

the stock of FDI in the U.S.. The increase of the proportion owned by Asia has come at the expense of Europe's portion and not that of Canada and Mexico, whose share has remained flat over the ten year period. This shows the relative lack of importance of North American FDI for the U.S..

	1982 (%)	1987 (%)	1992 (%)
<u>FDI</u>			
Europe	66.45	68.66	59.17
North America	9.60	9.48	9.58
Asia	8.15	13.83	23.95
<u>DIA</u>			
Europe	44.50	47.86	48.86
North America	23.36	19.95	16.80
Asia	8.93	10.40	12.01

Looking at direct investment abroad undertaken by the U.S., North America's share of the U.S.'s total stock abroad has been declining, losing to increases in U.S. stock in Europe and in Asia. However, it must be considered that even a small amount of investment in the North American economies of Canada and Mexico can be indicative of more economic integration than the same amount would in the larger 18 economies of Europe. Also, although Asia is more important to the U.S. as a source of FDI than is North America, the same is not yet true for DIA, although the trend seems to be pushing the U.S. in this direction.

What we see for the case of the U.S. is evidence of strong inter-regional investment linkages between Europe and North America, with investment going to and coming from Japan, and the rest of Asia, playing catch-up. The evidence of strong intra-North American linkages comes only with regard to the DIA stock of the U.S.; although at 17 per cent of the total in 1992, it is still significant (i.e., North America is Canada's largest investor by far, see Table 2). However, to say that international direct investment is not inter-regional, on the part of the U.S., would be inaccurate.