995, and 1996

	1989	1995	1996
Ireland	12.4	14.4	13.9
Canada	9.5	8.9	8.9
Singapore	8.0	8.8	7.5
United Kingdom	6.2	6.7	7.1
Costa Rica	4.0	6.4	6.6
Honduras	5.6	8.0	6.2
Belgium	5.6	5.4	5.5
Malaysia	4.6	4.9	4.8
Netherlands	5.8	4.7	4.6
Australia	4.9	4.4	4.4
Norway	4.6	3.6	4.1
Hong Kong	5.0	4.1	4.0
New Zealand	2.3	3.2	4.0
Panama	11.4	4.2	3.7
Chile	2.7	3.7	3.5
Switzerland	2.9	2.7	3.1
Mexico	2.4	2.7	3.1
Venezuela	1.7	2.8	3.0
United Arab Emirates	4.3	2.8	2.9
Brazil	(¹)	2.5	2.7
Portugal	2.2	2.6	2.7
Indonesia	4.2	2.6	2.6
Germany ²	3.0	2.6	2.6
Colombia	2.9	2.6	2.6
Philippines	2.4	2.8	2.6
France	2.3	2.3	2.5
Argentina	(¹)	2.0	2.1
Sweden	1.2	2.3	2.0
Thailand	2.5	2.0	1.9
Italy	1.9	1.8	1.8
Spain	1.9	1.7	1.7
Finland .....	.9	1.4	1.6
Peru	(¹)	1.8	1.6
Guatemala	1.9	1.6	1.5
Ecuador	2.8	1.7	1.5
Denmark	1.2	1.3	1.4
Egypt	1.1	1.4	1.4
Israel .....	.8	1.2	1.2
Greece	1.2	1.2	1.1
South Africa .....	.8	.8	1.0
Turkey .....	.4	1.0	1.0
Japan .....	.5	.5	.5
Korea, Republic of .....	.3	.4	.5
China	([*])	.2	.3
India .....	.1	.1	.1

* Less than 0.05 percent.

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

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

NOTE.—The countries are sorted in descending order of their 1996 values. Where two countries have the same 1996 value in the table, they were sorted using unrounded values. Host country GDP data for all countries except Hong Kong are from the International Monetary Fund, *International Financial Statistics*, July 1998 Edition (Washington, DC: International Monetary Fund, 1998). Data for Hong Kong are from the Home Page, on the World Wide Web, of the Census and Statistics Department of the Hong Kong Special Administrative Region.

GDP Gross domestic product
MOFA Majority-owned foreign affiliate

Table 12.—Sources of Change in Gross Product for Nonbank Majority-Owned Foreign Affiliates, 1995–96

Line		Millions of dollars
1	1995 level	465,576
2	Total change	32,863
3	New MOFA's	4,602
4	Acquired by U.S. parents	2,906
5	Established by U.S. parents	1,696
6	Changes in existing operations ¹	19,333
7	Sales or liquidations of MOFA's	-2,438
8	Other changes ²	11,366
9	1996 level	498,439

1. Also includes changes resulting from MOFA's acquiring, establishing, selling, or liquidating parts of their consolidated operations. BEA permits survey respondents to consolidate affiliate operations that are in the same country if the affiliates are also in the same industry or are integral parts of a single business operation.

2. Equals the change in the gross product of MOFA's not accounted for in lines 3–7. It includes changes resulting from the addition to the survey universe of MOFA's that were required to report in earlier years but did not.

MOFA Majority-owned foreign affiliate

Table 14.—Origin of Output for Nonbank MOFA's, by Major Industry of Affiliate, 1989, 1995, and 1996

	Millions of dollars										Share of total output, in percent					
	Sales	Inventory change	Output ¹	Gross product	Purchases					Addendum: Foreign content of output ⁵	Foreign content			U.S. content		
					Total ²	U.S. exports of goods to MOFA's			Other ⁴		Total	MOFA gross product	Other	Total	U.S. exports of goods shipped by U.S. parents	U.S. exports of goods shipped by un-affiliated U.S. persons
						Total	Shipped by U.S. parents ³	Shipped by un-affiliated U.S. persons								
1989																
All industries	1,019,966	2,182	1,022,148	319,994	702,154	97,488	86,050	11,437	604,666	924,660	90	31	59	10	8	1
Petroleum	179,420	602	180,022	77,195	102,827	2,462	1,869	593	100,365	177,560	99	43	56	1	1	(*)
Manufacturing	509,308	4,299	513,607	173,298	340,309	66,493	57,707	8,786	273,816	447,114	87	34	53	13	11	2
Food and kindred products	50,791	-245	50,546	13,643	36,903	2,078	1,465	613	34,825	48,468	96	27	69	4	3	1
Chemicals and allied products	94,652	421	95,073	32,059	63,014	7,342	6,500	842	55,672	87,731	92	34	59	8	7	1
Primary and fabricated metals	21,032	-51	20,981	7,623	13,358	1,756	1,409	348	11,602	19,225	92	36	55	8	7	2
Industrial machinery and equipment	100,319	1,073	101,392	31,720	69,672	11,682	10,837	845	57,990	89,710	88	31	57	12	11	1
Electronic and other electric equipment	39,678	658	40,336	12,646	27,690	8,122	7,286	837	19,568	32,214	80	31	49	20	18	2
Transportation equipment	114,391	1,000	115,391	33,764	81,627	27,874	23,841	4,032	53,753	87,517	76	29	47	24	21	3
Other manufacturing	88,444	1,442	89,886	41,843	48,043	7,639	6,370	1,269	40,404	82,247	92	47	45	8	7	1
Wholesale trade	204,295	105	204,400	36,760	167,640	26,797	25,247	1,550	140,843	177,603	87	18	69	13	12	1
Finance (except depository institutions), insurance, and real estate	51,137	-3,203	47,934	3,439	44,495	1	(*)	(*)	44,494	47,933	100	7	93	(*)	(*)	(*)
Services	32,466	202	32,668	14,509	18,159	448	388	60	17,711	32,220	99	44	54	1	1	(*)
Other industries	43,342	178	43,520	14,793	28,727	1,286	838	448	27,441	42,234	97	34	63	3	2	1
1995																
All industries	1,693,836	18,256	1,712,092	465,576	1,246,516	171,410	147,622	23,788	1,075,106	1,540,682	90	27	63	10	9	1
Petroleum	251,680	-262	251,418	99,683	151,735	3,032	2,231	802	148,703	248,386	99	40	59	1	1	0
Manufacturing	829,552	14,398	843,950	238,901	605,049	110,237	91,932	18,305	494,812	733,713	87	28	59	13	11	2
Food and kindred products	95,904	669	96,573	24,907	71,666	2,701	2,123	578	68,965	93,872	97	26	71	3	2	1
Chemicals and allied products	161,121	3,626	164,747	46,601	118,146	12,787	11,116	1,671	105,359	151,960	92	28	64	8	7	1
Primary and fabricated metals	29,000	626	29,626	9,347	20,279	2,221	1,658	563	18,058	27,405	93	32	61	7	6	2
Industrial machinery and equipment	145,964	2,539	148,503	33,969	114,534	18,091	16,077	2,013	96,443	130,412	88	23	65	12	11	1
Electronic and other electric equipment	82,150	1,943	84,093	23,728	60,365	19,120	17,764	1,355	41,245	64,973	77	28	49	23	21	2
Transportation equipment	170,499	1,579	172,078	35,467	136,611	42,286	31,774	10,511	94,325	129,792	75	21	55	25	18	6
Other manufacturing	144,912	3,417	148,329	64,880	83,449	13,032	11,420	1,613	70,417	135,297	91	44	47	9	8	1
Wholesale trade	347,624	2,174	349,798	54,320	295,478	53,767	50,382	3,384	241,711	296,031	85	16	69	15	14	1
Finance (except depository institutions), insurance, and real estate	102,426	-284	102,142	14,049	88,093	21	15	6	88,072	102,121	100	14	86	(*)	(*)	(*)
Services	84,348	463	84,811	33,307	51,504	1,892	1,736	156	49,612	82,919	98	39	58	2	2	0
Other industries	78,206	1,767	79,973	25,318	54,655	2,460	1,326	1,135	52,195	77,513	97	32	65	3	2	1
1996																
All industries	1,861,361	3,654	1,865,015	498,438	1,366,577	187,461	160,469	26,992	1,179,116	1,677,554	90	27	63	10	9	1
Petroleum	296,233	264	296,497	109,985	186,512	3,453	2,251	1,202	183,059	293,044	99	37	62	1	1	0
Manufacturing	891,291	1,725	893,016	248,644	644,372	120,338	99,621	20,717	524,034	772,678	87	28	59	13	11	2
Food and kindred products	98,992	350	99,342	24,259	75,083	2,657	1,928	729	72,426	96,685	97	24	73	3	2	1
Chemicals and allied products	174,056	757	174,813	50,508	124,305	14,165	12,124	2,041	110,140	160,648	92	29	63	8	7	1
Primary and fabricated metals	34,086	605	34,691	11,020	23,671	2,672	1,855	817	20,999	32,019	92	32	61	8	5	2
Industrial machinery and equipment	155,492	-1,353	154,139	33,144	120,995	18,617	16,373	2,245	102,378	135,522	88	22	66	12	11	1
Electronic and other electric equipment	91,058	377	91,435	24,930	66,505	19,888	18,331	1,557	46,617	71,547	78	27	51	22	20	2
Transportation equipment	190,105	977	191,082	37,988	153,094	48,376	36,683	11,693	104,718	142,706	75	20	55	25	19	6
Other manufacturing	147,501	11	147,512	66,795	80,717	13,962	12,327	1,635	66,755	133,550	91	45	45	9	8	1
Wholesale trade	373,648	1,866	375,514	56,399	319,115	58,303	54,775	3,528	260,812	317,211	84	15	69	16	15	1
Finance (except depository institutions), insurance, and real estate	108,995	60	109,055	16,662	92,393	25	22	3	92,368	109,030	100	15	85	(*)	(*)	(*)
Services	98,038	-1,351	96,687	37,982	58,705	2,127	1,995	131	56,578	94,560	98	39	59	2	2	0
Other industries	93,155	1,090	94,245	28,766	65,479	3,215	1,804	1,411	62,264	91,030	97	31	66	3	2	1

* Less than \$500,000 or 0.5 percent.

1. Equals sales plus inventory change; also equals gross product plus purchases.

2. Equals total output less gross product.

3. As reported on affiliates' forms.

4. Includes purchases of goods and services from foreign residents and purchases of services from U.S. resi-

dents.

5. Equals gross product plus "other" purchases. The foreign content of output is overstated to the extent that "other" purchases include services exported from the United States and that goods and services exported from the United States are embodied in purchases from foreign suppliers. (These items were not reported separately and thus could not be identified and included in U.S. content.)

MOFA Majority-owned foreign affiliate

in table 13: India, China, the Republic of Korea, and Japan. The low shares in most of these countries probably reflect past or present barriers to investment, including limits on foreign ownership.

Origin of output.—The output of MOFA's (sales plus inventory change) consists of both the gross product that originates in the MOFA's themselves and the gross product that originates elsewhere and that is incorporated in intermediate inputs purchased by MOFA's from U.S. parents, other foreign affiliates, or from other suppliers.

From 1989 to 1996 the origins of MOFA output shifted to outside suppliers: The share of the output of MOFA's that originated within MOFA's themselves decreased from 31 percent in 1989 to

27 percent in 1996 (tables 14 and 15, column 12). This shift was widespread across industries (but was most pronounced in manufacturing) and across geographic areas.

The U.S. content of MOFA output was 10 percent in both 1989 and 1996. In Canada, the U.S. content of MOFA output increased from 22 percent in 1989 to 26 percent in 1996; this increase was widespread across manufacturing industries and may have been partly related to the initial implementation of the Canada-United States Free Trade Agreement in 1989 and the North American Free Trade Agreement in 1994. In Latin America and Other Western Hemisphere, the U.S. content of MOFA output rose from 13 percent to 16 percent; this change in U.S. con-

Table 15.—Origin of Output for Nonbank Majority-Owned Foreign Affiliates, by Major Area of Affiliate, 1989, 1995, and 1996

	Millions of dollars										Share of total output, in percent					
	Sales	Inventory change	Output ¹	Gross product	Purchases				Addendum: Foreign content of output ⁵	Foreign content			U.S. content			
					Total ²	U.S. exports of goods to MOFA's		Other ⁴		Total	MOFA gross product	Other	Total	U.S. exports of goods shipped by U.S. parents	U.S. exports of goods shipped by unaffiliated U.S. persons	
						Total	Shipped by U.S. parents ³									Shipped by unaffiliated U.S. persons
	1989															
All areas	1,019,966	2,182	1,022,148	319,994	702,154	97,488	86,050	11,437	604,666	924,660	90	31	59	10	8	1
Canada	173,251	1,309	174,560	52,114	122,446	37,843	32,050	5,792	84,603	136,717	78	30	48	22	18	3
Europe	573,270	-813	572,457	179,758	392,699	29,888	27,585	2,303	362,811	542,569	95	31	63	5	5	(*)
Latin America and Other Western Hemisphere	87,014	530	87,544	29,601	57,943	11,236	9,495	1,741	46,707	76,308	87	34	53	13	11	2
Africa	11,576	-267	11,309	5,299	6,010	(P)	(P)	(P)	(P)	(P)	(P)	47	(P)	(P)	(P)	(P)
Middle East	8,021	-43	7,978	4,891	3,087	367	288	78	2,720	7,611	95	61	34	5	4	1
Asia and Pacific	161,640	1,444	163,084	46,875	116,209	17,491	16,136	1,355	98,718	145,593	89	29	61	11	10	1
International	5,196	22	5,218	1,457	3,761	(P)	(P)	(P)	(P)	(P)	(P)	28	(P)	(P)	(P)	(P)
	1995															
All areas	1,693,836	18,256	1,712,092	465,576	1,246,516	171,410	147,622	23,788	1,075,106	1,540,682	90	27	63	10	9	1
Canada	213,266	2,074	215,340	50,962	164,378	57,179	44,871	12,309	107,199	158,161	73	24	50	27	21	6
Europe	965,123	10,468	975,591	279,298	696,293	48,126	43,795	4,331	648,167	927,465	95	29	66	5	4	(*)
Latin America and Other Western Hemisphere	149,436	2,509	151,945	46,450	105,495	23,865	20,188	3,677	81,630	128,080	84	31	54	16	13	2
Africa	17,316	131	17,447	6,657	10,790	604	462	141	10,186	16,843	97	38	58	3	3	1
Middle East	9,500	458	9,958	3,674	6,284	379	242	136	5,905	9,579	96	37	59	4	2	1
Asia and Pacific	332,930	2,632	335,562	77,127	258,435	41,253	38,059	3,194	217,182	294,309	88	23	65	12	11	1
International	6,264	-16	6,248	1,410	4,838	5	5	0	4,833	6,243	100	23	77	(*)	(*)	0
	1996															
All areas	1,861,361	3,654	1,865,015	498,439	1,366,576	187,461	160,469	26,992	1,179,115	1,677,554	90	27	63	10	9	1
Canada	231,044	17	231,061	53,790	177,271	59,157	45,804	13,354	118,114	171,904	74	23	51	26	20	6
Europe	1,044,697	-889	1,043,808	295,652	748,156	50,813	45,766	5,048	697,343	992,995	95	28	67	5	4	(*)
Latin America and Other Western Hemisphere	178,737	1,917	180,654	51,919	128,735	28,774	24,358	4,416	99,961	151,880	84	29	55	16	13	2
Africa	19,767	231	19,998	8,183	11,815	835	450	385	10,980	19,163	96	41	55	4	2	2
Middle East	10,568	161	10,729	4,630	6,099	656	483	173	5,443	10,073	94	43	51	6	5	2
Asia and Pacific	370,342	2,189	372,531	82,489	290,042	47,221	43,604	3,617	242,821	325,310	87	22	65	13	12	1
International	6,206	28	6,234	1,776	4,458	4	4	0	4,454	6,230	100	28	71	(*)	(*)	0

* Less than 0.5 percent.

P Suppressed to avoid disclosure of data of individual companies.

1. Equals sales plus inventory change; also equals gross product plus purchases.

2. Equals total output less gross product.

3. As reported on affiliates' forms.

4. Includes purchases of goods and services from foreign residents and purchases of services from U.S. resi-

dents.

5. Equals gross product plus "other" purchases. The foreign content of output is overstated to the extent that "other" purchases include services exported from the United States and that goods and services exported from the United States are embodied in purchases from foreign suppliers. (These items were not reported separately and thus could not be identified and included in U.S. content.)

MOFA Majority-owned foreign affiliate

tent was substantially affected by currency-related valuation changes during this period.¹²

Real gross product of MOFA's in manufacturing.—BEA recently introduced experimental estimates of real gross product for MOFA's in manufacturing.¹³ These estimates provide more accurate comparisons of gross product across time and across countries than the current-dollar estimates, because they exclude the effects of prices and exchange rates. This section presents the preliminary estimates for 1996 and the revised estimates for 1995.

The real gross product of MOFA's in manufacturing grew twice as fast—5.3 percent—in 1996 as in 1989–95—2.5 percent (table 16). The rapid growth reflected continued economic growth in most host countries—particularly in some low- to middle-income countries, such as Mexico, Brazil, and China—and the addition of affiliates to the MOFA universe either because U.S. parents acquired or established these affiliates or because

12. The dollar-denominated measures of the operations of affiliates in the two largest economies in the area—Mexico and Brazil—were affected by changes in the host-countries' currencies. Between 1989 and 1996, the Mexican peso lost over two-thirds of its value against the U.S. dollar, and Brazil introduced a new currency, the real. The effects of these changes cannot be precisely measured; however, a devaluation of host-country currency generally depresses the U.S.-dollar value of affiliate sales, but it has no direct effect on the dollar value of U.S. exports to affiliates, so that the U.S.-content share of affiliate output is raised.

13. See Raymond J. Mataloni, Jr., "Real Gross Product of U.S. Companies' Majority-Owned Foreign Affiliates in Manufacturing," SURVEY 77 (April 1997): 8–17.

CHART 3

Indexes of Real Gross Product of Majority-Owned Foreign Affiliates in Manufacturing and Host-Country Industrial Production, in 19 OECD Countries, 1982-96

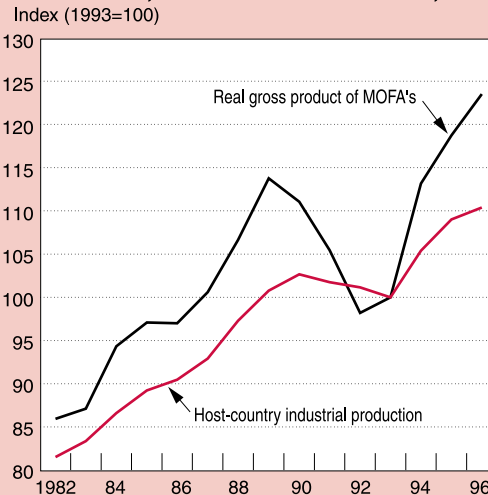


Table 16.—Current-Dollar and Real Gross Product of Majority-Owned Foreign Affiliates in Manufacturing, by Country, 1989 and 1994–96

	Billions of current dollars					Percent change at annual rates			Billions of chained (1993) dollars					Percent change at annual rates	
	1989	1994	1995	1996	Change, 1995–96	1989–95	1995–96		1989	1994	1995	1996	Change, 1995–96	1989–95	1995–96
All countries	172.0	205.2	238.9	248.6	9.7	5.6	4.1	All countries	160.1	171.4	185.7	195.4	9.8	2.5	5.3
19 OECD countries	141.4	159.3	185.0	190.3	5.3	4.6	2.9	19 OECD countries	126.1	125.8	132.0	137.3	5.3	.8	4.0
Australia	6.9	5.8	5.9	6.8	.9	-2.5	15.6	Australia	6.5	5.2	5.1	5.5	.4	-4.0	7.0
Austria .....	.7	1.3	1.2	1.5	.3	10.0	25.5	Austria .....	.6	.9	.7	1.0	.2	4.6	30.5
Belgium	5.0	6.8	8.3	8.4	.2	8.9	2.0	Belgium	4.7	5.3	5.4	5.8	.4	2.4	7.3
Canada	28.9	25.3	26.9	25.8	-1.0	-1.2	-3.8	Canada	27.4	25.0	25.3	23.8	-1.4	-1.4	-5.7
Denmark .....	.4	.6	.7	.7	(*)	12.6	-5.6	Denmark .....	.3	.3	.4	.4	(*)	6.2	-3.9
Finland .....	.1	.3	.4	.7	.3	35.1	78.9	Finland	(*)	.2	.3	.5	.2	33.0	87.2
France	11.8	16.5	18.9	20.6	1.7	8.2	9.0	France	9.5	11.6	11.6	13.3	1.7	3.4	14.5
Germany ¹	25.8	36.7	41.0	40.4	-6	8.0	-1.4	Germany ¹	23.3	26.2	25.3	26.1	.7	1.4	3.0
Greece .....	.2	.3	.4	.4	(*)	10.7	10.3	Greece .....	.3	.3	.3	.4	(*)	3.8	5.3
Ireland	3.5	4.8	6.9	7.1	.2	12.0	2.4	Ireland	3.4	4.2	5.6	5.7	.1	8.5	2.0
Italy	7.8	8.3	8.6	9.1	.5	1.8	5.9	Italy	6.7	7.2	7.0	6.9	-1	.8	-1.8
Japan	7.7	10.9	12.6	12.4	-1	8.6	-1.1	Japan	5.0	5.4	5.7	6.6	.9	2.3	16.3
Luxembourg .....	.5	.7	.8	.7	-1	6.7	-14.3	Luxembourg .....	.4	.5	.5	.5	(*)	2.1	-7.4
Netherlands	7.8	7.2	9.0	8.9	-1	2.5	-1.6	Netherlands	6.5	5.5	5.9	6.0	1.1	-1.7	2.0
New Zealand .....	.3	.4	.4	1.5	1.0	6.7	232.0	New Zealand .....	.3	.4	.4	1.3	.9	4.1	216.6
Norway .....	.1	.4	.3	.5	.1	18.8	39.3	Norway .....	.1	.2	.2	.3	.1	15.1	38.9
Spain	5.7	5.5	6.4	6.2	-2	1.8	-2.9	Spain	5.0	4.7	4.8	4.7	-2	-4	-3.8
Sweden	1.0	.8	2.7	2.4	-3	17.9	-12.3	Sweden .....	.7	.6	1.7	1.4	-3	15.4	-18.5
United Kingdom	27.4	26.7	33.6	36.2	2.6	3.4	7.7	United Kingdom	25.8	22.4	25.9	27.7	1.8	(*)	7.1
All other countries	30.6	45.9	53.9	58.4	4.4	9.9	8.2	All other countries	33.9	45.6	53.9	58.5	4.6	8.0	8.6
								Residual	-3	(*)	-3	-7			

* Less than \$50 million or 0.5 percent.

1. See footnote 2 to table 13.

corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the total line and the sum of the most detailed lines.

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


NOTE.—Chained (1993) dollar series were derived by extrapolating the base-year (1993) PPP-exchange-rate-based current-dollar value of the corresponding series by a Fisher quantity index. Because the formula for the Fisher quantity indexes uses weights of more than one period, the

parents raised their equity stake in these affiliates to a level of majority ownership.¹⁴

The real gross product of MOFA's in manufacturing grew substantially faster than total host-country production in 1996. Real gross product of MOFA's in manufacturing in 19 member countries of the Organisation for Economic Co-Operation and Development (OECD) grew 4 percent, on average, compared with a 1-percent increase in industrial production in these coun-

14. The real gross product grew slightly faster (5 percent) than the current-dollar gross product (4 percent) in 1996. The slower growth in the current-dollar gross product reflected the dampening effect of the appreciation of the U.S. dollar.

tries (chart 3).¹⁵ Affiliate growth was faster partly because of the addition of affiliates to the MOFA universe. Growth was particularly strong in Austria, Finland, New Zealand, and Norway.

Tables 17.1 through 21.2 follow. 

15. The real gross product estimates are available, at the individual country level, only for the 19 OECD countries shown in table 16, and the estimates are available only for all manufacturing industries combined.

The concepts, coverage, and method of computation of industrial production indexes are similar to those of estimates of real gross product of MOFA's in manufacturing. However, the industrial production indexes include the mining, petroleum refining, and electric and gas utilities industries, and some countries' industrial production indexes are based on changes in the total output (sales plus inventory change) in specific industries rather than on the gross product originating in them. In addition, the industry-level changes are often aggregated using weights based on total output rather than on gross product.

Table 17.1.—Selected Data for Nonbank U.S. Parents, by Industry of U.S. Parent, 1995

	Millions of dollars										Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	Gross product	Compensation of employees	
		Total	Goods	Services	Investment income ¹						
All industries	7,190,686	4,235,578	2,942,796	1,099,682	193,100	234,524	248,017	97,667	1,365,470	817,375	18,576.2
Petroleum	526,479	390,744	359,274	25,775	5,695	18,245	24,640	1,871	110,014	30,346	472.3
Oil and gas extraction	21,496	6,978	4,238	2,738	2	164	2,158	16	3,112	1,475	33.8
Crude petroleum extraction (no refining) and gas	16,111	4,470	4,053	416	2	81	1,729	0	2,021	609	10.0
Oil and gas field services	5,385	2,507	185	2,322	0	83	429	16	1,091	866	23.9
Petroleum and coal products	315,019	275,995	268,136	7,469	391	14,366	18,717	1,773	90,232	23,091	355.9
Integrated petroleum refining and extraction	298,457	254,952	248,647	5,914	391	13,986	17,333	1,741	84,397	21,527	318.1
Petroleum refining without extraction	13,527	18,877	17,334	1,544	0	315	1,306	5	5,174	1,175	30.2
Petroleum and coal products, not elsewhere classified	3,035	2,166	2,155	12	0	65	78	27	661	389	7.6
Petroleum wholesale trade	150,463	85,901	(^D)	(^D)	5,303	1,309	2,295	(^D)	8,632	3,107	42.8
Other	39,501	21,869	(^D)	(^D)	0	2,406	1,470	(^D)	8,038	2,673	39.8
Manufacturing	2,470,567	2,052,309	1,909,286	109,264	33,759	143,720	112,182	86,414	723,182	452,120	9,079.7
Food and kindred products	238,994	253,918	250,776	2,710	432	19,918	10,485	1,268	78,223	36,967	1,133.6
Grain mill and bakery products	28,176	33,074	33,074	(*)	0	2,540	1,356	276	8,364	4,104	70.9
Beverages	111,285	92,579	91,157	1,357	65	11,690	4,797	488	41,797	16,791	551.5
Other	99,533	128,266	126,546	1,353	367	5,689	4,332	503	28,062	16,072	511.2
Chemicals and allied products	441,964	306,816	300,125	6,319	373	35,827	19,969	21,104	116,949	63,955	1,050.7
Industrial chemicals and synthetics	166,429	115,760	114,536	1,223	1	9,102	8,979	5,921	42,625	23,320	359.3
Drugs	165,339	104,530	101,719	2,610	201	20,635	6,375	12,635	46,894	25,043	384.3
Soap, cleaners, and toilet goods	72,782	50,556	49,402	986	169	3,902	2,608	1,626	16,111	9,087	173.4
Agricultural chemicals	11,187	9,045	8,782	261	2	243	412	59	2,474	1,113	21.3
Chemical products, not elsewhere classified	26,226	26,925	25,687	1,239	0	1,945	1,595	863	8,846	5,392	112.3
Primary and fabricated metals	115,900	121,151	119,374	1,757	19	6,212	5,960	1,332	39,937	26,094	563.9
Primary metal industries	61,166	67,201	(^D)	(^D)	19	3,419	3,458	712	21,648	13,497	277.7
Ferrous	25,491	30,269	30,182	68	19	1,358	1,478	127	10,393	6,669	121.6
Nonferrous	35,675	36,933	(^D)	(^D)	0	2,061	1,979	586	11,255	6,828	156.1
Fabricated metal products	54,734	53,949	(^D)	(^D)	1	2,793	2,502	620	18,289	12,597	286.1
Industrial machinery and equipment	263,989	252,676	223,645	26,910	2,121	19,534	10,667	13,643	88,818	57,470	1,127.8
Farm and garden machinery	22,273	20,086	18,744	(^D)	(^D)	1,167	548	458	6,365	3,892	70.6
Construction, mining, and materials handling machinery	31,662	30,728	29,296	(^D)	(^D)	1,871	1,061	615	9,035	5,328	126.7
Computer and office equipment	122,898	122,795	101,370	20,002	1,423	12,493	5,714	10,083	39,934	24,889	395.2
Other	87,157	79,067	74,235	4,832	1	4,002	3,343	2,488	33,484	23,360	535.2
Electronic and other electric equipment	347,622	236,016	210,168	23,307	2,542	19,685	19,677	14,621	77,286	49,341	1,058.3
Household appliances	11,405	15,051	15,051	0	0	273	797	178	3,966	2,904	83.9
Household audio and video, and communications equipment	43,825	51,761	50,389	1,372	0	2,465	4,236	4,422	15,589	10,477	213.6
Electronic components and accessories	240,491	113,656	(^D)	(^D)	2,542	14,796	12,080	7,280	36,495	19,906	423.5
Electronic and other electric equipment, not elsewhere classified	51,901	55,548	(^D)	(^D)	0	2,151	2,564	2,742	21,236	16,053	337.2
Transportation equipment	591,010	464,606	409,917	26,814	27,875	18,549	21,565	24,475	152,834	110,338	1,707.5
Motor vehicles and equipment	467,404	343,822	297,938	18,715	27,169	14,417	17,442	16,307	103,531	71,797	1,004.8
Other	123,606	120,785	111,979	8,099	706	4,132	4,124	8,169	49,303	38,541	702.7
Other manufacturing	471,087	417,125	395,282	21,447	396	23,995	23,859	9,971	169,135	107,955	2,438.0
Tobacco products	(^D)	16,131	16,097	34	0	705	488	(^D)	6,498	2,637	45.6
Textile products and apparel	28,166	34,265	34,177	69	18	1,434	2,063	123	13,077	9,163	325.9
Lumber, wood, furniture, and fixtures	35,315	45,248	(^D)	(^D)	48	2,160	2,961	294	15,358	9,321	258.7
Paper and allied products	122,742	101,803	100,854	835	114	6,815	7,947	1,535	43,995	22,640	430.2
Printing and publishing	79,649	58,219	51,501	6,640	78	4,243	2,484	176	24,356	16,641	408.2
Rubber products	26,584	26,506	(^D)	(^D)	0	1,272	1,136	560	10,826	8,037	159.4
Miscellaneous plastics products	15,543	18,301	(^D)	(^D)	0	1,137	1,050	244	6,238	3,872	107.5
Glass products	19,927	15,749	(^D)	(^D)	(*)	402	1,199	364	5,959	4,342	98.2
Stone, clay, and nonmetallic mineral products	17,417	13,427	13,384	35	8	664	811	177	4,615	2,560	62.0
Instruments and related products	82,702	73,316	65,009	8,302	6	4,665	2,985	6,061	33,413	25,525	456.1
Other	(^D)	14,160	(^D)	(^D)	124	497	735	(^D)	4,800	3,218	86.2
Wholesale trade	136,434	282,997	277,697	4,822	478	1,453	6,232	1,029	30,853	19,847	499.8
Durable goods	89,548	163,962	159,071	4,421	470	-1,074	4,553	727	18,325	11,937	261.4
Non-durable goods	46,886	119,035	118,626	401	8	2,528	1,679	302	12,527	7,910	238.4
Finance (except depository institutions), insurance, and real estate	2,778,899	489,407	5,080	339,160	145,167	32,098	11,458	166	52,813	64,885	1,059.1
Finance, except depository institutions	826,442	101,353	(^D)	(^D)	56,078	7,554	2,340	145	18,205	21,887	231.1
Insurance	1,934,058	384,623	4,649	290,900	89,074	23,421	8,991	21	32,815	42,098	814.0
Real estate	7,508	(^D)	(^D)	(^D)	14	(^D)	93	0	1,667	833	13.5
Holding companies	10,891	(^D)	(^D)	(^D)	0	(^D)	33	0	127	67	.5
Services	252,643	191,236	21,145	169,722	368	9,678	17,126	3,427	97,623	71,037	2,225.9
Hotels and other lodging places	25,839	16,190	(^D)	(^D)	39	38	1,044	0	7,557	5,274	261.4
Business services	81,714	71,480	8,974	62,272	234	4,181	5,268	3,148	38,667	31,015	927.4
Advertising	6,788	5,448	0	5,448	0	350	124	0	2,820	2,361	32.9
Equipment rental (except automotive and computers)	3,703	1,857	221	1,636	0	180	821	5	1,100	526	11.4
Computer and data processing services	55,598	37,884	7,958	29,899	26	2,597	3,655	3,105	18,481	13,947	251.3
Business services, not elsewhere classified	15,625	26,291	794	25,289	208	1,054	668	39	16,266	14,181	631.9
Automotive rental and leasing	11,960	7,087	(^D)	(^D)	0	173	4,595	(*)	3,346	1,976	66.9
Motion pictures, including television tape and film	64,654	29,856	5,421	24,413	21	1,034	2,108	6	10,126	4,722	161.2
Health services	33,768	28,348	187	28,162	0	1,259	2,618	5	17,218	12,159	403.4
Engineering, architectural, and surveying services	6,898	11,927	1,288	10,634	5	147	240	159	5,301	4,800	82.0
Management and public relations services	7,445	7,700	(^D)	(^D)	60	457	223	(^D)	3,621	3,436	58.8
Other	20,363	18,648	813	17,825	9	2,389	1,029	(^D)	11,788	7,656	264.7
Other industries	1,025,664	828,886	370,313	450,939	7,633	29,329	76,381	4,760	350,984	179,140	5,239.4
Agriculture, forestry, and fishing	4,068	4,103	(^D)	(^D)	1	89	149	63	1,330	812	29.7
Mining	20,182	13,809	(^D)	(^D)	0	1,633	1,432	60	6,482	3,079	64.5
Construction	16,590	30,715	22,385	8,330	(*)	630	770	106	9,598	8,457	164.1
Transportation	138,335	126,985	1,686	124,956	343	3,385	10,309	70	67,277	47,366	1,004.0
Communication	380,844	243,139	34,630	208,187	322	3,426	35,317	4,261	117,802	57,112	987.9
Electric, gas, and sanitary services	302,189	112,453	1,285	104,977	6,190	9,876	16,074	161	71,128	20,234	328.1
Retail trade	163,456	297,680	293,850	3,054	776	10,290	12,330	39	77,367	42,079	

Table 17.2.—Selected Data for Nonbank U.S. Parents, by Industry of U.S. Parent, 1996

	Millions of dollars										Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development	Gross product	Compensation of employees	
		Total	Goods	Services	Investment income ¹						
All industries	7,805,133	4,497,607	3,117,801	1,180,012	199,795	304,131	258,997	98,611	1,466,999	843,818	18,775.1
Petroleum	554,644	435,901	396,446	33,576	5,880	31,954	23,397	1,691	124,818	31,368	484.3
Oil and gas extraction	28,663	8,739	(D)	(D)	7	1,069	2,669	(D)	5,218	1,798	39.4
Crude petroleum extraction (no refining) and gas	19,124	5,374	4,926	441	7	703	1,840	(D)	3,390	657	9.8
Oil and gas field services	9,538	3,364	(D)	(D)	0	366	829	22	1,828	1,141	29.6
Petroleum and coal products	322,379	297,836	287,907	9,648	280	26,759	15,491	1,562	98,996	22,860	353.6
Integrated petroleum refining and extraction	308,248	278,874	270,276	8,318	280	26,544	14,399	1,526	94,238	21,562	314.0
Petroleum refining without extraction	10,814	16,500	15,174	1,327	0	124	998	(*)	3,994	854	31.3
Petroleum and coal products, not elsewhere classified	3,318	2,461	2,458	4	0	92	94	36	764	444	8.2
Petroleum wholesale trade	161,425	100,472	85,176	9,837	5,459	2,390	2,840	35	11,911	4,008	53.4
Other	42,178	28,855	(D)	(D)	133	1,737	2,397	(D)	8,694	2,702	38.0
Manufacturing	2,636,393	2,123,437	1,972,332	114,698	36,407	155,297	114,212	88,351	752,784	463,373	8,949.3
Food and kindred products	214,047	212,266	208,580	3,599	87	22,086	9,116	1,262	75,322	32,020	958.2
Grain mill and bakery products	29,038	33,452	(D)	(D)	0	2,452	1,438	283	8,012	3,120	60.8
Beverages	114,730	98,932	95,926	2,919	87	15,941	5,116	552	46,956	16,861	529.4
Other	70,278	79,882	(D)	(D)	0	3,693	2,562	427	20,353	12,040	368.0
Chemicals and allied products	471,732	327,105	319,966	6,671	467	39,287	20,611	21,115	127,746	66,614	1,038.0
Industrial chemicals and synthetics	160,120	110,466	108,983	1,480	4	6,194	8,570	4,084	43,906	22,612	317.7
Drugs	191,492	120,208	116,715	3,194	299	22,003	6,821	14,274	51,564	26,388	384.9
Soap, cleaners, and toilet goods	75,597	53,901	52,628	1,113	160	4,902	2,661	1,554	17,890	9,940	179.8
Agricultural chemicals	14,999	13,821	13,553	266	2	687	784	383	4,151	2,098	40.3
Chemical products, not elsewhere classified	29,524	28,708	28,088	618	2	5,501	1,775	820	10,236	5,575	115.3
Primary and fabricated metals	118,424	119,282	117,528	1,734	20	5,208	6,043	1,028	39,716	26,190	574.6
Primary metal industries	58,751	64,714	63,594	1,101	19	2,975	3,629	515	20,434	12,992	274.6
Ferrous	29,532	34,221	(D)	(D)	19	1,593	1,931	210	12,477	7,926	145.4
Nonferrous	29,219	30,493	(D)	(D)	0	1,382	1,698	305	7,958	5,065	129.1
Fabricated metal products	59,673	54,568	53,934	633	1	2,233	2,414	513	19,281	13,198	300.0
Industrial machinery and equipment	289,767	271,624	239,333	29,978	2,312	20,618	12,914	15,950	93,670	61,875	1,151.9
Farm and garden machinery	23,124	20,092	18,607	(D)	(D)	1,274	492	507	6,295	3,861	68.2
Construction, mining, and materials handling machinery	36,090	32,654	31,185	923	547	2,268	1,148	597	10,005	5,815	133.2
Computer and office equipment	136,138	131,677	110,197	19,893	1,588	12,161	7,590	12,037	40,162	26,834	416.5
Other	94,416	87,201	79,345	(D)	(D)	4,915	3,684	2,809	37,208	25,364	534.1
Electronic and other electric equipment	402,164	284,925	251,890	29,517	3,517	21,048	20,931	14,228	87,913	59,099	1,192.8
Household appliances	11,164	15,194	15,194	0	0	553	636	214	3,915	2,656	74.9
Household audio and video, and communications equipment	65,938	75,633	72,052	3,581	0	2,745	4,233	4,106	24,480	17,471	312.2
Electronic components and accessories	263,541	130,586	(D)	(D)	3,517	14,487	13,126	7,794	34,989	20,982	438.9
Electronic and other electric equipment, not elsewhere classified	61,521	63,512	(D)	(D)	0	3,262	2,936	2,113	24,529	17,990	366.8
Transportation equipment	650,251	499,636	446,941	23,028	29,667	24,291	20,698	24,769	162,188	111,300	1,683.5
Motor vehicles and equipment	515,617	369,860	328,050	12,689	29,122	17,390	16,268	16,851	104,632	68,999	954.2
Other	134,634	129,775	118,892	10,339	545	6,901	4,429	7,918	57,557	42,301	729.3
Other manufacturing	490,009	408,599	388,093	20,170	336	22,759	23,898	10,000	166,229	106,275	2,350.3
Tobacco products	(D)	16,043	16,009	34	0	762	395	(D)	6,370	2,689	46.4
Textile products and apparel	26,362	33,335	33,251	58	27	1,610	1,490	76	11,609	7,950	300.6
Lumber, wood, furniture, and fixtures	36,627	43,632	(D)	(D)	0	1,543	2,477	271	14,691	9,420	252.6
Paper and allied products	126,723	91,789	91,040	643	106	6,080	8,306	1,223	41,564	22,134	414.3
Printing and publishing	88,923	57,340	50,491	6,768	81	2,269	2,556	187	23,564	15,787	384.4
Rubber products	26,491	27,147	(D)	(D)	0	749	980	579	10,110	7,989	160.4
Miscellaneous plastics products	17,882	19,893	(D)	(D)	0	1,640	1,041	251	7,214	4,308	112.4
Glass products	18,604	14,700	(D)	(D)	(*)	533	1,504	379	6,407	4,367	89.4
Stone, clay, and nonmetallic mineral products	16,174	13,637	13,600	29	8	297	780	184	3,942	2,583	60.9
Instruments and related products	88,415	75,883	66,675	9,198	10	6,621	3,623	6,412	35,450	25,626	440.6
Other	(D)	15,200	14,313	783	104	655	746	(D)	5,308	3,422	88.5
Wholesale trade	178,396	350,503	343,224	6,146	1,134	6,005	8,375	1,411	42,425	26,348	685.4
Durable goods	100,141	176,611	171,378	4,691	541	1,566	5,115	1,038	20,150	14,192	293.7
Nondurable goods	78,255	173,892	171,845	1,454	593	4,439	3,259	373	22,275	12,156	391.7
Finance (except depository institutions), insurance, and real estate	3,047,523	522,359	5,215	362,856	154,288	43,859	11,529	197	69,768	72,927	1,069.6
Finance, except depository institutions	961,628	118,034	(D)	(D)	58,690	11,488	2,826	170	28,568	27,954	268.0
Insurance	2,066,700	400,671	4,742	300,348	95,581	31,024	8,583	28	38,478	44,005	787.8
Real estate	8,899	(D)	(D)	(D)	17	(D)	116	0	1,795	905	13.3
Holding companies	10,297	(D)	(D)	(D)	0	(D)	5	0	928	63	4.4
Services	293,216	217,339	22,522	194,120	697	15,421	18,250	5,276	113,882	79,004	2,381.3
Hotels and other lodging places	33,264	18,537	(D)	(D)	40	465	2,055	0	8,981	5,634	290.4
Business services	101,808	89,143	10,756	78,043	344	6,456	6,039	4,946	49,188	37,300	1,028.2
Advertising	8,383	6,462	0	6,462	0	274	149	0	3,109	2,748	39.3
Equipment rental (except automotive and computers)	3,749	1,954	216	1,738	0	114	321	9	1,064	531	12.3
Computer and data processing services	73,526	54,478	10,004	44,343	130	5,131	4,766	4,893	28,035	18,948	336.1
Business services, not elsewhere classified	16,149	26,249	535	25,499	214	936	802	44	16,980	15,073	640.5
Automotive rental and leasing	12,210	7,613	(D)	(D)	0	36	3,538	(*)	3,326	2,075	71.2
Motion pictures, including television tape and film	72,744	28,887	4,612	24,121	154	2,701	2,670	6	11,286	4,797	181.4
Health services	34,573	30,527	130	30,340	57	2,020	2,421	5	18,360	12,364	399.0
Engineering, architectural, and surveying services	7,349	13,128	1,319	11,807	3	176	206	162	5,251	4,833	78.0
Management and public relations services	8,036	8,131	(D)	(D)	100	367	235	(D)	4,289	3,744	55.5
Other	23,232	21,373	598	20,775	0	3,200	1,087	(D)	13,201	8,258	277.5
Other industries	1,094,960	848,068	378,063	468,615	1,390	51,595	83,235	1,685	363,323	170,798	5,205.1
Agriculture, forestry, and fishing	4,503	4,263	(D)	(D)	1	139	175	68	1,132	803	30.0
Mining	24,459	15,106	(D)	(D)	1	1,068	1,958	41	6,937	3,665	71.0
Construction	18,443	31,636	23,791	7,812	33	863	980	(D)	9,038	7,804	153.3
Transportation	146,452	121,439	1,682	119,374	382	5,552	11,060	72	67,101	44,530	983.4
Communication	401,365	225,965	13,475	212,306	184	23,318	39,969	1,256	120,749	48,106	878.9
Electric, gas, and sanitary services	320,331	124,815	1,235	123,252	328	10,428	17,327	105	74,681	20,711	328.0
Retail trade	179,407	324,844	320,032	4,351	461	10,227	11,766	(D)	83,684	45,180	2,760.6

* Less than \$500,000 (±).

^D Suppressed to avoid disclosure of data of individual companies.¹ See footnote 1 to table 17.1.

Table 18.—Selected Data for Nonbank Foreign Affiliates, by Country and Major Industry of Affiliate, 1995 and 1996

	1995							1996						
	Millions of dollars						Thousands of employees	Millions of dollars						Thousands of employees
	Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Compensation of employees		Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Compensation of employees	
All countries	2,825,558	2,040,739	127,050	177,827	148,564	240,794	7,344.9	3,075,516	2,227,014	135,108	194,108	162,305	254,009	7,616.5
Canada	251,862	232,641	8,345	(P)	63,117	29,889	925.5	276,622	253,783	10,866	61,064	66,081	30,700	921.8
Europe	1,581,255	1,079,145	64,976	48,873	24,734	133,161	3,012.4	1,751,550	1,178,077	68,478	51,369	25,975	142,790	3,194.2
Austria	11,849	13,839	582	(P)	(P)	1,564	24.9	(P)	15,136	566	1,297	(P)	1,635	26.4
Belgium	64,758	50,123	2,570	3,309	1,137	7,003	113.4	76,391	55,308	2,982	3,105	1,024	8,230	141.3
Denmark	8,791	7,812	269	110	(P)	1,316	24.3	9,087	8,661	285	185	131	1,401	25.8
Finland	2,963	4,085	227	116	113	522	10.6	3,454	4,671	259	178	127	624	12.4
France	141,207	125,244	4,182	5,459	3,337	20,834	416.0	141,315	134,816	4,549	5,515	3,197	22,624	451.5
Germany	222,356	234,916	6,431	8,369	(P)	34,805	584.6	222,802	244,658	7,766	8,275	(P)	35,239	607.9
Greece	2,618	3,853	86	122	3	600	20.3	2,905	4,197	157	41	13	651	21.5
Ireland	42,259	26,041	6,560	1,128	2,100	1,905	57.9	44,691	27,219	6,400	1,098	1,933	1,999	57.7
Italy	58,427	66,168	2,337	2,228	1,293	8,395	189.1	60,524	72,170	2,049	2,584	1,311	8,928	186.1
Luxembourg	13,813	2,822	1,938	210	(P)	484	9.7	17,124	3,523	2,330	224	(P)	476	9.6
Netherlands	140,952	114,264	12,393	5,618	1,345	7,243	145.1	161,889	122,760	13,823	6,074	1,307	7,849	160.8
Norway	14,322	11,946	723	157	69	1,387	25.5	16,266	14,305	1,095	166	121	1,640	37.4
Portugal	5,433	7,231	401	208	46	769	29.7	6,001	7,965	462	184	53	757	28.0
Spain	32,191	41,464	1,573	(P)	(P)	5,867	145.4	32,721	44,581	1,776	(P)	(P)	6,052	144.8
Sweden	18,818	19,692	1,125	579	(P)	3,047	58.8	(P)	18,934	804	(P)	(P)	3,349	59.6
Switzerland	132,837	59,374	7,291	4,091	401	4,093	50.0	81,964	61,964	7,336	(P)	630	4,230	52.4
Turkey	3,810	6,131	227	190	94	432	23.7	4,110	6,772	140	229	85	499	26.4
United Kingdom	645,718	269,173	16,004	14,336	7,786	31,568	942.8	813,742	310,685	14,998	16,374	8,659	34,750	976.4
Other	18,133	14,966	56	499	45	1,328	140.6	26,233	19,750	703	(P)	167	1,856	168.4
Latin America and Other Western Hemisphere	316,620	192,305	24,086	25,650	26,280	23,359	1,481.0	370,529	223,869	24,112	30,541	31,373	26,352	1,529.2
South America	109,418	92,986	9,709	6,704	(P)	12,650	594.5	133,619	111,161	8,100	7,650	4,205	15,196	655.4
Argentina	22,352	15,886	797	1,027	86	2,384	94.2	27,685	20,561	1,053	1,062	131	2,877	106.5
Brazil	47,331	44,565	5,071	3,119	2,017	6,773	295.2	60,037	56,026	4,101	3,813	2,298	8,451	318.2
Chile	13,549	8,372	1,089	447	589	690	40.8	17,057	8,481	974	554	(P)	880	47.9
Colombia	7,973	(P)	(P)	673	(P)	833	42.0	8,600	9,784	773	664	180	936	51.0
Ecuador	1,727	1,566	177	(P)	(P)	131	12.6	2,003	1,995	-541	(P)	(P)	132	13.5
Peru	(P)	2,654	458	212	168	310	13.6	3,749	2,960	457	(P)	148	327	14.3
Venezuela	11,052	9,494	1,315	1,009	(P)	1,345	87.4	12,583	9,427	1,108	1,081	403	1,389	95.1
Other	(P)	(P)	(P)	(P)	(P)	183	8.7	1,905	1,926	174	151	(P)	204	8.9
Central America	74,490	68,743	6,806	18,202	20,354	9,409	832.2	84,200	79,506	8,664	22,213	24,897	9,789	820.0
Costa Rica	2,318	1,988	325	(P)	591	191	27.8	(P)	2,121	334	(P)	665	205	26.6
Guatemala	575	1,045	53	76	40	99	11.2	635	1,139	32	75	59	109	11.5
Honduras	(P)	(P)	(P)	149	128	J	593	(P)	593	(P)	143	123	129	23.5
Mexico	59,444	61,495	5,086	17,201	19,535	8,750	746.1	67,437	71,739	7,021	21,153	23,941	9,101	733.9
Panama	10,977	12,073	1,279	518	34	193	17.1	12,239	21,159	1,216	585	51	188	17.3
Other	(P)	(P)	(P)	(P)	26	(P)	1	(P)	(P)	(P)	27	58	7.1	
Other Western Hemisphere	132,712	30,576	7,572	745	(P)	1,300	54.3	152,709	33,202	7,348	677	2,270	1,366	53.9
Bahamas	1,769	1,014	121	145	(P)	75	2.5	2,011	953	124	82	2	48	1.9
Barbados	(P)	(P)	(P)	52	4	43	3.2	(P)	(P)	(P)	26	4	30	1.1
Bermuda	79,341	13,858	4,256	30	(P)	118	2.8	84,224	15,185	3,976	77	(P)	136	3.1
Dominican Republic	(P)	(P)	(P)	117	312	(P)	(P)	(P)	(P)	(P)	120	308	(P)	(P)
Jamaica	2,828	1,233	120	(P)	172	132	5.9	3,108	(P)	(P)	210	135	5.6	
Netherlands Antilles	17,688	1,169	547	7	0	20	.8	19,900	865	201	7	0	22	.7
Trinidad and Tobago	2,158	1,215	156	49	(P)	73	4.2	(P)	1,322	181	31	(P)	75	4.0
United Kingdom Islands, Caribbean	21,538	4,297	1,358	24	(P)	566	11.4	33,051	4,814	1,382	51	512	630	12.0
Other	(P)	(P)	(P)	(P)	(P)	(P)	G	3,018	4,903	127	(P)	(P)	(P)	(P)
Africa	22,803	20,571	1,896	664	1,963	1,821	123.5	28,979	23,170	2,475	877	2,552	1,899	122.0
Egypt	2,893	3,011	341	84	5	147	15.5	3,613	3,234	393	30	(P)	146	12.4
Nigeria	4,645	3,255	748	46	823	122	8.8	7,050	4,346	950	131	1,023	144	9.0
South Africa	5,819	6,819	109	308	35	1,032	53.4	5,814	7,307	344	294	26	1,015	53.9
Other	9,446	7,486	698	227	1,101	521	45.8	12,502	8,283	788	422	1,503	594	46.6
Middle East	30,139	20,761	2,646	1,131	2,169	74.0	34.991	23,667	3,309	759	1,308	2,558	79.1	
Israel	8,041	6,640	497	(P)	1,002	1,060	44.1	9,249	7,448	562	121	1,138	1,229	48.1
Saudi Arabia	12,479	7,120	1,492	96	(P)	622	17.0	13,894	8,330	1,473	382	(P)	799	18.0
United Arab Emirates	1,752	(P)	(P)	148	(P)	184	4.7	1,789	2,824	229	161	(P)	208	4.6
Other	7,866	(P)	(P)	0	304	8.2	10,059	5,066	1,045	95	0	323	8.5	
Asia and Pacific	605,979	487,845	24,383	43,353	31,339	50,015	1,716.1	592,420	517,020	24,869	49,494	35,015	49,272	1,756.9
Australia	81,139	62,197	2,842	4,253	1,035	8,251	261.9	94,457	70,382	4,895	11,338	8,818	275.1	
China	9,833	7,423	476	1,117	404	621	109.5	13,973	11,362	948	1,663	1,043	886	147.6
Hong Kong	71,372	38,570	2,712	6,184	(P)	2,621	123.3	47,986	43,108	2,815	8,627	(P)	3,081	124.4
India	2,810	3,351	175	145	30	315	59.0	4,432	3,798	69	206	41	363	60.1
Indonesia	16,954	9,227	1,620	186	1,104	742	58.4	19,599	10,521	1,860	469	557	762	60.1
Japan	280,978	214,636	5,656	15,563	5,977	26,514	423.6	248,312	204,364	5,684	16,764	5,388	23,661	405.4
Korea, Republic of	19,173	20,870	942	1,882	462	1,724	63.9	21,262	22,152	973	2,744	625	1,948	66.8
Malaysia	15,768	14,606	1,368	2,588	(P)	1,257	143.6	18,281	16,599	1,420	2,729	4,188	1,339	144.2
New Zealand	19,137	11,746	1,506	243	(P)	2,015	63.3	21,630	13,654	1,620	236	40	2,029	62.8
Philippines	8,452	7,802	656	862	516	788	105.6	10,640	8,703	703	1,016	807	829	100.5
Singapore	41,391	62,279	4,070	6,866	12,613	2,521	109.0	46,342	64,003	3,404	6,403	15,006	2,736	108.1
Taiwan	17,573	18,417	1,236	2,147	1,301	1,527	70.1	20,101	18,722	1,025	2,074	(P)	1,561	70.3
Thailand	19,039													

Table 19.1.—Selected Data for Majority-Owned Nonbank Foreign Affiliates, by Country and by Major Industry of Affiliate, 1995

	Millions of dollars												Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	U.S. exports of goods shipped to MOFA's	U.S. imports of goods shipped by MOFA's	Gross product	Compensation of employees	
		Total	Goods	Services	Investment income ¹								
All countries	2,420,115	1,693,836	1,449,611	202,950	41,275	108,662	75,599	12,582	171,410	136,281	465,576	199,701	5,923.5
Canada	220,146	213,266	188,420	19,384	5,462	7,743	9,777	1,068	57,179	59,188	50,962	26,240	839.4
Europe	1,458,276	965,123	831,265	108,501	25,357	60,019	37,915	9,144	48,126	23,017	279,298	122,160	2,692.4
Austria	8,893	12,557	11,238	1,133	186	510	256	23	562	521	3,401	1,461	23.2
Belgium	62,038	48,097	42,789	4,487	821	2,603	1,645	292	3,305	1,136	14,764	6,713	108.7
Denmark	8,326	7,514	5,585	1,728	201	294	500	(P)	110	110	2,422	1,251	23.0
Finland	2,847	4,010	3,562	390	58	218	157	30	114	113	1,716	500	10.2
France	123,589	116,424	100,678	14,610	1,136	3,956	4,084	1,271	5,267	3,237	35,463	19,328	377.2
Germany	187,813	190,893	170,331	17,986	2,576	5,302	7,480	3,068	8,344	4,036	62,263	31,769	535.4
Greece	2,205	3,571	3,215	300	56	116	87	4	122	1	1,444	353	10.7
Ireland	41,650	25,910	24,044	1,018	848	6,545	1,002	171	1,127	2,100	8,950	1,875	57.0
Italy	53,313	61,679	55,803	5,236	640	2,112	2,142	346	2,205	1,250	20,045	7,745	173.7
Luxembourg	12,811	2,555	2,431	105	19	1,907	100	(P)	210	(P)	961	445	8.8
Netherlands	123,315	91,464	78,443	9,424	3,597	10,207	1,829	495	5,600	1,345	17,866	6,664	134.8
Norway	13,288	10,978	9,575	1,317	86	626	210	20	137	68	5,272	1,206	21.2
Portugal	4,822	6,782	6,001	699	82	379	208	63	208	46	2,685	726	28.1
Spain	29,286	38,545	35,302	2,902	341	1,460	1,577	288	1,229	547	9,465	5,422	134.8
Sweden	16,425	16,987	14,292	2,425	270	1,094	708	691	576	248	5,281	2,665	48.6
Switzerland	132,097	58,511	52,561	4,161	1,789	7,238	681	242	4,089	401	8,194	3,867	46.1
Turkey	2,663	4,972	4,708	250	14	136	166	4	165	31	1,688	319	17.7
United Kingdom	620,186	251,436	199,078	39,786	12,572	15,424	12,645	1,935	14,269	7,701	74,863	28,955	825.8
Other	12,706	12,238	11,631	544	63	-108	1,438	26	468	36	2,554	896	107.4
Latin America and Other Western Hemisphere	248,534	149,436	126,577	18,452	4,407	17,469	9,269	389	23,865	24,055	46,450	17,015	1,105.8
Argentina	84,916	79,117	69,435	8,803	879	7,84	6,500	328	6,811	3,147	33,300	10,793	483.6
Brazil	13,498	12,372	10,258	2,012	102	706	843	22	946	84	5,474	1,934	64.5
Canada	42,324	39,905	36,369	3,040	496	4,579	2,993	249	2,819	1,631	19,132	6,125	260.9
Chile	10,932	7,275	5,577	1,530	168	907	1,113	15	390	587	2,100	601	34.3
Colombia	6,689	7,434	6,961	403	70	367	457	9	563	187	2,117	374	37.4
Ecuador	1,231	1,162	1,049	103	10	33	128	1	83	201	304	110	10.7
Peru	2,793	2,386	2,243	134	9	376	287	6	210	168	1,039	300	13.0
Venezuela	5,894	7,093	5,567	1,504	22	684	579	25	954	228	2,193	793	55.4
Other	1,555	1,490	1,411	76	3	130	100	1	106	61	641	175	7.5
Central America	42,314	43,166	40,504	2,419	243	2,651	2,246	61	16,985	18,808	9,487	5,219	581.5
Costa Rica	2,286	1,942	1,911	32	0	322	95	2	152	591	579	187	27.4
Guatemala	527	921	33	7	42	22	22	1	74	40	236	89	10.0
Honduras	581	1,046	896	147	3	13	25	0	145	128	316	121	22.5
Mexico	27,705	36,193	33,883	2,098	212	963	2,037	58	16,023	17,989	7,793	4,590	498.5
Panama	10,686	1,988	1,871	97	20	1,272	32	1	509	34	335	184	16.7
Other	529	1,036	1,023	12	1	39	36	(*)	83	26	228	47	6.5
Other Western Hemisphere	121,304	27,154	16,637	7,230	3,287	7,034	523	(*)	719	2,099	3,663	1,004	40.7
Bahamas	1,626	876	765	97	14	109	9	(*)	145	(P)	171	67	2.2
Barbados	3,043	1,530	629	758	143	453	4	0	52	4	434	43	3.6
Bermuda	75,558	13,116	6,348	4,609	2,159	4,030	77	(*)	28	(P)	970	109	2.6
Dominican Republic	1,278	1,376	(P)	(P)	(P)	251	95	0	117	312	584	145	18.1
Jamaica	2,765	1,177	1,122	52	3	122	44	0	175	172	322	115	5.1
Netherlands Antilles	13,847	733	52	69	612	550	20	0	5	0	22	9	2.2
Trinidad and Tobago	1,919	1,112	1,041	59	12	124	23	0	45	(P)	676	60	3.0
United Kingdom Islands, Caribbean	19,110	3,090	1,646	1,104	340	1,298	111	0	(P)	(P)	231	387	44.4
Other	2,157	4,144	(P)	(P)	(P)	95	32	0	4	(P)	251	69	1.9
Africa	19,513	17,316	15,557	1,690	69	1,683	1,742	19	604	1,962	6,657	1,337	86.3
Egypt	2,447	2,483	2,212	265	6	254	322	1	59	5	840	128	12.1
Nigeria	4,579	3,160	3,018	142	0	742	663	(*)	46	823	2,024	117	7.3
South Africa	4,253	5,120	4,578	530	12	11	187	17	275	35	1,097	655	30.5
Other	8,234	6,553	5,750	753	50	676	570	1	224	1,100	2,696	436	36.4
Middle East	12,917	9,500	7,507	1,913	81	1,250	602	97	379	632	3,674	1,148	40.9
Israel	3,164	2,839	2,327	498	14	325	205	97	144	618	1,037	594	27.4
Saudi Arabia	3,442	1,248	462	774	12	475	17	(*)	57	0	367	217	5.8
United Arab Emirates	1,548	2,292	1,960	298	34	156	104	(*)	142	14	1,134	168	3.7
Other	4,764	3,122	2,757	343	22	294	276	0	35	0	1,136	169	4.0
Asia and Pacific	445,292	332,930	280,283	46,748	5,900	19,809	16,073	1,865	41,253	27,428	77,127	31,483	1,147.5
Australia	60,552	45,381	37,570	6,676	1,135	2,539	2,693	287	4,081	1,018	15,443	6,449	200.5
China	7,001	5,400	4,920	466	14	325	1,082	13	896	394	1,092	429	80.9
Hong Kong	68,248	36,315	30,426	4,805	1,084	2,539	1,299	55	6,160	3,821	5,683	2,340	97.9
India	1,508	1,668	1,517	136	15	89	158	5	89	28	453	108	22.8
Indonesia	14,680	8,723	8,373	324	26	1,560	1,466	9	180	1,103	5,312	641	50.0
Japan	191,049	111,207	86,074	22,705	2,428	4,286	2,738	1,286	14,467	2,706	24,331	13,477	168.0
Korea, Republic of	5,935	7,529	6,244	1,221	64	404	290	29	1,680	321	1,930	832	31.3
Malaysia	14,144	14,006	12,613	1,305	88	1,355	1,535	21	2,568	3,006	4,320	1,173	135.0
New Zealand	7,993	5,794	4,527	1,180	87	387	531	9	243	41	1,923	865	30.8
Philippines	6,062	6,270	5,766	429	75	508	740	23	854	474	2,048	553	72.6
Singapore	39,062	60,279	57,348	2,674	257	4,022	1,733	63	6,814	12,613	7,476	2,396	101.7
Taiwan	14,998	16,069	12,583	3,050	436	906	315	61	1,990	1,299	3,093	1,383	64.0
Thailand	13,011	12,520	10,741	1,600	179	852	1,225	5	1,188	585	3,332	700	81.3
Other	2,148	1,770	1,581	177	12	37	257	(*)	44	29	690	137	10.9
International²	15,437	6,264	2	6,263	0	690	221	0	5	0	1,410	318	11.3
By major industry													
Petroleum	202,191	251,680	241,134	10,544	2	8,588	16,243	150	3,032	10,354	99,683	8,452	170.2
Manufacturing	637,408	829,552	811,988	16,147	1,416	47,222	34,959	10,791	110,237	112,134	238,901	117,132	3,605.8
Food and kindred products	73,100	95,904	95,7										

Table 19.2.—Selected Data for Majority-Owned Nonbank Foreign Affiliates, by Country and by Major Industry of Affiliate, 1996

	Millions of dollars												Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	U.S. exports of goods shipped to MOFA's	U.S. imports of goods shipped by MOFA's	Gross product	Compensation of employees	
		Total	Goods	Services	Investment income ¹								
All countries	2,638,059	1,861,361	1,583,433	235,789	42,139	114,773	81,104	14,181	187,461	149,997	498,439	212,610	6,157.5
Canada	244,167	231,044	201,899	21,946	7,199	10,169	9,511	1,582	59,157	61,247	53,790	27,145	826.6
Europe	1,597,795	1,044,697	887,595	132,187	24,915	61,782	40,661	9,651	50,813	24,879	295,652	129,436	2,825.9
Austria	9,122	14,465	13,237	1,041	187	542	723	108	1,297	(P)	4,024	1,585	25.9
Belgium	63,175	48,464	43,267	4,557	640	2,464	1,852	369	3,101	1,024	14,843	6,735	110.1
Denmark	8,256	8,170	6,162	1,816	192	324	490	(P)	185	131	2,535	1,321	24.1
Finland	3,402	4,586	4,057	437	92	249	180	44	176	127	2,020	600	12.0
France	123,902	125,164	108,130	15,786	1,248	4,326	5,240	1,326	5,303	3,089	38,590	20,858	410.2
Germany	182,401	195,221	169,889	22,691	2,641	6,536	6,036	3,061	8,244	3,577	61,277	31,971	556.4
Greece	2,439	3,622	3,474	282	66	137	81	5	41	5	1,412	381	11.5
Ireland	43,835	27,023	24,764	1,583	676	6,355	1,068	193	1,098	1,933	9,373	1,981	57.1
Italy	55,622	68,103	60,880	6,497	726	1,856	2,158	553	2,563	1,288	21,387	8,376	173.8
Luxembourg	16,327	3,189	3,039	113	37	2,358	97	(P)	224	(P)	1,189	433	8.7
Netherlands	144,936	98,588	83,247	11,573	3,768	11,220	2,008	545	6,027	1,306	18,063	7,251	149.3
Norway	14,667	12,977	11,256	1,628	93	1,103	1,226	18	152	120	6,475	1,424	32.5
Portugal	5,673	7,795	6,774	944	77	453	92	184	53	2,885	731	27.0	
Spain	30,295	41,892	38,411	3,113	368	1,477	1,558	317	1,444	672	9,589	5,635	135.3
Sweden	15,461	16,210	13,019	2,856	375	795	428	439	226	4,996	2,950	49.4	
Switzerland	81,057	61,233	55,691	4,675	867	7,298	566	189	3,367	630	9,219	4,002	48.5
Turkey	3,139	5,812	5,542	261	9	69	198	27	188	51	1,787	387	20.4
United Kingdom	776,992	286,954	222,568	51,581	12,805	13,981	14,909	2,133	16,334	8,598	82,605	31,604	848.7
Other	17,094	15,028	14,189	751	88	239	1,549	40	307	158	3,383	1,214	125.0
Latin America and Other Western Hemisphere	296,184	178,737	153,369	20,308	5,060	17,865	10,218	687	28,774	29,273	51,919	19,551	1,158.9
South America	105,036	94,677	83,465	9,888	1,324	6,605	7,262	564	7,115	3,507	35,839	13,015	534.1
Argentina	18,560	16,729	13,886	2,586	257	906	1,458	42	1,017	130	6,114	2,271	77.3
Brazil	52,827	49,814	45,568	3,479	767	3,432	3,431	489	3,631	2,042	20,960	7,755	284.4
Chile	13,260	7,132	5,830	1,142	160	817	621	6	420	427	2,456	726	36.5
Colombia	7,088	8,076	7,528	469	79	436	483	9	615	170	2,210	855	45.4
Ecuador	1,425	1,359	1,163	182	14	30	131	1	74	246	277	104	10.8
Peru	3,320	2,497	2,301	186	10	325	334	8	184	148	984	289	12.7
Venezuela	6,949	7,295	5,524	1,744	27	499	722	8	1,027	277	2,143	824	59.6
Other	1,606	1,774	1,664	101	9	162	82	1	146	66	192	162	7.5
Central America	49,960	54,175	51,182	2,643	350	4,389	2,367	123	21,018	23,496	11,974	5,474	584.6
Costa Rica	2,568	2,037	2,001	36	0	339	2	(P)	695	591	195	25.7	
Guatemala	581	1,050	1,007	35	8	22	24	1	73	59	237	98	10.1
Honduras	578	1,067	926	139	2	-6	31	(*)	139	123	254	126	22.8
Mexico	33,673	46,712	44,082	2,307	323	2,762	2,163	119	20,001	22,540	10,314	4,825	502.5
Panama	11,944	2,094	1,971	105	18	1,227	51	576	51	304	178	16.9	
Other	616	1,216	1,194	20	2	54	46	(*)	(P)	27	274	53	6.7
Other Western Hemisphere	141,188	29,885	18,723	7,777	3,385	6,871	589	(*)	642	2,270	4,106	1,062	40.1
Bahamas	1,818	840	749	79	12	100	5	(P)	82	(P)	157	41	1.6
Barbados	3,117	1,695	(P)	(P)	(P)	671	2	0	26	4	696	30	1.1
Bermuda	80,933	14,783	7,599	4,658	2,526	3,903	134	0	75	(P)	1,354	120	2.8
Dominican Republic	1,405	1,583	(P)	(P)	(P)	298	70	0	120	308	639	151	19.6
Jamaica	3,044	1,362	1,296	63	3	182	55	(*)	(P)	210	405	121	4.9
Netherlands Antilles	16,080	458	60	50	348	212	21	0	5	0	-390	10	2
Trinidad and Tobago	2,042	1,220	1,146	62	12	150	234	0	27	(P)	834	63	3.0
United Kingdom Islands, Caribbean	30,167	3,413	1,749	1,325	339	1,279	27	(*)	35	512	230	447	4.8
Other	2,582	4,531	4,473	56	2	77	41	0	(P)	(P)	182	80	2.2
Africa	25,885	19,767	17,822	1,826	118	2,190	3,010	21	835	2,551	8,183	1,476	87.0
Egypt	3,070	2,620	2,338	275	7	304	356	1	26	(P)	924	125	8.9
Nigeria	6,980	4,243	4,070	174	0	944	876	1	131	1,023	2,932	139	7.5
South Africa	4,499	5,616	4,912	663	41	189	233	18	260	26	3,114	711	33.0
Other	11,335	7,287	6,503	714	70	752	1,546	1	418	1,502	3,014	501	37.5
Middle East	14,809	10,568	8,276	2,196	96	1,313	891	166	656	783	4,630	1,487	44.8
Israel	3,632	3,152	2,570	568	14	249	353	166	118	(P)	1,139	701	29.1
Saudi Arabia	4,019	1,230	285	931	14	436	33	(*)	(P)	0	577	415	7.4
United Arab Emirates	1,559	2,450	2,096	312	42	183	114	(*)	129	(P)	193	185	3.9
Other	5,598	3,735	3,324	385	26	445	392	0	(P)	0	1,637	177	4.3
Asia and Pacific	440,163	370,342	314,469	51,121	4,751	20,513	16,321	2,073	47,221	31,264	82,489	33,117	1,202.2
Australia	75,937	54,198	44,350	8,947	901	2,901	4,260	409	4,852	1,126	17,226	7,280	217.3
China	10,342	8,646	8,036	590	20	768	1,291	25	1,361	1,029	2,159	695	113.6
Hong Kong	45,274	40,404	34,085	5,461	858	2,562	968	31	8,601	6,217	2,641	95.6	
India	2,207	1,952	1,812	109	31	46	253	9	156	38	432	136	24.7
Indonesia	16,541	9,889	9,429	415	45	1,784	1,139	6	465	557	5,931	644	52.0
Japan	167,638	109,518	85,508	22,638	1,372	4,324	2,181	1,337	15,388	2,067	24,136	12,723	165.0
Korea, Republic of	6,293	9,044	7,611	1,371	62	608	402	34	2,524	493	2,536	977	34.6
Malaysia	16,090	16,014	14,462	1,392	160	1,438	1,632	23	2,671	4,188	4,717	1,242	135.9
New Zealand	14,067	8,328	7,193	1,026	109	544	106	16	236	40	2,635	1,323	38.7
Philippines	7,233	6,935	6,333	523	79	577	560	14	999	764	2,156	553	65.8
Singapore	43,746	72,593	68,921	3,287	385	3,371	1,781	88	6,342	15,006	7,040	2,574	99.2
Taiwan	16,441	16,400	12,501	3,385	514	769	366	74	2,047	1,367	2,941	1,402	63.6
Thailand	14,373	14,237	12,405	1,626	206	750	705	5	1,530	526	3,506	773	83.1
Other	3,981	2,185	1,822	350	13	71	265	(*)	51	19	857	154	13.2
International²	19,056	6,206	2	6,204	0	941	491	(*)	4	0	1,776	397	12.2
By major industry													
Petroleum	224,663	296,233	285,028	11,203	2	12,279	17,972	117	3,453	12,247	109,985	8,877	178.6
Manufacturing	698,667	891,291	868,572	21,343	1,376	47,114	37,675	12,358	120,338	122,883	248,644	123,761	3,759.4
Food and kindred products	77,161	98,992											

Table 20.1.—Employment of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1995
 [Thousands of employees]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other equipment	Transportation equipment	Other manufacturing				
All countries	5,923.5	170.2	3,605.8	389.1	515.1	164.4	462.9	726.6	555.7	791.8	506.8	164.8	661.0	814.9
Canada	839.4	18.6	359.9	32.0	40.6	29.0	27.9	25.2	109.3	95.9	70.5	29.5	82.7	278.2
Europe	2,692.4	53.6	1,636.2	158.3	263.3	79.5	246.4	235.4	275.1	378.2	266.9	78.8	403.0	253.9
Austria	23.2	.5	12.2	2.0	.6	.2	1.2	1.2	3.7	3.1	6.0	1.0	2.3	1.2
Belgium	108.7	2.0	69.3	7.2	17.6	2.6	6.4	3.5	10.9	21.1	14.6	2.0	16.1	4.7
Denmark	23.0	.2	9.1	2.5	G	.4	2	1.9	.6	G	8.7	.7	3.3	1.1
Finland	10.2	.4	4.1	-1	1.1	.1	2	.4	.3	2.0	3.2	1	.5	2.0
France	377.2	H	219.7	13.4	44.1	8.8	48.7	26.8	16.6	61.2	40.9	4.3	86.7	J
Germany	535.4	5.1	386.9	25.2	43.6	20.4	58.1	46.2	121.4	72.0	33.9	6.9	39.9	62.7
Greece	10.7	.5	5.7	2.7	1.7	0	(*)	.1	0	1.2	2.6	.3	1.4	.1
Ireland	57.0	.4	50.3	2.3	6.1	1.4	6.7	15.4	1.1	17.3	1.9	.6	2.6	1.2
Italy	173.7	H	121.5	9.6	22.1	4.0	24.9	19.2	14.7	27.0	18.9	2.5	15.7	J
Luxembourg	8.8	.1	7.0	0	0	.6	.1	.3	0	6.0	.4	.1	.5	.7
Netherlands	134.8	3.0	71.3	11.5	14.1	6.3	8.7	11.2	2.1	17.5	21.7	6.3	25.0	7.5
Norway	21.1	6.3	4.6	1.9	.3	.3	.6	.5	.2	.7	4.1	.3	4.9	1.0
Portugal	28.1	.4	18.7	4.8	2.2	.1	.6	8.5	1.4	1.1	5.0	.2	3.7	.2
Spain	134.8	.7	91.4	16.0	14.8	3.7	3.3	9.4	30.8	13.4	18.3	2.1	7.9	14.5
Sweden	48.6	.4	31.6	3.0	J	.1	3.0	2.1	.3	1	9.4	1.3	3.4	2.4
Switzerland	46.1	1.5	14.1	1.6	2.1	.6	1.3	3.1	0	5.5	13.5	2.5	11.5	3.1
Turkey	17.7	.6	10.9	2.2	1.6	.3	0	2.5	.7	3.5	3.1	.1	2.2	.8
United Kingdom	825.8	22.2	429.1	34.8	61.0	24.2	78.6	65.5	63.3	101.8	51.5	47.1	172.2	103.8
Other	107.4	1.8	78.8	17.6	11.9	5.4	3.4	17.7	6.6	16.1	9.2	.5	3.2	13.9
Latin America and Other Western Hemisphere	1,105.8	30.1	812.5	122.3	113.2	34.8	33.7	180.0	149.4	179.2	42.3	15.4	76.4	129.2
South America	483.6	24.2	338.8	70.0	70.3	22.5	19.0	16.8	48.1	92.1	26.1	11.6	35.7	47.2
Argentina	64.5	4.3	39.3	17.8	9.0	1.7	.2	.9	1.9	7.9	4.9	1.6	8.4	5.9
Brazil	260.9	3.7	217.9	29.1	40.0	14.1	17.9	11.5	40.4	64.9	9.5	1.6	12.6	15.6
Chile	34.3	G	12.6	2.1	3.0	3.6	(*)	A	F	3.0	3.8	1	5.4	4.8
Colombia	37.4	2.8	21.4	4.5	6.9	1.1	.1	G	G	5.8	2.3	.3	4.2	6.4
Ecuador	10.7	1.2	4.2	2.0	.9	.3	0	0	0	1.0	.8	.3	1.0	3.2
Peru	13.0	1.7	3.4	1.0	1.5	.3	0	.1	0	.5	1.2	0	.6	6.1
Venezuela	55.4	8.4	36.5	11.9	8.5	1.5	.7	2.9	3.2	7.8	3.2	G	3.5	G
Other	7.5	F	3.5	1.8	.5	0	(*)	0	0	1.2	.5	(*)	.1	H
Central America	581.5	3.4	456.2	51.3	40.6	12.1	14.6	163.1	101.3	73.2	14.6	2.6	30.6	74.1
Costa Rica	27.4	.1	12.8	2.0	1.5	.9	0	H	0	1	.6	0	.1	13.9
Guatemala	10.0	.4	4.7	1.9	1.2	.6	0	0	0	1	F	.2	1.5	H
Honduras	22.5	.1	8.4	5.0	.3	.1	0	0	0	3.0	.2	.2	0	13.6
Mexico	498.5	1.0	423.3	41.6	36.5	9.9	14.6	158.2	101.3	61.2	11.7	1.8	29.0	31.7
Panama	16.7	.8	2.3	.3	.9	.1	0	0	0	1.1	F	.3	.1	J
Other	6.5	1.0	4.7	.4	.2	.6	0	G	0	G	.4	.1	(*)	.2
Other Western Hemisphere	40.7	2.5	17.6	1.0	2.4	.1	.2	.1	0	13.8	1.6	1.2	10.1	7.8
Bahamas	2.2	.1	.4	0	.2	0	0	0	0	.1	.1	.1	.9	.7
Barbados	3.2	.2	.2	0	0	0	0	0	0	.2	.1	(*)	2.8	0
Bermuda	2.6	.1	.1	0	0	0	0	0	0	0	.5	.6	1.3	0
Dominican Republic	18.1	.1	11.9	.8	.6	0	0	.1	0	10.5	.3	.1	A	G
Jamaica	5.1	.2	2.9	0	.9	0	0	0	0	2.0	.2	.1	0	0
Netherlands Antilles	2	(*)	(*)	(*)	0	0	0	0	0	0	.1	(*)	0	0
Trinidad and Tobago	3.0	.7	.6	0	4	.1	(*)	0	0	(*)	.2	.2	F	F
United Kingdom Islands, Caribbean	4.4	.1	1.2	0	(*)	0	.2	(*)	0	1.0	.1	.1	2.9	0
Other	1.9	.9	.4	.1	.2	0	0	0	0	.1	(*)	(*)	.6	(*)
Africa	86.3	15.7	43.3	9.9	11.8	4.0	2.3	.7	1.1	13.5	10.8	1.0	6.6	8.9
Egypt	12.1	1.6	3.9	.2	2.2	.6	.4	.5	0	0	1.0	0	G	H
Nigeria	7.3	5.8	1.1	.1	1.0	0	0	0	0	.2	0	0	0	.1
South Africa	30.5	G	20.4	5.3	6.0	1.4	1.8	.2	1.1	4.6	4.4	.3	2.2	G
Other	36.4	I	17.8	4.3	2.6	1.9	.1	(*)	0	8.9	5.3	.7	G	4.3
Middle East	40.9	5.9	15.6	2.2	1.3	.4	1.0	9.0	0	1.7	2.1	.4	15.8	1.1
Israel	27.4	0	14.4	G	.8	.2	1.0	8.9	0	G	1.4	(*)	11.6	0
Saudi Arabia	5.8	1.0	.6	.1	.4	(*)	0	0	0	.1	.1	.1	3.5	.6
United Arab Emirates	3.7	1.6	.3	0	0	.2	(*)	.1	0	.6	.2	.7	.4	.4
Other	4.0	3.3	.3	A	.1	0	.1	0	0	A	(*)	.2	.1	.1
Asia and Pacific	1,147.5	38.9	738.2	64.4	84.8	16.7	151.6	276.5	20.9	123.3	114.2	39.8	76.5	139.9
Australia	200.5	3.3	83.4	19.2	16.5	3.7	8.7	3.2	12.1	19.9	18.1	5.5	33.1	57.1
China	80.9	.5	72.8	2.3	9.4	1.8	6.7	42.3	.1	10.3	2.8	.5	4.1	4.1
Hong Kong	97.9	.9	57.1	.4	2.2	G	3.7	31.4	F	3	16.2	5.5	5.7	12.5
India	22.8	.1	19.0	2.0	6.1	.5	7.7	4	(*)	2.2	2.8	.2	.4	.3
Indonesia	50.0	16.2	17.7	.9	3.7	4.4	G	3.0	.5	1	1.4	.8	5	13.4
Japan	168.0	G	89.1	3.9	19.7	2.5	34.2	13.9	.6	14.2	34.3	14.3	21.1	1
Korea, Republic of	31.3	.1	18.6	1.2	2.3	.1	2.2	7.5	.5	4.9	6.2	.9	G	H
Malaysia	135.0	3.4	124.3	1.0	2.7	8.4	92.2	0	18.0	3.5	1.7	1.0	1.0	1.0
New Zealand	30.8	G	8.2	H	1.0	.2	2	.9	H	3.5	.8	H	J	I
Philippines	72.6	1.2	60.9	18.3	7.4	0	.4	25.9	0	9.0	3.6	G	0	4
Singapore	101.7	2.5	76.1	.4	2.3	1.1	45.3	20.5	2.4	4.1	9.9	2.0	5.3	5.9
Taiwan	64.0	4.6	39.2	1.3	5.0	.7	2.9	18.8	H	1	6.0	H	2.5	J
Thailand	81.3	4.6	66.5	9.1	3.9	1.3	K	16.1	0	4.1	4.1	G	9	H
Other	10.9	2.4	5.2	G	3.2	A	(*)	.3	0	1.8	.2	.9	.9	.4
International ¹	11.3	7.5												3.8
Addenda:														
Eastern Europe ²	100.4	1.7	72.9	17.6	7.8	5.3	3.4	16.7	6.6	15.5	8.9	.5	2.8	13.7
European Union (15) ³	2,500.0	43.4	1,527.9	135.0	247.5	72.9	241.1	211.6	267.5	352.3	237.0	75.3	381.2	235.1
OPEC ⁴	123.8	34.3	56.2	13.0	13.6	2.1	1.9	5.9	3.8	16.0	5.5	2.3	8.5	16.9

* Fewer than 50 employees.

1. See footnote 1 to table 9.

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

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

4. OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela. Prior to 1995, Gabon was also a member.

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

Table 20.2.—Employment of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1996
 [Thousands of employees]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other equipment	Transportation equipment	Other manufacturing				
All countries	6,157.5	178.6	3,759.4	375.0	534.5	206.8	484.1	770.7	578.8	809.3	529.9	175.9	696.4	817.3
Canada	826.6	17.6	358.4	31.5	42.0	31.3	25.3	25.8	106.3	96.2	77.6	25.7	84.1	263.2
Europe	2,825.9	51.2	1,714.2	147.7	268.2	115.4	265.5	242.5	292.2	382.6	280.6	88.7	424.7	266.6
Austria	25.9	.5	14.9	2.0	1.3	.3	1.6	1.5	5.3	2.9	6.2	1.1	2.1	1.1
Belgium	110.1	1.9	70.4	8.6	16.6	2.6	6.7	4.8	10.9	20.3	14.7	1.9	16.1	5.0
Denmark	24.1	.2	9.8	H	1.2	.5	1.6	H	.6	H	8.3	.7	3.9	1.1
Finland	12.0	.4	5.6	.1	1.2	.9	.3	.5	.2	2.3	3.2	.1	.6	2.2
France	410.2	4.6	242.5	11.5	43.0	34.2	51.8	24.7	17.6	59.8	45.3	4.0	90.9	22.9
Germany	556.4	4.4	400.5	19.7	44.1	22.8	60.8	59.1	126.1	67.7	32.4	6.5	48.8	63.7
Greece	11.5	.4	6.4	3.3	1.6	0	(*)	.1	0	1.3	2.8	.3	1.3	.3
Ireland	57.1	.3	50.2	2.2	6.3	1.4	7.4	15.3	.5	17.2	2.2	.7	2.7	1.1
Italy	173.8	3.2	120.2	8.5	21.8	8.2	24.8	18.3	13.8	24.7	20.2	2.2	16.5	11.4
Luxembourg	8.7	.1	6.9	0	0	.6	.1	.3	0	5.9	.3	.1	.5	.7
Netherlands	149.3	4.5	78.4	10.2	15.0	7.8	8.7	11.4	7.5	17.8	24.3	6.6	27.6	7.9
Norway	32.5	5.7	6.2	2.2	.6	.7	1.2	.4	.2	.8	4.2	.2	15.3	.9
Portugal	27.0	.4	18.5	4.7	2.3	.1	.6	8.5	1.4	1.0	5.7	.2	1.6	.7
Spain	135.3	.7	89.9	13.3	14.5	4.3	3.4	9.6	31.5	13.3	18.2	2.0	8.1	16.4
Sweden	49.4	.4	30.3	H	14.9	.1	3.5	2.1	.5	I	9.5	1.4	4.0	3.8
Switzerland	48.5	1.5	17.0	1.4	2.6	.8	2.3	3.5	0	6.4	14.5	1.4	11.2	3.0
Turkey	20.4	.6	12.4	2.8	1.7	.3	0	H	.8	H	4.1	.1	2.2	.9
United Kingdom	848.7	19.2	439.1	33.1	64.3	24.2	88.6	60.5	64.9	103.6	54.3	58.4	166.4	111.5
Other	125.0	2.2	95.1	18.5	15.1	5.8	3.1	J	10.4	J	10.1	.7	4.8	12.1
Latin America and Other Western Hemisphere	1,158.9	35.5	854.7	127.6	121.2	33.4	44.0	194.9	148.7	184.9	38.6	18.2	79.2	132.8
South America	534.1	29.1	363.5	75.8	71.0	21.5	24.9	29.2	55.1	86.0	23.4	13.1	39.6	65.4
Argentina	77.3	6.4	45.1	16.0	10.1	1.6	.2	1.3	7.9	8.2	3.9	2.1	11.3	8.5
Brazil	284.4	3.9	235.3	32.5	40.2	13.4	23.8	24.5	41.3	59.6	7.7	2.6	15.5	19.4
Chile	36.5	G	2.0	3.4	3.3	(*)	.8	F	H	4.0	6.1	.1	3.6	.1
Colombia	45.4	3.4	21.9	6.7	1.1	.1	.8	F	H	2.0	.8	.1	4.7	1.0
Ecuador	10.8	1.3	3.8	2.0	.9	.3	0	0	0	.7	.3	.3	3.7	.3
Peru	12.7	1.3	3.3	1.2	1.0	.3	0	0	0	.8	1.2	0	5.3	6.3
Venezuela	59.6	11.1	37.9	15.2	8.3	1.5	.8	2.3	3.3	6.7	3.5	G	2.7	H
Other	7.5	F	3.4	1.7	.5	0	(*)	0	0	1.2	.4	A	.2	H
Central America	584.6	3.4	471.9	50.8	47.9	11.8	19.0	165.5	93.6	83.2	13.9	3.9	31.6	60.0
Costa Rica	25.7	.1	11.5	2.1	1.3	.8	0	H	0	H	.6	0	.1	13.4
Guatemala	10.1	A	5.1	1.8	1.6	.6	0	0	1.1	.4	.2	.2	1.5	H
Honduras	22.8	.1	8.7	5.5	.1	.1	0	0	0	3.0	.2	.2	0	13.6
Mexico	502.5	.9	439.2	40.7	43.6	9.8	19.0	161.1	93.6	71.4	11.2	3.1	30.0	18.1
Panama	16.9	F	2.5	.3	1.0	.1	0	0	0	1.1	.1	.3	.1	J
Other	6.7	1.0	4.9	.4	.2	.5	0	G	0	G	.4	.1	(*)	.2
Other Western Hemisphere	40.1	2.9	19.2	1.0	2.3	.1	(*)	.1	0	15.7	1.3	1.2	8.0	7.4
Bahamas	1.6	.1	.3	0	.2	0	0	0	0	.1	.1	.1	.3	.7
Barbados	1.1	.2	.2	0	0	0	0	0	0	.2	.1	(*)	.7	0
Bermuda	2.8	.4	.1	0	0	0	0	.1	0	.3	.6	.1	1.4	0
Dominican Republic	19.6	.1	13.8	.8	.6	0	0	0	0	12.4	.3	.1	5.4	4.7
Jamaica	4.9	.2	2.8	0	0	0	0	0	0	1.9	.2	.1	A	0
Netherlands Antilles .....	.2	(*)	(*)	0	0	0	0	0	0	.1	.1	(*)	0	0
Trinidad and Tobago	3.0	.7	.4	(*)	.3	.1	(*)	0	0	(*)	.2	.2	F	F
United Kingdom Islands, Caribbean	4.8	.1	1.0	0	(*)	0	0	0	0	1.0	(*)	.2	3.4	0
Other	2.2	1.1	.6	.1	.4	0	0	0	0	.1	0	(*)	.6	(*)
Africa	87.0	16.7	45.1	7.1	13.0	4.2	2.4	1.6	1.2	15.5	8.8	.9	6.3	9.2
Egypt	8.9	1.4	4.1	.3	2.3	.6	.4	.5	0	.1	.9	0	2.3	.2
Nigeria	7.5	5.7	1.6	.1	1.4	0	0	0	0	.1	0	0	0	.1
South Africa	33.0	G	20.4	3.5	6.2	1.6	1.9	1.1	1.2	4.7	5.7	.3	2.3	G
Other	37.5	I	19.1	3.2	3.0	2.0	.1	(*)	0	10.7	2.0	.7	1.6	I
Middle East	44.8	6.5	15.8	2.6	1.0	.4	.5	9.8	0	1.4	2.4	.4	17.8	1.9
Israel	29.1	0	14.6	2.2	.7	.2	.4	9.8	0	1.2	1.6	(*)	12.9	0
Saudi Arabia	7.4	1.2	.4	.2	.3	(*)	0	0	0	0	.1	.1	4.3	1.3
United Arab Emirates	3.9	2.0	.4	0	0	.2	(*)	0	0	0	.6	.1	.5	.2
Other	4.3	3.3	.2	.2	.1	0	.1	0	0	.1	.1	.2	.1	.4
Asia and Pacific	1,202.2	41.8	771.3	58.6	89.1	22.1	146.4	296.1	30.4	128.7	122.0	42.0	84.4	140.8
Australia	217.3	4.7	96.7	19.5	15.7	6.7	10.7	3.1	18.3	22.7	18.0	6.4	33.8	57.7
China	113.6	.6	99.0	2.9	13.3	2.6	10.5	57.2	G	16.6	5.3	6.6	1.5	6.7
Hong Kong	95.6	1.0	51.5	.5	2.3	1.7	1.7	32.9	.6	11.7	6.6	5.9	7.1	13.5
India	24.7	.1	19.5	.2	4.1	.5	7.7	4.7	G	3.9	4.1	.3	4.4	.4
Indonesia	52.0	16.0	20.4	1.0	4.8	A	1.2	3.5	.5	I	1.9	.9	A	12.7
Japan	165.0	2.0	83.8	3.7	22.1	2.4	26.7	13.7	.9	14.2	33.6	13.8	23.6	7.9
Korea Republic of	34.6	.1	19.9	1.1	2.4	G	7.3	H	7.6	F	7.6	F	1.5	H
Malaysia	135.9	3.3	124.7	1.1	2.1	2.7	9.0	92.7	.7	17.1	4.2	1.7	6.6	1.4
New Zealand	38.7	G	19.8	2.9	1.0	.2	.2	.8	(*)	14.7	3.2	.9	3.8	.8
Philippines	65.8	1.2	53.7	10.3	6.7	.1	.6	28.9	0	7.0	4.3	G	.5	H
Singapore	99.2	3.7	71.8	4.4	2.5	1.2	41.3	20.6	2.8	3.0	10.6	2.3	5.3	5.6
Taiwan	63.6	.1	37.2	1.8	4.5	.8	2.2	18.3	H	I	5.4	H	3.5	J
Thailand	83.1	4.4	68.1	8.4	4.3	1.1	K	16.1	0	I	5.0	G	1.9	H
Other	13.2	H	5.4	1.6	3.4	.1	(*)	.3	(*)	0	2.4	.2	1.4	A
International ¹	12.2	9.3												2.9
Addenda:														
Eastern Europe ²	117.8	2.1	89.7	18.5	11.2	5.7	3.1	17.0	10.4	23.7	10.1	.6	3.5	11.8
European Communities (15) ³	2,599.5	41.2	1,583.5	122.8	248.2	107.8	258.9	218.2	280.8	346.8	247.7	86.2	391.2	249.7
OPEC ⁴	132.5	37.6	60.7	16.5	14.8	2.1	1.9	5.7	3.8	15.8	6.3	2.2	7.7	18.0

* Fewer than 50 employees.

1. See footnote 1 to table 9.
2. See footnote 2 to table 20.1.
3. See footnote 3 to table 20.1.
4. See footnote 4 to table 20.1.

500 to 999; G—1,000 to 2,499; H—2,500 to 4,999; I—5,000 to 9,999; J—10,000 to 24,999; K—25,000 to 49,999; L—50,000 to 99,999; M—100,000 or more.

NOTE.—Size ranges are given in employment cells that are suppressed. The size ranges are A—1 to 499; F—

Table 21.1.—Gross Product of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1995

[Millions of dollars]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other equipment	Transportation equipment	Other manufacturing				
All countries	465,576	99,683	238,901	24,907	46,601	9,347	33,969	23,728	35,467	64,880	54,320	14,049	33,307	25,318
Canada	50,962	7,628	26,872	2,200	4,036	1,979	2,323	1,468	7,907	6,960	4,194	3,077	2,837	6,354
Europe	279,298	60,897	145,802	13,879	29,640	4,938	21,649	12,660	19,605	43,432	34,403	6,217	22,796	9,182
Austria	3,401	899	1,229	263	62	16	78	118	469	223	904	62	220	87
Belgium	14,784	2,082	8,262	620	3,102	198	510	269	1,052	2,509	2,167	452	1,544	256
Denmark	2,422	272	741	259	(^D)	45	-2	104	67	(^D)	1,173	2	164	58
Finland	1,716	587	412	6	152	7	12	86	16	134	575	2	7	48
France	35,463	(^P)	18,914	1,931	5,047	552	4,559	1,620	929	4,276	4,455	447	4,001	(^D)
Germany	62,263	10,433	41,022	2,893	4,746	1,532	8,054	2,637	8,356	12,803	3,791	897	3,798	2,322
Greece	1,444	676	370	108	172	0	2	9	0	79	253	59	74	12
Ireland	8,950	803	6,919	743	2,319	81	369	1,704	37	1,666	1,047	2	67	112
Italy	20,045	(^D)	8,611	670	2,014	301	1,856	1,354	762	1,654	2,432	278	1,050	(^D)
Luxembourg	961	180	760	0	0	37	7	18	0	698	39	-82	52	12
Netherlands	17,866	2,709	8,993	1,501	2,144	405	683	723	120	3,417	3,892	-495	2,287	480
Norway	5,272	3,789	336	124	25	27	66	27	4	62	761	38	227	121
Portugal	2,685	675	726	238	143	(^D)	23	25	42	54	1,014	10	255	6
Spain	9,465	238	6,380	855	1,325	214	311	486	2,320	870	1,647	186	507	507
Sweden	5,281	362	2,707	258	(^D)	4	202	120	25	(^D)	1,502	203	306	201
Switzerland	8,194	969	2,754	192	625	67	93	0	0	1,497	2,909	371	1,018	172
Turkey	1,688	359	1,058	128	94	28	0	52	174	582	196	11	56	8
United Kingdom	74,863	22,314	33,585	2,883	5,552	1,303	4,782	2,635	5,027	11,403	5,270	3,762	7,040	2,892
Other	2,554	-32	2,023	206	239	120	43	194	205	1,017	376	1	82	104
Latin America and Other Western Hemisphere	46,450	5,595	30,873	4,928	6,136	1,517	1,112	1,888	6,761	8,530	3,340	750	2,014	3,878
South America	33,300	4,191	23,224	3,878	4,442	1,339	857	462	5,427	6,819	1,874	262	909	2,840
Argentina	5,474	1,041	3,303	984	761	90	19	29	34	1,385	528	81	124	398
Brazil	19,132	1,485	16,109	1,992	2,710	850	819	340	4,914	4,484	737	-40	509	332
Chile	2,400	(^D)	815	146	151	(^D)	(^D)	(^D)	(^D)	139	183	0	102	(^D)
Colombia	2,117	639	1,117	227	392	34	-1	0	0	278	122	11	54	175
Ecuador	304	119	117	22	27	4	0	0	0	64	42	6	5	14
Peru	1,039	123	144	34	70	8	0	3	0	30	74	(^D)	19	677
Venezuela	2,193	375	1,363	301	302	57	20	41	257	385	150	(^D)	91	(^D)
Other	641	(^D)	257	172	29	0	1	0	0	55	38	4	5	(^D)
Central America	9,487	448	7,222	1,018	1,483	199	354	1,321	1,334	1,512	934	-106	396	592
Costa Rica	579	3	197	46	29	13	0	(^D)	0	0	286	(^D)	(^D)	93
Guatemala	236	98	96	36	22	6	0	0	0	32	(^D)	6	5	(^D)
Honduras	316	16	142	126	3	2	0	0	0	11	2	4	(^D)	152
Mexico	7,793	75	6,642	797	1,402	169	354	1,280	1,334	1,307	495	-58	384	254
Panama	335	96	93	9	23	4	0	0	0	58	(^D)	-60	5	(^D)
Other	228	161	51	5	4	5	0	(^D)	0	(^D)	11	2	1	1
Other Western Hemisphere	3,663	955	427	32	211	-20	-99	105	0	199	532	594	709	446
Bahamas	171	36	16	0	13	0	0	0	0	49	4	36	29	0
Barbados	434	22	5	2	0	0	0	1	0	2	62	263	81	0
Bermuda	970	47	4	0	0	0	0	0	0	0	249	507	162	0
Dominican Republic	584	32	175	14	24	0	0	0	0	137	12	1	(^D)	(^D)
Jamaica	322	34	111	0	61	0	0	0	0	49	108	5	(^D)	(^D)
Netherlands Antilles	22	2	2	2	0	0	0	0	0	0	11	19	-12	(^D)
Trinidad and Tobago	676	542	90	0	107	-20	1	0	0	2	7	17	(^D)	(^D)
United Kingdom Islands, Caribbean	231	30	2	0	(^D)	0	-101	99	0	5	31	-219	387	0
Other	251	209	21	14	5	0	0	0	0	2	2	-4	23	(^D)
Africa	6,657	4,549	1,248	357	419	160	59	14	27	213	425	-112	239	309
Egypt	840	681	61	3	44	7	1	6	0	0	59	0	(^D)	(^D)
Nigeria	2,024	1,930	84	74	10	0	0	0	0	0	8	(^D)	0	3
South Africa	1,097	(^D)	678	135	284	58	55	6	27	114	294	-154	79	(^D)
Other	2,696	(^D)	425	145	82	95	3	2	0	99	63	42	(^D)	257
Middle East	3,674	2,127	807	95	74	21	16	499	0	102	188	30	428	93
Israel	1,037	(^D)	708	29	-1	11	491	0	0	(^D)	124	2	203	0
Saudi Arabia	367	77	45	4	40	(^D)	1	0	0	0	20	-37	186	76
United Arab Emirates	1,134	973	40	0	1	21	1	8	0	9	43	28	38	12
Other	1,136	1,077	14	(^D)	4	0	5	0	0	(^D)	1	37	2	5
Asia and Pacific	77,127	18,307	33,299	3,449	6,296	732	8,810	7,199	1,168	5,644	11,770	4,087	4,994	4,671
Australia	4,106	4,106	5,885	1,119	1,671	209	447	143	740	1,557	1,544	690	1,778	1,441
China	1,092	-107	921	18	245	53	142	403	3	57	170	44	15	49
Hong Kong	5,683	517	1,365	27	157	79	79	691	(^D)	(^D)	1,661	828	394	897
India	453	3	348	19	123	6	109	2	(^D)	90	53	1	48	2
Indonesia	5,312	3,962	267	21	122	8	(^D)	23	2	(^D)	18	20	48	997
Japan	24,331	(^D)	12,570	1,412	2,448	237	4,392	2,090	62	1,929	4,727	1,057	1,779	(^D)
Korea, Republic of	1,930	(^D)	933	90	149	9	122	224	25	313	774	50	(^D)	(^D)
Malaysia	4,320	1,835	1,981	31	68	34	249	1,286	0	314	182	201	94	26
New Zealand	1,923	(^D)	445	62	7	7	12	27	15	(^D)	280	97	(^D)	(^D)
Philippines	2,048	440	1,175	317	386	0	6	276	0	191	183	(^D)	19	(^D)
Singapore	7,476	1,001	4,628	23	234	54	2,798	1,222	144	153	1,042	349	329	127
Taiwan	3,093	24	1,673	94	399	17	77	618	(^D)	(^D)	792	(^D)	120	(^D)
Thailand	3,332	1,745	1,004	67	179	62	(^D)	185	0	(^D)	287	(^D)	41	(^D)
Other	690	483	102	(^D)	53	(^D)	-1	10	0	0	38	12	19	37
International ¹	1,410	580												830
Addenda:														
Eastern Europe ²	2,316	-108	1,912	206	169	120	43	169	205	1,001	360	(^D)	54	97
European Union (15) ³	261,590	55,812	139,632	13,228	28,657	4,695	21,448	12,108	19,222	40,274	30,161	5,797	21,412	8,777
OPEC ⁴	11,673	7,846	1,801	401	475	87	51	72	259	458	238	19	470	1,298

¹ Less than \$500,000.² Suppressed to avoid disclosure of data of individual companies.³ See footnote 1 to table 9.

Table 21.2.—Gross Product of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1996

[Millions of dollars]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other equipment	Transportation equipment	Other manufacturing				
All countries	498,439	109,985	248,644	24,259	50,508	11,020	33,144	24,930	37,988	66,795	56,399	16,662	37,982	28,766
Canada	53,790	8,910	25,843	2,255	4,093	1,908	2,235	1,596	7,446	6,311	4,742	3,470	3,122	7,704
Europe	295,652	65,210	151,380	13,722	31,888	6,578	21,685	12,512	20,445	44,551	35,797	7,032	25,579	10,652
Austria	4,024	1,252	1,543	259	123	16	79	128	699	239	843	80	221	85
Belgium	14,843	2,151	8,425	720	3,147	178	515	417	858	2,590	2,223	333	1,499	212
Denmark	2,535	356	699	(D)	86	28	23	59	58	(D)	1,147	57	207	67
Finland	2,020	592	738	6	176	88	23	127	31	287	538	2	51	98
France	38,590	6,495	20,614	1,849	5,215	2,151	4,473	1,512	1,104	4,311	5,020	620	4,519	1,323
Germany	61,277	9,646	40,424	2,776	5,252	1,384	6,615	2,965	8,556	12,875	3,630	1,337	3,994	2,246
Greece	1,412	681	408	150	178	0	2	9	0	69	172	64	68	19
Ireland	9,373	764	7,085	625	2,887	79	314	1,348	36	1,796	1,081	286	74	82
Italy	21,387	7,495	9,121	801	2,177	359	1,974	1,221	830	1,759	2,642	384	1,272	472
Luxembourg	1,189	184	651	0	0	42	7	20	0	583	171	124	46	13
Netherlands	18,063	3,126	8,854	1,380	2,429	393	647	739	203	3,063	3,560	-896	2,877	543
Norway	6,475	4,857	468	138	49	60	119	27	11	65	641	36	372	101
Portugal	2,885	767	739	207	153	(*)	29	249	62	39	1,055	27	143	154
Spain	9,589	264	6,196	629	1,389	262	326	553	2,145	891	1,711	191	587	640
Sweden	4,996	414	2,374	(D)	1,399	5	241	105	24	(D)	1,339	218	441	210
Switzerland	9,219	1,105	3,291	233	808	79	221	372	0	1,578	3,264	268	1,107	183
Turkey	1,787	346	1,050	162	112	40	0	(D)	57	(D)	311	11	60	9
United Kingdom	82,605	24,837	36,169	2,999	5,961	1,292	6,046	2,380	5,494	11,996	5,831	3,844	7,914	4,010
Other	3,383	-124	2,530	303	348	121	31	(D)	278	(D)	618	45	126	187
Latin America and Other Western Hemisphere	51,919	6,647	34,161	4,966	7,001	1,526	1,784	2,073	8,202	8,609	3,119	888	3,144	3,960
South America	35,839	5,055	23,927	3,909	4,790	1,272	1,056	490	5,628	6,781	1,528	467	1,787	3,075
Argentina	6,114	1,220	3,560	920	918	91	11	36	200	1,383	358	142	342	493
Brazil	20,960	1,745	16,874	2,065	2,922	896	1,020	404	4,971	4,596	589	132	1,189	431
Chile	2,456	(D)	740	165	178	179	1	11	(D)	(D)	205	172	53	(D)
Colombia	2,210	687	1,088	241	372	41	-1	13	(D)	(D)	89	7	104	235
Ecuador	277	146	68	20	29	4	0	(*)	0	14	24	6	6	26
Peru	984	165	156	54	47	9	0	0	0	47	98	-3	13	554
Venezuela	2,143	587	1,188	283	286	52	24	26	228	290	133	(D)	55	(D)
Other	695	(D)	253	162	37	0	1	0	0	52	33	(D)	25	(D)
Central America	11,974	517	9,655	1,026	2,024	260	726	1,456	2,574	1,588	880	31	477	413
Costa Rica	591	31	213	50	38	15	0	(D)	0	299	(*)	1	46	(D)
Guatemala	237	(D)	119	33	29	7	0	0	0	49	12	6	5	(D)
Honduras	254	20	91	75	(*)	2	0	0	0	14	2	3	(*)	138
Mexico	10,314	100	9,085	853	1,929	225	726	1,402	2,574	1,376	451	43	462	173
Panama	304	(D)	75	9	24	4	0	0	0	39	103	-23	7	(D)
Other	274	185	71	6	5	7	0	(D)	0	(D)	12	2	2	2
Other Western Hemisphere	4,106	1,076	579	30	187	-7	1	127	0	239	710	391	880	471
Bahamas	157	45	24	0	20	0	0	0	0	4	35	8	17	30
Barbados	696	31	6	2	0	0	0	0	0	2	114	429	116	0
Bermuda	1,354	35	9	0	0	0	0	9	0	0	320	790	199	0
Dominican Republic	639	34	205	16	20	0	0	0	0	169	14	1	7	377
Jamaica	405	38	115	0	60	0	0	0	0	56	172	5	(D)	(D)
Netherlands Antilles	-390	13	3	0	0	0	0	0	0	13	-404	-3	(*)	(*)
Trinidad and Tobago	834	709	78	0	82	-7	1	0	0	8	15	(D)	(D)	(D)
United Kingdom Islands, Caribbean	230	31	121	0	1	0	0	117	0	3	34	-439	483	0
Other	182	151	19	10	6	0	0	0	0	2	0	-15	26	1
Africa	8,183	5,967	1,143	172	415	132	69	20	36	300	445	116	159	353
Egypt	924	809	44	-23	51	9	1	7	0	-1	50	0	30	-10
Nigeria	2,932	2,897	35	18	17	0	0	0	0	7	-10	0	3	0
South Africa	1,314	(D)	619	77	259	64	65	11	36	106	337	64	98	(D)
Other	3,014	(D)	445	100	87	59	3	2	0	194	52	62	30	(D)
Middle East	4,630	2,745	864	100	16	37	2	640	0	70	236	97	475	213
Israel	1,139	(*)	806	93	18	15	-4	640	0	44	154	2	177	0
Saudi Arabia	577	62	29	4	24	1	0	0	0	0	23	6	280	177
United Arab Emirates	1,277	1,089	45	0	1	21	1	0	0	2	53	40	27	22
Other	1,637	1,594	-16	3	-28	0	5	0	0	22	6	48	-8	14
Asia and Pacific	82,489	19,738	35,253	3,045	7,095	841	7,370	8,089	1,858	6,956	12,060	5,059	5,503	4,876
Australia	17,226	4,787	6,801	939	1,789	214	513	1,789	1,425	1,751	1,515	587	1,862	1,673
China	2,159	368	1,427	20	388	80	174	662	(D)	(D)	200	54	57	53
Hong Kong	6,217	535	1,344	30	146	79	19	748	18	303	1,889	1,059	420	970
India	432	10	331	34	120	7	71	4	(D)	(D)	68	5	8	12
Indonesia	5,931	4,440	312	25	135	26	26	12	12	(D)	50	35	21	1,073
Japan	24,136	3,351	12,432	1,197	2,873	216	4,164	1,970	76	1,936	4,144	1,746	2,030	433
Korea, Republic of	2,536	(*)	1,161	91	162	(D)	(D)	317	51	(D)	1,069	(D)	161	(D)
Malaysia	4,717	1,798	2,359	19	77	35	154	1,696	0	378	281	206	29	45
New Zealand	2,635	(D)	1,479	185	69	7	10	35	-8	1,181	311	23	7	114
Philippines	2,156	413	1,266	278	427	9	7	361	0	184	194	(D)	7	18
Singapore	7,040	1,075	3,704	24	337	73	1,681	1,291	145	152	1,298	426	406	131
Taiwan	2,941	25	1,471	90	327	20	66	591	(D)	(D)	659	(D)	227	(D)
Thailand	3,506	1,765	1,079	91	189	67	(D)	208	0	(D)	318	(D)	36	(D)
Other	857	(D)	88	23	54	2	-1	0	(*)	0	64	6	16	(D)
International ¹	1,776	768												1,008
Addenda:														
Eastern Europe ²	3,075	-177	2,400	303	264	113	31	192	278	1,220	593	41	38	180
European Union (15) ³	274,788	59,026	144,041	12,886	30,571	6,278	21,314	11,832	20,099	41,060	30,963	6,672	23,914	10,172
OPEC ⁴	13,695	9,886	1,587	330	437	84	53	52	240	389	266	86	376	1,494

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. See footnote 1 to table 9.

2. See footnote 2 to table 20.1.

3. See footnote 3 to table 20.1.

4. See footnote 4 to table 20.1.