U.S. Outward Foreign Direct Investment Profile

IMPACT OF THE LAST ECONOMIC RECESSION

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Introduction

Globalization

The World We Live In

Multinational Corporations

Foreign Direct Investment
U.S. Outward FDI

U.S. Stock comparing to World FDI

World and US outward FDI stock, 2000-2011

World

United States

$ 19,273 billion

-15%

$ 5,275 billion

-41%

US dollars, in billions


0 5,000 10,000 15,000 20,000 25,000

World

United States
European Union includes countries of Old and New Europe
Developing economies: Africa, Central and South Americas, Asia (including India, China, etc.), and Oceania
Transition economies include most of Commonwealth of Independent States countries
# U.S. Outward FDI

*As a percent of Gross National Product*

<table>
<thead>
<tr>
<th>Year</th>
<th>GNP</th>
<th>Outward FDI Flows</th>
<th>OFDI Flows % of GNP</th>
<th>Outward FDI Stock</th>
<th>OFDI Stock % of GNP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>9,989</td>
<td>143</td>
<td>1.4%</td>
<td>2,694</td>
<td>27%</td>
</tr>
<tr>
<td>2001</td>
<td>10,338</td>
<td>125</td>
<td>1%</td>
<td>2,315</td>
<td>22%</td>
</tr>
<tr>
<td>2002</td>
<td>10,691</td>
<td>135</td>
<td>1%</td>
<td>2,023</td>
<td>19%</td>
</tr>
<tr>
<td>2003</td>
<td>11,211</td>
<td>129</td>
<td>1%</td>
<td>2,729</td>
<td>24%</td>
</tr>
<tr>
<td>2004</td>
<td>11,945</td>
<td>295</td>
<td>2%</td>
<td>3,363</td>
<td>28%</td>
</tr>
<tr>
<td>2005</td>
<td>12,720</td>
<td>15</td>
<td>0.12%</td>
<td>3,638</td>
<td>28.6%</td>
</tr>
<tr>
<td>2006</td>
<td>13,450</td>
<td>224</td>
<td>1.7%</td>
<td>4,470</td>
<td>33%</td>
</tr>
<tr>
<td>2007</td>
<td>14,152</td>
<td>394</td>
<td>2.8%</td>
<td>5,275</td>
<td>37%</td>
</tr>
<tr>
<td>2008</td>
<td>14,460</td>
<td>308</td>
<td>2%</td>
<td>3,102</td>
<td>21%</td>
</tr>
<tr>
<td>2009</td>
<td>14,117</td>
<td>267</td>
<td>1.9%</td>
<td>4,287</td>
<td>30%</td>
</tr>
<tr>
<td>2010</td>
<td>14,708</td>
<td>304</td>
<td>2%</td>
<td>4,767</td>
<td>32%</td>
</tr>
<tr>
<td>2011</td>
<td>15,328</td>
<td>397</td>
<td>2.6%</td>
<td>4,500</td>
<td>29%</td>
</tr>
</tbody>
</table>

**United States outward FDI flows and stock as percentage of US GNP, 2000-2011**

- OFDI flows % of GNP
- OFDI stock % of GNP
The financial structure of the United States Capital outflows by component
U.S. Direct Investment Income and reinvested earnings

US$, in billions

Reinvested earnings

Direct investment income

71%
U.S. Outward FDI

Employment (jobs created abroad)

Average Outward US FDI Employment by Industry (in thousands), 2000-2010

- Manufacturing: 5,221
- Retail trade: 919
- Wholesale trade: 800
- Accommodation and food services: 733
- Administration and management: 689
- Professional, scientific, and technical services: 601
- Information: 563
- Finance and insurance: 309
- Transportation and warehousing: 283
- Real estate and rental and leasing: 72
- Other industries: 774

Total: 13,000,000 jobs
Geographical Distribution (regions)

Geographical distribution of U.S. outward FDI flows (average) 2000-2011

- North America: Canada: 8%
- Europe: 57%
- Latin America: 16%
- Africa: 2%
- Middle East: 16%
- Asia and Pacific: 1%
Geographical distribution of U.S. FDI flows (average) 2000-2011. Top 8 countries

- Netherlands: 39%
- Luxembourg: 8%
- Canada: 8%
- United Kingdom: 12%
- Ireland: 6%
- Bermuda: 5%
- Australia: 3%
- Switzerland: 4%
- Other countries: 15%
Sectoral distribution of U.S. outward FDI flows (average) 2000-2011

- Holding companies: 93 billion dollars
- Manufacturing: 43 billion dollars
- Finance: 35 billion dollars
- Wholesale trade: 15 billion dollars
- Information: 6 billion dollars
- Mining: 15 billion dollars
- Real estate: 7 billion dollars
- Other industries: 14 billion dollars

Billions of Dollars
<table>
<thead>
<tr>
<th>Rank 2011</th>
<th>MNC Name</th>
<th>Industry</th>
<th>Revenue US $ billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Exxon Mobil</td>
<td>Petroleum Refining</td>
<td>453</td>
</tr>
<tr>
<td>2</td>
<td>Wal-Mart Stores</td>
<td>General Merchandisers</td>
<td>447</td>
</tr>
<tr>
<td>3</td>
<td>Chevron</td>
<td>Petroleum Refining</td>
<td>246</td>
</tr>
<tr>
<td>4</td>
<td>ConocoPhillips</td>
<td>Petroleum Refining</td>
<td>237</td>
</tr>
<tr>
<td>5</td>
<td>General Motors</td>
<td>Motor Vehicles and Parts</td>
<td>150</td>
</tr>
<tr>
<td>6</td>
<td>General Electric</td>
<td>Diversified Financials</td>
<td>148</td>
</tr>
<tr>
<td>7</td>
<td>Berkshire Hathaway</td>
<td>Insurance</td>
<td>144</td>
</tr>
<tr>
<td>8</td>
<td>Ford Motor</td>
<td>Motor Vehicles and Parts</td>
<td>136</td>
</tr>
<tr>
<td>9</td>
<td>Hewlett-Packard</td>
<td>Computers</td>
<td>127</td>
</tr>
<tr>
<td>10</td>
<td>AT&amp;T</td>
<td>Telecommunications</td>
<td>126</td>
</tr>
</tbody>
</table>
U.S. Outward FDI

Number of Mergers & Acquisitions and Greenfield Projects

- Number of Mergers & Acquisitions and Greenfield Projects
  - 2000
  - 4000
  - 6000
  - 8000
  - 10000
  - 12000
  - 14000
  - 16000
  - 18000
  - 20000

- Years: 2003 to 2011

- Graph showing M & A and Greenfield Projects for each year.
CONCLUSION

The role of the United States in Global Economy is enormous

U.S. economy is “the engine” of the world economy, and a driver of global growth

U.S. Outward Foreign Direct Investment was highly affected by economic recession of 2007

Starting from 2009 U.S. outward foreign direct investment grew up reflecting the nascent economic recovery from the impact of the economic recession.
Resources:

UNCTAD’s FDI/TNC database, available at: www.unctad.org/fdistatistics

UNCTAD/Erasmus University database; www.unctad.org/wir or www.unctad.org/fdistatistics.

United States Department of Commerce, Bureau of Economic Analysis, FDI database, available at www.bea.gov/international