

investment levels recovered after the recession and starting in 1992 and 1993, whereas West German investment levels remained low. The available data on German direct investment abroad (German DIA) broken down by industry type also suggest that Germany has invested primarily in technology-intensive industries since 1991, and particularly in 1991, 1992 and 1994. This again may be related to the technology needs of the new unified Germany. In fact, the data collected for the study suggest that the industry focus of German investment to Canada is similar to that of German investment globally. Similarly, the smaller German investment flows received by Canada since 1990 mirror trends in overall global German direct investment abroad.

France is another large European economy that is increasingly having a significant impact on global investment markets. With a GDP of more than U.S. \$1,200 billion for 1993, France is the fourth largest country included in this study, and an economically significant player internationally.

France is also increasingly becoming a significant player in the global investment scene, with outward investment stocks abroad (French DIA) totalling more than U.S. \$160 billion in 1993, up significantly from less than U.S. \$50 billion in 1987 (1986 data was not available for France).

France tripled its investments abroad from 1986 to 1993, with most of the growth occurring from 1989 to 1992. This suggests that French firms have become much more outwardly oriented and have invested increasingly in other countries. As mentioned, France tripled its investments abroad between 1986 and 1993, and this was reflected in the ratio of French investment outflows abroad relative to GDP. This ratio grew from less than 0.6 per cent of GDP in 1986 to more than 1.7 per cent of GDP in 1993. At the same time, inflows of foreign direct investment to France relative to GDP have increased to more than 1.7 per cent of GDP for