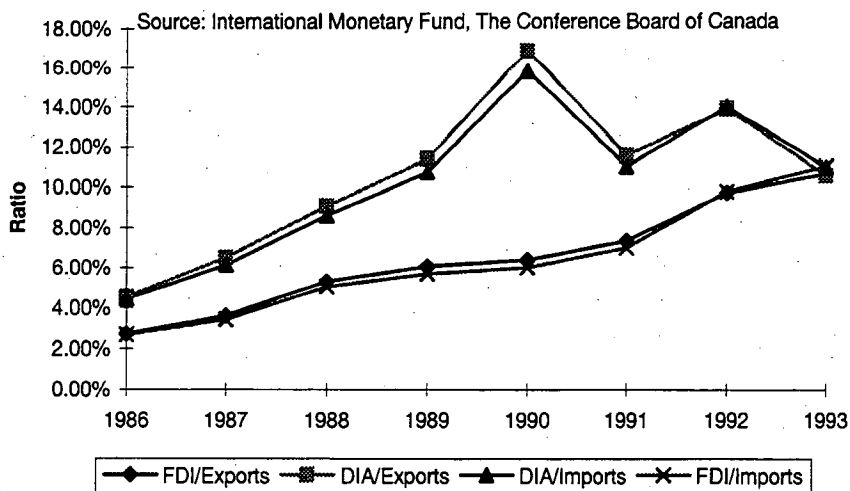


This country report is based on the investment relationship between Canada and France, and highlights data on the increasing importance of France as a provider of direct investment to other countries, and a recipient of foreign direct investments from other countries. This section suggests that if investment levels continue to grow at current rates, France will surpass all other European countries, both in terms of investment inflows into France and French outflows of investment abroad.

France is a relatively large European economy, with a GDP of more than U.S. \$1,200 billion for 1993, or about twice that of Canada. In fact, France is the fourth largest country included in this study, and a significant economic player internationally.

France is also increasingly becoming significant in the global investment scene, with French stocks of direct outward investment abroad (French DIA) totalling more than U.S. \$160 billion in 1993, up significantly from less than U.S. \$50 billion in 1987.¹ Figure F-1 illustrates the relationship between trade and investment levels, highlighting the extent to which France is becoming an important part of the global investment scene.

**Figure F-1 Relationship Between Trade & Investment
France**



¹ The data on investment obtained from France were not as complete as that obtained from other countries, suggesting that France may not keep as accurate data on investment levels as other countries selected for this report. For example, 1986 data were not available from the IMF database, and the *World Investment Directory* data ended in 1989 for France.