

While the share of Japanese investment flowing to the North Asian economies may be declining relative to that flowing to North America and Europe, Japan still maintains significant investment positions in these economies. With the exception of Korea, Japan's stake in terms of investment stock increased in each economy between 1980 and 1990. (See table 4.9.) The increasing interaction between China and Hong Kong are reflected by the increasing shares of inward FDI attributable to the other economy. Again, later numbers when available should reflect increasing flows from Taiwan and Korea to China.

Table 4.10  
Sectoral Distribution of Inward and Outward FDI Stock for North Asia

Country		Inward FDI			Outward FDI			
		Primary	Secondary	Tertiary	Primary	Secondary	Tertiary	
Japan	1980	0	77.7	22.3	1980	21.9	34.4	43.7
	1990	0	63.9	36.1	1990	5.7	26.7	67.6
China	1983	66.9	20.4	12.7	1983	2	12.2	85.7
	1988	8.2	49.7	42.2	1985	37	20.3	42.7
Taiwan	1980	0	93.6	6.4	1980	4.2	85.8	10
	1988		88.3	11.7	1988	1.1	65.7	33.2
Korea	1980	1	66.8	32.2	1980	22.2	17.6	60.1
	1988	0.9	61.5	37.6	1988	43.7	34.6	21.8

Note: Figures for Hong Kong are not available.

Source: "FDI and APEC Economic Integration", Canada's submission to the Ad-hoc Group on Economic Trends and Issues, APEC Sixth Ministerial Meeting, Indonesia, 1994, Table 10.

North Asia's manufacturing industries continue to attract the largest share of FDI flowing into the region. (See table 4.10.) With the exception of China, however, the share flowing to this sector is declining. Neither Japan or the NIEs attracted investment in the primary industries. Electric machinery, chemicals and metal industries were the top recipients of FDI in the region among manufacturing industries. Services were the top recipients of FDI in the region among nonmanufacturing industries. Japan and Taiwan have increasingly focussed global outward investment in the tertiary sector. China and Korea have expanded investments in both primary