

# Contents

<b>1 The Importance of Multinational Enterprises</b>	<b>1</b>
Background and Additional Considerations	6
About This Report	11
Major Findings	13
Policy Discussion	15
<b>2 Multinational Industry and National Differences</b>	<b>21</b>
The Structure of Multinational Industry	22
National Differences	29
Asymmetries in Government Policies, Ownership, and Control	33
<b>3 Foreign Direct Investment</b>	<b>43</b>
Chapter Findings	44
FDI in the United States	47
Asymmetries in National Policy Regimes	68
<b>4 Japanese Multinational Enterprises in the United States</b>	<b>81</b>
Chapter Findings	83
Keiretsu	86
What are the Keiretsu?	87
Domestic Content of Japanese-Owned U.S. Production	94
Japanese Investment in Small U.S. High-Tech Firms	99
Japanese MNEs and U.S. University Research	106

<b>5</b>	<b>International Strategic Alliances</b>	<b>115</b>
	Chapter Findings	116
	What are International Strategic Alliances?	117
	Recent Trends in International Strategic Alliances	117
	Type of Collaboration By Region	121
	Why International Strategic Alliances are on the Rise	121
	Why MNEs Enter Into Strategic Alliances	123
	How Governments Shape The Formation and Content of ISAs	126
	How Successful are International Strategic Alliances?	129
<b>6</b>	<b>Multinational Enterprises and Global Capital Markets</b>	<b>135</b>
	Chapter Findings	140
	Government Policies and Financial Markets	142
	Financial Markets and MNEs	144
	Financial Market Structures: A Primer	147
	Capital Decontrol and Financial Integration	149
	Financial Integration and National Structures	153
	MNEs and Multilateral Cooperation	157
	<b>INDEX</b>	<b>159</b>