

In Europe, with prospects of recovery in the next few years, are great opportunities for American investors - greater than can be found, generally speaking, among the highly-valued equities of American business.

This is subject, of course, to the hazards of taxation policy in the country involved, but let us consider these political hazards in a moment.

IV. Protection of American investments already owned: A factor not operating on the general population, but nevertheless a factor in full force and effect, is the desire to protect and revive existing investments abroad. As has already been noticed, Americans have \$13,542,200,000 invested abroad, of which \$4,418,300,000 are invested in Europe, as of May 31, 1943. (12)

These assets are owned by 215,000 American individuals, corporations and organizations. More than 6,000 individuals, corporations and other organizations held controlling interests in 15,210 foreign enterprises embracing manufacturing, mining and smelting, petroleum, public utilities, transportation, agriculture, trade, finance and a miscellaneous group - all of which businesses are woven into the fabric of European countries, and also into the fabric of American investment pattern. American controlling interests in these 15,210 corporations had a total book value of \$7,365,000,000, or about 54% of the United States' privately-owned investments in foreign countries. The owners were located in every state and territory of the United States, with average investments of less than \$10,000. (13)

Furthermore, approximately 300,000 citizens of the United States, or roughly 100,000 American families, lived in foreign countries in 1943. Large numbers had already been repatriated from Europe and Asia on the outbreak of war, reducing the normal number living abroad. Many have returned since the end of the war.

It cannot be denied that this body of citizens - call them special pleaders if you will - exerts great influence in the United States toward further investments abroad to redeem or retrench interests there. Many millions of dollars will flow through the channels of these particular interests, irrespective of adoption of the Marshall plan.

V. Readiness of European investors to join American investors in Europe: It comes with faint surprise to many Americans, living on their high plateau of economic prosperity and ample "dollar exchange," to learn that there is capital in Europe left intact and awaiting only American partnership in the reconstruction of Europe. Switzerland is on as high a plateau as we are, with booming production, and its industrial plants are in splendid condition except for a measure of

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(12) "Census of American-Owned Assets in Foreign Countries," United States Treasury Department, Office of the Secretary, 1947, page 17, et seq.

(13) "Census of American-Owned Assets in Foreign Countries," United States Treasury Department, Office of the Secretary, 1947, page 25.