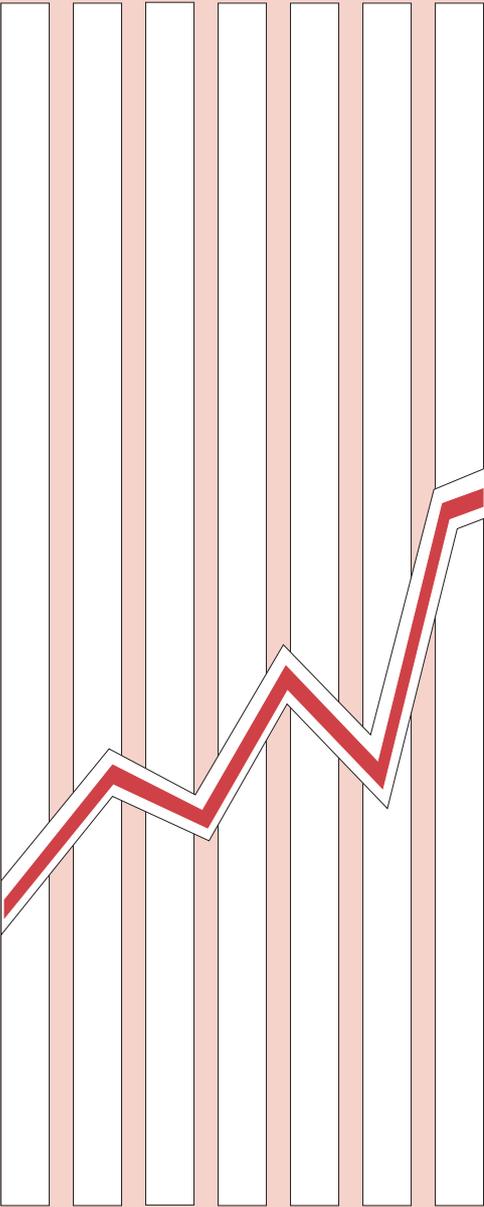


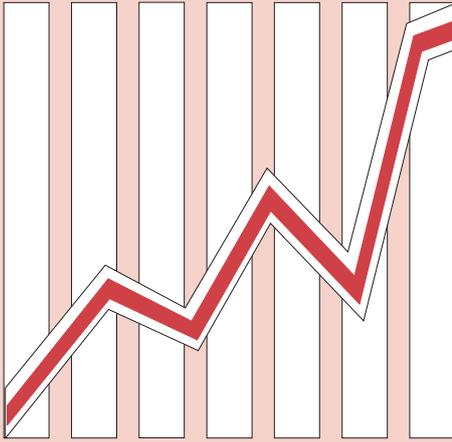
SURVEY *of* CURRENT BUSINESS



IN THIS ISSUE . . .

U.S. Transportation Satellite Accounts

The Domestic Orientation of Production and Sales by Foreign-Owned Manufacturers



SURVEY of CURRENT BUSINESS

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It incorporates data from the following monthly BEA news releases:

U.S. International Trade in Goods and Services (March 19),
Gross Domestic Product (March 26), and
Personal Income and Outlays (March 27).

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16 U.S. Transportation Satellite Accounts for 1992

The new satellite accounts for U.S. transportation integrate information from a variety of sources to present a more comprehensive picture of the role of transportation in the U.S. economy. The new transportation satellite accounts (TSA's) are based on and are an extension of the 1992 benchmark input-output (I-O) accounts. The TSA's expand the definition of transportation activities to include transportation services by businesses for their own use, and they show more accurately the total use of these services across industries. Under the expanded TSA definition, the value added of transportation industries represents 5.0 percent of GDP in 1992, compared with the 3.1-percent share shown in the I-O accounts.

29 The Domestic Orientation of Production and Sales by U.S. Manufacturing Affiliates of Foreign Companies

Detailed industry data on the production of foreign-owned U.S. manufacturing affiliates and of domestically owned manufacturing firms show that in most industries, domestic content tends to account for the dominant share of output. However, the shares for U.S. affiliates tend to be lower than those for domestically owned firms across the detailed industries, and the difference at the aggregate level increases rather than decreases when industry mix is held constant. In most industries, U.S. affiliates and domestically owned manufacturers both tend to sell most of their output in the United States, but the domestic-market shares of sales for U.S. affiliates tend to be higher than those for domestically owned firms.

Regular features

1 Business Situation

The "final" estimate of real GDP indicates a 3.7-percent increase in the fourth quarter of 1997, 0.2 percentage point lower than the "preliminary" estimate; downward revisions to consumer spending and net exports more than offset an upward revision to business fixed investment. Corporate profits decreased \$9.2 billion in the fourth quarter after increasing \$32.2 billion in the third; the downturn was accounted for by the profits of domestic nonfinancial corporations. The Federal Government current deficit increased \$1.3 billion, to \$12.1 billion, in the fourth quarter; the State and local government current surplus decreased \$1.3 billion, to \$110.1 billion.

10 State and Local Government Fiscal Position in 1997

The current surplus of State and local governments increased \$2.5 billion, to \$107.8 billion, in 1997. Receipts and current expenditures both increased at about the same pace as they had in 1996. For 1998, available information suggests some acceleration in both receipts and current expenditures and little change in the current surplus.

51 U.S. International Transactions, Fourth Quarter and Year 1997

In the fourth quarter of 1997, the U.S. current-account deficit increased to \$45.6 billion from \$43.1 billion in the third quarter; a decrease in the deficit on goods was more than offset by an increase in net unilateral transfers, a decrease in the surplus on services, and an increase in the deficit on investment income. In the capital account, outflows for U.S. assets abroad decelerated \$14.0 billion in the fourth quarter, while inflows for foreign assets in the United States decelerated only \$1.4 billion. For the year 1997, the U.S. current-account deficit increased to \$166.4 billion from \$148.2 billion in 1996; a shift to a deficit on investment income and an increase in the deficit on goods more than offset an increase in the surplus on services and a decrease in net unilateral transfers. In the capital account, outflows for U.S. assets abroad accelerated \$74.5 billion in 1997, while inflows for foreign assets in the United States accelerated \$142.9 billion.

Reports and statistical presentations

8 Real Inventories, Sales, and Inventory-Sales Ratios for Manufacturing and Trade

D-1 BEA Current and Historical Data

LOOKING AHEAD

Gross State Product by Industry. Revised estimates of gross state product by industry for 1993–94 and new estimates for 1995–96 will be presented in the June issue of the SURVEY. The estimates incorporate the most recent annual revisions of the NIPA's and of State personal income, as well as the new and revised national estimates of gross product by industry that were published in the November 1997 SURVEY.

RECRUITMENT

Chief Economist. BEA is recruiting for the position of Chief Economist. The Chief Economist directs BEA's research program; plans and develops new concepts and methods to be implemented by the Office of the Chief Statistician and by the Associate Directors for National, Industry, International, and Regional Accounts; advises the Director of BEA on major conceptual and theoretical developments in economic accounting; and serves as BEA's liaison to the academic and research community.

This is a career reserved position in the Senior Executive Service, salary range: \$106,412–\$125,900. The application deadline is May 15, 1998. To obtain the required application and qualification information, please contact the BEA Administrative Office at (202) 606–5556. BEA is an Equal Opportunity Employer.

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The economic information prepared by the Bureau of Economic Analysis (BEA) is available in news releases, in publications, on computer diskettes, on CD-ROM's, and on the Internet. For a description of these products in the free *User's Guide to BEA Information*, write to the Public Information Office, BE-53, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 606-9900. The *User's Guide* and other information are also available on BEA's home page at <http://www.bea.doc.gov>.

In addition, the following publications are available from the Superintendent of Documents of the Government Printing Office (GPO). To order, write to Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250-7954, call (202) 512-1800 or fax (202) 512-2250. Pay by check to the Superintendent of Documents or charge to a GPO deposit account, to VISA, or to MasterCard.

Benchmark Input-Output Accounts of the United States, 1987. (1994) Presents summary and detailed make and use tables for industries and commodities; tables showing commodity- and industry-output-requirements per dollar of commodity demanded; and tables showing the input-output (I-O) commodity composition of personal consumption expenditures and producers' durable equipment expenditures in the national income and product accounts. Presents concepts and methods used in the 1987 benchmark accounts; concordance between I-O and 1987 Standard Industrial Classification codes; description of the components of the measures of output, intermediate inputs, and value added; and mathematical derivation of total requirements tables. (468 pages) \$29.00, stock no. 003-010-00251-4.

Regional Multipliers: A User Handbook for the Regional Input-Output Modeling System (RIMS II), Third Edition. (1997) This handbook describes the five types of RIMS II multipliers that are available for nearly 500 industries and for any county or for any group of counties. It details the information that the users need in order to effectively use the RIMS II multipliers to analyze the economic and industrial impact of public and private projects and programs on State and local areas. The handbook also includes case studies that illustrate the uses of the RIMS II multipliers and a description of the methodology that the Bureau of Economic Analysis uses to estimate the multipliers. (63 pages) \$6.00, stock no. 003-010-00264-6.

Foreign Direct Investment in the United States: 1992 Benchmark Survey, Final Results. (1995) Presents detailed data on the financial structure and operations of U.S. affiliates of foreign direct investors, on the foreign direct investment position in the United States, and on the balance-of-payments transactions between U.S. affiliates and their foreign parent companies in 1992. Includes data for items, such as employment covered by collective bargaining agreements and merchandise trade by product and country of destination and origin, that are only collected in benchmark surveys. Benchmark surveys are conducted every 5 years and are BEA's most comprehensive surveys in terms of both the number of companies covered and the amount of information gathered. The data are classified by industry of affiliate and by country of ultimate beneficial owner, and selected data are classified by State. Provides information

about the coverage, the concepts and definitions, and the classifications used in the survey. (312 pages) \$20.00, stock no. 003-010-00259-0.

Foreign Direct Investment in the United States: Operations of U.S. Affiliates of Foreign Companies. (1997) Two publications: One presents the revised estimates for 1994, and the other, the preliminary estimates for 1995 from BEA's annual surveys of the financial structure and operations of nonbank U.S. affiliates of foreign direct investors. The estimates are presented by industry of the U.S. affiliate and by country of the ultimate beneficial owner (UBO) and for selected estimates, by industry of UBO and by State. **Preliminary 1995 Estimates** (108 pages) \$8.50, stock no. 003-010-00268-9; **Revised 1994 Estimates** (108 pages) \$8.50, stock no. 003-010-00267-1.

Foreign Direct Investment in the United States: Establishment Data for 1992. (1997) This publication, which presents the results of a project by BEA and the Bureau of the Census, provides the most recently available data on the number, employment, payroll, and shipments or sales of foreign-owned U.S. establishments in more than 800 industries at the Standard Industrial Classification four-digit level and by State and by country of owner. Presents additional information—such as data on value added, employee benefits, hourly wage rates of production workers, and expenditures for plant and equipment—for manufacturing establishments. (364 pages) \$28.00, stock no. 003-010-00265-4.

U.S. Direct Investment Abroad: 1994 Benchmark Survey, Preliminary Results. (1997) Presents preliminary results from the latest benchmark survey of the worldwide operations of U.S. multinational companies. Contains detailed 1994 data on the operations of U.S. parent companies and their foreign affiliates in 103 tables organized by country and by industry. (140 pages) \$14.00, stock no. 003-010-00263-8.

U.S. Direct Investment Abroad: Operations of U.S. Parent Companies and Their Foreign Affiliates, Preliminary 1995 Estimates. (1997) Provides preliminary results for 1995 from BEA's annual survey of the worldwide operations of U.S. multinational companies. Contains information on the financial structure and operations of U.S. parent companies and their foreign affiliates. Data are classified by country and industry of affiliate and by industry of U.S. parent. (116 pages) \$9.00, stock no. 003-010-00270-1.

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* Joint release by the Bureau of the Census and BEA.

For information, call (202) 606-9900, Bureau of Economic Analysis, U.S. Department of Commerce.