

# SURVEY of CURRENT BUSINESS

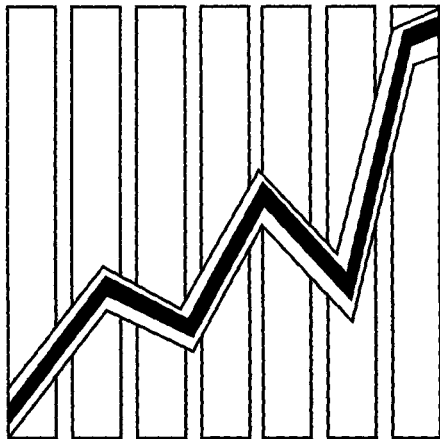


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*A Note on Hedonics, Computers, and Real GDP*

*GDP by Industry for 1997–99*

U.S. DEPARTMENT OF COMMERCE ≈ ECONOMICS AND STATISTICS ADMINISTRATION  
BUREAU OF ECONOMIC ANALYSIS



# SURVEY of CURRENT BUSINESS

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THIS ISSUE of the SURVEY went to the printer on December 14, 2000. It incorporates data from the following monthly BEA news releases:  
U.S. International Trade in Goods and Services (November 21),  
Gross Domestic Product (November 29), and  
Personal Income and Outlays (November 30).

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A review of the data on hedonic price indexes and their impact on real GDP growth shows no evidence of an overstatement in the measured decline in computer prices. The hedonic price indexes for computers produce results that are quite robust and that are virtually the same as those produced by a carefully constructed traditional price index for computers.

## *Regular features*

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### 1 Business Situation

The growth in the U.S. economy slowed in the third quarter of 2000, while inflation remained moderate. Real GDP increased 2.4 percent, less than half as much as the average increase in the preceding four quarters; the prices of gross domestic purchases increased 2.3 percent, about the same as the average increase in the preceding four quarters. Corporate profits increased \$7.6 billion (0.8 percent at a quarterly rate) in the third quarter after increasing \$27.3 billion (2.9 percent) in the second. The Federal Government current surplus increased \$13.4 billion, to \$254.3 billion, in the third quarter after increasing \$5.1 billion in the second. The State and local government current surplus increased \$4.1 billion, to \$64.2 billion, after increasing \$8.1 billion.

### 24 Gross Domestic Product by Industry for 1997–99

New estimates of gross domestic product by industry for 1999 and revised estimates for 1997 and 1998 incorporate the results of this year's annual revision of the NIPA's and newly available source data. According to these estimates, the long-term structural shift in the U.S. economy from goods-producing industries to services-producing industries continued. The revisions to the real growth rate of private industries were small, but the revisions to the growth rates for some of the individual industry groups were substantial.

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### LOOKING AHEAD

**Annual Input-Output Accounts of the U.S. Economy.** The 1997 annual input-output (I-O) accounts will be presented in the January 2001 SURVEY and will be available on BEA's Web site on December 18, 2000. The publication of these accounts—which present a detailed picture of how 97 industries and commodities interact to provide input to, and take output from, each other—continues the annual updating of the I-O accounts that began last year.

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# BUSINESS SITUATION

This article was prepared by Larry R. Moran, Daniel Larkins, Ralph W. Morris, Jennifer S. Argueta, and Steven J. Andrews.

**G**ROWTH of the U.S. economy slowed in the third quarter, as private investment slowed sharply and Federal Government spending turned down. Inflation remained moderate.

Real gross domestic product (GDP) increased 2.4 percent in the third quarter of 2000, according to the "preliminary" estimates of the national income and product accounts (NIPAs), after increasing 5.6 percent in the second quarter (table 1 and chart 1); the "advance" third-quarter estimate of real GDP, reported in the November "Business Situation," had shown a 2.7-percent increase.<sup>1</sup> The downward revision to real GDP reflected an upward revision to imports and downward revisions to business investment in equipment and software

and to private investment in inventories that were partly offset by upward revisions to business investment in structures and to State and local government spending.<sup>2</sup>

Real final sales of domestic product was revised down, and real gross domestic purchases was revised up. The increases in the prices of gross domestic purchases and of GDP were revised down. (The sources of the revisions are discussed in the section "Revisions.")

2. In the NIPAs, business investment in equipment and software and in structures is shown as private nonresidential fixed investment, private inventory investment is shown as change in private inventories, and government spending is shown as government consumption expenditures and gross investment.

1. Quarterly estimates in the NIPAs are expressed at seasonally adjusted annual rates. Quarter-to-quarter dollar changes are the differences between the published estimates. Quarter-to-quarter percent changes are annualized and are calculated from unrounded data unless otherwise specified.

Real estimates are calculated using a chain-type Fisher formula with annual weights for all years and quarterly weights for all quarters; real estimates are expressed both as index numbers (1996=100) and as chained (1996) dollars. Price indexes (1996=100) are also calculated using a chain-type Fisher formula.

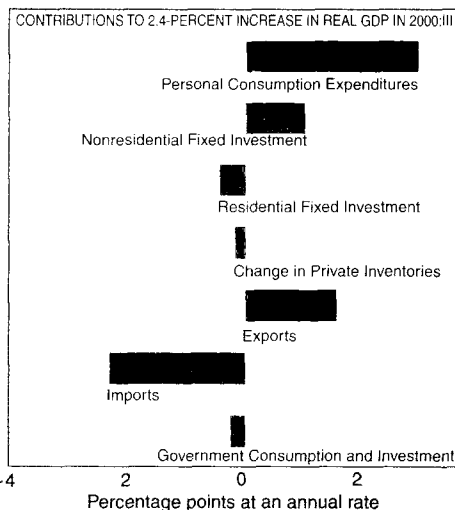
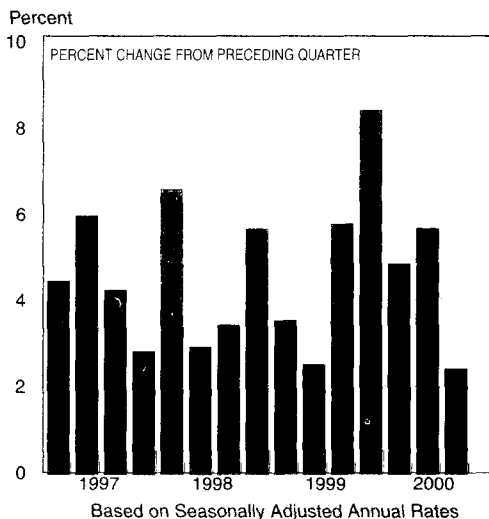
**Table 1.—Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers**  
(Seasonally adjusted at annual rates)

|  | Billions of chained (1996) dollars |                               |              |              |             | Percent change from preceding quarter |            |            |            |
|--|------------------------------------|-------------------------------|--------------|--------------|-------------|---------------------------------------|------------|------------|------------|
|  | Level                              | Change from preceding quarter |              |              |             | 1999                                  |            | 2000       |            |
|  |                                    | 2000                          | 1999         | 2000         |             |                                       | IV         | I          | II         |
|  |                                    | III                           | IV           | I            | II          | III                                   |            |            |            |
| <b>Gross domestic product</b> .....                            | <b>9,373.5</b>                     | <b>178.3</b>                  | <b>107.7</b> | <b>127.1</b> | <b>54.6</b> | <b>8.3</b>                            | <b>4.8</b> | <b>5.6</b> | <b>2.4</b> |
| Less: Exports of goods and services .....                      | 1,162.7                            | 25.8                          | 16.4         | 37.0         | 40.9        | 10.3                                  | 6.3        | 14.3       | 15.4       |
| Plus: Imports of goods and services .....                      | 1,587.7                            | 35.7                          | 40.8         | 63.5         | 62.5        | 10.7                                  | 12.0       | 18.6       | 17.4       |
| <b>Equals: Gross domestic purchases</b> .....                  | <b>9,767.7</b>                     | <b>187.4</b>                  | <b>129.5</b> | <b>150.7</b> | <b>73.4</b> | <b>8.4</b>                            | <b>5.6</b> | <b>6.5</b> | <b>3.1</b> |
| Less: Change in private inventories .....                      | 73.5                               | 41.8                          | -44.3        | 42.0         | -5.1        |                                       |            |            |            |
| Nonfarm .....  | 68.4                               | 29.5                          | -40.0        | 39.3         | -3.9        |                                       |            |            |            |
| Farm .....   | 5.0                                | 12.9                          | -4.3         | 2.6          | -1.2        |                                       |            |            |            |
| <b>Equals: Final sales to domestic purchasers</b> .....        | <b>9,688.1</b>                     | <b>147.6</b>                  | <b>169.5</b> | <b>110.6</b> | <b>77.6</b> | <b>6.6</b>                            | <b>7.5</b> | <b>4.7</b> | <b>3.3</b> |
| Personal consumption expenditures .....                        | 6,330.5                            | 87.2                          | 112.5        | 47.1         | 69.9        | 5.9                                   | 7.6        | 3.1        | 4.5        |
| Durable goods .....  | 904.1                              | 25.6                          | 46.4         | -11.5        | 17.4        | 13.0                                  | 23.6       | -5.0       | 8.1        |
| Nondurable goods .....   | 1,883.1                            | 32.0                          | 26.7         | 16.3         | 22.0        | 7.4                                   | 6.0        | 3.6        | 4.8        |
| Services .....   | 3,558.7                            | 31.9                          | 44.2         | 39.5         | 32.0        | 3.8                                   | 5.2        | 4.6        | 3.7        |
| Private fixed investment .....                                 | 1,791.9                            | 28.8                          | 64.3         | 46.7         | 14.3        | 7.2                                   | 16.4       | 11.2       | 3.3        |
| Nonresidential .....   | 1,439.4                            | 29.3                          | 63.5         | 47.2         | 26.9        | 9.5                                   | 21.0       | 14.6       | 7.8        |
| Structures .....   | 286.8                              | 6.0                           | 13.4         | 3.0          | 9.8         | 9.7                                   | 22.3       | 4.4        | 14.9       |
| Equipment and software .....                                   | 1,162.7                            | 23.5                          | 50.3         | 46.2         | 16.1        | 9.5                                   | 20.6       | 17.9       | 5.8        |
| Residential .....  | 362.3                              | .5                            | 2.9          | 1.2          | -10.3       | .5                                    | 3.2        | 1.3        | -10.5      |
| Government consumption expenditures and gross investment ..... | 1,577.7                            | 31.7                          | -4.4         | 18.6         | -6.0        | 8.5                                   | -1.1       | 4.8        | -1.5       |
| Federal .....  | 545.8                              | 17.1                          | -21.0        | 21.7         | -13.0       | 13.2                                  | -14.2      | 17.2       | -9.0       |
| National defense .....   | 346.2                              | 10.5                          | -19.4        | 13.6         | -8.9        | 12.6                                  | -19.8      | 16.9       | -9.6       |
| Nondefense .....   | 199.4                              | 6.6                           | -1.7         | 8.2          | -4.2        | 14.4                                  | -3.3       | 17.8       | -8.0       |
| State and local .....  | 1,031.4                            | 14.8                          | 16.2         | -2.8         | 6.8         | 6.1                                   | 6.6        | -1.1       | 2.7        |
| <b>Addendum: Final sales of domestic product</b> .....         | <b>9,294.1</b>                     | <b>138.7</b>                  | <b>147.5</b> | <b>87.3</b>  | <b>58.8</b> | <b>6.4</b>                            | <b>6.7</b> | <b>3.9</b> | <b>2.6</b> |

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates usually are not additive. Chained (1996) dollar levels and residuals, which measure the extent of nonadditivity in each table, are shown in NIPA tables 1.2, 1.4, and 1.6. Percent changes are calculated from unrounded data. Percent changes in major aggregates are shown in NIPA table S.1. (See "Selected NIPA Tables," which begin on page D-2 in this issue.)

**CHART 1**

## Real Gross Domestic Product



U.S. Department of Commerce, Bureau of Economic Analysis

The 2.4-percent increase in real GDP in the third quarter was the smallest increase in 4 years and was well below the 3.7-percent average annual growth rate over the current expansion, which began in the second quarter of 1991.

Overall, the picture of the economy that is presented by the preliminary estimates is similar to that presented by the advance estimates; however, revisions to some of the components of GDP were substantial and offsetting. The preliminary estimates showed the following:

- Real GDP growth decelerated in the third quarter. The deceleration was accounted for by downturns in private inventory investment, in Federal Government spending, and in private residential investment and by a deceleration in business investment in equipment and software. These changes were partly offset by an acceleration in consumer spending and by an upturn in State and local government spending.<sup>3</sup>
- Real motor vehicle output decreased 16.4 percent in the third quarter after decreasing 4.5 percent in the second. GDP less motor vehicles increased 3.1 percent after increasing 6.0 percent.
- Real final sales of computers increased 37.7 percent in the third quarter after increasing 55.4 percent in the second. GDP less final sales of

3. In the NIPA's, consumer spending is shown as personal consumption expenditures.

**Table 2.—Contributions to Percent Change in Real Gross Domestic Product**

[Seasonally adjusted at annual rates]

|  | 2000  |       |       |       |
|--|-------|-------|-------|-------|
|  | IV    | I     | II    | III   |
| <b>Percent change at annual rate:</b>                          |       |       |       |       |
| Gross domestic product .....                                   | 8.3   | 4.8   | 5.6   | 2.4   |
| <b>Percentage points at annual rates:</b>                      |       |       |       |       |
| Personal consumption expenditures .....                        | 4.08  | 5.03  | 2.14  | 3.02  |
| Durable goods .....  | 1.04  | 1.79  | -.42  | .64   |
| Nondurable goods .....   | 1.47  | 1.19  | .74   | .95   |
| Services .....   | 1.58  | 2.04  | 1.83  | 1.43  |
| Gross private domestic investment .....                        | 3.04  | .92   | 3.66  | .40   |
| Fixed investment .....   | 1.26  | 2.68  | 1.93  | .58   |
| Nonresidential .....   | 1.22  | 2.54  | 1.87  | 1.04  |
| Structures .....   | .29   | .63   | .14   | .45   |
| Equipment and software .....                                   | .94   | 1.91  | 1.73  | .59   |
| Residential .....  | .03   | .14   | .06   | -.46  |
| Change in private inventories .....                            | 1.78  | -1.76 | 1.73  | -.18  |
| Net exports of goods and services .....                        | -.37  | -.94  | -1.00 | -.79  |
| Exports .....  | 1.09  | .67   | 1.48  | 1.60  |
| Goods .....  | .94   | .46   | 1.37  | 1.46  |
| Services .....   | .15   | .21   | .11   | .15   |
| Imports .....  | -1.45 | -1.61 | -2.48 | -2.39 |
| Goods .....  | -1.28 | -1.28 | -2.26 | -1.95 |
| Services .....   | -.17  | -.33  | -.22  | -.44  |
| Government consumption expenditures and gross investment ..... | 1.50  | -.18  | .85   | -.26  |
| Federal .....  | .79   | -.93  | .97   | -.57  |
| National defense .....   | .48   | -.86  | .60   | -.38  |
| Nondefense .....   | .30   | -.07  | .37   | -.19  |
| State and local .....  | .71   | .75   | -.12  | .31   |

NOTE.—More detailed contributions to percent change in real gross domestic product are shown in NIPA table 8.2. Contributions to percent change in major components of real gross domestic product are shown in tables 8.3 through 8.6.

computers increased 2.0 percent after increasing 5.2 percent.

- Real final sales of domestic product decelerated less than GDP in the third quarter, as private inventory investment turned down.<sup>4</sup> The growth in real final sales of domestic product was 0.2 percentage point higher than the growth in real GDP in the third quarter; in the second quarter, the growth in final sales was 1.7 percentage points lower than the growth in real GDP.
- Real gross domestic purchases decelerated slightly more than real GDP in the third quarter, reflecting a small deceleration in imports of goods and services and a small acceleration in exports of goods and services.<sup>5</sup> Gross domestic purchases has grown faster than GDP for 7 consecutive quarters and for 14 of the past 15 quarters.
- The largest contributors to the third-quarter increase in real GDP were consumer spending,

4. Final sales of domestic product is calculated as GDP less change in private inventories.

5. Gross domestic purchases—a measure of purchases by U.S. residents regardless of where the purchased goods and services were produced—is calculated as the sum of personal consumption expenditures, gross private domestic investment, and government consumption expenditures and gross investment; thus, gross domestic purchases includes imports of goods and services, which are subtracted in the calculation of GDP, and does not include exports of goods and services, which are added in the calculation of GDP.

**Table 3.—Percent Changes in Prices**

[Annual rates, based on seasonally adjusted index numbers (1996=100)]

|  | 2000       |            |            |            |
|--|------------|------------|------------|------------|
|  | IV         | I          | II         | III        |
| <b>Gross domestic product .....</b>                            | <b>1.6</b> | <b>3.3</b> | <b>2.4</b> | <b>1.9</b> |
| Less: Exports of goods and services .....                      | 2.7        | 1.9        | 1.9        | .8         |
| Plus: Imports of goods and services .....                      | 5.3        | 5.6        | .2         | 3.6        |
| <b>Equals: Gross domestic purchases .....</b>                  | <b>1.9</b> | <b>3.8</b> | <b>2.1</b> | <b>2.3</b> |
| Less: Change in private inventories .....                      | .....      | .....      | .....      | .....      |
| <b>Equals: Final sales to domestic purchasers .....</b>        | <b>2.0</b> | <b>3.8</b> | <b>2.1</b> | <b>2.3</b> |
| Personal consumption expenditures .....                        | 2.2        | 3.5        | 2.1        | 2.1        |
| Durable goods .....  | -1.8       | -2.0       | -.6        | -2.3       |
| Nondurable goods .....   | 3.6        | 5.4        | 3.3        | 2.2        |
| Services .....   | 2.3        | 3.7        | 2.0        | 3.0        |
| Private fixed investment .....                                 | 0          | 2.6        | 1.9        | 2.3        |
| Nonresidential .....   | -.8        | 1.8        | 1.6        | 2.2        |
| Structures .....   | 3.6        | 4.7        | 3.7        | 4.9        |
| Equipment and software .....                                   | -2.1       | .9         | 1.0        | 1.3        |
| Residential .....  | 2.6        | 5.2        | 2.6        | 2.7        |
| Government consumption expenditures and gross investment ..... | 3.0        | 6.4        | 2.7        | 3.2        |
| Federal .....  | 2.2        | 7.7        | .6         | 2.7        |
| National defense .....   | 2.4        | 7.1        | .8         | 2.9        |
| Nondefense .....   | 1.9        | 8.9        | .4         | 2.4        |
| State and local .....  | 3.5        | 5.7        | 3.8        | 3.4        |
| <b>Addenda:</b>  |            |            |            |            |
| Gross domestic purchases:                                      |            |            |            |            |
| Food .....   | 2.3        | 2.3        | 2.3        | 3.5        |
| Energy .....   | 12.0       | 37.7       | 11.2       | 11.1       |
| Less food and energy .....                                     | 1.5        | 2.8        | 1.7        | 1.8        |
| PCE:   |            |            |            |            |
| Food .....   | 2.3        | 2.4        | 2.3        | 3.7        |
| Energy goods and services <sup>1</sup> .....                   | 11.7       | 35.1       | 13.0       | 8.7        |
| Less food and energy .....                                     | 1.7        | 2.2        | 1.4        | 1.5        |

1. Consists of gasoline, fuel oil, and other energy goods, and of electricity and gas.

NOTE.—Percent changes in major aggregates are shown in NIPA table 8.1. Index numbers are shown in tables 7.1, 7.2, and 7.4.

exports of goods and services, and business fixed investment (table 2 and chart 1). The increase in GDP was moderated by an increase in imports.

The prices of gross domestic purchases increased 2.3 percent in the third quarter after increasing 2.1 percent in the second (table 3); the small acceleration was primarily accounted for by an acceleration in the prices of PCE services, largely in medical care. The prices of gross domestic purchases excluding food and energy prices, which are more volatile than many other prices, increased 1.8 percent after increasing 1.7 percent.

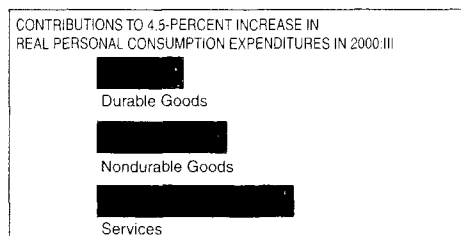
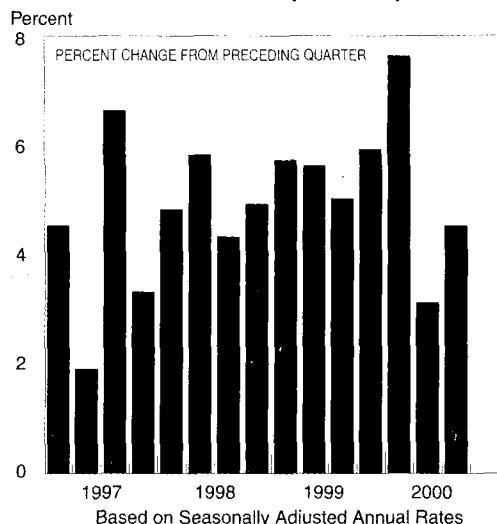
GDP prices increased 1.9 percent in the third quarter after increasing 2.4 percent in the second. GDP prices decelerated while gross domestic purchases prices accelerated, because export prices decelerated and import prices accelerated; the acceleration in import prices primarily reflected a sharp step-up in petroleum prices.

Real disposable personal income increased 2.4 percent in the third quarter after increasing 3.7 percent in the second. The personal saving rate fell to -0.2 percent in the third-quarter from 0.3 percent in the second; the third-quarter rate was the only negative rate since 1946—the first year for which quarterly estimates are available.<sup>6</sup> The national saving rate decreased to 18.5 percent from 18.6 percent; the national saving rate has ranged

6. The personal saving rate is measured as personal saving as a percentage of current-dollar disposable personal income.

**CHART 2**

**Real Personal Consumption Expenditures**



Based on Seasonally Adjusted Annual Rates  
Percentage points at an annual rate  
U.S. Department of Commerce, Bureau of Economic Analysis

**Table 4.—Real Personal Consumption Expenditures**  
[Seasonally adjusted at annual rates]

|  | Billions of chained (1996) dollars |                               |              |             |             | Percent change from preceding quarter |            |            |            |
|--|------------------------------------|-------------------------------|--------------|-------------|-------------|---------------------------------------|------------|------------|------------|
|  | Level                              | Change from preceding quarter |              |             |             |                                       |            |            |            |
|  | 2000                               | 1999                          | 2000         |             |             | 1999                                  | 2000       |            |            |
|  |                                    |                               | III          | IV          | I           |                                       | II         | III        | IV         |
| <b>Personal consumption expenditures</b> .....   | <b>6,330.5</b>                     | <b>87.2</b>                   | <b>112.5</b> | <b>47.1</b> | <b>69.9</b> | <b>5.9</b>                            | <b>7.6</b> | <b>3.1</b> | <b>4.5</b> |
| Durable goods .....                              | 904.1                              | 25.6                          | 46.4         | -11.5       | 17.4        | 13.0                                  | 23.6       | -5.0       | 8.1        |
| Motor vehicles and parts .....                   | 342.3                              | 6.0                           | 20.9         | -15.9       | 6.4         | 7.7                                   | 27.7       | -16.9      | 7.8        |
| Of which:  |                                    |                               |              |             |             |                                       |            |            |            |
| New autos .....                                  | 101.3                              | 5.1                           | 5.6          | -3.7        | -4.0        | 22.4                                  | 23.6       | -13.0      | -14.4      |
| New light trucks .....                           | 107.6                              | .2                            | 10.3         | -7.8        | 7.0         | .9                                    | 49.2       | -25.7      | 30.7       |
| Furniture and household equipment .....          | 387.6                              | 14.3                          | 15.9         | 5.2         | 8.3         | 17.7                                  | 19.1       | 5.6        | 9.0        |
| Other .....                                      | 177.9                              | 6.0                           | 9.1          | 1.0         | 2.9         | 15.8                                  | 24.1       | 2.3        | 6.9        |
| Nondurable goods .....                           | 1,883.1                            | 32.0                          | 26.7         | 16.3        | 22.0        | 7.4                                   | 6.0        | 3.6        | 4.8        |
| Food .....                                       | 879.2                              | 19.3                          | 6.2          | 4.3         | 2.7         | 9.4                                   | 2.9        | 2.0        | 1.2        |
| Clothing and shoes .....                         | 350.4                              | 0                             | 15.6         | 4.6         | 8.1         | -1                                    | 20.9       | 5.6        | 9.8        |
| Gasoline, fuel oil, and other energy goods ..... | 149.2                              | 1.9                           | -5.7         | 1.7         | 1.7         | 5.1                                   | -14.0      | 4.5        | 4.7        |
| Other .....                                      | 506.5                              | 10.2                          | 11.9         | 5.9         | 10.0        | 9.0                                   | 10.3       | 4.9        | 8.3        |
| Services .....                                   | 3,558.7                            | 31.9                          | 44.2         | 39.5        | 32.0        | 3.8                                   | 5.2        | 4.6        | 3.7        |
| Housing .....                                    | 851.8                              | 5.8                           | 4.9          | 5.6         | 4.8         | 2.8                                   | 2.4        | 2.7        | 2.3        |
| Household operation .....                        | 376.4                              | -5.4                          | 5.4          | 10.1        | 1.6         | -5.8                                  | 6.1        | 11.6       | 1.8        |
| Electricity and gas .....                        | 135.1                              | -7.8                          | 2.3          | 6.5         | -1.4        | -20.9                                 | 7.2        | 21.4       | -3.9       |
| Other household operation .....                  | 241.1                              | 2.1                           | 3.2          | 3.7         | 3.0         | 3.8                                   | 5.6        | 6.4        | 5.2        |
| Transportation .....                             | 250.9                              | 2.3                           | 2.5          | 2.4         | 1.0         | 3.7                                   | 4.2        | 3.9        | 1.6        |
| Medical care .....                               | 909.8                              | 7.2                           | 4.6          | 6.4         | 6.0         | 3.3                                   | 2.1        | 2.9        | 2.7        |
| Recreation .....                                 | 237.0                              | 2.1                           | 5.1          | 4.9         | 4.8         | 3.9                                   | 9.6        | 9.0        | 8.6        |
| Other .....                                      | 931.5                              | 19.1                          | 21.3         | 10.6        | 13.5        | 9.1                                   | 9.9        | 4.8        | 6.0        |

NOTE.—See note to table 1 for an explanation of chained (1996) dollar series. Chained (1996) dollar levels and residuals are shown in NIPA tables 2.3 and 8.9B (motor vehicles). Percent changes in major aggregates are shown in NIPA table S.1.

from 18.2 percent to 18.6 percent for the last six quarters after ranging from 18.7 percent to 19.0 percent for the preceding five quarters.<sup>7</sup>

*Personal consumption expenditures*

Real personal consumption expenditures (PCE) increased 4.5 percent in the third quarter after increasing 3.1 percent in the second (table 4 and chart 2). The acceleration was accounted for by an upturn in durable goods and by an acceleration in nondurable goods. Services decelerated.

Over the past four quarters, PCE increased 5.3 percent, well above its 3.8-percent average annual growth rate over the current expansion. The factors frequently considered in the analyses of consumer spending showed some strength from the third quarter of 1999 to the third quarter of 2000 (chart 3). The unemployment rate fell to 4.0 percent—its lowest quarterly rate since 1969—from 4.2 percent. Real disposable personal income in-

7. The national saving rate is measured as gross saving as a percentage of gross national product.

creased 3.1 percent, which was slightly higher than the 2.9-percent average growth rate over the current expansion. The Index of Consumer Sentiment (prepared by the University of Michigan's Survey Research Center as a measure of consumer attitudes and expectations) decreased in three of the four quarters, but it remained at a high level.

Expenditures for durable goods increased 8.1 percent after decreasing 5.0 percent. The upturn was mostly accounted for by an upturn in motor vehicles and parts. However, furniture and household equipment and "other" durable goods increased more than in the second quarter.<sup>8</sup>

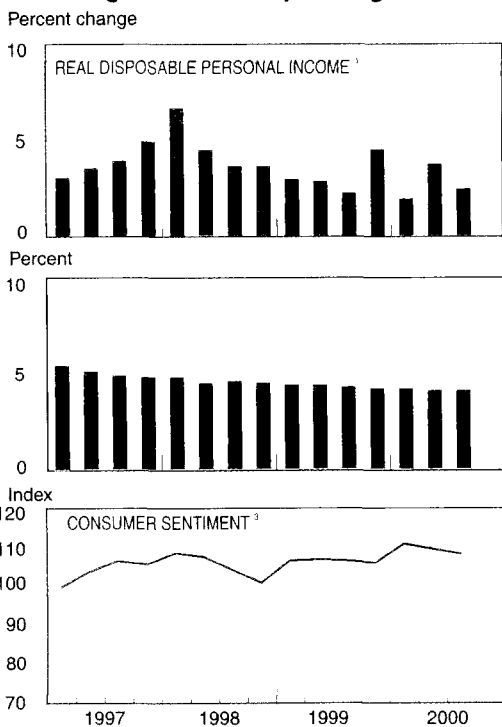
Expenditures for nondurable goods increased 4.8 percent after increasing 3.6 percent. Accelerations in "other" nondurable goods and in clothing and shoes more than offset a deceleration in food.<sup>9</sup>

8. "Other" durable goods includes jewelry and watches, ophthalmic products and orthopedic equipment, books and maps, bicycles and motorcycles, guns and sporting equipment, photographic equipment, boats, and pleasure aircraft.

9. "Other" nondurable goods includes tobacco, toilet articles, drug preparations and sundries, stationery and writing supplies, toys, film, flowers, cleaning preparations and paper products, semidurable house furnishings, and magazines and newspapers.

**CHART 3**

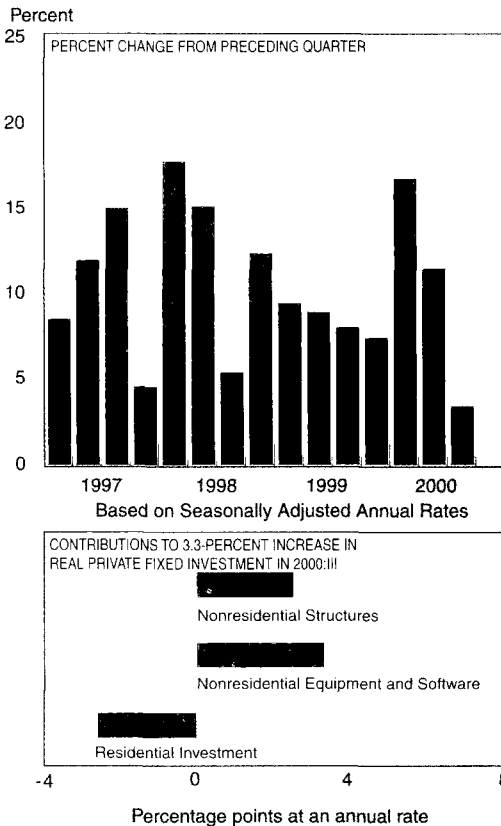
**Selected Factors Affecting Consumer Spending**



1. Based on seasonally adjusted annual rates.  
 2. All civilian workers, seasonally adjusted. Data: U.S. Department of Labor, Bureau of Labor Statistics  
 3. Data: University of Michigan's Survey Research Center  
 U.S. Department of Commerce, Bureau of Economic Analysis

**CHART 4**

**Real Private Fixed Investment**



U.S. Department of Commerce, Bureau of Economic Analysis



Expenditures for services increased 3.7 percent after increasing 4.6 percent. A deceleration in household operation, largely reflecting a downturn in electricity and gas, more than offset an acceleration in "other" services.<sup>10</sup>

**Private fixed investment**

Real private fixed investment increased 3.3 percent in the third quarter after jumping 11.2 percent in the second (table 5 and chart 4). Nonresidential fixed investment decelerated, and residential investment turned down.

**Nonresidential fixed investment.**—Real private nonresidential fixed investment increased 7.8 percent in the third quarter after jumping 14.6 percent in the second. The deceleration reflected a deceleration in equipment and software that more than offset an acceleration in structures.

Over the past four quarters, nonresidential fixed investment increased 13.1 percent, somewhat more than its 9.3-percent average annual growth rate over the current expansion. Many of the factors that affect investment spending have shown strength over the past four quarters: Real final sales of domestic product increased 4.9 percent, domestic corporate profits increased 13.9 percent, and

the capacity utilization rate increased to 82.4 percent from 81.3 percent (chart 5). In contrast, long-term interest rates increased; for example, the yield on high-grade corporate bonds increased to 7.54 percent in the third quarter of 2000 from 7.31 percent in the third quarter of 1999.

Investment in equipment and software increased 5.8 percent in the third quarter after jumping 17.9 percent in the second. The slowdown was widespread, but it was most pronounced in transportation equipment and in "other" information processing equipment.<sup>11</sup>

Investment in nonresidential structures jumped 14.9 percent after increasing 4.4 percent. The step-up was accounted for by upturns in utilities and in "other structures" and by an acceleration in nonresidential buildings.

**Residential investment.**—Real private residential investment decreased 10.5 percent in the third quarter after increasing 1.3 percent in the second (table 5 and chart 4). All the components of residential structures contributed to the downturn.

Single-family structures decreased 16.3 percent after decreasing 4.5 percent, and multifamily structures decreased 29.5 percent after decreasing 2.5 percent.

10. "Other" services includes personal care, personal business, education and research, religious and welfare activities, and net foreign travel.

11. "Other information processing equipment" includes communication equipment, instruments, photocopy and related equipment, and office and accounting equipment.

**Table 5.—Real Private Fixed Investment**  
(Seasonally adjusted at annual rates)

|   | Billions of chained (1996) dollars |                               |      |      |       | Percent change from preceding quarter |       |       |       |
|---|------------------------------------|-------------------------------|------|------|-------|---------------------------------------|-------|-------|-------|
|   | Level                              | Change from preceding quarter |      |      |       | 1999                                  |       |       |       |
|   | 2000                               | 1999                          | 2000 |      |       | IV                                    | I     | II    | III   |
|   |                                    |                               | III  | IV   | I     |                                       |       |       |       |
| <b>Private fixed investment</b> .....                 | 1,791.9                            | 28.8                          | 64.3 | 46.7 | 14.3  | 7.2                                   | 16.4  | 11.2  | 3.3   |
| <b>Nonresidential</b> .....                           | 1,439.4                            | 29.3                          | 63.5 | 47.2 | 26.9  | 9.5                                   | 21.0  | 14.6  | 7.8   |
| Structures .....                                      | 286.8                              | 6.0                           | 13.4 | 3.0  | 9.8   | 9.7                                   | 22.3  | 4.4   | 14.9  |
| Nonresidential buildings, including farm .....        | 204.0                              | 1.9                           | 11.4 | 3.0  | 4.5   | 4.0                                   | 27.1  | 6.2   | 9.4   |
| Utilities .....                                       | 44.8                               | .4                            | .9   | -2.1 | 2.0   | 3.9                                   | 8.6   | -17.4 | 19.8  |
| Mining exploration, shafts, and wells .....           | 30.5                               | 3.3                           | 1.5  | 2.3  | 2.1   | 78.2                                  | 27.0  | 40.9  | 33.2  |
| Other structures .....                                | 7.7                                | .4                            | -6   | -4   | 1.2   | 22.0                                  | -27.2 | -24.3 | 99.0  |
| <b>Equipment and software</b> .....                   | 1,162.7                            | 23.5                          | 50.3 | 46.2 | 16.1  | 9.5                                   | 20.6  | 17.9  | 5.8   |
| Information processing equipment and software .....   | 696.1                              | 26.8                          | 41.5 | 39.7 | 27.0  | 20.5                                  | 31.4  | 27.7  | 17.1  |
| Computers and peripheral equipment <sup>1</sup> ..... | 322.9                              | 12.9                          | 20.3 | 33.2 | 25.6  | 24.2                                  | 37.8  | 60.5  | 39.2  |
| Software <sup>2</sup> .....                           | 235.2                              | 12.8                          | 9.7  | 9.5  | 10.7  | 29.3                                  | 20.3  | 18.9  | 20.4  |
| Other .....   | 197.5                              | 3.5                           | 15.7 | 9.3  | .9    | 8.7                                   | 41.9  | 21.4  | 1.8   |
| Industrial equipment .....                            | 167.8                              | 3.9                           | 6.1  | 5.1  | 3.8   | 10.8                                  | 16.9  | 13.5  | 9.6   |
| Transportation equipment .....                        | 190.5                              | -3.2                          | 1.4  | 1.9  | -8.7  | -6.3                                  | 2.9   | 3.9   | -16.4 |
| Of which: Motor vehicles .....                        | 154.4                              | -3.6                          | 4.4  | -8.0 | -4.4  | -8.4                                  | 11.4  | -17.8 | -10.7 |
| Other .....   | 139.9                              | -5                            | 5.2  | 3.4  | -1.5  | -1.4                                  | 16.6  | 10.2  | -4.4  |
| <b>Residential</b> .....                              | 362.3                              | .5                            | 2.9  | 1.2  | -10.3 | .5                                    | 3.2   | 1.3   | -10.5 |
| Structures .....                                      | 352.7                              | .4                            | 2.6  | 1.1  | -10.2 | .4                                    | 2.9   | 1.3   | -10.8 |
| Single-family .....                                   | 185.1                              | 3.2                           | 7.0  | -2.3 | -8.4  | 7.1                                   | 15.6  | -4.5  | -16.3 |
| Multifamily .....                                     | 21.6                               | -3                            | .8   | -2   | -2.0  | -5.1                                  | 14.7  | -2.5  | -29.5 |
| Other structures <sup>3</sup> .....                   | 146.0                              | -2.6                          | -5.5 | 3.7  | .3    | -6.7                                  | -13.9 | 10.6  | 1.0   |
| Equipment .....                                       | 9.8                                | .1                            | .4   | 0    | .1    | 6.8                                   | 16.4  | 1.9   | 1.7   |

1. Includes new computers and peripheral equipment only.  
 2. Excludes software "embedded," or bundled, in computers and other equipment.  
 3. Other structures includes home improvements, new manufactured home sales, brokers' commissions on home sales, net purchases of used structures, and other residential structures (which consists primarily of dormitories and of fraternity and sorority houses).

NOTE.—See note to table 1 for an explanation of chained (1996) dollar series. Chained (1996) dollar levels and residuals are shown in NIPA tables 5.5 and 8.9B (motor vehicles). Percent changes in major aggregates are shown in NIPA table S.1.

“Other” residential structures increased 1.0 percent after increasing 10.6 percent.<sup>12</sup> The deceleration resulted from a sharp slowdown in brokers’ commissions on home sales, which reflected a slowdown in existing home sales that occurred despite a decrease in the commitment rate on 30-year, fixed-rate mortgages from 8.3 percent to 7.9 percent.

**Inventory investment**

Real inventory investment decreased \$5.1 billion in the third quarter, as inventory accumulation stepped down to \$73.5 billion from \$78.6 billion. In-

12. “Other” residential structures includes home improvements, new manufactured home sales, brokers’ commissions on home sales, and other residential structures (which consists primarily of dormitories and of fraternity and sorority houses).

ventory investment had increased \$42.0 billion in the second quarter (table 6 and chart 6).

The third-quarter decrease in inventory investment reflected decreases of \$6.7 billion for wholesale trade, of \$3.6 billion for retail trade, and of \$1.2 billion for farm. These decreases were partly offset by increases of \$3.4 billion for manufacturing and of \$3.1 billion for “other” nonfarm industries.<sup>13</sup>

The stock of wholesale trade inventories increased \$25.8 billion after increasing \$32.5 billion. Inventories of merchant wholesalers increased \$18.8 billion after increasing \$28.9 billion; the slowdown was accounted for by durable goods, notably by motor vehicles and by machinery equipment.

The stock of retail trade inventories increased \$17.9 billion after increasing \$21.5 billion. Inventories of durable-goods retailers increased \$14.0 billion after increasing \$16.0 billion; the small slowdown was more than accounted for by inventories of furniture and furnishings stores. Inventories of nondurable-goods retailers increased \$4.1 billion after increasing \$5.7 billion.

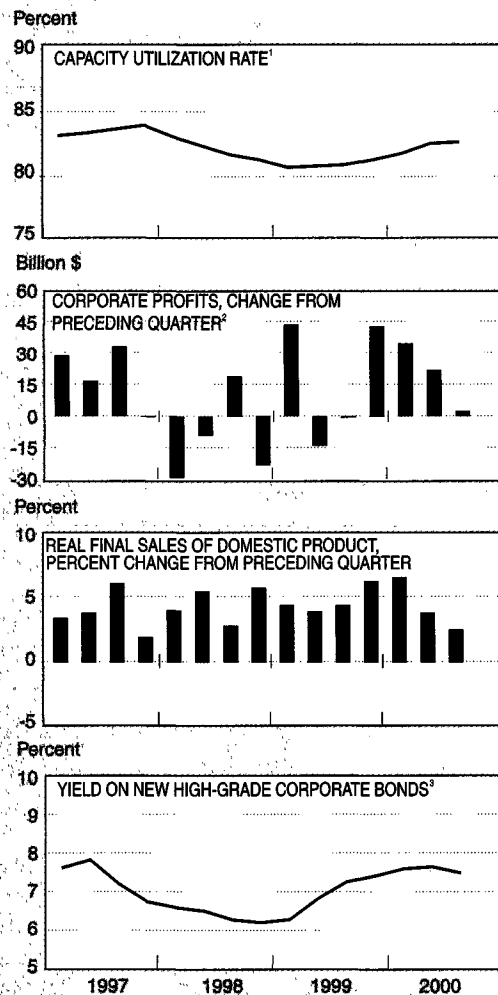
Farm inventories increased \$5.0 billion after increasing \$6.2 billion. Crop inventories increased less than in the second quarter, and livestock inventories decreased more.

The stock of manufacturing inventories increased \$21.0 billion after increasing \$17.6 billion.

13. “Other” nonfarm industries include mining; construction; public utilities; transportation; communication; finance, insurance, and real estate; and services.

**CHART 5**

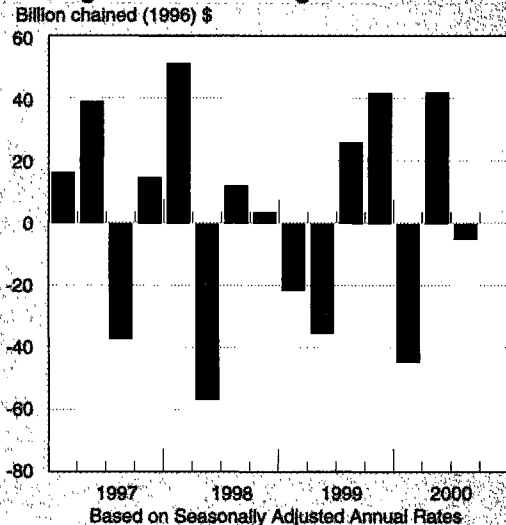
**Selected Factors Affecting Nonresidential Investment**



1. All industries. Data: Federal Reserve Board  
 2. Domestic industries  
 3. Data: U.S. Treasury Department  
 U.S. Department of Commerce, Bureau of Economic Analysis

**CHART 6**

**Real Private Inventory Investment: Change from Preceding Quarter**



U.S. Department of Commerce, Bureau of Economic Analysis

Inventories of durable-goods manufacturers increased \$15.9 billion after increasing \$11.3 billion; inventories of transportation equipment manufacturers (especially of aircraft manufacturers) decreased less than in the second quarter, and inventories of industrial-machinery manufacturers increased more than in the second quarter. Inventories of nondurable-goods manufacturers increased \$5.3 billion after increasing \$6.4 billion; inventories of petroleum refiners turned down.

“Other” nonfarm inventories increased \$4.0 billion after increasing \$0.9 billion.

The ratio of real private nonfarm inventories to real final sales of domestic businesses increased to 2.08 in the third quarter from 2.07 in the second and 2.06 in the first; the inventory-sales ratio that includes only final sales of goods and structures increased to 3.61 from 3.60 in the second quarter and 3.57 in the first (see NIPA table 5.13).<sup>14</sup> The

14. Use of the ratio that includes all final sales of domestic businesses in the denominator implies that the production of services results in a demand for inventories that is similar to that generated in the production of goods and structures. In contrast, use of the “goods and structures” ratio implies that the production of services does not generate demand for inventories. Both implications are extreme. Production of some services may require substantial inventories, while production of other services may not.

**Table 6.—Real Change in Private Inventories**  
[Billions of chained (1996) dollars; seasonally adjusted at annual rates]

|  | Level       |             |             |             |             | Change from preceding quarter |              |             |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------------------------|--------------|-------------|-------------|
|  | 1999        |             | 2000        |             |             | 1999                          |              | 2000        |             |
|  | III         | IV          | I           | II          | III         | IV                            | I            | II          | III         |
| <b>Change in private inventories</b> ..... | <b>39.1</b> | <b>80.9</b> | <b>36.6</b> | <b>78.6</b> | <b>73.5</b> | <b>41.8</b>                   | <b>-44.3</b> | <b>42.0</b> | <b>-5.1</b> |
| Farm .....                                 | -5.0        | 7.9         | 3.6         | 6.2         | 5.0         | 12.9                          | -4.3         | 2.6         | -1.2        |
| Nonfarm .....                              | 43.5        | 73.0        | 33.0        | 72.3        | 68.4        | 29.5                          | -40.0        | 39.3        | -3.9        |
| Manufacturing .....                        | 3.5         | 7.6         | 10.3        | 17.6        | 21.0        | 4.1                           | 2.7          | 7.3         | 3.4         |
| Durable goods .....                        | 3.3         | 3.3         | 6.5         | 11.3        | 15.9        | 0                             | 3.2          | 4.8         | 4.6         |
| Nondurable goods .....                     | .2          | 4.2         | 3.8         | 6.4         | 5.3         | 4.0                           | -4           | 2.6         | -1.1        |
| Wholesale trade .....                      | 23.0        | 18.5        | 21.5        | 32.5        | 25.8        | -4.5                          | 3.0          | 11.0        | -6.7        |
| Durable goods .....                        | 12.5        | 15.2        | 17.3        | 23.8        | 13.3        | 2.7                           | 2.1          | 6.5         | -10.5       |
| Nondurable goods .....                     | 10.5        | 3.4         | 4.4         | 8.9         | 12.3        | -7.1                          | 1.0          | 4.5         | 3.4         |
| Retail trade .....                         | 15.7        | 41.7        | -4.4        | 21.5        | 17.9        | 26.0                          | -46.1        | 25.9        | -3.6        |
| Durable goods .....                        | 13.0        | 27.7        | -3.6        | 16.0        | 14.0        | 14.7                          | -31.3        | 19.6        | -2.0        |
| Of which: Motor vehicle dealers .....      | 9.7         | 14.7        | -6.4        | 9.7         | 10.0        | 5.0                           | -21.1        | 16.1        | .3          |
| Nondurable goods .....                     | 2.9         | 14.2        | -8          | 5.7         | 4.1         | 11.3                          | -15.0        | 6.5         | -1.6        |
| Other .....                                | 1.1         | 4.2         | 6.1         | .9          | 4.0         | 3.1                           | 1.9          | -5.2        | 3.1         |
| Durable goods .....                        | -3          | 1.9         | 1.3         | -1.5        | .1          | 2.2                           | -6           | -2.8        | 1.6         |
| Nondurable goods .....                     | 1.4         | 2.2         | 4.8         | 2.5         | 3.8         | .8                            | 2.6          | -2.3        | 1.3         |
| <b>Addenda:</b>                            |             |             |             |             |             |                               |              |             |             |
| Motor vehicles .....                       | 9.1         | 14.4        | -2.0        | 14.7        | 6.4         | 5.3                           | -16.4        | 16.7        | -8.3        |
| Autos .....                                | 1.8         | 4.7         | .4          | 2.3         | 8.9         | 2.9                           | -4.3         | 1.9         | 6.6         |
| Trucks .....                               | 6.8         | 9.1         | -2.1        | 11.2        | -1.8        | 2.3                           | -11.2        | 13.3        | -13.0       |

NOTE.—See note to table 1 for an explanation of chained (1996) dollar series. Chained (1996) dollar levels and residuals are shown in NIPA tables 5.11 and 8.9B (motor vehicles).

**Table 7.—Real Exports and Imports of Goods and Services**  
[Seasonally adjusted at annual rates]

|  | Billions of chained (1996) dollars |                               |             |             |             | Percent change from preceding quarter |             |             |             |
|--|------------------------------------|-------------------------------|-------------|-------------|-------------|---------------------------------------|-------------|-------------|-------------|
|  | Level                              | Change from preceding quarter |             |             |             | 1999                                  |             | 2000        |             |
|  | 2000                               | 1999                          | 2000        |             |             | IV                                    | I           | II          | III         |
|  | III                                | IV                            | I           | II          | III         | IV                                    | I           | II          | III         |
| <b>Exports of goods and services</b> .....                             | <b>1,162.7</b>                     | <b>25.8</b>                   | <b>16.4</b> | <b>37.0</b> | <b>40.9</b> | <b>10.3</b>                           | <b>6.3</b>  | <b>14.3</b> | <b>15.4</b> |
| Exports of goods <sup>1</sup> .....                                    | 872.1                              | 23.1                          | 11.6        | 35.4        | 38.6        | 12.6                                  | 6.0         | 19.0        | 19.8        |
| Foods, feeds, and beverages .....                                      | 64.7                               | -1.4                          | 1.0         | -5          | 5.8         | -8.8                                  | 6.4         | -3.3        | 45.7        |
| Industrial supplies and materials .....                                | 173.4                              | 7.3                           | 1.3         | 3.7         | 8.0         | 20.5                                  | 3.5         | 9.4         | 20.8        |
| Capital goods, except automotive .....                                 | 415.5                              | 7.8                           | 2.8         | 34.3        | 20.0        | 9.2                                   | 3.2         | 43.6        | 21.9        |
| Automotive vehicles, engines, and parts .....                          | 78.8                               | -2                            | 2.6         | -4          | .6          | -9                                    | 14.3        | -2.1        | 3.0         |
| Consumer goods, except automotive .....                                | 90.6                               | 2.7                           | 3.5         | 1.2         | 2.8         | 14.1                                  | 17.9        | 5.7         | 13.7        |
| Other .....  | 51.2                               | 6.3                           | .1          | -1.7        | 2.2         | 70.7                                  | .7          | -12.5       | 18.8        |
| Exports of services <sup>1</sup> .....                                 | 294.4                              | 3.2                           | 4.8         | 2.5         | 3.4         | 4.6                                   | 6.9         | 3.5         | 4.8         |
| <b>Imports of goods and services</b> .....                             | <b>1,587.7</b>                     | <b>35.7</b>                   | <b>40.8</b> | <b>63.5</b> | <b>62.5</b> | <b>10.7</b>                           | <b>12.0</b> | <b>18.6</b> | <b>17.4</b> |
| Imports of goods <sup>1</sup> .....                                    | 1,365.4                            | 32.0                          | 32.8        | 58.6        | 51.5        | 11.2                                  | 11.2        | 20.0        | 16.6        |
| Foods, feeds, and beverages .....                                      | 51.1                               | .3                            | -1          | 1.5         | 2.3         | 2.6                                   | -3          | 13.0        | 20.0        |
| Industrial supplies and materials, except petroleum and products ..... | 170.1                              | 5.5                           | 2.0         | -1.3        | 4.7         | 14.6                                  | 4.9         | -3.0        | 11.8        |
| Petroleum and products .....   | 86.9                               | -7.6                          | 5.2         | 6.5         | -1.3        | -31.5                                 | 30.3        | 35.3        | -5.7        |
| Capital goods, except automotive .....                                 | 481.5                              | 16.8                          | 13.9        | 33.7        | 27.9        | 18.3                                  | 14.4        | 36.2        | 27.0        |
| Automotive vehicles, engines, and parts .....                          | 199.7                              | 1.0                           | 4.9         | 1.4         | 7.7         | 2.2                                   | 11.1        | 3.1         | 16.9        |
| Consumer goods, except automotive .....                                | 292.6                              | 9.5                           | 8.7         | 17.7        | 4.4         | 16.0                                  | 13.9        | 28.9        | 6.3         |
| Other .....  | 92.3                               | 8.3                           | -2.0        | 2.0         | 10.1        | 53.2                                  | -9.2        | 10.0        | 59.0        |
| Imports of services <sup>1</sup> .....                                 | 224.7                              | 3.9                           | 7.8         | 5.3         | 11.0        | 8.2                                   | 16.6        | 10.6        | 22.1        |

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services.

dollar levels and residuals are shown in NIPA table 4.4. Percent changes in major aggregates are shown in NIPA table S.1.

NOTE.—See note to table 1 for an explanation of chained (1996) dollar series. Chained (1996)

first-quarter levels of both ratios were the lowest since 1966.

**Exports and imports**

Real exports of goods and services increased 15.4 percent in the third quarter after increasing 14.3 percent in the second; exports of both goods and services accelerated (table 7). Real imports of goods and services increased 17.4 percent after increasing 18.6 percent; imports of goods decelerated, and imports of services accelerated.

Exports of goods jumped 19.8 percent after jumping 19.0 percent (chart 7). A sharp slowdown in nonautomotive capital goods was more than offset by upturns in foods, feeds, and beverages, in "other" goods, and in automotive vehicles, engines, and parts and by accelerations in industrial

supplies and materials and in nonautomotive consumer goods.

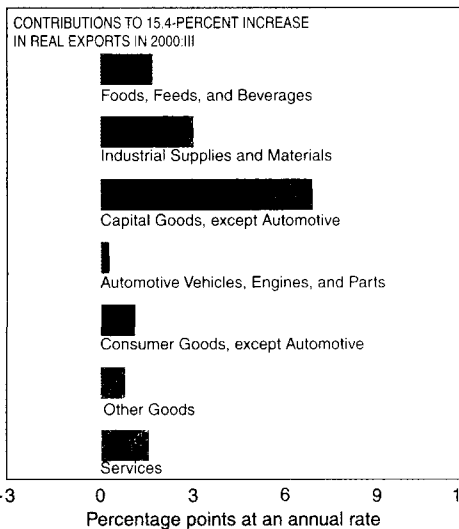
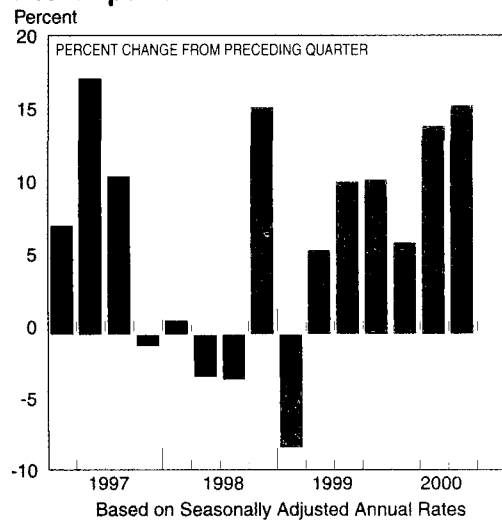
Exports of services increased 4.8 percent after increasing 3.5 percent. The acceleration was largely accounted for by upturns in travel and in passenger fares and by an acceleration in "other" private services.<sup>15</sup> In contrast, transfers under U.S. military agency sales contracts turned down, and royalties and license fees decelerated.

Imports of goods increased 16.6 percent after jumping 20.0 percent (chart 8). The slowdown was accounted for by decelerations in nonautomotive consumer goods and in nonautomotive capital goods and by a downturn in petroleum and products. In contrast, "other" goods and automotive

15. "Other" private services includes education; financial services; telecommunications; insurance; and business, professional, and technical services.

**CHART 7**

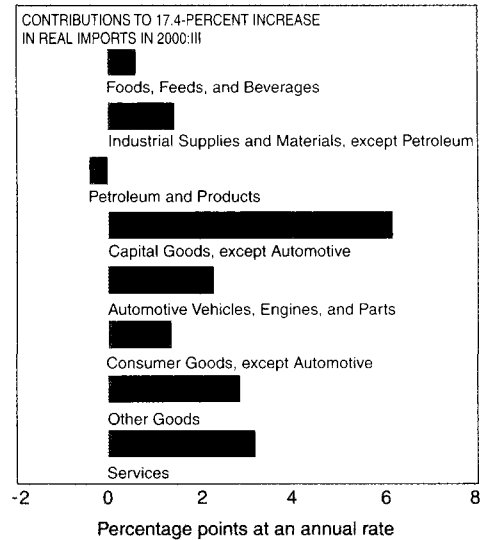
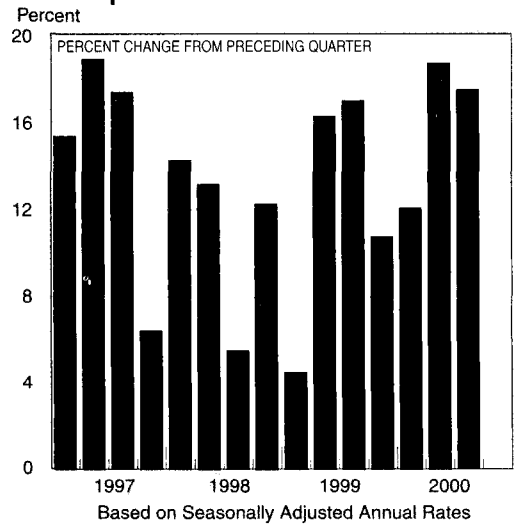
**Real Exports**



U.S. Department of Commerce, Bureau of Economic Analysis

**CHART 8**

**Real Imports**



U.S. Department of Commerce, Bureau of Economic Analysis

vehicles, engines, and parts accelerated, and non-petroleum industrial supplies and materials turned up.

Imports of services jumped 22.1 percent after increasing 10.6 percent. The step-up was largely in royalties and license fees, reflecting payments for the rights to broadcast the 2000 Summer Olympic Games, and in "other" private services, partly reflecting an acceleration in financial services.

**Government spending**

Real government spending decreased 1.5 percent in the third quarter after increasing 4.8 percent in the second (table 8 and chart 9). A downturn in Federal Government spending more than offset an upturn in State and local government spending.

Federal defense spending decreased 9.6 percent after increasing 16.9 percent. Consumption spending turned down, largely reflecting a downturn in "other services."<sup>16</sup> Investment also turned down, reflecting a downturn in equipment and software.

Federal nondefense spending decreased 8.0 percent after increasing 17.8 percent. Both consumption spending and investment spending turned down. Most of the downturn in consumption spending was in compensation of employees and reflected the departure of most of the temporary workers hired for Census 2000.

State and local government spending increased 2.7 percent after decreasing 1.1 percent. Investment spending turned up, largely reflecting structures, which decreased considerably less than in the second quarter. Consumption spending increased slightly more than in the second quarter.

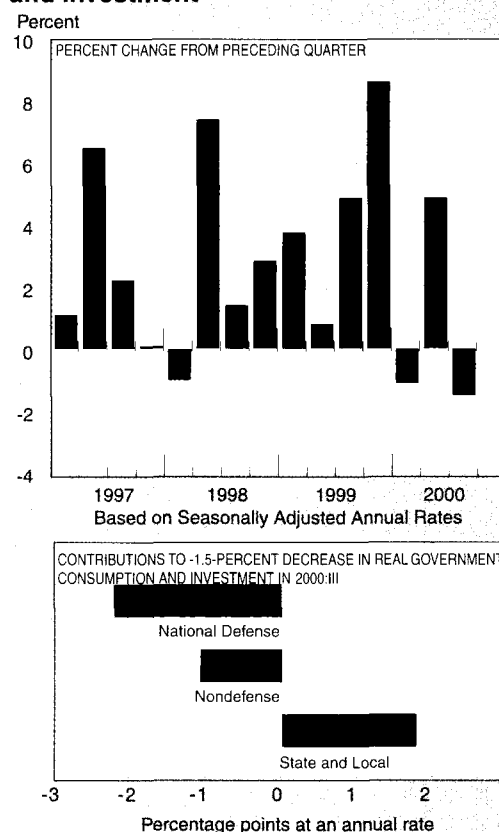
16. "Other services" includes contractual research and development, installation support, weapons support, personnel support, transportation of material, and travel of persons.

**Revisions**

The preliminary estimate of a 2.4-percent increase in real GDP in the third quarter is 0.3 percentage point lower than the advance estimate (table 9); for 1978-99, the average revision, without regard

**CHART 9**

**Real Government Consumption and Investment**



U.S. Department of Commerce, Bureau of Economic Analysis

**Table 8.—Real Government Consumption Expenditures and Gross Investment**

[Seasonally adjusted at annual rates]

|   | Billions of chained (1996) dollars |                               |             |             |             | Percent change from preceding quarter |             |            |             |
|---|------------------------------------|-------------------------------|-------------|-------------|-------------|---------------------------------------|-------------|------------|-------------|
|   | Level                              | Change from preceding quarter |             |             |             |                                       |             |            |             |
|   | 2000                               | 1999                          | 2000        |             |             | 1999                                  | 2000        |            |             |
|   |                                    |                               | III         | IV          | I           |                                       | II          | III        | IV          |
| <b>Government consumption expenditures and gross investment<sup>1</sup></b> | <b>1,577.7</b>                     | <b>31.7</b>                   | <b>-4.4</b> | <b>18.6</b> | <b>-6.0</b> | <b>8.5</b>                            | <b>-1.1</b> | <b>4.8</b> | <b>-1.5</b> |
| Federal   | 545.8                              | 17.1                          | -21.0       | 21.7        | -13.0       | 13.2                                  | -14.2       | 17.2       | -9.0        |
| National defense  | 346.2                              | 10.5                          | -19.4       | 13.6        | -8.9        | 12.6                                  | -19.8       | 16.9       | -9.6        |
| Consumption expenditures  | 290.6                              | 9.9                           | -18.3       | 12.7        | -7.8        | 14.2                                  | -22.0       | 19.0       | -10.1       |
| Gross investment  | 56.0                               | .6                            | -9          | .7          | -1.0        | 4.1                                   | -6.1        | 5.4        | -7.0        |
| Nondefense  | 199.4                              | 6.6                           | -1.7        | 8.2         | -4.2        | 14.4                                  | -3.3        | 17.8       | -8.0        |
| Consumption expenditures  | 151.9                              | 2.1                           | 1.1         | 5.4         | -3.5        | 6.0                                   | 3.0         | 15.1       | -8.8        |
| Gross investment  | 48.3                               | 4.7                           | -3.1        | 3.0         | -7          | 49.5                                  | -22.4       | 27.7       | -5.4        |
| State and local   | 1,031.4                            | 14.8                          | 16.2        | -2.8        | 6.8         | 6.1                                   | 6.6         | -1.1       | 2.7         |
| Consumption expenditures  | 820.6                              | 6.1                           | 6.1         | 5.3         | 5.5         | 3.1                                   | 3.1         | 2.6        | 2.8         |
| Gross investment  | 211.0                              | 8.9                           | 10.3        | -8.4        | 1.2         | 19.2                                  | 21.3        | -14.5      | 2.4         |

1. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

NOTE—See note to table 1 for an explanation of chained (1996) dollar series. Chained (1996) dollar levels and residuals are shown in NIPA table 3.8. Percent changes in major aggregates are shown in NIPA table S.1

to sign, from the advance estimate to the preliminary estimate was 0.5 percentage point.

The major contributors to the 0.3-percentage point downward revision were imports (which contributed -0.46 percentage point), equipment and software (-0.28 percentage point), and change in private inventories (-0.26 percentage point). The negative contributions of those components were partly offset by positive contributions of nonresidential structures (0.39 percentage point) and State and local government spending (0.31 percentage point).

The upward revision to imports of goods primarily reflected the incorporation of newly available Census Bureau data on trade in goods for

September and revised data for August.

The downward revision to private nonresidential investment in equipment and software primarily reflected the incorporation of newly available Census Bureau data on shipments for September and revised data for August.

The downward revision to private inventory investment primarily reflected the incorporation of newly available Census Bureau data on inventories for September and revised data for August and of newly available truck registration data from a trade source.

The upward revision to private nonresidential investment in structures reflected the incorporation of newly available Census Bureau data on construction put in place for September and revised data for July and August.

The upward revision to State and local government spending was to structures and reflected the incorporation of newly available Census Bureau data on construction put in place for September and revised data for July and August.

According to the preliminary estimates, real disposable personal income (DPI) increased 2.4 percent, and current-dollar DPI increased 4.6 percent; both estimates were 0.1 percentage point less than the advance estimates. Personal income was revised down slightly, and personal tax and nontax payments was revised little. The preliminary estimate of the personal saving rate was -0.2 percent, the same as the advance estimate.

### Corporate Profits

In the third quarter, profits from current production increased \$7.6 billion, or 0.8 percent at a quarterly rate, after increasing \$27.3 billion, or 2.9 percent, in the second quarter (table 10).<sup>17</sup>

Profits from the rest of the world increased \$5.1 billion (3.8 percent) in the third quarter, as payments by U.S. affiliates of foreign corporations decreased more than receipts of earnings from foreign affiliates of U.S. corporations.<sup>18</sup> Profits of domestic financial corporations increased \$4.4 billion (2.6 percent). These increases were partly offset by a \$1.8 billion (0.3 percent) decrease in

**Table 9.—Revisions to Change in Real Gross Domestic Product and Prices, Third Quarter 2000**

[Seasonally adjusted at annual rates]

|  | Percent change from preceding quarter |                      | Preliminary estimate minus advance estimate |                                    |
|--|---------------------------------------|----------------------|---|------------------------------------|
|  | Advance estimate                      | Preliminary estimate | Percentage points                           | Billions of chained (1996) dollars |
| <b>Gross domestic product</b> .....                            | <b>2.7</b>                            | <b>2.4</b>           | <b>-0.3</b>                                 | <b>-8.7</b>                        |
| Less: Exports of goods and services .....                      | 16.2                                  | 15.4                 | -.8   | -1.9                               |
| Goods .....  | 20.6                                  | 19.8                 | -.8   | -1.5                               |
| Services .....   | 5.4                                   | 4.8                  | -.6   | -.5                                |
| Plus: Imports of goods and services .....                      | 13.8                                  | 17.4                 | 3.6   | 12.2                               |
| Goods .....  | 13.0                                  | 16.6                 | 3.6   | 10.8                               |
| Services .....   | 18.9                                  | 22.1                 | 3.2   | 1.5                                |
| <b>Equals: Gross domestic purchases</b> .....                  | <b>2.9</b>                            | <b>3.1</b>           | <b>.2</b>                                   | <b>4.1</b>                         |
| Less: Change in private inventories .....                      |                                       |                      |   | -6.4                               |
| Farm .....   |                                       |                      |   | 0                                  |
| Nonfarm .....  |                                       |                      |   | -6.5                               |
| <b>Equals: Final sales to domestic purchasers</b> .....        | <b>2.8</b>                            | <b>3.3</b>           | <b>.5</b>                                   | <b>10.2</b>                        |
| Personal consumption expenditures .....                        | 4.5                                   | 4.5                  | 0   | .1                                 |
| Durable goods .....  | 7.5                                   | 8.1                  | .6  | 1.2                                |
| Nondurable goods .....   | 4.9                                   | 4.8                  | -.1   | -.2                                |
| Services .....   | 3.7                                   | 3.7                  | 0   | -.6                                |
| Fixed investment .....   | 2.9                                   | 3.3                  | .4  | 1.4                                |
| Nonresidential .....   | 6.9                                   | 7.8                  | .9  | 3.1                                |
| Structures .....   | 1.7                                   | 14.9                 | 13.2  | 8.6                                |
| Equipment and software .....                                   | 8.5                                   | 5.8                  | -2.7  | -7.5                               |
| Residential .....  | -9.2                                  | -10.5                | -1.3  | -1.4                               |
| Government consumption expenditures and gross investment ..... | -3.6                                  | -1.5                 | 2.1   | 8.3                                |
| Federal .....  | -10.1                                 | -9.0                 | 1.1   | 1.6                                |
| National defense .....   | -10.2                                 | -9.6                 | .6  | .5                                 |
| Nonddefense .....  | -9.9                                  | -8.0                 | 1.9   | 1.0                                |
| State and local .....  | 0                                     | 2.7                  | 2.7   | 6.8                                |
| <b>Addenda:</b>  |                                       |                      |   |                                    |
| Final sales of domestic product .....                          | 2.7                                   | 2.6                  | -.1   | -2.6                               |
| Gross domestic purchases price index .....                     | 2.4                                   | 2.3                  | -.1   |                                    |
| GDP price index .....  | 2.0                                   | 1.9                  | -.1   |                                    |

NOTE.—The preliminary estimates for the third quarter of 2000 incorporate the following revised or additional major source data that were not available when the advance estimates were prepared.

*Personal consumption expenditures:* Retail sales for August and September (revised), consumers' share of new-car purchases for September, average unit value for domestic new autos for September (revised), and consumers' share of new-truck purchases for September.

*Nonresidential fixed investment:* Construction put-in-place for July and August (revised) and September, manufacturers' shipments of machinery and equipment for August (revised) and September, manufacturers' shipments of complete civilian aircraft for August (revised) and September, and exports and imports of machinery and equipment for August (revised) and September.

*Residential fixed investment:* Construction put-in-place for July and August (revised) and September.

*Change in private inventories:* Manufacturing and trade inventories for August (revised) and September.

*Exports and imports of goods and services:* Exports and imports of goods for August (revised) and September.

*Government consumption expenditures and gross investment:* Monthly Treasury Statement detailed data for September, Department of Defense detailed financial reports for the third quarter, and State and local government construction put-in-place for July and August (revised) and September.

*Wages and salaries:* Employment, average hourly earnings, and average weekly hours for August and September (revised).

*GDP prices:* Detailed merchandise export and import price indexes for July through September (revised), unit-value index for petroleum imports for September, and housing prices for the third quarter.

17. Profits from current production is estimated as the sum of profits before tax, the inventory valuation adjustment, and the capital consumption adjustment; it is shown in NIPA tables 1.9, 1.14, 1.16, and 6.16C (see "Selected NIPA Tables," which begins on page D-2 of this issue) as corporate profits with inventory valuation and capital consumption adjustments.

Percent changes in profits are shown at quarterly, not annual, rates.

18. Profits from the rest of the world is calculated as (1) receipts by U.S. residents of earnings from their foreign affiliates plus dividends received by U.S. residents from unaffiliated foreign corporations minus (2) payments by U.S. affiliates of earnings to their foreign parents plus dividends paid by U.S. corporations to unaffiliated foreign residents. These estimates include capital consumption adjustments (but not inventory valuation adjustments) and are derived from BEA's international transactions accounts.

profits of domestic nonfinancial corporations. Unit profits of these corporations decreased, as unit costs increased more than unit prices; the real product of these corporations increased 1.2 percent (or 4.7 percent at an annual rate).

Cash flow from current production, a profits-related measure of internally generated funds available for investment, increased \$19.6 billion after increasing \$35.3 billion.<sup>19</sup> The ratio of cash flow to nonresidential fixed investment—an indicator of the share of the current level of investment that could be financed by internally generated funds—decreased from 74.3 percent to 73.9 percent, its lowest level since 1986.

**Domestic industry profits and related measures.**—Domestic industry profits increased \$7.4 billion after increasing \$27.7 billion.<sup>20</sup> Profits of domestic nonfinancial corporations increased \$1.4 billion after increasing \$31.6 billion. Profits of manufacturing and of the transportation and utilities group turned down. Profits of “other nonmanufacturing,” of wholesale trade, and of retail trade

increased less than in the second quarter.<sup>21</sup> Profits of domestic financial corporations increased \$5.9 billion after decreasing \$3.8 billion.

Profits before tax (PBT) increased \$3.5 billion after increasing \$21.8 billion. For the third quarter, the difference between the increase in PBT and the increase in profits from current production reflected an increase in the inventory valuation adjustment that was partly offset by a decrease in the capital consumption adjustment.<sup>22</sup>

**Government Sector**

The combined current surplus of the Federal Government and of State and local governments—the NIPA measure of net saving by government—increased \$17.4 billion, to \$318.5 billion, in the third quarter after increasing \$13.2 billion in the second

21. “Other nonmanufacturing” industries include agriculture, mining, construction, and services.

22. As prices change, companies that value inventory withdrawals at original acquisition (historical) costs may realize inventory profits or losses. Inventory profits—a capital-gains-like element in profits—result from an increase in inventory prices, and inventory losses—a capital-loss-like element in profits—result from a decrease in inventory prices. In the NIPA’s, inventory profits or losses are removed from business incomes by the inventory valuation adjustment (IVA); a negative IVA removes inventory profits, and a positive IVA removes inventory losses.

The capital consumption adjustment converts depreciation of fixed assets valued at historical cost and based on service lives and depreciation patterns specified in the tax code to depreciation valued at replacement cost and based on empirical evidence on the prices of used equipment and structures in resale markets. For more information on depreciation in the NIPA’s, see Shelby W. Herman, “Fixed Assets and Consumer Durable Goods: Estimates for 1925–98,” SURVEY OF CURRENT BUSINESS 80 (April 2000): 17–30.

19. Cash flow from current production is undistributed profits with inventory valuation and capital consumption adjustments plus the consumption of fixed capital.

20. Domestic industry profits are estimated as the sum of corporate profits before tax with the inventory valuation adjustment; they are shown in NIPA table 6.16C (on page D–17 of this issue). Estimates of the capital consumption adjustment do not exist at a detailed industry level; they are available only for total financial and total nonfinancial industries.

**Table 10.—Corporate Profits**  
[Seasonally adjusted]

|  | Billions of dollars (annual rate) |                               |             |             |            | Percent change (quarterly rate) |            |            |            |
|--|-----------------------------------|-------------------------------|-------------|-------------|------------|---------------------------------|------------|------------|------------|
|  | Level                             | Change from preceding quarter |             |             |            | 1999                            | 2000       |            |            |
|  | 2000                              | 1999                          | 2000        |             |            | IV                              | I          | II         | III        |
|  | III                               | IV                            | I           | II          | III        |                                 |            |            |            |
| <b>Profits from current production</b> .....                 | <b>971.2</b>                      | <b>51.2</b>                   | <b>43.1</b> | <b>27.3</b> | <b>7.6</b> | <b>6.1</b>                      | <b>4.8</b> | <b>2.9</b> | <b>0.8</b> |
| Domestic industries .....                                    | 831.8                             | 42.6                          | 34.7        | 21.9        | 2.5        | 5.8                             | 4.5        | 2.7        | .3         |
| Financial .....  | 173.5                             | 19.7                          | 4.0         | -5.5        | 4.4        | 13.1                            | 2.3        | -3.2       | 2.6        |
| Nonfinancial .....   | 658.3                             | 22.9                          | 30.8        | 27.3        | -1.8       | 3.9                             | 5.1        | 4.3        | -3         |
| Rest of the world .....                                      | 139.4                             | 8.6                           | 8.4         | 5.4         | 5.1        | 7.6                             | 7.0        | 4.2        | 3.8        |
| Receipts (inflows) .....                                     | 206.1                             | 5.3                           | 13.1        | 12.0        | -7         | 3.0                             | 7.2        | 6.2        | -4         |
| Payments (outflows) .....                                    | 66.7                              | -3.3                          | 4.8         | 6.5         | -5.8       | -5.2                            | 7.8        | 10.0       | -8.1       |
| IVA .....  | -4.7                              | .5                            | -5.8        | 11.4        | 8.9        | .....                           | .....      | .....      | .....      |
| CCAdj .....  | 29.9                              | -1.1                          | -1.0        | -5.9        | -4.8       | .....                           | .....      | .....      | .....      |
| Profits before tax .....                                     | 946.0                             | 51.7                          | 50.0        | 21.8        | 3.5        | 6.3                             | 5.7        | 2.4        | .4         |
| Profits tax liability .....                                  | 291.9                             | 16.6                          | 15.5        | 5.7         | -1         | 6.6                             | 5.7        | 2.0        | 0          |
| Profits after tax .....                                      | 654.1                             | 35.1                          | 34.5        | 16.0        | 3.7        | 6.2                             | 5.7        | 2.5        | .6         |
| Cash flow from current production .....                      | 1,029.1                           | 34.8                          | 37.7        | 35.3        | 19.6       | 3.9                             | 4.0        | 3.6        | 1.9        |
| <b>Domestic industry profits:</b>                            |                                   |                               |             |             |            |                                 |            |            |            |
| Corporate profits of domestic industries with IVA .....      | 801.9                             | 43.6                          | 35.8        | 27.7        | 7.4        | 6.3                             | 4.9        | 3.6        | .9         |
| Financial .....  | 194.0                             | 20.1                          | 4.6         | -3.8        | 5.9        | 12.0                            | 2.5        | -2.0       | 3.2        |
| Nonfinancial .....   | 607.9                             | 23.6                          | 31.1        | 31.6        | 1.4        | 4.5                             | 5.7        | 5.5        | .2         |
|  |                                   |                               | Dollars     |             |            |                                 |            |            |            |
| Unit price, costs, and profits of nonfinancial corporations: |                                   |                               |             |             |            |                                 |            |            |            |
| Unit price .....   | 1.033                             | 0.000                         | 0.006       | 0.006       | 0.002      | .....                           | .....      | .....      | .....      |
| Unit labor cost .....  | .661                              | -.003                         | 0           | .001        | .002       | .....                           | .....      | .....      | .....      |
| Unit nonlabor cost .....                                     | .248                              | .001                          | .002        | .002        | .001       | .....                           | .....      | .....      | .....      |
| Unit profits from current production .....                   | .124                              | .002                          | .004        | .004        | -.002      | .....                           | .....      | .....      | .....      |

NOTE.—Levels of these and other profits series are shown in NIPA tables 1.14, 1.16, 6.16C, and 7.15.

IVA Inventory valuation adjustment  
CCAdj Capital consumption adjustment

(table 11).<sup>23</sup> The Federal Government current surplus increased more than in the second quarter, while the State and local government current surplus increased less.<sup>24</sup>

23. Net saving equals gross saving less consumption of fixed capital (CFC); the estimates of gross saving, CFC, and net saving are shown in NIPA table 5.1.

For NIPA estimates of government current receipts, current expenditures, and the current surplus or deficit for 1998 and 1999, see NIPA tables 3.1, 3.2, and 3.3 in this issue.

**Table 11.—Government Sector Current Receipts and Expenditures**

[Billions of dollars, seasonally adjusted at annual rates]

|  | Level  | Change from preceding quarter |       |       |      |      |
|--|--------|-------------------------------|-------|-------|------|------|
|  | 2000   | 1999                          |       | 2000  |      |      |
|  | III    | III                           | IV    | I     | II   | III  |
| Current Receipts .....   | 3082.9 | 57.5                          | 83.2  | 83.0  | 62.8 | 47.3 |
| Current expenditures .....                                     | 2764.5 | 18.4                          | 67.8  | 5.1   | 49.6 | 30.0 |
| Current surplus or deficit(-) .....                            | 318.5  | 39.2                          | 15.3  | 77.9  | 13.2 | 17.4 |
| Social insurance funds .....                                   | 111.1  | 8.6                           | 8.4   | 3.4   | -2.5 | 7.5  |
| Other .....  | 207.4  | 30.7                          | 6.8   | 74.6  | 15.6 | 10.0 |
| <b>Federal Government</b>                                      |        |                               |       |       |      |      |
| Current Receipts .....   | 2090.4 | 40.7                          | 50.7  | 70.9  | 42.9 | 35.6 |
| Personal tax and nontax receipts .....                         | 1030.7 | 25.2                          | 24.5  | 39.8  | 25.6 | 27.1 |
| Corporate profits tax accruals .....                           | 250.5  | 2.9                           | 14.5  | 13.4  | 4.8  | 0    |
| Indirect business tax and nontax accruals .....                | 109.1  | 2.5                           | 2.5   | 2.9   | 2.1  | 0.2  |
| Contributions for social insurance .....                       | 700.1  | 10.0                          | 9.2   | 14.9  | 10.3 | 8.3  |
| Current expenditures .....                                     | 1836.1 | 10.9                          | 54.6  | -21.7 | 37.9 | 22.2 |
| Consumption expenditures .....                                 | 489.9  | 11.1                          | 15.7  | -8.3  | 20.3 | -9.1 |
| National defense .....   | 319.6  | 10.0                          | 12.5  | -13.5 | 14.5 | -6.1 |
| Nondefense .....   | 170.3  | 1.1                           | 3.2   | 5.2   | 5.8  | -3.0 |
| Transfer payments (net) .....                                  | 785.0  | 2.2                           | 12.7  | 5.5   | 15.8 | 6.0  |
| To persons .....   | 773.8  | 3.0                           | 2.9   | 16.1  | 15.0 | 3.9  |
| To the rest of the world .....                                 | 11.3   | -0.9                          | 9.8   | -10.6 | 0.8  | 2.2  |
| Grants-in-aid to State and local governments .....             | 251.2  | 12.6                          | 4.8   | -3.8  | 5.9  | 10.3 |
| Net interest paid .....  | 257.5  | -4.9                          | -0.4  | 3.2   | -4.7 | -2.8 |
| Subsidies less current surplus of government enterprises ..... | 52.5   | -10.2                         | 21.8  | -18.2 | 0.5  | 17.9 |
| Subsidies .....  | 58.6   | -9.8                          | 22.4  | -16.9 | 0.8  | 17.5 |
| Of which: Agricultural subsidies .....                         | 35.7   | -9.9                          | 22.5  | -16.8 | 0.8  | 17.4 |
| Less: Current surplus of government enterprises .....          | 6.1    | 0.4                           | 0.6   | 1.3   | 0.3  | -0.4 |
| Less: Wage accruals less disbursements .....                   | 0      | 0                             | 0     | 0     | 0    | 0    |
| Current surplus or deficit (-) .....                           | 254.3  | 29.8                          | -4.0  | 92.5  | 5.1  | 13.4 |
| Social insurance funds .....                                   | 111.5  | 8.7                           | 8.5   | 3.3   | -2.5 | 7.4  |
| Other .....  | 142.8  | 21.1                          | -12.5 | 89.3  | 7.6  | 5.9  |
| <b>State and local governments</b>                             |        |                               |       |       |      |      |
| Current Receipts .....   | 1243.8 | 29.5                          | 37.3  | 8.3   | 25.8 | 22.1 |
| Personal tax and nontax receipts .....                         | 277.4  | 5.4                           | 8.9   | 2.2   | 12.2 | 3.8  |
| Corporate profits tax accruals .....                           | 41.4   | 0.4                           | 2.2   | 2.1   | 0.9  | -0.1 |
| Indirect business tax and nontax accruals .....                | 663.8  | 11.1                          | 21.4  | 7.6   | 6.5  | 8.1  |
| Contributions for social insurance .....                       | 10.0   | -0.1                          | 0     | 0.2   | 0.2  | 0.1  |
| Federal grants-in-aid .....                                    | 251.2  | 12.6                          | 4.8   | -3.8  | 5.9  | 10.3 |
| Current expenditures .....                                     | 1179.6 | 20.0                          | 18.1  | 22.9  | 17.7 | 18.0 |
| Consumption expenditures .....                                 | 925.7  | 15.9                          | 14.3  | 20.1  | 13.8 | 14.4 |
| Transfer payments to persons .....                             | 269.6  | 4.8                           | 4.0   | 3.1   | 4.0  | 4.0  |
| Net interest paid .....  | -4.9   | -0.6                          | -0.3  | -0.6  | -0.4 | -0.3 |
| Less: Dividends received by government .....                   | 0.4    | 0                             | 0     | 0     | 0    | 0    |
| Subsidies less current surplus of government enterprises ..... | -10.4  | 0                             | 0.1   | 0.3   | 0.2  | 0    |
| Subsidies .....  | 0.5    | 0                             | 0     | 0     | 0    | 0    |
| Less: Current surplus of government enterprises .....          | 10.9   | 0                             | 0     | -0.3  | -0.2 | 0    |
| Less: Wage accruals less disbursements .....                   | 0      | 0                             | 0     | 0     | 0    | 0    |
| Current surplus or deficit (-) .....                           | 64.2   | 9.4                           | 19.2  | -14.6 | 8.1  | 4.1  |
| Social insurance funds .....                                   | -0.4   | -0.1                          | -0.1  | 0.1   | 0.1  | 0    |
| Other .....  | 64.6   | 9.6                           | 19.3  | -14.7 | 8.1  | 4.0  |
| <b>Addendum: Net lending or net borrowing<sup>1</sup></b>      |        |                               |       |       |      |      |
| Net lending or net borrowing (-) .....                         | 230.4  | 36.4                          | 5.9   | 70.3  | 20.5 | 17.9 |
| Federal government .....                                       | 241.4  | 27.0                          | -4.1  | 92.7  | 2.6  | 14.5 |
| State and local government .....                               | -11.0  | 9.4                           | 10.0  | -22.4 | 17.9 | 3.4  |

1. "Net lending or borrowing" is conceptually similar to "net financial investment" in the flow-of-funds accounts prepared by the Board of Governors of the Federal Reserve System. The two measures differ primarily because government net lending or borrowing is estimated from data for transactions, whereas net financial investment is estimated from data for financial assets. There are also small conceptual differences, such as the classification of the Federal Government's railroad retirement and veterans life insurance programs.

### Federal

The Federal Government current surplus increased \$13.4 billion, to \$254.3 billion, in the third quarter after increasing \$5.1 billion in the second. Current expenditures decelerated more than current receipts.

**Current receipts.**—Federal current receipts increased \$35.6 billion in the third quarter after increasing \$42.9 billion in the second. The deceleration was mostly accounted for by a deceleration in corporate profits tax accruals, but decelerations in contributions for social insurance and in indirect business tax and nontax accruals also contributed. In contrast, personal tax and nontax receipts accelerated.

Corporate profits tax accruals were unchanged after increasing \$4.8 billion, reflecting a deceleration in domestic corporate profits before tax.

Contributions for social insurance increased \$8.3 billion after increasing \$10.3 billion. The deceleration primarily reflected a deceleration in contributions for social security (old-age, survivors, disability, and health insurance), which increased \$7.4 billion after increasing \$9.8 billion.

Indirect business tax and nontax accruals increased \$0.2 billion after increasing \$2.1 billion. The deceleration was more than accounted for by a deceleration in customs duties, which increased \$0.2 billion after increasing \$2.4 billion.

Personal tax and nontax receipts increased \$27.1 billion after increasing \$25.6 billion. Receipts from income taxes increased \$27.0 billion after increasing \$25.5 billion. The acceleration was more than accounted for by "estimated income tax payments and final settlements, less refunds," which increased \$7.6 billion after increasing \$4.4 billion.

**Current expenditures.**—Current expenditures increased \$22.2 billion in the third quarter after increasing \$37.9 billion in the second. The deceleration was more than accounted for by a downturn in consumption expenditures and a deceleration in "transfer payments (net)." In contrast, "subsidies less current surplus of government enterprises" accelerated.

Consumption expenditures decreased \$9.1 billion after increasing \$20.3 billion. The downturn was mostly accounted for by defense consumption expenditures, which decreased \$6.1 billion after

24. The NIPA estimates for the government sector are based on financial statements for the Federal Government and for State and local governments, but they differ from them in several respects. For the major differences, see NIPA tables 3.18B on page 13 and 3.19 on page 14 of the October 2000 Survey.



increasing \$14.5 billion; within defense consumption expenditures, the downturn was more than accounted for by a downturn in “other” services.<sup>25</sup>

Nondefense consumption expenditures also contributed to the downturn in consumption expenditures. Nondefense consumption expenditures decreased \$3.0 billion after increasing \$5.8 billion; the downturn was more than accounted for by employee compensation. Employee compensation decreased \$3.7 billion after increasing \$4.1 billion, reflecting lower employment levels at the Bureau of the Census after the departure of most of the temporary workers hired for Census 2000.

“Transfer payments (net)” increased \$6.0 billion after increasing \$15.8 billion. Transfer payments to persons increased \$3.9 billion after increasing \$15.0 billion; the deceleration was more than accounted for by a downturn in benefit payments for social security (old-age, survivors and disability insurance), which decreased \$0.8 billion in the third quarter after increasing \$12.4 billion in the second. The second-quarter increase included payments of \$9.2 billion (annual rate) as a result of the new Senior Citizens’ Freedom to Work Act of 2000.<sup>26</sup>

“Subsidies less current surplus of government enterprises” increased \$17.9 billion after increasing \$0.5 billion. The acceleration was mostly accounted for by agricultural subsidies, which increased \$17.4 billion after increasing \$0.8 billion; the third-quarter increase reflects large special payments to farmers that resulted from the Agricultural Risk Protection Act of 2000.

#### *State and local*

The State and local government current surplus increased \$4.1 billion, to \$64.2 billion, in the third quarter after increasing \$8.1 billion in the second. Current receipts decelerated and current expenditures accelerated.

*Current receipts.*—State and local government current receipts increased \$22.1 billion after increasing \$25.8 billion. The deceleration was mostly accounted for by a deceleration in personal tax and nontax receipts, but a downturn in corporate profits tax accruals also contributed. In contrast, Federal grants-in-aid and indirect business tax and

nontax accruals accelerated.

Personal tax and nontax receipts increased \$3.8 billion after increasing \$12.2 billion. The deceleration was accounted for by personal income taxes, which increased \$3.0 billion after increasing \$11.5 billion.

Corporate profits tax accruals decreased \$0.1 billion after increasing \$0.9 billion. The downturn reflected a downturn in domestic corporate profits before tax.

Federal grants-in-aid increased \$10.3 billion after increasing \$5.9 billion. The acceleration was mostly attributable to a step-up in grants for Medicaid.

Indirect business tax and nontax accruals increased \$8.1 billion after increasing \$6.5 billion. The acceleration was accounted for by sales taxes, which increased \$4.2 billion after increasing \$2.4 billion; within sales taxes, general sales taxes accelerated, reflecting stronger general retail sales in the third quarter.


*Current expenditures.*—Current expenditures increased \$18.0 billion after increasing \$17.7 billion.

Consumption expenditures increased \$14.4 billion after increasing \$13.8 billion. The acceleration was more than accounted for by nondurable goods, which increased \$3.4 billion after increasing \$2.5 billion; within nondurable goods, petroleum products accelerated.

#### *Net lending or net borrowing*

“Net lending or net borrowing(–)” is an alternative measure of the Government fiscal position. Net lending is the financing requirement of the government sector and is derived as the current surplus plus the consumption of fixed capital and “capital transfers received (net)” less gross investment and net purchases of nonproduced assets.

Net lending increased \$17.9 billion after increasing \$20.5 billion. The deceleration was attributable to a deceleration in State and local government net borrowing, reflecting an upturn in gross investment and a deceleration in the current surplus. Federal Government net lending accelerated.

Gross investment increased \$1.7 billion after decreasing \$2.3 billion.<sup>27</sup> The upturn was attributable to State and local government gross investment, which increased \$2.7 billion after decreasing \$6.5 billion, reflecting a turnaround in structures. 

25. “Other” services includes services for research and development, for installation support, and for personnel support.

26. This act—which was signed into law April 7, 2000, and was effective retroactive to January 1, 2000—eliminated the “retirement earnings test” for beneficiaries aged 65 and older, allowing them to receive full benefits regardless of their earnings. Previously, benefits had been reduced \$1 for every \$3 earned over the annual earning limit, which was \$17,000 in 2000.

27. For NIPA estimates of government gross investment, see NIPA table 3.7 in this issue.



**Table 7.15.—Price, Costs, and Profit Per Unit of Real Gross Product of Nonfinancial Corporate Business**  
[Dollars]

|   | Line | 1997  | 1998  | 1999  | Seasonally adjusted |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|---|------|-------|-------|-------|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|   |      |       |       |       | 1997                |       |       |       | 1998  |       |       |       | 1999  |       |       |       | 2000  |       |       |
|   |      |       |       |       | I                   | II    | III   | IV    | I     | II    | III   | IV    | I     | II    | III   | IV    | I     | II    | III   |
| Price per unit of real gross product of nonfinancial corporate business <sup>1</sup> .....                                  | 1    | 1.007 | 1.010 | 1.019 | 1.006               | 1.007 | 1.007 | 1.008 | 1.008 | 1.009 | 1.012 | 1.012 | 1.016 | 1.019 | 1.019 | 1.019 | 1.025 | 1.031 | 1.033 |
| Compensation of employees (unit labor cost) .....   | 2    | .644  | .653  | .659  | .645                | .644  | .641  | .646  | .650  | .652  | .653  | .655  | .657  | .660  | .661  | .658  | .658  | .659  | .661  |
| Unit nonlabor cost .....  | 3    | .237  | .239  | .241  | .237                | .238  | .237  | .237  | .236  | .238  | .237  | .239  | .238  | .240  | .242  | .243  | .245  | .247  | .248  |
| Consumption of fixed capital .....  | 4    | .112  | .113  | .115  | .112                | .112  | .112  | .112  | .112  | .112  | .113  | .114  | .115  | .116  | .115  | .116  | .116  | .117  | .118  |
| Indirect business tax and nontax liability plus business transfer payments less subsidies .....                             | 5    | .098  | .098  | .097  | .098                | .099  | .098  | .097  | .098  | .096  | .099  | .097  | .097  | .097  | .097  | .098  | .099  | .099  | .098  |
| Net interest .....  | 6    | .027  | .028  | .029  | .027                | .027  | .027  | .028  | .027  | .028  | .028  | .027  | .027  | .028  | .029  | .030  | .030  | .031  | .032  |
| Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production) ..... | 7    | .126  | .120  | .119  | .124                | .125  | .129  | .126  | .121  | .119  | .122  | .117  | .121  | .119  | .116  | .118  | .122  | .126  | .124  |
| Profits tax liability .....   | 8    | .036  | .034  | .034  | .035                | .035  | .037  | .036  | .034  | .034  | .035  | .033  | .033  | .034  | .034  | .034  | .036  | .037  | .036  |
| Profits after tax with inventory valuation and capital consumption adjustments .....  | 9    | .090  | .086  | .085  | .089                | .090  | .092  | .090  | .087  | .084  | .087  | .084  | .088  | .085  | .083  | .084  | .086  | .089  | .088  |


1. The implicit price deflator for gross product of nonfinancial corporate business divided by 100.

## Federal Personal Income Tax Liabilities and Payments, 1959–98

THE TABLE below presents the estimates of Federal personal income tax liabilities and of Federal personal income tax payments for 1959–98.<sup>1</sup> The estimates for 1997 are revised, and the estimates for 1998 are new; these estimates reflect the incorporation of the results of this year's annual revision of the national income and product accounts and newly available tax return data from the Internal Revenue Service (IRS).

1. For a discussion of the payments series, the derivation and the use of the estimates of tax liabilities, and the sources of the differences between liabilities and payments, see Thae S. Park, "Federal Personal Income Tax Liabilities and Payments, 1959–97," SURVEY OF CURRENT BUSINESS 80 (March 2000): 11–14.

Note.—Thae S. Park prepared this presentation.

For 1998, tax payments exceeded tax liabilities by \$26.3 billion. The excess payments primarily resulted from the implementation of substantial tax cuts under the Taxpayer Relief Act of 1997. The most important provisions that reduced liabilities were the child tax credit and the credits for higher education tuition, both of which became effective on January 1, 1998. The withholding tables for tax year 1998 that were issued by the IRS for use by employers to calculate the amounts to be withheld from wages and salaries did not fully reflect the reduction in liabilities, so tax refunds were substantial. 

Federal Personal Income Tax Liabilities and Payments, 1959–98

[Billions of dollars]

|      | Federal personal income taxes  |                             |            | Disposable personal income (DPI)   |  |
|------|--------------------------------|-----------------------------|------------|--|--|
|      | Liabilities basis <sup>1</sup> | Payments basis <sup>2</sup> | Difference | Alternative DPI with NIPA Federal personal income taxes on a liabilities basis | Published DPI with NIPA Federal personal income taxes on a payments basis <sup>3</sup> |
| 1959 | 39.0                           | 38.5                        | 0.5        | 350.7  | 351.2  |
| 1960 | 39.9                           | 41.8                        | -1.9       | 368.1  | 366.2  |
| 1961 | 42.7                           | 42.7                        | .0         | 382.3  | 382.4  |
| 1962 | 45.4                           | 46.5                        | -1.1       | 406.8  | 405.6  |
| 1963 | 48.8                           | 49.1                        | -.3        | 426.2  | 425.8  |
| 1964 | 47.8                           | 46.0                        | 1.8        | 461.2  | 463.0  |
| 1965 | 50.2                           | 51.1                        | -.9        | 499.8  | 498.9  |
| 1966 | 56.8                           | 58.6                        | -1.8       | 540.9  | 539.1  |
| 1967 | 63.7                           | 64.4                        | -.7        | 576.9  | 576.2  |
| 1968 | 77.5                           | 76.4                        | 1.1        | 625.1  | 626.2  |
| 1969 | 87.4                           | 91.7                        | -4.3       | 679.3  | 675.0  |
| 1970 | 84.5                           | 88.9                        | -4.4       | 740.9  | 736.5  |
| 1971 | 86.1                           | 85.8                        | .3         | 801.4  | 801.7  |
| 1972 | 94.3                           | 102.8                       | -8.5       | 877.0  | 868.6  |
| 1973 | 108.9                          | 109.6                       | -.7        | 979.6  | 979.0  |
| 1974 | 124.4                          | 126.5                       | -2.1       | 1,074.3  | 1,072.3  |
| 1975 | 117.3                          | 120.7                       | -3.4       | 1,184.9  | 1,181.4  |
| 1976 | 142.8                          | 141.2                       | 1.6        | 1,298.3  | 1,299.9  |
| 1977 | 161.0                          | 162.2                       | -1.2       | 1,437.1  | 1,436.0  |
| 1978 | 189.6                          | 188.9                       | .7         | 1,614.1  | 1,614.8  |
| 1979 | 216.1                          | 224.6                       | -8.5       | 1,816.8  | 1,808.2  |
| 1980 | 252.3                          | 250.0                       | 2.3        | 2,017.4  | 2,019.8  |
| 1981 | 286.7                          | 290.6                       | -3.9       | 2,251.8  | 2,247.9  |
| 1982 | 280.2                          | 295.0                       | -14.8      | 2,421.5  | 2,406.8  |
| 1983 | 277.8                          | 286.2                       | -8.4       | 2,594.4  | 2,586.0  |
| 1984 | 306.7                          | 301.4                       | 5.3        | 2,882.3  | 2,887.6  |
| 1985 | 331.5                          | 336.0                       | -4.5       | 3,091.0  | 3,086.5  |
| 1986 | 374.9                          | 350.1                       | 24.8       | 3,237.7  | 3,262.5  |
| 1987 | 378.7                          | 392.5                       | -13.8      | 3,473.3  | 3,459.5  |
| 1988 | 422.0                          | 402.9                       | 19.1       | 3,733.3  | 3,752.4  |
| 1989 | 440.0                          | 451.5                       | -11.5      | 4,027.7  | 4,016.3  |
| 1990 | 453.4                          | 470.2                       | -16.8      | 4,310.4  | 4,293.6  |
| 1991 | 455.4                          | 461.3                       | -5.9       | 4,480.7  | 4,474.8  |
| 1992 | 483.1                          | 475.3                       | 7.8        | 4,746.8  | 4,754.6  |
| 1993 | 508.5                          | 505.4                       | 3.1        | 4,932.2  | 4,935.3  |
| 1994 | 540.3                          | 542.5                       | -2.2       | 5,167.7  | 5,165.4  |
| 1995 | 592.9                          | 585.6                       | 7.3        | 5,415.2  | 5,422.6  |
| 1996 | 664.5                          | 662.9                       | 1.6        | 5,676.2  | 5,677.7  |
| 1997 | 742.5                          | 743.9                       | -1.4       | 5,969.6  | 5,968.2  |
| 1998 | 801.2                          | 827.5                       | -26.3      | 6,346.4  | 6,320.0  |

1. This series is derived by the Bureau of Economic Analysis and is based on data from *Statistics of Income, Individual Income Tax Returns*.

2. This series is presented in NIPA table 3.2 in the section "BEA Current and Historical Data" of the SURVEY OF CURRENT BUSINESS. All the estimates are available on the BEA's Web site at <www.bea.doc.gov> and on the STAT-USA's Web site at <www.stat-usa.gov>.

3. This series is presented in NIPA table 2.1 in "BEA Current and Historical Data." See also the BEA Web site.

# A Note on the Impact of Hedonics and Computers on Real GDP

by J. Steven Landefeld and Bruce T. Grimm

THERE has been recent speculation about the impact of the use of hedonic price indexes in the measurement of real computer hardware and software expenditures in the U.S. national income and product accounts (NIPA's) and on the extent to which their use may be responsible both for the pickup in real gross domestic product (GDP) and productivity growth and for the continued low rate of measured inflation in the United States since 1995. Strong growth in computer sales and rapid declines in computer prices have made a significant contribution to economic growth; because measured growth depends on prices, if the declines in computer prices are overstated, the contribution of computers to real GDP will be overstated. This issue is central to the debate over the performance of the U.S. economy relative to that of other countries and to the debate over whether the pickup in the U.S. economy in the latter half of the 1990's represents a fundamental change in the structure of the economy or whether it is due to changes in measurement.

A review of the data shows that only a small share of the increase in measured growth in the latter half of the 1990's is associated with the use of hedonic price indexes. In addition, there is no evidence of an overstatement in the decline in computer prices. Hedonic price indexes for computers produce results that are quite robust and that are virtually the same as those produced by a carefully constructed traditional price index for computers.

The perception that the use of hedonic price indexes is largely responsible for the pickup in measured U.S. growth appears, in part, to be founded on misunderstandings about the nature of hedonic price indexes, the extent to which they are used in the accounts, the possible discontinuities in BEA's time series due to the introduction of hedonic price indexes, the importance of using chain-type indexes in computing real GDP and prices, the robustness of hedonic price estimates, the differences between hedonic price and traditional price mea-

asures, and the impact of BEA's methodology for deflating computer software. In addition, the perceptions about the relative impacts of these computer measurement issues on economic growth do not consider other measurement issues that probably impart a negative bias to measured economic growth.

## *What are hedonic price indexes?*

Despite their unfortunate name, hedonic price indexes are simply statistical tools for developing standardized per unit prices for goods, such as computers, whose quality and characteristics are changing rapidly. Just as traditional price indexes measure the change in the price of strawberries by holding fixed the weight of the strawberries in a box rather than by the price per box, computers need to—at a minimum—be priced by holding fixed the computing power in the computer box. Traditional price indexes are well adapted to measuring the price of relatively standardized products, but they encounter problems—in terms of data requirements and methods—when the characteristics, market shares, and prices of a class of products are changing rapidly. Hedonic price indexes are one means of addressing these empirical and methodological problems.

Traditional price indexes use the “matched model” method to measure the relative change in the price of a market basket of goods, holding its quality and characteristics constant. The constancy of quality and characteristics is maintained by sample design, and great efforts are made at the Bureau of Labor Statistics (BLS) to ensure that exactly the same set of items is priced each month.

Hedonic price indexes developed at BLS and elsewhere use a statistical model that employs a regression of the prices of a basket of goods on a set of qualities or characteristics of those goods. Using the statistical relationship between observed price changes and changes in the characteristics and qualities of the goods, a hedonic price index is then

developed that measures relative price changes while holding quality and characteristics constant. Thus, the hedonic price index is doing the same thing statistically that a matched-model price index does through sample design.<sup>1</sup>

#### *How widespread and important is the use of hedonic techniques?*

The use of hedonic price indexes is increasing, and the components that are deflated by hedonic techniques account for 18 percent of GDP. For most of these components, the impact of using hedonic techniques is small because the matched models used earlier picked up most of the quality changes. For example, the introduction of hedonic price indexes by BLS slightly raised the rate of price increase for VCR's and for rent but slightly lowered it for televisions.

The main area in which the use of hedonic price indexes has had a large impact is in computers and peripheral equipment, whose quality-adjusted prices have been falling at an average annual rate of about 24 percent in recent years. In 1998, the components for which hedonic price indexes were used contributed a negative 0.2 percentage point to the 1.3-percentage-point increase in the GDP price index; however, among these components, computers and peripheral equipment contributed a negative 0.4 percentage point and thus more than accounted for the negative contribution.

#### *Discontinuities*

In December 1985, BEA introduced quality-adjusted price indexes for computers and peripherals that were developed using hedonic techniques. Prior to the development of the hedonic-based indexes, the price index for computers was held constant at the base period value of 100; this treatment, which differed from that for most other NIPA price indexes for goods, faced increasing skepticism in a period of declining prices and increasing capabilities of computers and computer systems. Working with IBM, BEA developed hedonic price indexes for computers and peripherals that were designed to capture the equivalent of the price per unit of computing power through the use of multiple regressions that explained the differences in the prices of computers and peripherals of

different types and vintages as functions of their characteristics. The first index covered 1969–85, and BEA later developed estimates back to 1959; before 1959, computers were of little importance and were not separately identified in the NIPA's, thereby minimizing the discontinuity. When the estimates of computer software prices were introduced, they also extended back to 1959.<sup>2</sup>

Thus, when one looks—as several authors have—at the difference between the real GDP growth rate in 1973–95 and that in 1995–99, the pickup in the later period cannot be attributed to discontinuities (table 1). For 1973–95, real GDP grew at an average annual rate of 2.8 percent, and private fixed investment in computers and software accounted for 0.2 percentage point of that growth. In 1995–99, real GDP grew at an average annual rate of 4.2 percent, and computers and software accounted for 0.7 percentage point of that growth.<sup>3</sup> In other words, the real GDP growth rate in 1995–99 was 1.4 percentage points more than that in 1973–95, and computers and software contributed 0.4 percentage point to that difference, a significant share but not nearly enough to explain the overall increase in growth.

**Table 1.—Contributions of Private Fixed Investment in Computers and Software to Percent Changes in Real GDP**  
[Average annual rates]

|                  | Real GDP (percent change) | Contributions (percentage points) |          |     |
|------------------|---------------------------|-----------------------------------|----------|-----|
|                  |                           | Computers                         | Software | Sum |
| 1973-95 .....    | 2.78                      | .16                               | .08      | .24 |
| 1995-99 .....    | 4.15                      | .37                               | .31      | .68 |
| Difference ..... | 1.37                      | .21                               | .23      | .44 |

#### *Chain-type weights versus fixed weights*

Comparisons of U.S. growth rates with those of other countries are also affected by the choice of weighting methodology. Although the introduction of hedonic price indexes for computers raised the measured rate of real GDP growth (relative to the previous assumption of no price change), the concurrent adoption of chain-type price and quantity indexes lowered it (relative to the previous fixed-weight methodology used by the United States and currently used by most other countries). BEA introduced chain-type weights to measure real GDP and prices in 1995 in order to

1. In practice, statistical agencies employ a mix of hedonic and matched-model techniques to produce hedonic estimates. For example, BLS uses the results from hedonic regressions to adjust for quality differences between the prices of models going out of production and the prices of new models replacing them in the sample. The results from the monthly price surveys are then used to produce the relevant producer price and consumer price indexes.

2. BEA now uses detailed BLS price indexes for computers, peripherals, parts and for some types of software; these indexes are aggregated using BEA chain weights to produce chain-type price indexes.

3. The contribution of final sales of computers and software—which also includes personal consumption expenditures, exports, imports, and government—was also 0.7 percent, as imports largely offset the other components.

eliminate the bias associated with using fixed weights. Chain-type indexes use adjacent period weights to construct an index for each period—annual percent changes in real GDP for 1997–98, for example, are calculated using weights from 1997 and 1998—and the indexes for each period are chained (multiplied) together to form a time series that allows for changes in relative prices and the composition of output over time.<sup>4</sup> In contrast, fixed-weighted measures are calculated with a single set of weights over time.

In the index number literature, it has been long recognized that output measures that use fixed-price weights of a single period tend to misstate growth as one moves away from the base period. This tendency, often called substitution bias, reflects the fact that the commodities for which output grows rapidly tend to be those for which prices increase less than average or decline. Using past prices to weight these goods places too high a weight on their growth and overstates real GDP growth. When chain-type indexes are used, the goods with rapid growth tend to receive lower weights, and growth in real GDP is reduced. For example, the replacement of the fixed-weight price index with the chain-type price index in 1995 reduced the average annual rate of growth of real GDP during the economic expansion in 1991:I–1995:II by 0.5 percentage point. (Roughly three-fifths of this reduction reflected falling computer prices, and the rest reflected changes in the relative prices of other goods and services.)

As the United States found, a system with fixed weights puts too high a weight on those goods and services—such as computers—whose prices are falling and thus overstates real GDP growth for recent periods. Moreover, some observers may be assessing the impact of introducing quality-adjusted prices for computers into other countries' estimates without realizing that most other countries use fixed-weighted systems.

Most countries periodically update their weights, but even periodic updating of fixed weights does not adequately address substitution bias when there are significant changes in relative prices or when the period between updates is long. Most of these countries plan to move to chain-type price indexes, as recommended by the international system of guidelines on national accounting

in the 1993 System of National Accounts. If the U.S. experience is any guide, the introduction of a chain index at the same time as the introduction of a hedonic price index for computers will moderate the impact of the computer price index and may even significantly offset it by eliminating the substitution bias associated with noncomputer goods whose prices are falling. This offset will be especially important for countries that are not large producers of computers and computer components; indeed, if a country is a large importer of these goods, there could be almost no net impact on GDP. In such a case, introduction of a falling price for computers will raise real investment, but this rise will be offset by a corresponding increase in real imports, which is subtracted in calculating GDP.

### Robustness

As is the case with any statistical method, the results from hedonic regressions are subject to error, but the hedonic indexes for computers appear to produce consistent results. A recent survey of the literature by Ernst Berndt and Neal Rappaport (2000) suggests a fairly robust central tendency among hedonic estimates of computer prices over time. Table 2 compares the rates of decline of computer prices reported by a number of authors for a wide variety of time periods and types of computers. The estimated rates of decline in quality-adjusted prices range from 14 percent per annum to

Table 2.—Hedonic Studies of Computer Prices

| Author <sup>1</sup>               | Computer type                                     | Time period     | Prices: Annual rates of change |
|-----------------------------------|---|-----------------|--------------------------------|
| Chow                              | mainframe   | 1960–65         | –21                            |
| Triplett                          | mainframe   | 1953–72         | –27                            |
| Cole et al.                       | mainframe   | 1972–84         | –19                            |
| Cartwright                        | mainframe   | 1972–84         | –14                            |
| Gordon                            | mainframe   | 1951–84         | –22                            |
| Cohen                             | personal computer                                 | 1982–87         | –25 to –27                     |
| Berndt and Griliches              | personal computer                                 | 1982–89         | –23 to –25                     |
| Berndt, Griliches, and Rappaport  | mobile personal computer                          | 1989–92         | –23 to –24                     |
|                                   | desktop personal computer                         | 1989–92         | –31 to –32                     |
| Nelson, Tanguy, and Patterson     | desktop personal computer                         | 1984–91         | –18 to –25                     |
|                                   | laptop personal computer                          | 1990–98         | –40                            |
| Chwelos                           | desktop personal computer                         | 1992–98         | –32 to –35                     |
|                                   | personal computer                                 | 1976–83         | –18                            |
| Berndt and Rappaport <sup>2</sup> | personal computer                                 | 1983–89         | –18                            |
|                                   | personal computer                                 | 1989–94         | –32                            |
|                                   | personal computer                                 | 1994–99         | –39                            |
| Aizcorbe, Corrado, and Doms       | desktop personal computer                         | 1994:IV–1998:IV | –31                            |
|                                   | notebook personal computer                        | 1994:IV–1998:IV | –26                            |
|                                   | personal computer, weighted average. <sup>3</sup> | 1994:IV–1998:IV | –30                            |
| BEA price index                   | personal computer                                 | 1994:IV–1998:IV | –32                            |

1. See "Bibliography" for more complete citations.

2. Results reported for "all pooled" regression. (Berndt and Rappaport 2000).

3. Weights are 0.75 for desktops, 0.25 for notebooks.

4. The chain-type indexes that BEA uses are described in the price index literature as Fisher Ideal indexes. These indexes, which are the geometric means of Paasche and Laspeyres chain-type indexes, have the characteristic of minimizing substitution bias, which the Paasche and Laspeyres indexes do not. For a more complete discussion, see Parker and Triplett (1996).

40 percent per annum, depending on the time period and on the type of computer examined. The range narrows when similar time periods are examined; for example, the results for personal computers (PC's) for the latter half of the 1990's cluster around an average annual rate of decline of between 30 percent and 40 percent.

Berndt and Rappaport also evaluated the impact of using varying parameters over time to address a long-standing concern about hedonics—that the estimated coefficients of performance characteristics are unstable over time. They attempted to overcome this problem by estimating individual-year regressions and using methods analogous to the construction of Paasche and Laspeyres chain-type indexes to construct price-index time series; this was done separately for mobile and desktop PC's.<sup>5</sup> Their approach produced four price indexes; the mean of the four alternative (time varying) indexes was a 39.8-percent rate of decline in the prices of PC's in 1995–99, 6.5 percentage points more than the 33.3-percent average rate of decline in the BEA hedonic price index for PC's over the same period (table 3).

**Table 3.—Price Indexes for Computers: Average Annual Rates of Decline, 1995-99**

|   | Percent |
|---|---------|
| <b>NIPA private fixed investment:</b>                         |         |
| Computers and peripheral equipment .....                      | -24.2   |
| Personal computers .....                                      | -33.3   |
| <b>Berndt and Rappaport<sup>1</sup>:</b>                      |         |
| Desktop personal computers, unit prices .....                 | -8.7    |
| Mobile personal computers, unit prices .....                  | -4.6    |
| Personal computers, mean of alternative hedonic indexes ..... | -39.8   |

1. Source: Berndt and Rappaport 2000.

#### *Relation to traditional price measures*

One of the principal obstacles to estimating the impact of hedonic price indexes for computers is the lack of traditionally measured price indexes for computers. Fortunately, two recent, but very different, studies—the aforementioned study by Berndt and Rappaport and one by Ana Aizcorbe, Carol Corrado, and Mark Doms (2000)—provide some new price information. Berndt and Rappaport estimated the average unit prices for computers and found an 8.7-percent annual rate of decline for desktop PC's and a 4.6-percent annual rate of decline for mobile PC's in 1995–99 (table 3). Although such an index makes no allowance for the increased computing power, storage capacity,

5. Laspeyres indexes are price indexes that use past-period weights to measure changes in relative prices, whereas Paasche indexes are price indexes that use current-period weights. For a description of these indexes and other indexes, see Jack T. Triplett (1992).

speed, or graphics capability over this period, it allows the calculation of a crude measure of the contribution of quality change to the growth in real GDP. If we assume that desktop PC's account for three-fourths of the market and that mobile PC's account for one-fourth, the average rate of decline in unit prices for PC's was 7.7 percent, compared with a 33.3-percent rate of decline in BEA's hedonic price index, a difference of 25.6 percentage points. If we weight this difference using the weight for computers and peripherals from the NIPA's, the quality change in PC's adds, at most, one-quarter of a percentage point to the estimate of average annual real GDP growth over the period.<sup>6</sup>

This “what-if” exercise using unit prices may provide a rough estimate of the impact of quality change for computers, but a more instructive exercise is to compare the hedonic price index to a traditional matched-model price index, such as the one recently constructed by Aizcorbe et al. They collected quarterly data on PC prices and sales to construct a chain-weighted price index for PC's in which the weights were current-dollar shares for each period; no explicit adjustments were made to reflect quality differences across models. They found that the decline in the prices of PC's with Pentium I processors when Pentium II processors were being introduced, the decline in the prices of PC's with Pentium II processors when Celeron processors were introduced, and so on, represented the price reductions that were necessary to make the older units competitive with the newer higher quality units. The price indexes that they constructed are remarkably close to the corresponding hedonic price indexes (table 4). Their estimates of the average annual rates of price decline in 1994:IV–1998:IV were 30.6 percent for desktop computers and 24.6 percent for notebook comput-

6. This calculation implicitly assumes no increase in the number of PC's in equipment investment from 1995 to 1999.

**Table 4.—Price Indexes for Computers: Average Annual Rates of Decline, 1994:IV to 1998:IV**

|  | Percent     |         |
|--|-------------|---------|
|  | Traditional | Hedonic |
| <b>NIPA Private fixed investment:</b>    |             |         |
| Computers and peripheral equipment ..... |             | -23.7   |
| Personal computers .....                 |             | -32.5   |
| <b>Aizcorbe et al.<sup>1</sup>:</b>      |             |         |
| Desktop personal computers .....         | -30.6       | -31.0   |
| Notebook computers .....                 | -24.6       | -26.3   |
| Weighted average <sup>2</sup> .....      | -29.1       | -29.8   |

1. Source: Aizcorbe et al. 2000.

2. Weights are 0.75 for desktops, 0.25 for notebooks.



ers. Their estimates of hedonic price indexes for the same period showed a 31.0-percent average annual rate of decline for desktop computers and a 26.3-percent average annual rate of decline for notebook computers. BEA's price index for personal computers declined at an average annual rate of 32.5 percent over the same period.

**Software prices**

BEA uses a hedonic price index (as well as a matched-model index) in the estimation of real prepackaged software investment for 1985–93, but this index declines more slowly than BEA's computer price index, and its impact is largely offset by BEA's use of cost-based estimates in constructing the price indexes for the other two components of software—custom software and own-account software (charts 1 and 2). BEA's price index for custom software is a weighted average of the prepackaged-software index and a cost-based price index; the price index for own-account software is a pure cost-based index. (A paper describing BEA's methodology for software is on BEA's Web site at <www.bea.doc.gov>.) By construction, BEA's cost-based indexes assume roughly zero growth in multifactor productivity. A number of observers have questioned this conservative methodology, but until BEA is able to obtain better indexes, the contribution of software investment to real GDP growth is likely to be little different than its contribution to current-dollar GDP growth, so

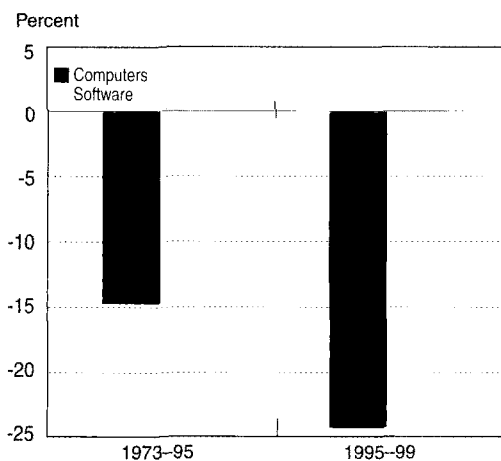
the net impact of hedonics on software prices is minimal.

**Other factors**

Although much attention has recently been focused on whether real GDP growth in the latter half of the 1990's has been overstated as a result of the use of hedonic-based price estimates for computers and peripherals and for computer software, there are other reasons to suspect that growth—especially that related to high-tech innovations—has been understated. First, a number of the industries that are heavy users of the new information technology, such as education and certain financial services, are deflated using cost-based indexes or by input and partial output extrapolators. As noted above, if nominal output is deflated by total cost indexes, there is roughly zero multifactor productivity growth, or if real output is extrapolated by labor inputs, there is no labor productivity growth (and if capital inputs grow faster than labor inputs, there is negative multifactor productivity growth). Recently, BEA replaced its input extrapolation for banking services with a new BLS banking services index; this replacement raised real GDP growth rates in recent years by an average of 0.05 percentage point. If similar indexes were introduced into the remaining 20 percent of GDP that is still estimated using cost and input-based indexes, real GDP growth might be revised up substantially.

**CHART 1**

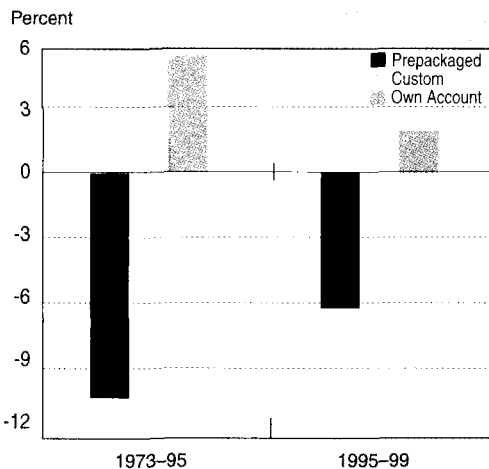
**Chain-Type Price Indexes for Private Fixed Investment in Computers and Peripherals and in Computer Software, Average Annual Rates of Change**



U.S. Department of Commerce, Bureau of Economic Analysis


**CHART 2**

**Price Indexes for Private Fixed Investment in Computer Software by Type, Average Annual Rates of Change**



U.S. Department of Commerce, Bureau of Economic Analysis

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# Gross Domestic Product by Industry for 1997–99

By Sherlene K.S. Lum and Brian C. Moyer

**T**HE BUREAU OF ECONOMIC ANALYSIS has prepared new estimates of gross domestic product (GDP) by industry for 1999 and revised estimates for 1997–98.<sup>1</sup> The estimates incorporate the results of this year's annual revision of the national income and product accounts (NIPA's) and newly available source data.<sup>2</sup> The GDP by industry estimates are value-added measures that are based on the NIPA components of gross domestic income (see the box "Gross Domestic Product by Industry: Definition and Relationship to Gross Domestic Product").

Highlights from this release include the following.

- The largest changes in contributions to real GDP growth for 1999 relative to 1998 were in transportation and public utilities (which

contributed 0.8 percentage point in 1999, up from 0.2 percentage point in 1998) and in trade (which contributed 1.0 percentage point, down from 1.6 percentage points).

- The long-term trend of the private services-producing industries' increasing share of current-dollar GDP continued; its share increased to 65.1 percent in 1999 from 62.5 percent in 1996.<sup>3</sup>
- For 1997–98, the revisions to the real growth rate of private industries were small, but the revisions to the growth rates of some industry groups were substantial. For 1997, the largest revision was to communications, down from 11.9 percent to 1.4 percent. For 1998, the largest revision was to electric, gas, and sanitary services, down from 2.4 percent to -2.3 percent.

1. For the previously published estimates, see Sherlene K.S. Lum, Brian C. Moyer, and Robert E. Yuskavage, "Improved Estimates of Gross Product by Industry for 1947–98," *SURVEY OF CURRENT BUSINESS* 80 (June 2000): 24–54.

2. For more information, see Eugene P. Seskin and David F. Sullivan, "Annual Revision of the National Income and Product Accounts," *SURVEY* 80 (August 2000): 6–33.

3. Services-producing industries consist of transportation and public utilities; wholesale trade; retail trade; finance, insurance, and real estate; and services. Goods-producing industries consist of agriculture, forestry, and fishing; mining; construction; and manufacturing.

## Gross Domestic Product by Industry: Definition and Relationship to Gross Domestic Product

Current-dollar gross domestic product (GDP) by industry, or gross product originating, is the contribution of each private industry and government to the Nation's output, or GDP. It is the industry's value added, which is equal to its gross output (consisting of sales or receipts and other operating income, commodity taxes, and inventory change) minus its intermediate inputs (consisting of energy, raw materials, semifinished goods, and services that are purchased from domestic industries or from foreign sources). It is measured as the sum of distributions by industry of the components of gross domestic income (GDI) that are attributable to labor and property in the United States.

In the national income and product accounts (NIPA's), GDP is measured as the sum of the expenditure components and is benchmarked to the input-output accounts. GDI measures output as the sum of the costs incurred and the incomes earned in the production of GDP. In concept, GDP and GDI should be equal; in practice, they differ because their components are estimated using largely independent and less-than-perfect source data. The difference between

GDP and GDI is the "statistical discrepancy," which is recorded in the NIPA's as an "income" component that reconciles GDI with GDP. BEA views GDP as the more reliable measure of output, because the source data underlying the estimates of expenditures are considered to be more accurate.<sup>1</sup>

Because the estimates of current-dollar GDP by industry are computed using the components of GDI, the sum of the GDP by Industry estimates also differs from current-dollar GDP by the statistical discrepancy. Thus, for the sum of GDP by industry to be equivalent to GDP, the statistical discrepancy must be included as an industry. The statistical discrepancy is included in private industries because in BEA's view, most of the measurement problems with the components of GDI affect private industries rather than general government or government enterprises.

1. See the box "The Statistical Discrepancy," *SURVEY OF CURRENT BUSINESS* 77 (August 1997): 19; and "Note on Alternative Measures of Gross Product by Industry," *SURVEY* 77 (November 1997): 84–85.

The first part of this article discusses the relative performance of industries in terms of real growth rates, contributions, and shares of current-dollar GDP. The second part discusses the revisions to the estimates. The detailed GDP by industry estimates for 1996–99 are presented in tables 1–14 at the end of the article (see also the box “Data Availability”).

### Industry Growth, Contributions, and Shares

The relative performance of particular industries or industry groups can be assessed by examining their real growth rates, their contributions to real GDP growth, their contributions to the growth in the GDP price index, and their shares of current-dollar GDP.

#### Real GDP by industry growth rates

In 1996–99, real GDP increased at an average annual rate of 4.3 percent; private industries increased 5.0 percent, and government increased 1.6 percent (table A). All private industry groups except nondurable-goods manufacturing increased; wholesale trade increased the most (10.2 percent). Manufacturing increased 5.1 percent; dura-

ble-goods manufacturing increased 9.0 percent, and nondurable-goods manufacturing was unchanged.

In 1999, real GDP increased 4.2 percent; private industries increased 4.8 percent, and government increased 2.0 percent. All private industry groups except mining increased; mining decreased 3.4 percent. Within the transportation and public utilities industry group, the communications industry increased 14.1 percent, the electric, gas, and sanitary services industry increased 9.6 percent, and the transportation industry increased 6.0 percent. Manufacturing increased 5.7 percent; durable-goods manufacturing increased 8.8 percent, and nondurable-goods manufacturing increased 1.6 percent.

The 4.2-percent growth rate of real GDP in 1999 is a slight deceleration from the 4.4-percent growth in 1998. Wholesale trade decelerated 7.3 percentage points (from 13.9 percent in 1998 to 6.6 percent in 1999), and retail trade decelerated 2.9 percentage points (from 8.1 percent to 5.2 percent).

#### Contributions to real GDP growth

An industry's contribution to real GDP growth indicates the extent to which the industry is affecting the growth of real GDP. An industry's contribution depends on both its real growth rate and its relative size.<sup>4</sup> In 1996–99, finance, insurance, and real estate (FIRE) was the largest contributor—at 1.1 percentage points—to the 4.3-percent average annual growth rate of real GDP (table B). The next largest contributors were durable-goods manufac-

**Table A.—Percent Changes in Real Gross Domestic Product by Industry Group**

[Percent change from preceding year]

|   | 1997 | 1998 | 1999 | Average annual rate of change, 1996–99 |
|---|------|------|------|--|
| <b>Gross domestic product</b> .....         | 4.4  | 4.4  | 4.2  | 4.3                                    |
| <b>Private industries</b> .....             | 5.3  | 4.9  | 4.8  | 5.0                                    |
| Private goods-producing industries .....    | 5.1  | 4.6  | 5.0  | 4.9                                    |
| Agriculture, forestry, and fishing .....    | 10.1 | .2   | 4.8  | 5.0                                    |
| Mining .....                                | 3.5  | 7.9  | -3.4 | 2.5                                    |
| Construction .....                          | 2.6  | 6.5  | 4.4  | 4.5                                    |
| Manufacturing .....                         | 5.4  | 4.3  | 5.7  | 5.1                                    |
| Durable goods .....                         | 8.6  | 9.8  | 8.8  | 9.0                                    |
| Nondurable goods .....                      | 1.3  | -2.9 | 1.6  | 0                                      |
| Private services-producing industries ..... | 5.4  | 6.1  | 5.5  | 5.7                                    |
| Transportation and public utilities .....   | .4   | 2.6  | 9.6  | 4.1                                    |
| Transportation .....                        | 2.3  | 3.3  | 6.0  | 3.8                                    |
| Communications .....                        | 1.4  | 6.5  | 14.1 | 7.2                                    |
| Electric, gas, and sanitary services .....  | -3.0 | -2.3 | 9.6  | 1.3                                    |
| Wholesale trade .....                       | 10.3 | 13.9 | 6.6  | 10.2                                   |
| Retail trade .....                          | 8.5  | 8.1  | 5.2  | 7.2                                    |
| Finance, insurance, and real estate .....   | 5.9  | 5.6  | 5.4  | 5.6                                    |
| Services .....                              | 4.3  | 4.4  | 4.0  | 4.3                                    |
| <b>Government</b> .....                     | 1.5  | 1.4  | 2.0  | 1.6                                    |

4. See the box “Using Chained-Dollar Estimates for Computing Contributions to Economic Growth: A Cautionary Note” in Sherlene K.S. Lum and Brian C. Moyer, “Gross Product by Industry, 1995–97,” SURVEY 78 (November 1998): 24–25.

#### Data Availability

The summary estimates of gross domestic product by industry that are presented in this article and more detailed estimates for 1947–99 are available on BEA's Web site; go to <[www.bea.doc.gov](http://www.bea.doc.gov)> and click on “Industry and wealth data.” These estimates are also available to subscribers to STAT-USA's Internet services (call 202–482–1986, or go to <[www.stat-usa.gov](http://www.stat-usa.gov)>).

In addition, the estimates will be available on the following diskettes in early January.

Gross Domestic Product by Industry, 1947–99—product number NDN–0272

Gross Output by Detailed Industry, 1977–99—product number NDN–0273

Shipments of Manufacturing Industries, 1977–99—product number NDN–0274

To order, call the BEA Order Desk at 1–800–704–0415 (outside the United States, call 202–606–9666).

turing and services; each contributed 0.9 percentage point.

In 1999, FIRE contributed 1.0 percentage point to the 4.2-percent growth in real GDP. Durable-goods manufacturing, transportation and public utilities, and services each contributed 0.8 percentage point. Trade contributed 1.0 percentage point to real GDP growth: Wholesale trade and retail trade each contributed 0.5 percentage point.

#### Contributions to the growth in GDP prices

An industry's contribution to the growth in GDP prices depends on both the growth rate of its price index and its relative size.<sup>5</sup> In 1996–99, services was the largest contributor—at 0.8 percentage point—to the 1.6-percent average annual growth rate in the GDP price index (table C). Manufacturing contributed -0.1 percentage point; durable-goods manufacturing contributed -0.3 percentage point, partly reflecting declines in the

prices of computers, of digital telephone switching equipment, and of semiconductors.

In 1999, the two largest contributors to the 1.5-percent growth in GDP prices were services, which added 0.8 percentage point, and government, which added 0.3 percentage point. In contrast, durable-goods manufacturing subtracted 0.3 percentage point.

#### Shares of current-dollar GDP

An industry's share of current-dollar GDP is a better indicator of the industry's relative size in the economy than its share of real GDP, because shares of real GDP depend on the choice of the reference year. Shares of current-dollar GDP can also be used to examine long-term trends in relative size, because these shares—unlike those from real measures—do not become distorted for years that are far from the reference year. Changes in the shares indicate whether an industry's claim on resources in the economy is increasing or decreasing.

In 1996–99, the share of GDP accounted for by private industries increased from 86.9 percent to 87.5 percent, while the share of GDP accounted for

5. For price calculations, the procedures used to compute contributions to real GDP growth were modified to replace the chain-type quantity index with the chain-type price index.

**Table B.—Contributions to Percent Change in Real Gross Domestic Product by Industry Group**

|   | 1997 | 1998 | 1999 | Average annual rate, 1996–99 |
|---|------|------|------|------------------------------|
| <b>Percent change:</b>                      |      |      |      |                              |
| Gross domestic product .....                | 4.4  | 4.4  | 4.2  | 4.3                          |
| <b>Percentage points:</b>                   |      |      |      |                              |
| Private Industries .....                    | 4.6  | 4.3  | 4.2  | 4.3                          |
| Private goods-producing industries .....    | 1.2  | 1.1  | 1.2  | 1.2                          |
| Agriculture, forestry, and fishing .....    | .2   | 0    | .1   | .1                           |
| Mining .....                                | .1   | .1   | 0    | 0                            |
| Construction .....                          | .1   | .3   | .2   | .2                           |
| Manufacturing .....                         | .9   | .7   | .9   | .9                           |
| Durable goods .....                         | .8   | .9   | .8   | .9                           |
| Nondurable goods .....                      | .1   | -.2  | .1   | 0                            |
| Private services-producing industries ..... | 3.4  | 3.8  | 3.6  | 3.6                          |
| Transportation and public utilities .....   | 0    | .2   | .8   | .3                           |
| Transportation .....                        | .1   | .1   | .2   | .1                           |
| Communications .....                        | 0    | .2   | .4   | .2                           |
| Electric, gas, and sanitary services .....  | -.1  | -.1  | .2   | 0                            |
| Wholesale trade .....                       | .7   | .9   | .5   | .7                           |
| Retail trade .....                          | .7   | .7   | .5   | .6                           |
| Finance, insurance, and real estate .....   | 1.1  | 1.1  | 1.0  | 1.1                          |
| Services .....                              | .9   | .9   | .8   | .9                           |
| Government .....                            | .2   | .2   | .2   | .2                           |

NOTE.—For information on the calculation of the contributions to percent change, see footnote 4 in text. Percentage-point contributions do not sum to the percent change in gross domestic product or to the percentage-point contribution for private industries, because the contributions of the statistical discrepancy and of "not allocated by industry" are excluded (see table 6 for the detailed estimates of real gross domestic product by industry).

**Table C.—Contributions to Percent Change in the Chain-Type Price Index for Gross Domestic Product by Industry Group**

|   | 1997 | 1998 | 1999 | Average annual rate, 1996–99 |
|---|------|------|------|------------------------------|
| <b>Percent change:</b>                      |      |      |      |                              |
| Gross domestic product .....                | 1.9  | 1.3  | 1.5  | 1.6                          |
| <b>Percentage points:</b>                   |      |      |      |                              |
| Private Industries .....                    | 1.2  | .9   | .9   | 1.0                          |
| Private goods-producing industries .....    | -.1  | -.1  | .1   | 0                            |
| Agriculture, forestry, and fishing .....    | -.2  | 0    | -.1  | -.1                          |
| Mining .....                                | 0    | -.3  | .1   | 0                            |
| Construction .....                          | .2   | .2   | .2   | .2                           |
| Manufacturing .....                         | -.1  | 0    | -.2  | -.1                          |
| Durable goods .....                         | -.3  | -.4  | -.3  | -.3                          |
| Nondurable goods .....                      | .2   | .4   | .1   | .2                           |
| Private services-producing industries ..... | 1.3  | 1.0  | .9   | 1.1                          |
| Transportation and public utilities .....   | .3   | .2   | -.2  | .1                           |
| Transportation .....                        | .2   | .2   | 0    | .1                           |
| Communications .....                        | 0    | 0    | -.1  | 0                            |
| Electric, gas, and sanitary services .....  | .1   | .1   | -.1  | 0                            |
| Wholesale trade .....                       | -.2  | -.4  | -.1  | -.2                          |
| Retail trade .....                          | -.1  | 0    | .2   | 0                            |
| Finance, insurance, and real estate .....   | .6   | .4   | .1   | .4                           |
| Services .....                              | .7   | .8   | .8   | .8                           |
| Government .....                            | .4   | .3   | .3   | .3                           |

NOTE.—For information on the calculation of the contributions to percent change, see footnote 5 in text. Percentage-point contributions do not sum to the percent change in the chain-type price index for gross domestic product or to the percentage-point contribution for private industries, because the contributions of the statistical discrepancy and of "not allocated by industry" are excluded.

by government decreased from 13.1 percent to 12.5 percent (table 2). By industry group, the increases in shares were concentrated in the services-producing industries, particularly in services (from 20.0 percent to 21.4 percent) and FIRE (from 18.4 percent to 19.3 percent). The shares of all the goods-producing industries except construction decreased; manufacturing decreased the most (from 16.8 percent to 16.1 percent). Construction's share increased from 4.0 percent to 4.5 percent. The decrease in the government share was accounted for by both the Federal Government and State and local governments: The Federal Government share decreased 0.4 percentage point to 4.0 percent, and the State and local government share decreased 0.2 percentage point to 8.4 percent.

Among the current-dollar components of GDP, the shares of compensation of employees and property-type income each increased 0.7 percentage point in 1996–99 (table 4). For private industries, the share of compensation of employees increased 1.2 percentage points, and that of property-type income increased 0.5 percentage point; the share of indirect business tax and nontax liability decreased 0.3 percentage point. Within agriculture, forestry, and fishing, the component shares

changed substantially: Compensation rose 9.3 percentage points, and property-type income fell 10.2 percentage points.

### Revisions to the GDP by Industry Estimates

The revisions to the GDP by industry estimates for 1997–98 reflect the revisions to the annual NIPA estimates and the incorporation of new and revised source data for gross output and prices. The revisions to current-dollar GDP for 1997 were smaller than those for 1998; GDP was revised up \$17.6 billion for 1997 and up \$30.3 billion for 1998 (table D). These upward revisions reflect large upward revisions to private industries—\$12.2 billion for 1997 and \$24.6 billion for 1998. The real GDP growth rate was revised up 0.2 percentage point for 1997 and 0.1 percentage point for 1998. Although the revisions to the real GDP by industry growth rates for some industry groups were substantial, the effects of these revisions on real GDP growth were generally small.

The revisions to the current-dollar estimates of GDP by industry for 1997–98 largely reflect the incorporation of the revised NIPA estimates of the components of gross domestic income. By industry group, for both years, the largest revision was

Table D.—Revisions to Gross Domestic Product by Industry Group, 1997–98

|  | Current-dollar gross product |         |          |                       |         |          | Real gross product                |         |          |                       |         |          |
|--|------------------------------|---------|----------|-----------------------|---------|----------|-----------------------------------|---------|----------|-----------------------|---------|----------|
|  | Billions of dollars          |         |          |                       |         |          | Percent change from previous year |         |          |                       |         |          |
|  | 1997                         |         |          | 1998                  |         |          | 1997                              |         |          | 1998                  |         |          |
|  | Pre-viously published        | Revised | Revision | Pre-viously published | Revised | Revision | Pre-viously published             | Revised | Revision | Pre-viously published | Revised | Revision |
| <b>Gross domestic product</b> .....        | 8,300.8                      | 8,318.4 | 17.6     | 8,759.9               | 8,790.2 | 30.3     | 4.2                               | 4.4     | 0.2      | 4.3                   | 4.4     | 0.1      |
| <b>Private industries</b> .....            | 7,241.4                      | 7,253.6 | 12.2     | 7,659.8               | 7,684.4 | 24.6     | 5.2                               | 5.3     | .1       | 5.1                   | 4.9     | -2       |
| Agriculture, forestry, and fishing .....   | 129.7                        | 130.0   | .3       | 125.2                 | 127.2   | 2.0      | 9.7                               | 10.1    | .4       | -1                    | .2      | .3       |
| Mining .....                               | 121.0                        | 118.9   | -2.1     | 105.9                 | 105.6   | -.3      | 5.6                               | 3.5     | -2.1     | 5.8                   | 7.9     | 2.0      |
| Construction .....                         | 343.1                        | 339.2   | -4.9     | 373.2                 | 378.1   | 4.9      | 4.1                               | 2.6     | -1.5     | 4.1                   | 6.5     | 2.4      |
| Manufacturing .....                        | 1,377.2                      | 1,379.6 | 2.4      | 1,432.8               | 1,436.0 | 3.2      | 5.3                               | 5.4     | .1       | 4.6                   | 4.3     | -3       |
| Durable goods .....                        | 798.7                        | 791.2   | -7.5     | 842.6                 | 833.4   | -9.2     | 9.6                               | 8.6     | -1.0     | 10.5                  | 9.8     | -8       |
| Nondurable goods .....                     | 578.5                        | 588.4   | 9.9      | 590.1                 | 602.6   | 12.5     | -3                                | 1.3     | 1.6      | -3.4                  | -2.9    | .5       |
| Transportation and public utilities .....  | 713.2                        | 688.4   | -24.8    | 759.1                 | 728.0   | -31.1    | 5.1                               | .4      | -4.7     | 3.7                   | 2.6     | -1.0     |
| Transportation .....                       | 262.8                        | 261.8   | -1.0     | 283.9                 | 287.8   | 3.9      | 5.5                               | 2.3     | -3.2     | 1.9                   | 3.3     | 1.4      |
| Communications .....                       | 243.1                        | 220.8   | -22.3    | 258.7                 | 234.1   | -24.6    | 11.9                              | 1.4     | -10.5    | 6.9                   | 6.5     | -3       |
| Electric, gas, and sanitary services ..... | 207.2                        | 205.9   | -1.3     | 216.6                 | 206.0   | -10.6    | -2.4                              | -3.0    | -6       | 2.4                   | -2.3    | -4.7     |
| Wholesale trade .....                      | 572.3                        | 566.8   | -5.5     | 613.8                 | 610.9   | -2.9     | 11.3                              | 10.3    | -1.0     | 12.7                  | 13.9    | 1.2      |
| Retail trade .....                         | 734.1                        | 740.5   | 6.4      | 781.9                 | 796.8   | 14.9     | 7.6                               | 8.5     | .9       | 7.6                   | 8.1     | .4       |
| Finance, insurance, and real estate .....  | 1,561.6                      | 1,569.9 | 8.3      | 1,674.2               | 1,689.5 | 15.3     | 5.1                               | 5.9     | .8       | 6.4                   | 5.6     | -8       |
| Services .....                             | 1,692.5                      | 1,691.5 | -1.0     | 1,841.3               | 1,837.1 | -4.2     | 4.5                               | 4.3     | -2       | 4.5                   | 4.4     | -1       |
| Statistical discrepancy <sup>1</sup> ..... | -3.2                         | 29.7    | 32.9     | -47.6                 | -24.8   | 22.8     |                                   |         |          |                       |         |          |
| <b>Government</b> .....                    | 1,059.4                      | 1,064.8 | 5.4      | 1,100.1               | 1,105.8 | 5.7      | 1.5                               | 1.5     | 0        | 1.1                   | 1.4     | .3       |

1. Equals gross domestic product measured as the sum of expenditures less gross domestic income.


to communications, which was revised down \$22.3 billion for 1997 and \$24.6 billion for 1998; these revisions were largely attributable to downward revisions to corporate profits that resulted from the incorporation of revised Internal Revenue Service tabulations of corporate tax returns for 1997, preliminary tabulations for 1998, and new and revised data from other regular sources. FIRE was revised up \$8.3 billion for 1997 and \$15.3 billion for 1998, and retail trade was revised up \$6.4 billion and \$14.9 billion. In addition, the statistical discrepancy was revised up \$32.9 billion for 1997 and \$22.8 billion for 1998.

Manufacturing was revised up \$2.4 billion for 1997 and \$3.2 billion for 1998; durable-goods manufacturing and nondurable-goods manufacturing had large offsetting revisions. For 1997, durable-goods manufacturing was revised down \$7.5 billion, and nondurable-goods manufacturing was revised up \$9.9 billion; for 1998, durable-goods manufacturing was revised down \$9.2 billion, and nondurable-goods manufacturing was revised up \$12.5 billion. For both durable goods and nondurable goods, employee compensation was revised down substantially, but for nondurable goods, corporate profits was revised up even more.

The revisions to the growth rates of real GDP by industry for 1997 and 1998 primarily reflect the

revisions to current-dollar GDP by industry and the incorporation of new and revised source data for gross output and prices. The revisions to industry growth rates were generally offsetting. For 1997, the growth rate of private industries was revised up 0.1 percentage point, as small upward revisions to industries that have large shares of current-dollar GDP—retail trade (0.9 percentage point), FIRE (0.8 percentage point), and manufacturing (0.1 percentage point)—were mostly offset by large downward revisions to industries that have small shares of current-dollar GDP—communications (10.5 percentage points), transportation (3.2 percentage points), and mining (2.1 percentage points). For 1998, the growth of private industries was revised up 0.2 percentage point, as downward revisions to electric, gas, and sanitary services (4.7 percentage points), durable-goods manufacturing (0.8 percentage point), and FIRE (0.8 percentage point) were mostly offset by upward revisions to construction (2.4 percentage points), mining (2.0 percentage points), and transportation (1.4 percentage points).

The revised GDP by industry estimates also incorporated new and revised source data from private industry associations and from other government agencies. Several Government agencies have begun to provide source data that are based on the North American Industry Classification System (NAICS) rather than on the Standard Industrial Classification (SIC) system. Major source data on a NAICS basis included data from the 1997 Economic Census, the 1998 Annual Survey of Manufactures, the 1999 Services Annual Survey (preliminary), and the 1997 and 1998 *Statistics of Income*. For this revision, the source data were converted from NAICS to the SIC by the source agency or by BEA on the basis of information provided by the source agency. Full implementation of NAICS for the GDP by industry estimates depends on the implementation of NAICS in both the NIPA's and the benchmark input-output accounts, which, in turn, depends on the implementation schedules of source data agencies.<sup>6</sup>

Tables 1–14 follow. 

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6. See the box, "Implementation of the North American Industry Classification System" in Seskin and Sullivan, "Annual Revision of the National Income and Product Accounts," 27.





Table 3.—Components of Gross Domestic Product by Industry Group in Current Dollars, 1996–99

[Billions of dollars]

| Line      |  | 1996           | 1997           | 1998           | 1999           |
|-----------|--|----------------|----------------|----------------|----------------|
| 1         | Gross domestic product .....                     | 7,813.2        | 8,318.4        | 8,790.2        | 9,299.2        |
| 2         | Compensation of employees .....                  | 4,400.1        | 4,856.2        | 4,989.4        | 5,305.2        |
| 3         | Indirect business tax and nontax liability ..... | 620.0          | 646.2          | 679.6          | 718.1          |
| 4         | Property-type income .....                       | 2,760.2        | 2,986.3        | 3,146.0        | 3,347.9        |
| 5         | Statistical discrepancy <sup>1</sup> .....       | 32.8           | 29.7           | -24.8          | -71.9          |
| <b>6</b>  | <b>Private Industries .....</b>                  | <b>6,792.9</b> | <b>7,253.6</b> | <b>7,684.4</b> | <b>8,140.8</b> |
| 7         | Compensation of employees .....                  | 3,550.5        | 3,773.5        | 4,075.0        | 4,352.0        |
| 8         | Indirect business tax and nontax liability ..... | 620.0          | 646.2          | 679.6          | 718.1          |
| 9         | Property-type income .....                       | 2,589.4        | 2,804.1        | 2,954.5        | 3,142.7        |
| 10        | Statistical discrepancy <sup>1</sup> .....       | 32.8           | 29.7           | -24.8          | -71.9          |
| 11        | Agriculture, forestry and fishing .....          | 130.4          | 130.0          | 127.2          | 125.4          |
| 12        | Compensation of employees .....                  | 39.8           | 42.9           | 46.5           | 49.9           |
| 13        | Indirect business tax and nontax liability ..... | 6.7            | 7.0            | 7.0            | 7.5            |
| 14        | Property-type income .....                       | 83.9           | 80.2           | 73.7           | 68.0           |
| 15        | Mining .....                                     | 113.0          | 118.9          | 105.6          | 111.8          |
| 16        | Compensation of employees .....                  | 33.4           | 35.2           | 36.0           | 34.5           |
| 17        | Indirect business tax and nontax liability ..... | 12.2           | 12.1           | 11.7           | 11.4           |
| 18        | Property-type income .....                       | 67.5           | 71.6           | 57.9           | 65.9           |
| 19        | Construction .....                               | 316.4          | 338.2          | 378.1          | 416.4          |
| 20        | Compensation of employees .....                  | 208.2          | 220.9          | 243.0          | 268.8          |
| 21        | Indirect business tax and nontax liability ..... | 7.3            | 7.9            | 8.6            | 9.2            |
| 22        | Property-type income .....                       | 100.9          | 109.4          | 126.5          | 138.3          |
| 23        | Manufacturing .....                              | 1,316.0        | 1,379.6        | 1,436.0        | 1,500.8        |
| 24        | Compensation of employees .....                  | 822.4          | 852.4          | 895.1          | 925.2          |
| 25        | Indirect business tax and nontax liability ..... | 49.4           | 50.3           | 54.1           | 56.1           |
| 26        | Property-type income .....                       | 444.2          | 477.0          | 486.7          | 519.6          |
| 27        | Durable goods .....                              | 748.4          | 791.2          | 833.4          | 877.8          |
| 28        | Compensation of employees .....                  | 508.0          | 529.9          | 560.9          | 584.8          |
| 29        | Indirect business tax and nontax liability ..... | 18.7           | 19.3           | 20.3           | 21.5           |
| 30        | Property-type income .....                       | 221.7          | 241.9          | 252.2          | 271.4          |
| 31        | Nondurable goods .....                           | 567.6          | 588.4          | 602.6          | 623.1          |
| 32        | Compensation of employees .....                  | 314.4          | 322.4          | 334.3          | 340.4          |
| 33        | Indirect business tax and nontax liability ..... | 30.7           | 30.9           | 33.8           | 34.5           |
| 34        | Property-type income .....                       | 222.5          | 235.0          | 234.5          | 248.1          |
| 35        | Transportation and public utilities .....        | 666.3          | 688.4          | 728.0          | 779.6          |
| 36        | Compensation of employees .....                  | 285.0          | 299.4          | 319.6          | 346.9          |
| 37        | Indirect business tax and nontax liability ..... | 65.5           | 68.5           | 73.9           | 77.8           |
| 38        | Property-type income .....                       | 315.8          | 320.5          | 334.5          | 355.0          |
| 39        | Wholesale trade .....                            | 529.6          | 566.8          | 610.9          | 643.3          |
| 40        | Compensation of employees .....                  | 288.8          | 307.5          | 332.2          | 355.0          |
| 41        | Indirect business tax and nontax liability ..... | 118.9          | 122.0          | 126.6          | 132.6          |
| 42        | Property-type income .....                       | 121.9          | 137.4          | 152.0          | 155.6          |
| 43        | Retail trade .....                               | 687.1          | 740.5          | 796.8          | 856.4          |
| 44        | Compensation of employees .....                  | 398.3          | 426.0          | 454.9          | 485.3          |
| 45        | Indirect business tax and nontax liability ..... | 127.2          | 133.9          | 142.0          | 154.2          |
| 46        | Property-type income .....                       | 161.6          | 180.6          | 200.0          | 216.9          |
| 47        | Finance, insurance, and real estate .....        | 1,436.8        | 1,569.9        | 1,689.5        | 1,792.1        |
| 48        | Compensation of employees .....                  | 351.8          | 377.6          | 421.8          | 452.9          |
| 49        | Indirect business tax and nontax liability ..... | 185.3          | 194.1          | 201.5          | 211.1          |
| 50        | Property-type income .....                       | 899.7          | 998.2          | 1,066.2        | 1,128.1        |
| 51        | Services .....                                   | 1,564.2        | 1,691.5        | 1,837.1        | 1,986.9        |
| 52        | Compensation of employees .....                  | 1,122.9        | 1,211.7        | 1,325.9        | 1,433.5        |
| 53        | Indirect business tax and nontax liability ..... | 47.5           | 50.6           | 54.2           | 58.1           |
| 54        | Property-type income .....                       | 393.9          | 429.2          | 457.0          | 495.3          |
| <b>55</b> | <b>Government .....</b>                          | <b>1,020.4</b> | <b>1,064.9</b> | <b>1,105.8</b> | <b>1,158.4</b> |
| 56        | Compensation of employees .....                  | 849.6          | 882.6          | 914.3          | 953.2          |
| 57        | Indirect business tax and nontax liability ..... | 0              | 0              | 0              | 0              |
| 58        | Property-type income .....                       | 170.8          | 182.2          | 191.5          | 205.2          |

1. Equals gross domestic product measured as the sum of expenditures less gross domestic income.

Table 4.—Components of Gross Domestic Product by Industry Group in Current Dollars As a Percentage of Gross Domestic Product, 1996–99

[Percent]

| Line      |  | 1996         | 1997         | 1998         | 1999         |
|-----------|--|--------------|--------------|--------------|--------------|
| 1         | Gross domestic product .....                     | 100.0        | 100.0        | 100.0        | 100.0        |
| 2         | Compensation of employees .....                  | 56.3         | 56.0         | 56.8         | 57.0         |
| 3         | Indirect business tax and nontax liability ..... | 7.9          | 7.8          | 7.7          | 7.7          |
| 4         | Property-type income .....                       | 35.3         | 35.9         | 35.8         | 36.0         |
| 5         | Statistical discrepancy <sup>1</sup> .....       | .4           | .4           | -.3          | -.8          |
| <b>6</b>  | <b>Private Industries .....</b>                  | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 7         | Compensation of employees .....                  | 52.3         | 52.0         | 53.0         | 53.5         |
| 8         | Indirect business tax and nontax liability ..... | 9.1          | 8.9          | 8.8          | 8.8          |
| 9         | Property-type income .....                       | 38.1         | 38.7         | 38.4         | 38.6         |
| 10        | Statistical discrepancy <sup>1</sup> .....       | .5           | .4           | -.3          | -.9          |
| 11        | Agriculture, forestry and fishing .....          | 100.0        | 100.0        | 100.0        | 100.0        |
| 12        | Compensation of employees .....                  | 30.5         | 33.0         | 36.5         | 39.8         |
| 13        | Indirect business tax and nontax liability ..... | 5.1          | 5.4          | 5.5          | 6.0          |
| 14        | Property-type income .....                       | 64.4         | 61.7         | 57.9         | 54.2         |
| 15        | Mining .....                                     | 100.0        | 100.0        | 100.0        | 100.0        |
| 16        | Compensation of employees .....                  | 29.5         | 29.6         | 34.1         | 30.8         |
| 17        | Indirect business tax and nontax liability ..... | 10.8         | 10.2         | 11.1         | 10.2         |
| 18        | Property-type income .....                       | 59.7         | 60.2         | 54.8         | 58.9         |
| 19        | Construction .....                               | 100.0        | 100.0        | 100.0        | 100.0        |
| 20        | Compensation of employees .....                  | 65.8         | 65.3         | 64.3         | 64.6         |
| 21        | Indirect business tax and nontax liability ..... | 2.3          | 2.3          | 2.3          | 2.2          |
| 22        | Property-type income .....                       | 31.9         | 32.4         | 33.5         | 33.2         |
| 23        | Manufacturing .....                              | 100.0        | 100.0        | 100.0        | 100.0        |
| 24        | Compensation of employees .....                  | 62.5         | 61.8         | 62.3         | 61.6         |
| 25        | Indirect business tax and nontax liability ..... | 3.8          | 3.6          | 3.8          | 3.7          |
| 26        | Property-type income .....                       | 33.8         | 34.6         | 33.9         | 34.6         |
| 27        | Durable goods .....                              | 100.0        | 100.0        | 100.0        | 100.0        |
| 28        | Compensation of employees .....                  | 67.9         | 67.0         | 67.3         | 66.6         |
| 29        | Indirect business tax and nontax liability ..... | 2.5          | 2.4          | 2.4          | 2.5          |
| 30        | Property-type income .....                       | 29.6         | 30.6         | 30.3         | 30.9         |
| 31        | Nondurable goods .....                           | 100.0        | 100.0        | 100.0        | 100.0        |
| 32        | Compensation of employees .....                  | 55.4         | 54.8         | 55.5         | 54.6         |
| 33        | Indirect business tax and nontax liability ..... | 5.4          | 5.3          | 5.6          | 5.5          |
| 34        | Property-type income .....                       | 39.2         | 39.9         | 38.9         | 39.8         |
| 35        | Transportation and public utilities .....        | 100.0        | 100.0        | 100.0        | 100.0        |
| 36        | Compensation of employees .....                  | 42.8         | 43.5         | 43.9         | 44.5         |
| 37        | Indirect business tax and nontax liability ..... | 9.8          | 9.9          | 10.1         | 10.0         |
| 38        | Property-type income .....                       | 47.4         | 46.6         | 45.9         | 45.5         |
| 39        | Wholesale trade .....                            | 100.0        | 100.0        | 100.0        | 100.0        |
| 40        | Compensation of employees .....                  | 54.5         | 54.2         | 54.4         | 55.2         |
| 41        | Indirect business tax and nontax liability ..... | 22.4         | 21.5         | 20.7         | 20.6         |
| 42        | Property-type income .....                       | 23.0         | 24.2         | 24.9         | 24.2         |
| 43        | Retail trade .....                               | 100.0        | 100.0        | 100.0        | 100.0        |
| 44        | Compensation of employees .....                  | 58.0         | 57.5         | 57.1         | 56.7         |
| 45        | Indirect business tax and nontax liability ..... | 18.5         | 18.1         | 17.8         | 18.0         |
| 46        | Property-type income .....                       | 23.5         | 24.4         | 25.1         | 25.3         |
| 47        | Finance, insurance, and real estate .....        | 100.0        | 100.0        | 100.0        | 100.0        |
| 48        | Compensation of employees .....                  | 24.5         | 24.0         | 25.0         | 25.3         |
| 49        | Indirect business tax and nontax liability ..... | 12.9         | 12.4         | 11.9         | 11.8         |
| 50        | Property-type income .....                       | 62.6         | 63.6         | 63.1         | 62.9         |
| 51        | Services .....                                   | 100.0        | 100.0        | 100.0        | 100.0        |
| 52        | Compensation of employees .....                  | 71.8         | 71.6         | 72.2         | 72.1         |
| 53        | Indirect business tax and nontax liability ..... | 3.0          | 3.0          | 3.0          | 2.9          |
| 54        | Property-type income .....                       | 25.2         | 25.4         | 24.9         | 24.9         |
| <b>55</b> | <b>Government .....</b>                          | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| 56        | Compensation of employees .....                  | 83.3         | 82.9         | 82.7         | 82.3         |
| 57        | Indirect business tax and nontax liability ..... | 0            | 0            | 0            | 0            |
| 58        | Property-type income .....                       | 16.7         | 17.1         | 17.3         | 17.7         |

1. Equals gross domestic product measured as the sum of expenditures less gross domestic income.











# SUBJECT GUIDE

## VOLUME 80 (2000)

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| March  | Personal Income and Outlays, January 2001.....   | Mar. 1  | 8:30 a.m.  |
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|  | Personal Income and Outlays, July 2001.....  | Aug. 30                                       | 8:30 a.m.  |
| September  | U.S. International Transactions, 2nd quarter 2001.....   | Sept. 12                                      | 8:30 a.m.  |
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|  | State Per Capita Personal Income, 2000 (revised).....  | Sept. 24                                      | 9:00 a.m.  |
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| October  | Personal Income and Outlays, August 2001.....  | Oct. 1  | 8:30 a.m.  |
|  | U.S. International Trade in Goods and Services, August 2001*.....  | Oct. 19                                       | 8:30 a.m.  |
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|  | Gross Domestic Product, 3rd quarter 2001 (advance).....  | Oct. 31                                       | 8:30 a.m.  |
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|  | U.S. International Trade in Goods and Services, September 2001*.....   | Nov. 20                                       | 8:30 a.m.  |
|  | Gross Domestic Product, 3rd quarter 2001 (preliminary) and<br>Corporate Profits, 3rd quarter 2001 (preliminary)..... | Nov. 30                                       | 8:30 a.m.  |
| December   | Personal Income and Outlays, October 2001.....   | Dec. 3  | 8:30 a.m.  |
|  | U.S. International Transactions, 3rd quarter 2001*.....  | Dec. 12                                       | 8:30 a.m.  |
|  | U.S. International Trade in Goods and Services, October 2001.....  | Dec. 19                                       | 8:30 a.m.  |
|  | Gross Domestic Product, 3rd quarter 2001 (final) and<br>Corporate Profits, 3rd quarter 2001 (revised).....           | Dec. 21                                       | 8:30 a.m.  |
|  | Personal Income and Outlays, November 2001.....  | Dec. 21                                       | 10:00 a.m. |

\*Joint release by Bureau of the Census and the Bureau of Economic Analysis.

# BEA CURRENT AND HISTORICAL DATA

## National, International, and Regional Estimates

This section presents an extensive selection of economic statistics prepared by the Bureau of Economic Analysis (BEA) and a brief selection of collateral statistics prepared by other Government agencies and private organizations. Series originating in Government agencies are not copyrighted and may be reprinted freely. Series from private sources are provided through the courtesy of the compilers and are subject to their copyrights.

BEA's economic statistics are available on three Web

sites. BEA's Web site at <www.bea.doc.gov> contains data, articles, and news releases from the national, international, and regional programs. The Federal Statistical Briefing Room (FSBR) on the White House Web site at <www.whitehouse.gov/fsbr> provides key economic statistics, including gross domestic product. The Commerce Department's STAT-USA Web site at <www.stat-usa.gov> provides detailed databases and news releases from BEA and from other Federal Government agencies by subscription.

The tables present annual [A], quarterly [Q], and monthly [M] estimates.

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# National Data

## A. Selected NIPA Tables

The tables in this section include the most recent estimates of gross domestic product and its components; these estimates were released on November 29, 2000, and include the "preliminary" estimates for the third quarter of 2000.

The selected set of NIPA tables shown in this section presents quarterly estimates, which are updated monthly; in most of these tables, annual estimates are also shown.

The news release on gross domestic product is available within minutes of the time of release, and the "Selected NIPA Tables" are available later that day, on BEA's Web site <www.bea.doc.gov> and on STAT-USA's Web site <www.stat-usa.gov>.

The "Selected NIPA Tables" are also available on printouts or diskettes from BEA. To order NIPA subscription products, call the BEA Order Desk at 1-800-704-0415 (outside the United States, 202-606-9666).

NOTE.—The estimates in NIPA tables 1.16 and 7.15 reflect revisions to real gross product of nonfinancial corporate business (see page 14 in this issue).

## S. Summary Tables

**Table S.1.—Summary of Percent Change From Preceding Period in Real Gross Domestic Product and Related Measures**

|   | [Percent] |      |                                     |      |      |       |      |       |
|---|-----------|------|-------------------------------------|------|------|-------|------|-------|
|   | 1998      | 1999 | Seasonally adjusted at annual rates |      |      |       |      |       |
|   |           |      | 1999                                |      |      | 2000  |      |       |
|   |           |      | II                                  | III  | IV   | I     | II   | III   |
| <b>Gross domestic product .....</b>                                   | 4.4       | 4.2  | 2.5                                 | 5.7  | 8.3  | 4.8   | 5.6  | 2.4   |
| <b>Personal consumption expenditures .....</b>                        | 4.7       | 5.3  | 5.6                                 | 5.0  | 5.9  | 7.6   | 3.1  | 4.5   |
| Durable goods .....   | 10.6      | 12.4 | 15.0                                | 8.0  | 13.0 | 23.6  | -5.0 | 8.1   |
| Nondurable goods .....  | 4.0       | 5.6  | 3.8                                 | 4.9  | 7.4  | 6.0   | 3.6  | 4.8   |
| Services .....  | 3.9       | 3.7  | 4.6                                 | 4.5  | 3.8  | 5.2   | 4.6  | 3.7   |
| <b>Gross private domestic investment .....</b>                        | 12.5      | 6.6  | 0                                   | 15.0 | 17.9 | 5.1   | 21.7 | 2.1   |
| Fixed investment .....  | 11.8      | 9.2  | 8.7                                 | 7.8  | 7.2  | 16.4  | 11.2 | 3.3   |
| Nonresidential .....  | 13.0      | 10.1 | 9.6                                 | 11.8 | 9.5  | 21.0  | 14.6 | 7.8   |
| Structures .....  | 7.2       | -1.4 | -6.2                                | -6.2 | 9.7  | 22.3  | 4.4  | 14.9  |
| Equipment and software .....  | 15.0      | 14.1 | 15.2                                | 18.0 | 9.5  | 20.6  | 17.9 | 5.8   |
| Residential .....   | 8.3       | 6.4  | 5.9                                 | -3.1 | .5   | 3.2   | 1.3  | -10.5 |
| Change in private inventories .....                                   |           |      |                                     |      |      |       |      |       |
| <b>Net exports of goods and services .....</b>                        |           |      |                                     |      |      |       |      |       |
| Exports .....   | 2.3       | 2.9  | 5.8                                 | 10.2 | 10.3 | 6.3   | 14.3 | 15.4  |
| Goods .....   | 2.2       | 4.0  | 7.2                                 | 15.9 | 12.6 | 6.0   | 19.0 | 19.8  |
| Services .....  | 2.4       | .5   | 2.8                                 | -2.5 | 4.6  | 6.9   | 3.5  | 4.8   |
| Imports .....   | 11.9      | 10.7 | 16.2                                | 16.9 | 10.7 | 12.0  | 18.6 | 17.4  |
| Goods .....   | 11.8      | 12.5 | 19.0                                | 19.0 | 11.2 | 11.2  | 20.0 | 16.6  |
| Services .....  | 12.2      | 1.7  | 2.5                                 | 6.3  | 8.2  | 16.6  | 10.6 | 22.1  |
| <b>Government consumption expenditures and gross investment .....</b> | 2.1       | 3.3  | .8                                  | 4.8  | 8.5  | -1.1  | 4.8  | -1.5  |
| Federal .....   | -5        | 2.5  | 2.0                                 | 6.9  | 13.2 | -14.2 | 17.2 | -9.0  |
| National defense .....  | -1.7      | 2.0  | -2.3                                | 12.3 | 12.6 | -19.8 | 16.9 | -9.6  |
| Nondefense .....  | 1.8       | 3.4  | 10.2                                | -2.2 | 14.4 | -3.3  | 17.8 | -8.0  |
| State and local .....   | 3.6       | 3.8  | .1                                  | 3.7  | 6.1  | 6.6   | -1.1 | 2.7   |
| <b>Addenda:</b>   |           |      |                                     |      |      |       |      |       |
| Final sales of domestic product .....                                 | 4.2       | 4.6  | 4.0                                 | 4.5  | 6.4  | 6.7   | 3.9  | 2.6   |
| Gross domestic purchases .....  | 5.5       | 5.2  | 3.8                                 | 6.6  | 8.4  | 5.6   | 6.5  | 3.1   |
| Final sales to domestic purchasers .....                              | 5.4       | 5.6  | 5.2                                 | 5.5  | 6.6  | 7.5   | 4.7  | 3.3   |
| Gross national product .....  | 4.2       | 4.1  | 2.3                                 | 5.5  | 8.3  | 5.1   | 5.6  | 2.2   |
| Disposable personal income .....                                      | 4.8       | 3.2  | 2.8                                 | 2.2  | 4.5  | 1.9   | 3.7  | 2.4   |

NOTE.—Percent changes from preceding period in the current-dollar and price measures for these series are shown in table 8.1.

**Table S.2.—Summary of Contributions to Percent Change in Real Gross Domestic Product**

|   | [Percent] |       |                                     |       |       |       |       |       |
|---|-----------|-------|-------------------------------------|-------|-------|-------|-------|-------|
|   | 1998      | 1999  | Seasonally adjusted at annual rates |       |       |       |       |       |
|   |           |       | 1999                                |       |       | 2000  |       |       |
|   |           |       | II                                  | III   | IV    | I     | II    | III   |
| <b>Percent change at annual rate:</b>                                 |           |       |                                     |       |       |       |       |       |
| Gross domestic product .....  | 4.4       | 4.2   | 2.5                                 | 5.7   | 8.3   | 4.8   | 5.6   | 2.4   |
| <b>Percentage points at annual rates:</b>                             |           |       |                                     |       |       |       |       |       |
| <b>Personal consumption expenditures .....</b>                        | 3.12      | 3.52  | 3.67                                | 3.43  | 4.08  | 5.03  | 2.14  | 3.02  |
| Durable goods .....   | .81       | .96   | 1.14                                | .84   | 1.04  | 1.79  | -.42  | .64   |
| Nondurable goods .....  | .79       | 1.10  | .75                                 | .97   | 1.47  | 1.19  | .74   | .95   |
| Services .....  | 1.53      | 1.46  | 1.78                                | 1.81  | 1.58  | 2.04  | 1.83  | 1.43  |
| <b>Gross private domestic investment .....</b>                        | 2.06      | 1.15  | .01                                 | 2.50  | 3.04  | .92   | 3.66  | .40   |
| Fixed investment .....  | 1.87      | 1.53  | 1.43                                | 1.33  | 1.26  | 2.68  | 1.93  | .58   |
| Nonresidential .....  | 1.54      | 1.26  | 1.18                                | 1.47  | 1.22  | 2.54  | 1.87  | 1.04  |
| Structures .....  | .22       | -.05  | -.20                                | -.19  | .29   | .63   | .14   | .45   |
| Equipment and software .....  | 1.32      | 1.30  | 1.38                                | 1.66  | .94   | 1.91  | 1.73  | .59   |
| Residential .....   | .33       | .27   | .25                                 | -.13  | .03   | .14   | .06   | -.46  |
| Change in private inventories .....                                   | .20       | -.37  | -1.42                               | 1.17  | 1.78  | -1.76 | 1.73  | -.18  |
| <b>Net exports of goods and services .....</b>                        | -1.20     | -1.03 | -1.35                               | -1.08 | -.37  | -.94  | -1.00 | -.79  |
| Exports .....   | .26       | .32   | .60                                 | 1.05  | 1.09  | .67   | 1.48  | 1.60  |
| Goods .....   | .18       | .30   | .51                                 | 1.13  | .94   | .46   | 1.37  | 1.46  |
| Services .....  | .08       | .02   | .08                                 | -.08  | .15   | .21   | .11   | .15   |
| Imports .....   | -1.46     | -1.35 | -1.95                               | -2.13 | -1.45 | -1.61 | -2.48 | -2.39 |
| Goods .....   | -1.21     | -1.32 | -1.89                               | -1.99 | -1.28 | -1.28 | -2.26 | -1.95 |
| Services .....  | -.24      | -.04  | -.05                                | -.13  | -.17  | -.33  | -.22  | -.44  |
| <b>Government consumption expenditures and gross investment .....</b> | .38       | .59   | .13                                 | .84   | 1.50  | -.18  | .85   | -.26  |
| Federal .....   | -.03      | .16   | .12                                 | .41   | .79   | -.93  | .97   | -.57  |
| National defense .....  | -.07      | .08   | -.09                                | .46   | .48   | -.86  | .60   | -.38  |
| Nondefense .....  | .04       | .08   | .21                                 | -.05  | .30   | -.07  | .37   | -.19  |
| State and local .....   | .41       | .43   | .01                                 | .43   | .71   | .75   | -.12  | .31   |

NOTE.—More detailed contributions to percent change in real gross domestic product are shown in table 8.2. Contributions to percent change in major components of real gross domestic product are shown in tables 8.3 through 8.6.

## 1. National Product and Income

Table 1.1.—Gross Domestic Product

[Billions of dollars]

|   | 1998           | 1999           | Seasonally adjusted at annual rates |                |                |                |                |                 |
|---|----------------|----------------|-------------------------------------|----------------|----------------|----------------|----------------|-----------------|
|   |                |                | 1999                                |                |                | 2000           |                |                 |
|   |                |                | II                                  | III            | IV             | I              | II             | III             |
| <b>Gross domestic product</b>                                   | <b>8,790.2</b> | <b>9,299.2</b> | <b>9,191.5</b>                      | <b>9,340.9</b> | <b>9,559.7</b> | <b>9,752.7</b> | <b>9,945.7</b> | <b>10,052.2</b> |
| <b>Personal consumption expenditures</b>                        | <b>5,850.3</b> | <b>6,268.7</b> | <b>6,213.2</b>                      | <b>6,319.9</b> | <b>6,446.2</b> | <b>6,621.7</b> | <b>6,706.3</b> | <b>6,816.7</b>  |
| Durable goods   | 693.9          | 761.3          | 756.3                               | 767.2          | 787.6          | 826.3          | 814.3          | 825.5           |
| Nondurable goods  | 1,707.6        | 1,845.5        | 1,825.3                             | 1,860.0        | 1,910.2        | 1,963.9        | 1,997.6        | 2,032.0         |
| Services  | 3,449.3        | 3,661.9        | 3,631.5                             | 3,692.7        | 3,748.5        | 3,831.6        | 3,894.4        | 3,959.2         |
| <b>Gross private domestic investment</b>                        | <b>1,549.9</b> | <b>1,650.1</b> | <b>1,607.9</b>                      | <b>1,659.1</b> | <b>1,723.7</b> | <b>1,755.7</b> | <b>1,852.6</b> | <b>1,872.4</b>  |
| Fixed investment  | 1,472.9        | 1,606.8        | 1,593.4                             | 1,622.4        | 1,651.0        | 1,725.8        | 1,780.5        | 1,805.0         |
| Nonresidential  | 1,107.5        | 1,203.1        | 1,188.0                             | 1,216.8        | 1,242.2        | 1,308.5        | 1,359.2        | 1,392.5         |
| Structures  | 283.2          | 285.6          | 283.7                               | 281.2          | 290.4          | 308.9          | 315.1          | 330.2           |
| Equipment and software  | 824.3          | 917.4          | 904.3                               | 935.6          | 951.8          | 999.6          | 1,044.1        | 1,062.4         |
| Residential   | 365.4          | 403.8          | 405.4                               | 405.6          | 408.8          | 417.3          | 421.3          | 412.5           |
| Change in private inventories                                   | 77.0           | 43.3           | 14.5                                | 36.7           | 72.7           | 29.9           | 72.0           | 67.4            |
| <b>Net exports of goods and services</b>                        | <b>-151.5</b>  | <b>-254.0</b>  | <b>-240.4</b>                       | <b>-280.5</b>  | <b>-299.1</b>  | <b>-335.2</b>  | <b>-355.4</b>  | <b>-386.1</b>   |
| Exports   | 966.0          | 990.2          | 973.0                               | 999.5          | 1,031.0        | 1,051.9        | 1,092.9        | 1,135.1         |
| Goods   | 682.0          | 699.2          | 682.1                               | 708.9          | 734.6          | 747.5          | 783.6          | 819.8           |
| Services  | 284.0          | 291.0          | 290.9                               | 290.7          | 296.4          | 304.4          | 309.2          | 315.3           |
| Imports   | 1,117.5        | 1,244.2        | 1,213.4                             | 1,280.0        | 1,330.1        | 1,387.1        | 1,448.3        | 1,521.2         |
| Goods   | 930.5          | 1,048.6        | 1,020.4                             | 1,081.7        | 1,127.3        | 1,176.1        | 1,233.9        | 1,295.9         |
| Services  | 187.0          | 195.6          | 193.0                               | 198.3          | 202.8          | 211.0          | 214.4          | 225.3           |
| <b>Government consumption expenditures and gross investment</b> | <b>1,540.9</b> | <b>1,634.4</b> | <b>1,610.9</b>                      | <b>1,642.4</b> | <b>1,688.8</b> | <b>1,710.4</b> | <b>1,742.2</b> | <b>1,749.2</b>  |
| Federal   | 540.6          | 588.6          | 558.3                               | 570.4          | 591.6          | 580.1          | 604.5          | 594.4           |
| National defense  | 349.2          | 365.0          | 355.3                               | 367.5          | 380.8          | 366.6          | 381.9          | 375.1           |
| Nondefense  | 191.4          | 203.5          | 203.0                               | 202.8          | 210.7          | 213.5          | 222.6          | 219.3           |
| State and local   | 1,000.3        | 1,065.8        | 1,052.6                             | 1,072.1        | 1,097.3        | 1,130.4        | 1,137.7        | 1,154.9         |

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.2.—Real Gross Domestic Product

[Billions of chained (1996) dollars]

|   | 1998           | 1999           | Seasonally adjusted at annual rates |                |                |                |                |                |
|---|----------------|----------------|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
|   |                |                | 1999                                |                |                | 2000           |                |                |
|   |                |                | II                                  | III            | IV             | I              | II             | III            |
| <b>Gross domestic product</b>                                   | <b>8,515.7</b> | <b>8,875.8</b> | <b>8,783.2</b>                      | <b>8,905.8</b> | <b>9,084.1</b> | <b>9,191.8</b> | <b>9,318.9</b> | <b>9,373.5</b> |
| <b>Personal consumption expenditures</b>                        | <b>5,678.7</b> | <b>5,978.8</b> | <b>5,940.2</b>                      | <b>6,013.8</b> | <b>6,101.0</b> | <b>6,213.5</b> | <b>6,260.6</b> | <b>6,330.5</b> |
| Durable goods   | 727.3          | 817.8          | 810.5                               | 826.2          | 851.8          | 898.2          | 886.7          | 904.1          |
| Nondurable goods  | 1,684.8        | 1,779.4        | 1,765.0                             | 1,786.1        | 1,818.1        | 1,844.8        | 1,861.1        | 1,883.1        |
| Services  | 3,269.4        | 3,390.8        | 3,373.4                             | 3,411.1        | 3,443.0        | 3,487.2        | 3,526.7        | 3,558.7        |
| <b>Gross private domestic investment</b>                        | <b>1,566.8</b> | <b>1,669.7</b> | <b>1,623.1</b>                      | <b>1,680.8</b> | <b>1,751.6</b> | <b>1,773.6</b> | <b>1,863.0</b> | <b>1,872.8</b> |
| Fixed investment  | 1,485.3        | 1,621.4        | 1,607.1                             | 1,637.8        | 1,666.6        | 1,730.9        | 1,777.6        | 1,791.9        |
| Nonresidential  | 1,140.3        | 1,255.3        | 1,237.5                             | 1,272.5        | 1,301.8        | 1,365.3        | 1,412.5        | 1,439.4        |
| Structures  | 263.0          | 259.2          | 258.7                               | 254.6          | 260.6          | 274.0          | 277.0          | 286.8          |
| Equipment and software  | 879.0          | 1,003.1        | 985.0                               | 1,026.6        | 1,050.1        | 1,100.4        | 1,146.6        | 1,162.7        |
| Residential   | 346.1          | 368.3          | 370.9                               | 368.0          | 368.5          | 371.4          | 372.6          | 362.3          |
| Change in private inventories                                   | 80.2           | 45.3           | 13.1                                | 39.1           | 80.9           | 36.6           | 78.6           | 73.5           |
| <b>Net exports of goods and services</b>                        | <b>-221.0</b>  | <b>-322.4</b>  | <b>-314.6</b>                       | <b>-342.6</b>  | <b>-352.5</b>  | <b>-376.8</b>  | <b>-403.4</b>  | <b>-425.0</b>  |
| Exports   | 1,003.6        | 1,033.0        | 1,017.6                             | 1,042.6        | 1,068.4        | 1,084.8        | 1,121.8        | 1,162.7        |
| Goods   | 723.6          | 752.2          | 735.7                               | 763.4          | 786.5          | 798.1          | 833.5          | 872.1          |
| Services  | 280.3          | 281.7          | 282.3                               | 280.5          | 283.7          | 288.5          | 291.0          | 294.4          |
| Imports   | 1,224.6        | 1,355.3        | 1,332.2                             | 1,385.2        | 1,420.9        | 1,461.7        | 1,525.2        | 1,587.7        |
| Goods   | 1,032.0        | 1,161.1        | 1,139.9                             | 1,190.5        | 1,222.5        | 1,255.3        | 1,313.9        | 1,365.4        |
| Services  | 192.6          | 195.9          | 193.7                               | 196.7          | 200.6          | 208.4          | 213.7          | 224.7          |
| <b>Government consumption expenditures and gross investment</b> | <b>1,486.4</b> | <b>1,536.1</b> | <b>1,519.9</b>                      | <b>1,537.8</b> | <b>1,569.5</b> | <b>1,565.1</b> | <b>1,583.7</b> | <b>1,577.7</b> |
| Federal   | 526.9          | 540.1          | 532.1                               | 541.0          | 558.1          | 537.1          | 558.8          | 545.8          |
| National defense  | 341.7          | 348.5          | 340.3                               | 350.4          | 360.9          | 341.5          | 355.1          | 346.2          |
| Nondefense  | 185.2          | 191.5          | 191.6                               | 190.5          | 197.1          | 195.4          | 203.6          | 199.4          |
| State and local   | 959.2          | 995.6          | 987.5                               | 996.4          | 1,011.2        | 1,027.4        | 1,024.6        | 1,031.4        |
| Residual  | .5             | -6             | 2.8                                 | .1             | -5.2           | -8.0           | -10.6          | -11.1          |

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Percent changes from preceding period for selected items in this table are shown in table 8.1; contributions to the percent change in real gross domestic product are shown in table 8.2.

Chain-type quantity indexes for the series in this table are shown in table 7.1.



Table 1.9.—Relation of Gross Domestic Product, Gross National Product, Net National Product, National Income, and Personal Income

[Billions of dollars]

|  | 1998    | 1999    | Seasonally adjusted at annual rates |         |         |         |          |          |
|--|---------|---------|-------------------------------------|---------|---------|---------|----------|----------|
|  |         |         | 1999                                |         |         | 2000    |          |          |
|  |         |         | II                                  | III     | IV      | I       | II       | III      |
| <b>Gross domestic product</b> .....  | 8,790.2 | 9,299.2 | 9,191.5                             | 9,340.9 | 9,559.7 | 9,752.7 | 9,945.7  | 10,052.2 |
| Plus: Income receipts from the rest of the world .....                                     | 285.4   | 305.9   | 295.9                               | 314.4   | 331.2   | 350.9   | 375.4    | 375.5    |
| Less: Income payments to the rest of the world .....                                       | 288.9   | 316.9   | 305.6                               | 328.0   | 344.6   | 358.6   | 383.7    | 387.7    |
| <b>Equals: Gross national product</b> .....  | 8,786.7 | 9,288.2 | 9,181.8                             | 9,327.3 | 9,546.3 | 9,745.0 | 9,937.4  | 10,040.0 |
| Less: Consumption of fixed capital .....   | 1,077.3 | 1,161.0 | 1,148.8                             | 1,181.8 | 1,188.5 | 1,215.4 | 1,244.3  | 1,272.3  |
| Private .....  | 889.4   | 961.4   | 951.0                               | 980.8   | 983.5   | 1,005.6 | 1,029.8  | 1,053.2  |
| Capital consumption allowances .....   | 911.3   | 984.9   | 975.2                               | 1,000.6 | 1,007.7 | 1,026.3 | 1,043.9  | 1,062.0  |
| Less: Capital consumption adjustment .....   | 21.9    | 23.5    | 24.2                                | 19.8    | 24.2    | 20.8    | 14.1     | 8.8      |
| Government .....   | 188.0   | 199.6   | 197.8                               | 201.0   | 205.0   | 209.8   | 214.6    | 219.2    |
| General government .....   | 160.4   | 170.3   | 168.7                               | 171.5   | 175.0   | 179.1   | 183.2    | 187.3    |
| Government enterprises .....   | 27.5    | 29.3    | 29.1                                | 29.5    | 30.0    | 30.7    | 31.4     | 31.8     |
| <b>Equals: Net national product</b> .....  | 7,709.3 | 8,127.1 | 8,033.0                             | 8,145.5 | 8,357.7 | 8,529.6 | 8,693.1  | 8,767.7  |
| Less: Indirect business tax and nontax liability .....                                     | 679.6   | 718.1   | 707.9                               | 721.6   | 745.5   | 755.9   | 764.6    | 772.8    |
| Business transfer payments .....   | 38.0    | 39.7    | 39.3                                | 39.9    | 40.6    | 41.3    | 42.0     | 41.5     |
| Statistical discrepancy .....  | -24.8   | -71.9   | -76.8                               | -89.5   | -67.8   | -77.7   | -72.5    | -96.5    |
| Plus: Subsidies less current surplus of government enterprises .....                       | 21.5    | 28.4    | 29.7                                | 19.5    | 41.4    | 23.5    | 24.2     | 42.1     |
| <b>Equals: National income</b> .....   | 7,038.1 | 7,469.7 | 7,392.3                             | 7,493.1 | 7,680.7 | 7,833.5 | 7,983.2  | 8,091.9  |
| Less: Corporate profits with inventory valuation and capital consumption adjustments ..... | 815.0   | 856.0   | 836.8                               | 842.0   | 893.2   | 936.3   | 963.6    | 971.2    |
| Net interest .....   | 482.7   | 507.1   | 494.1                               | 513.8   | 530.6   | 545.4   | 565.9    | 578.7    |
| Contributions for social insurance .....   | 622.1   | 662.1   | 657.0                               | 666.9   | 676.1   | 691.2   | 701.7    | 710.1    |
| Wage accruals less disbursements .....   | 2.1     | 5.2     | 5.2                                 | 5.2     | 5.2     | 0       | 0        | 0        |
| Plus: Personal interest income .....   | 940.8   | 963.7   | 951.3                               | 969.4   | 989.0   | 1,011.6 | 1,031.3  | 1,045.4  |
| Personal dividend income .....   | 351.1   | 370.3   | 366.8                               | 373.5   | 380.2   | 386.9   | 392.6    | 399.7    |
| Government transfer payments to persons .....  | 954.3   | 986.5   | 982.6                               | 990.4   | 997.3   | 1,016.5 | 1,035.5  | 1,043.4  |
| Business transfer payments to persons .....  | 28.7    | 29.7    | 29.6                                | 29.9    | 30.1    | 30.4    | 30.6     | 30.8     |
| <b>Equals: Personal income</b> .....   | 7,391.0 | 7,789.6 | 7,729.7                             | 7,828.5 | 7,972.3 | 8,105.8 | 8,242.1  | 8,351.0  |
| <b>Addenda:</b>  |         |         |                                     |         |         |         |          |          |
| Gross domestic income .....  | 8,815.0 | 9,371.1 | 9,268.3                             | 9,430.4 | 9,627.5 | 9,830.4 | 10,018.3 | 10,148.7 |
| Gross national income .....  | 8,811.4 | 9,360.1 | 9,258.6                             | 9,416.8 | 9,614.0 | 9,822.7 | 10,010.0 | 10,136.5 |
| Net domestic product .....   | 7,712.9 | 8,138.1 | 8,042.7                             | 8,159.1 | 8,371.2 | 8,537.3 | 8,701.4  | 8,779.9  |

Table 1.10.—Relation of Real Gross Domestic Product, Real Gross National Product, and Real Net National Product

[Billions of chained (1996) dollars]

|  | 1998    | 1999    | Seasonally adjusted at annual rates |         |         |         |         |         |
|--|---------|---------|-------------------------------------|---------|---------|---------|---------|---------|
|  |         |         | 1999                                |         |         | 2000    |         |         |
|  |         |         | II                                  | III     | IV      | I       | II      | III     |
| <b>Gross domestic product</b> .....                    | 8,515.7 | 8,875.8 | 8,783.2                             | 8,905.8 | 9,084.1 | 9,191.8 | 9,318.9 | 9,373.5 |
| Plus: Income receipts from the rest of the world ..... | 278.7   | 294.1   | 285.4                               | 301.9   | 316.2   | 332.0   | 353.2   | 351.1   |
| Less: Income payments to the rest of the world .....   | 279.3   | 301.5   | 291.8                               | 312.0   | 325.0   | 335.8   | 357.9   | 359.6   |
| <b>Equals: Gross national product</b> .....            | 8,515.1 | 8,868.3 | 8,776.7                             | 8,895.4 | 9,075.0 | 9,187.7 | 9,313.7 | 9,364.5 |
| Less: Consumption of fixed capital .....               | 1,081.0 | 1,169.7 | 1,154.1                             | 1,190.1 | 1,202.8 | 1,229.1 | 1,256.0 | 1,283.0 |
| Private .....  | 894.5   | 974.1   | 959.9                               | 993.3   | 1,003.2 | 1,026.7 | 1,050.7 | 1,074.8 |
| Government .....                                       | 186.6   | 195.8   | 194.4                               | 197.0   | 199.7   | 202.7   | 205.6   | 208.6   |
| General government .....                               | 159.7   | 167.8   | 166.6                               | 168.8   | 171.2   | 173.7   | 176.3   | 179.0   |
| Government enterprises .....                           | 26.9    | 28.0    | 27.9                                | 28.2    | 28.5    | 29.0    | 29.3    | 29.6    |
| <b>Equals: Net national product</b> .....              | 7,434.9 | 7,701.6 | 7,625.5                             | 7,709.1 | 7,875.1 | 7,962.3 | 8,062.2 | 8,087.8 |
| <b>Addenda:</b>  |         |         |                                     |         |         |         |         |         |
| Gross domestic income <sup>1</sup> .....               | 8,539.5 | 8,944.4 | 8,856.6                             | 8,991.1 | 9,148.4 | 9,265.0 | 9,386.9 | 9,463.5 |
| Gross national income <sup>2</sup> .....               | 8,539.0 | 8,936.9 | 8,850.1                             | 8,980.8 | 9,139.4 | 9,260.9 | 9,381.7 | 9,454.5 |
| Net domestic product .....                             | 7,435.4 | 7,709.0 | 7,632.0                             | 7,719.3 | 7,884.1 | 7,966.4 | 8,067.4 | 8,096.8 |

1. Gross domestic income deflated by the implicit price deflator for gross domestic product.

2. Gross national income deflated by the implicit price deflator for gross national product.

NOTE.—Except as noted in footnotes 1 and 2, chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

The chain-type quantity index for gross national product is shown in table 7.3.

Table 1.11.—Command-Basis Real Gross National Product

[Billions of chained (1996) dollars]

|   |         |         |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Gross national product</b> .....   | 8,515.1 | 8,868.3 | 8,776.7 | 8,895.4 | 9,075.0 | 9,187.7 | 9,313.7 | 9,364.5 |
| Less: Exports of goods and services and income receipts from the rest of the world .....                            | 1,282.2 | 1,327.4 | 1,303.0 | 1,345.0 | 1,385.6 | 1,418.6 | 1,477.5 | 1,515.4 |
| Plus: Command-basis exports of goods and services and income receipts from the rest of the world <sup>1</sup> ..... | 1,336.8 | 1,374.0 | 1,354.3 | 1,385.3 | 1,418.9 | 1,443.4 | 1,508.9 | 1,539.6 |
| <b>Equals: Command-basis gross national product</b> .....   | 8,569.7 | 8,915.0 | 8,828.1 | 8,935.7 | 9,108.3 | 9,212.5 | 9,345.1 | 9,388.7 |
| <b>Addendum:</b>  |         |         |         |         |         |         |         |         |
| Terms of trade <sup>2</sup> .....   | 104.3   | 103.5   | 103.9   | 103.0   | 102.4   | 101.7   | 102.1   | 101.6   |

1. Exports of goods and services and income receipts deflated by the implicit price deflator for imports of goods and services and income payments.

2. Ratio of the implicit price deflator for exports of goods and services and income receipts to the corresponding implicit price deflator for imports divided by 100.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Percent changes from preceding period for gross national product are shown in table 8.1.

Chain-type quantity indexes for the series in this table are shown in table 7.3.







## 3. Government Current Receipts and Expenditures

Table 3.1.—Government Current Receipts and Expenditures

[Billions of dollars]

|   | 1998           | 1999           | Seasonally adjusted at annual rates |                |                |                |                |                |
|---|----------------|----------------|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
|   |                |                | 1999                                |                |                | 2000           |                |                |
|   |                |                | II                                  | III            | IV             | I              | II             | III            |
| <b>Current receipts</b> .....   | <b>2,617.2</b> | <b>2,788.0</b> | <b>2,749.1</b>                      | <b>2,806.6</b> | <b>2,889.8</b> | <b>2,972.8</b> | <b>3,035.6</b> | <b>3,082.9</b> |
| Personal tax and nontax receipts .....  | 1,070.9        | 1,152.0        | 1,133.4                             | 1,164.0        | 1,197.3        | 1,239.3        | 1,277.2        | 1,308.1        |
| Corporate profits tax accruals .....  | 244.6          | 255.9          | 250.8                               | 254.2          | 270.8          | 286.3          | 292.0          | 291.9          |
| Indirect business tax and nontax accruals .....                                   | 679.6          | 718.1          | 707.9                               | 721.6          | 745.5          | 755.9          | 764.6          | 772.8          |
| Contributions for social insurance .....  | 622.1          | 662.1          | 657.0                               | 666.9          | 676.1          | 691.2          | 701.7          | 710.1          |
| <b>Current expenditures</b> .....   | <b>2,526.5</b> | <b>2,613.5</b> | <b>2,593.6</b>                      | <b>2,612.0</b> | <b>2,679.8</b> | <b>2,684.9</b> | <b>2,734.5</b> | <b>2,764.5</b> |
| Consumption expenditures .....  | 1,262.1        | 1,325.7        | 1,307.4                             | 1,334.4        | 1,364.5        | 1,376.2        | 1,410.3        | 1,415.6        |
| Transfer payments (net) .....   | 965.1          | 998.1          | 992.5                               | 999.5          | 1,016.2        | 1,024.8        | 1,044.7        | 1,054.7        |
| To persons .....  | 954.3          | 986.5          | 982.6                               | 990.4          | 997.3          | 1,016.5        | 1,035.5        | 1,043.4        |
| To the rest of the world (net) .....  | 10.8           | 11.6           | 10.0                                | 9.1            | 18.9           | 8.3            | 9.1            | 11.3           |
| Net interest paid .....   | 278.2          | 261.7          | 264.3                               | 258.9          | 258.2          | 260.8          | 255.7          | 252.5          |
| Interest paid .....   | 371.2          | 357.0          | 358.9                               | 354.3          | 355.1          | 360.6          | 358.0          | 354.2          |
| To persons and business .....   | 280.1          | 261.8          | 266.3                               | 257.8          | 254.5          | 256.3          | 250.4          | 246.2          |
| To the rest of the world .....  | 91.1           | 95.1           | 92.6                                | 96.6           | 100.6          | 104.3          | 107.6          | 108.0          |
| Less: Interest received by government .....                                       | 93.0           | 95.2           | 94.6                                | 95.5           | 96.9           | 99.8           | 102.2          | 101.7          |
| Less: Dividends received by government .....                                      | .4             | .4             | .4                                  | .4             | .4             | .4             | .4             | .4             |
| Subsidies less current surplus of government enterprises .....                    | 21.5           | 28.4           | 29.7                                | 19.5           | 41.4           | 23.5           | 24.2           | 42.1           |
| Subsidies .....   | 35.0           | 43.9           | 45.0                                | 35.3           | 57.7           | 40.7           | 41.6           | 59.1           |
| Less: Current surplus of government enterprises .....                             | 13.5           | 15.6           | 15.3                                | 15.8           | 16.3           | 17.3           | 17.4           | 17.0           |
| Less: Wage accruals less disbursements .....                                      | 0              | 0              | 0                                   | 0              | 0              | 0              | 0              | 0              |
| <b>Current surplus or deficit (-), national income and product accounts</b> ..... | <b>90.7</b>    | <b>174.4</b>   | <b>155.5</b>                        | <b>194.7</b>   | <b>210.0</b>   | <b>287.9</b>   | <b>301.1</b>   | <b>318.5</b>   |
| Social insurance funds .....  | 57.3           | 90.3           | 85.7                                | 94.3           | 102.7          | 106.1          | 103.6          | 111.1          |
| Other .....   | 33.4           | 84.1           | 69.7                                | 100.4          | 107.2          | 181.8          | 197.4          | 207.4          |
| <b>Addenda:</b>   |                |                |                                     |                |                |                |                |                |
| Net lending or net borrowing (-) .....  | 30.2           | 94.9           | 79.4                                | 115.8          | 121.7          | 192.0          | 212.6          | 230.4          |
| Current surplus or deficit (-), national income and product accounts .....        | 90.7           | 174.4          | 155.5                               | 194.7          | 210.0          | 287.9          | 301.1          | 318.5          |
| Plus: Consumption of fixed capital .....  | 188.0          | 199.6          | 197.8                               | 201.0          | 205.0          | 209.8          | 214.6          | 219.2          |
| Plus: Capital transfers received (net) .....                                      | 32.4           | 36.8           | 36.6                                | 36.2           | 39.2           | 37.1           | 36.2           | 36.4           |
| Less: Gross investment .....  | 278.8          | 308.7          | 303.5                               | 308.0          | 324.4          | 334.2          | 331.9          | 333.6          |
| Less: Net purchases of nonproduced assets .....                                   | 2.1            | 7.2            | 6.9                                 | 8.1            | 8.0            | 8.6            | 7.5            | 10.0           |

**Table 3.2.—Federal Government Current Receipts and Expenditures**

[Billions of dollars]

|   | 1998           | 1999           | Seasonally adjusted at annual rates |                |                |                |                |                |
|---|----------------|----------------|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
|   |                |                | 1999                                |                |                | 2000           |                |                |
|   |                |                | II                                  | III            | IV             | I              | II             | III            |
| <b>Current receipts .....</b>   | <b>1,754.0</b> | <b>1,874.6</b> | <b>1,849.6</b>                      | <b>1,890.3</b> | <b>1,941.0</b> | <b>2,011.9</b> | <b>2,054.8</b> | <b>2,090.4</b> |
| Personal tax and nontax receipts  | 836.0          | 902.2          | 888.5                               | 913.7          | 938.2          | 978.0          | 1,003.6        | 1,030.7        |
| Income taxes .....  | 827.5          | 892.7          | 879.0                               | 904.1          | 928.4          | 968.2          | 993.7          | 1,020.7        |
| Nontaxes .....  | 8.5            | 9.5            | 9.4                                 | 9.6            | 9.8            | 9.8            | 9.9            | 10.1           |
| Corporate profits tax accruals ....   | 209.5          | 219.3          | 214.9                               | 217.8          | 232.3          | 245.7          | 250.5          | 250.5          |
| Federal Reserve banks .....   | 26.6           | 25.4           | 24.5                                | 25.2           | 27.7           | 29.2           | 29.3           | 30.0           |
| Other .....   | 182.9          | 193.9          | 190.4                               | 192.6          | 204.6          | 216.5          | 221.3          | 220.5          |
| Indirect business tax and nontax accruals .....                             | 96.4           | 100.5          | 98.9                                | 101.4          | 103.9          | 106.8          | 108.9          | 109.1          |
| Excise taxes .....  | 61.5           | 65.6           | 65.6                                | 66.0           | 66.2           | 70.1           | 70.0           | 69.4           |
| Customs duties .....  | 19.6           | 19.2           | 18.0                                | 19.7           | 20.8           | 19.4           | 21.8           | 22.0           |
| Nontaxes .....  | 15.4           | 15.8           | 15.3                                | 15.6           | 16.9           | 17.3           | 17.2           | 17.6           |
| Contributions for social insurance  | 612.1          | 652.5          | 647.4                               | 657.4          | 666.6          | 681.5          | 691.8          | 700.1          |
| <b>Current expenditures .....</b>   | <b>1,705.0</b> | <b>1,750.2</b> | <b>1,732.2</b>                      | <b>1,743.1</b> | <b>1,797.7</b> | <b>1,776.0</b> | <b>1,813.9</b> | <b>1,836.1</b> |
| Consumption expenditures .....  | 453.7          | 470.8          | 460.2                               | 471.3          | 487.0          | 478.7          | 499.0          | 489.9          |
| Transfer payments (net) .....   | 731.0          | 746.1          | 742.8                               | 745.0          | 757.7          | 763.2          | 779.0          | 785.0          |
| To persons .....  | 720.2          | 734.5          | 732.9                               | 735.9          | 738.8          | 754.9          | 769.9          | 773.8          |
| To the rest of the world (net) .....  | 10.8           | 11.6           | 10.0                                | 9.1            | 18.9           | 8.3            | 9.1            | 11.3           |
| Grants-in-aid to State and local governments .....                          | 209.1          | 229.3          | 221.4                               | 234.0          | 238.8          | 235.0          | 240.9          | 251.2          |
| Net interest paid .....   | 278.8          | 264.7          | 267.1                               | 262.2          | 261.8          | 265.0          | 260.3          | 257.5          |
| Interest paid .....   | 297.4          | 281.8          | 284.0                               | 279.0          | 279.4          | 284.5          | 281.5          | 277.4          |
| To persons and business .....   | 206.2          | 186.7          | 191.3                               | 182.4          | 178.8          | 180.2          | 173.9          | 169.4          |
| To the rest of the world .....  | 91.1           | 95.1           | 92.6                                | 96.6           | 100.6          | 104.3          | 107.6          | 108.0          |
| Less: Interest received by government .....                                 | 18.5           | 17.1           | 16.9                                | 16.8           | 17.6           | 19.6           | 21.2           | 19.9           |
| Subsidies less current surplus of government enterprises .....              | 32.4           | 39.3           | 40.7                                | 30.5           | 52.3           | 34.1           | 34.6           | 52.5           |
| Subsidies .....   | 34.5           | 43.5           | 44.6                                | 34.8           | 57.2           | 40.3           | 41.1           | 58.6           |
| Less: Current surplus of government enterprises .....                       | 2.2            | 4.2            | 3.9                                 | 4.3            | 4.9            | 6.2            | 6.5            | 6.1            |
| Less: Wage accruals less disbursements .....                                | 0              | 0              | 0                                   | 0              | 0              | 0              | 0              | 0              |
| <b>Current surplus or deficit (-), national income and product accounts</b> | <b>49.0</b>    | <b>124.4</b>   | <b>117.5</b>                        | <b>147.3</b>   | <b>143.3</b>   | <b>235.8</b>   | <b>240.9</b>   | <b>254.3</b>   |
| Social insurance funds .....  | 56.9           | 90.7           | 86.1                                | 94.8           | 103.3          | 106.6          | 104.1          | 111.5          |
| Other .....   | -7.9           | 33.7           | 31.4                                | 52.5           | 40.0           | 129.3          | 136.9          | 142.8          |
| <b>Addenda:</b>   |                |                |                                     |                |                |                |                |                |
| Net lending or net borrowing (-) .....                                      | 52.6           | 117.1          | 108.7                               | 135.6          | 131.6          | 224.4          | 227.0          | 241.4          |
| Current surplus or deficit (-), national income and product accounts .....  | 49.0           | 124.4          | 117.5                               | 147.3          | 143.3          | 235.8          | 240.9          | 254.3          |
| Plus: Consumption of fixed capital .....                                    | 88.4           | 92.8           | 92.0                                | 93.4           | 95.0           | 97.2           | 98.9           | 100.9          |
| Plus: Capital transfers received (net) .....                                | -3.6           | -3.2           | -3.8                                | -5.9           | -2.4           | -7.0           | -8.3           | -7.8           |
| Less: Gross investment .....  | 86.9           | 97.8           | 98.1                                | 99.0           | 104.5          | 101.3          | 105.5          | 104.5          |
| Less: Net purchases of nonproduced assets .....                             | -5.7           | -8             | -1.1                                | 0              | -2             | .3             | -9             | 1.6            |

**Table 3.3.—State and Local Government Current Receipts and Expenditures**

[Billions of dollars]

|   | 1998           | 1999           | Seasonally adjusted at annual rates |                |                |                |                |                |
|---|----------------|----------------|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
|   |                |                | 1999                                |                |                | 2000           |                |                |
|   |                |                | II                                  | III            | IV             | I              | II             | III            |
| <b>Current receipts .....</b>   | <b>1,072.3</b> | <b>1,142.7</b> | <b>1,120.8</b>                      | <b>1,150.3</b> | <b>1,187.6</b> | <b>1,195.9</b> | <b>1,221.7</b> | <b>1,243.8</b> |
| Personal tax and nontax receipts  | 234.9          | 249.7          | 244.9                               | 250.3          | 259.2          | 261.4          | 273.6          | 277.4          |
| Income taxes .....  | 182.8          | 194.8          | 190.3                               | 195.0          | 203.2          | 204.6          | 216.1          | 219.1          |
| Nontaxes .....  | 33.1           | 35.1           | 34.9                                | 35.4           | 35.9           | 36.5           | 37.0           | 37.6           |
| Other .....   | 19.1           | 19.8           | 19.7                                | 19.9           | 20.1           | 20.3           | 20.5           | 20.7           |
| Corporate profits tax accruals ....   | 35.1           | 36.6           | 35.9                                | 36.3           | 38.5           | 40.6           | 41.5           | 41.4           |
| Indirect business tax and nontax accruals .....                             | 583.1          | 617.5          | 609.1                               | 620.2          | 641.6          | 649.2          | 655.7          | 663.8          |
| Sales taxes .....   | 284.9          | 307.1          | 302.8                               | 310.8          | 318.3          | 327.4          | 329.8          | 334.0          |
| Property taxes .....  | 229.2          | 238.5          | 237.3                               | 239.7          | 242.1          | 244.8          | 247.5          | 250.2          |
| Other .....   | 69.0           | 71.9           | 68.9                                | 69.7           | 81.2           | 77.0           | 78.5           | 79.5           |
| Contributions for social insurance  | 10.0           | 9.6            | 9.6                                 | 9.5            | 9.5            | 9.7            | 9.9            | 10.0           |
| Federal grants-in-aid .....   | 209.1          | 229.3          | 221.4                               | 234.0          | 238.8          | 235.0          | 240.9          | 251.2          |
| <b>Current expenditures .....</b>   | <b>1,030.6</b> | <b>1,092.7</b> | <b>1,082.9</b>                      | <b>1,102.9</b> | <b>1,121.0</b> | <b>1,143.9</b> | <b>1,161.6</b> | <b>1,179.6</b> |
| Consumption expenditures .....  | 808.4          | 855.0          | 847.2                               | 863.1          | 877.4          | 897.5          | 911.3          | 925.7          |
| Transfer payments to persons ...  | 234.1          | 252.0          | 249.7                               | 254.5          | 258.5          | 261.6          | 265.6          | 269.6          |
| Net interest paid .....   | -6             | -3.0           | -2.7                                | -3.3           | -3.6           | -4.2           | -4.6           | -4.9           |
| Interest paid .....   | 73.9           | 75.1           | 75.0                                | 75.3           | 75.7           | 76.1           | 76.4           | 76.8           |
| Less: Interest received by government .....                                 | 74.5           | 78.1           | 77.7                                | 78.6           | 79.3           | 80.2           | 81.0           | 81.8           |
| Less: Dividends received by government .....                                | .4             | .4             | .4                                  | .4             | .4             | .4             | .4             | .4             |
| Subsidies less current surplus of government enterprises .....              | -10.9          | -11.0          | -11.0                               | -11.0          | -10.9          | -10.6          | -10.4          | -10.4          |
| Subsidies .....   | .4             | .5             | .5                                  | .5             | .5             | .5             | .5             | .5             |
| Less: Current surplus of government enterprises .....                       | 11.3           | 11.4           | 11.4                                | 11.4           | 11.4           | 11.1           | 10.9           | 10.9           |
| Less: Wage accruals less disbursements .....                                | 0              | 0              | 0                                   | 0              | 0              | 0              | 0              | 0              |
| <b>Current surplus or deficit (-), national income and product accounts</b> | <b>41.7</b>    | <b>50.0</b>    | <b>38.0</b>                         | <b>47.4</b>    | <b>66.6</b>    | <b>52.0</b>    | <b>60.1</b>    | <b>64.2</b>    |
| Social insurance funds .....  | .4             | -4             | -4                                  | -5             | -6             | -5             | -4             | -4             |
| Other .....   | 41.3           | 50.4           | 38.3                                | 47.9           | 67.2           | 52.5           | 60.6           | 64.6           |
| <b>Addenda:</b>   |                |                |                                     |                |                |                |                |                |
| Net lending or net borrowing (-) .....                                      | -22.4          | -22.1          | -29.3                               | -19.9          | -9.9           | -32.3          | -14.4          | -11.0          |
| Current surplus or deficit (-), national income and product accounts .....  | 41.7           | 50.0           | 38.0                                | 47.4           | 66.6           | 52.0           | 60.1           | 64.2           |
| Plus: Consumption of fixed capital .....                                    | 99.5           | 106.8          | 105.8                               | 107.7          | 109.9          | 112.7          | 115.6          | 118.2          |
| Plus: Capital transfers received (net) .....                                | 36.0           | 40.0           | 40.4                                | 42.1           | 41.6           | 44.2           | 44.5           | 44.2           |
| Less: Gross investment .....  | 191.9          | 210.9          | 205.4                               | 209.0          | 219.8          | 232.9          | 226.4          | 229.1          |
| Less: Net purchases of nonproduced assets .....                             | 7.7            | 8.1            | 8.0                                 | 8.1            | 8.2            | 8.3            | 8.4            | 8.4            |



**Table 3.10.—National Defense Consumption Expenditures and Gross Investment**  
[Billions of dollars]

|  | 1998         | 1999         | Seasonally adjusted at annual rates |              |              |              |              |              |
|--|--------------|--------------|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
|  |              |              | 1999                                |              |              | 2000         |              |              |
|  |              |              | II                                  | III          | IV           | I            | II           | III          |
| <b>National defense consumption expenditures and gross investment<sup>1</sup></b> .....        | <b>349.2</b> | <b>365.0</b> | <b>355.3</b>                        | <b>367.5</b> | <b>380.8</b> | <b>366.6</b> | <b>381.9</b> | <b>375.1</b> |
| <b>Consumption expenditures</b> .....  | <b>299.7</b> | <b>311.2</b> | <b>302.2</b>                        | <b>312.2</b> | <b>324.7</b> | <b>311.2</b> | <b>325.7</b> | <b>319.6</b> |
| <b>Durable goods<sup>2</sup></b> .....   | <b>21.3</b>  | <b>22.4</b>  | <b>22.6</b>                         | <b>24.0</b>  | <b>22.3</b>  | <b>22.4</b>  | <b>22.2</b>  | <b>21.9</b>  |
| Aircraft .....   | 10.2         | 10.9         | 11.2                                | 11.9         | 10.5         | 10.7         | 9.7          | 10.3         |
| Missiles .....   | 2.3          | 2.2          | 2.1                                 | 2.3          | 2.2          | 1.9          | 2.2          | 2.2          |
| Ships .....  | .9           | 1.0          | 1.0                                 | 1.0          | .9           | 1.5          | 1.5          | 1.5          |
| Vehicles .....   | 1.0          | .8           | .9                                  | .8           | .9           | .7           | .8           | .8           |
| Electronics .....  | 2.3          | 2.6          | 2.7                                 | 2.9          | 2.7          | 2.9          | 3.0          | 2.6          |
| Other durable goods .....  | 4.6          | 4.9          | 4.8                                 | 5.0          | 5.2          | 4.8          | 5.0          | 4.5          |
| <b>Nondurable goods</b> .....  | <b>7.0</b>   | <b>8.1</b>   | <b>7.6</b>                          | <b>10.0</b>  | <b>8.6</b>   | <b>10.8</b>  | <b>10.5</b>  | <b>10.1</b>  |
| Petroleum products .....   | 2.1          | 2.6          | 2.4                                 | 3.8          | 2.6          | 3.8          | 3.7          | 4.5          |
| Ammunition .....   | 1.8          | 1.9          | 1.8                                 | 2.3          | 1.8          | 1.6          | 1.5          | 2.0          |
| Other nondurable goods ....  | 3.1          | 3.7          | 3.4                                 | 3.9          | 4.3          | 5.4          | 5.4          | 3.6          |
| <b>Services</b> .....  | <b>271.5</b> | <b>280.7</b> | <b>271.9</b>                        | <b>278.2</b> | <b>293.8</b> | <b>277.9</b> | <b>292.9</b> | <b>287.7</b> |
| Compensation of general government employees, except own-account investment <sup>3</sup> ..... | 131.1        | 133.2        | 132.9                               | 133.4        | 132.8        | 137.0        | 137.2        | 139.1        |
| Military .....   | 83.6         | 85.0         | 84.6                                | 85.1         | 85.1         | 87.9         | 87.8         | 89.6         |
| Civilian .....   | 47.5         | 48.2         | 48.2                                | 48.3         | 47.7         | 49.1         | 49.4         | 49.5         |
| Consumption of general government fixed capital <sup>4</sup> .....                             | 62.3         | 63.1         | 62.9                                | 63.2         | 63.8         | 64.5         | 65.0         | 65.7         |
| Other services .....   | 78.1         | 84.4         | 76.2                                | 81.6         | 97.2         | 76.4         | 90.8         | 82.9         |
| Research and development .....   | 20.7         | 19.0         | 15.0                                | 18.1         | 23.2         | 14.5         | 20.4         | 18.2         |
| Installation support .....   | 23.0         | 25.8         | 24.1                                | 25.1         | 30.1         | 25.6         | 28.1         | 24.6         |
| Weapons support .....  | 8.6          | 8.7          | 8.4                                 | 8.6          | 9.1          | 8.0          | 9.3          | 9.4          |
| Personnel support .....  | 19.2         | 24.1         | 21.1                                | 24.0         | 28.9         | 23.5         | 26.3         | 24.9         |
| Transportation of material .....   | 4.6          | 4.8          | 5.2                                 | 4.6          | 4.5          | 4.5          | 4.5          | 4.5          |
| Travel of persons .....  | 3.6          | 3.8          | 3.9                                 | 3.8          | 3.5          | 3.4          | 3.3          | 3.3          |
| Other .....  | -1.7         | -1.8         | -1.5                                | -2.7         | -2.0         | -3.0         | -1.2         | -2.0         |
| <b>Gross investment</b> .....  | <b>49.5</b>  | <b>53.8</b>  | <b>53.1</b>                         | <b>55.4</b>  | <b>56.1</b>  | <b>55.4</b>  | <b>56.2</b>  | <b>55.4</b>  |
| <b>Structures</b> .....  | <b>5.4</b>   | <b>5.3</b>   | <b>5.4</b>                          | <b>5.3</b>   | <b>5.2</b>   | <b>4.7</b>   | <b>4.5</b>   | <b>4.6</b>   |
| <b>Equipment and software</b> .....  | <b>44.0</b>  | <b>48.5</b>  | <b>47.8</b>                         | <b>50.1</b>  | <b>50.8</b>  | <b>50.6</b>  | <b>51.7</b>  | <b>50.9</b>  |
| Aircraft .....   | 5.6          | 7.0          | 6.7                                 | 9.1          | 6.5          | 9.1          | 6.7          | 7.9          |
| Missiles .....   | 3.3          | 2.8          | 2.7                                 | 2.8          | 2.9          | 2.0          | 2.4          | 2.0          |
| Ships .....  | 6.4          | 6.8          | 6.6                                 | 6.5          | 7.1          | 6.0          | 6.8          | 6.7          |
| Vehicles .....   | 1.5          | 1.6          | 1.7                                 | 1.4          | 2.0          | 1.9          | 2.0          | 1.9          |
| Electronics and software ....  | 13.4         | 15.6         | 16.0                                | 16.5         | 16.3         | 17.6         | 18.9         | 19.4         |
| Other equipment .....  | 13.8         | 14.7         | 14.0                                | 13.8         | 16.0         | 14.1         | 14.9         | 13.0         |
| <b>Addendum:</b>   |              |              |                                     |              |              |              |              |              |
| Compensation of general government employees <sup>3</sup> .....                                | 131.7        | 133.7        | 133.6                               | 134.1        | 133.4        | 137.8        | 138.0        | 140.0        |

**Table 3.11.—Real National Defense Consumption Expenditures and Gross Investment**  
[Billions of chained (1996) dollars]

|  | 1998         | 1999         | Seasonally adjusted at annual rates |              |              |              |              |              |
|--|--------------|--------------|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
|  |              |              | 1999                                |              |              | 2000         |              |              |
|  |              |              | II                                  | III          | IV           | I            | II           | III          |
| <b>National defense consumption expenditures and gross investment<sup>1</sup></b> .....        | <b>341.7</b> | <b>348.5</b> | <b>340.3</b>                        | <b>350.4</b> | <b>360.9</b> | <b>341.5</b> | <b>355.1</b> | <b>346.2</b> |
| <b>Consumption expenditures</b> .....  | <b>290.7</b> | <b>293.8</b> | <b>286.4</b>                        | <b>294.1</b> | <b>304.0</b> | <b>285.7</b> | <b>298.4</b> | <b>290.6</b> |
| <b>Durable goods<sup>2</sup></b> .....   | <b>21.5</b>  | <b>22.7</b>  | <b>22.9</b>                         | <b>24.4</b>  | <b>22.5</b>  | <b>22.6</b>  | <b>22.3</b>  | <b>21.9</b>  |
| Aircraft .....   | 10.4         | 11.0         | 11.4                                | 12.1         | 10.6         | 10.8         | 9.8          | 10.3         |
| Missiles .....   | 2.3          | 2.2          | 2.1                                 | 2.3          | 2.1          | 1.9          | 2.2          | 2.2          |
| Ships .....  | .9           | 1.0          | 1.1                                 | 1.1          | .9           | 1.5          | 1.5          | 1.5          |
| Vehicles .....   | .9           | .7           | .7                                  | .7           | .7           | .5           | .6           | .6           |
| Electronics .....  | 2.5          | 2.9          | 3.0                                 | 3.2          | 3.0          | 3.2          | 3.4          | 3.0          |
| Other durable goods .....  | 4.6          | 4.9          | 4.8                                 | 5.0          | 5.2          | 4.8          | 5.0          | 4.5          |
| <b>Nondurable goods</b> .....  | <b>8.0</b>   | <b>8.9</b>   | <b>8.7</b>                          | <b>10.6</b>  | <b>8.7</b>   | <b>10.2</b>  | <b>10.0</b>  | <b>9.0</b>   |
| Petroleum products .....   | 3.0          | 3.3          | 3.4                                 | 4.5          | 2.6          | 3.1          | 3.1          | 3.3          |
| Ammunition .....   | 1.9          | 1.9          | 1.9                                 | 2.3          | 1.8          | 1.6          | 1.6          | 2.1          |
| Other nondurable goods ....  | 3.1          | 3.6          | 3.4                                 | 3.8          | 4.2          | 5.3          | 5.2          | 3.4          |
| <b>Services</b> .....  | <b>261.3</b> | <b>262.5</b> | <b>255.1</b>                        | <b>259.7</b> | <b>273.0</b> | <b>253.4</b> | <b>266.4</b> | <b>260.0</b> |
| Compensation of general government employees, except own-account investment <sup>3</sup> ..... | 124.3        | 121.0        | 120.9                               | 121.2        | 120.2        | 119.7        | 119.8        | 120.8        |
| Military .....   | 80.1         | 78.5         | 78.2                                | 78.8         | 78.5         | 78.5         | 78.4         | 79.3         |
| Civilian .....   | 44.2         | 42.5         | 42.7                                | 42.4         | 41.8         | 41.3         | 41.5         | 41.6         |
| Consumption of general government fixed capital <sup>4</sup> .....                             | 62.4         | 62.7         | 62.6                                | 62.8         | 62.9         | 63.2         | 63.4         | 63.7         |
| Other services .....   | 74.7         | 78.9         | 71.7                                | 76.0         | 90.1         | 70.6         | 83.4         | 75.6         |
| Research and development .....   | 19.8         | 17.9         | 14.3                                | 17.1         | 21.7         | 13.5         | 18.9         | 16.7         |
| Installation support .....   | 22.3         | 24.6         | 23.1                                | 23.7         | 28.5         | 24.3         | 26.4         | 23.0         |
| Weapons support .....  | 8.1          | 8.0          | 7.8                                 | 7.9          | 8.2          | 7.2          | 8.3          | 8.4          |
| Personnel support .....  | 17.8         | 21.4         | 18.9                                | 21.3         | 25.2         | 20.5         | 23.0         | 21.7         |
| Transportation of material .....   | 4.6          | 4.8          | 5.2                                 | 4.6          | 4.5          | 4.5          | 4.4          | 4.3          |
| Travel of persons .....  | 3.5          | 3.7          | 3.8                                 | 3.6          | 3.5          | 3.2          | 3.1          | 3.1          |
| Other .....  | -1.5         | -1.6         | -1.4                                | -2.4         | -1.8         | -2.7         | -1.0         | -1.8         |
| <b>Gross investment</b> .....  | <b>51.0</b>  | <b>55.0</b>  | <b>54.3</b>                         | <b>56.6</b>  | <b>57.2</b>  | <b>56.3</b>  | <b>57.0</b>  | <b>56.0</b>  |
| <b>Structures</b> .....  | <b>5.1</b>   | <b>4.8</b>   | <b>4.9</b>                          | <b>4.8</b>   | <b>4.7</b>   | <b>4.2</b>   | <b>4.0</b>   | <b>4.0</b>   |
| <b>Equipment and software</b> .....  | <b>45.9</b>  | <b>50.3</b>  | <b>49.5</b>                         | <b>52.0</b>  | <b>52.7</b>  | <b>52.4</b>  | <b>53.4</b>  | <b>52.3</b>  |
| Aircraft .....   | 6.2          | 7.2          | 6.8                                 | 9.3          | 6.5          | 9.4          | 7.1          | 8.4          |
| Missiles .....   | 3.5          | 3.0          | 2.9                                 | 2.9          | 3.1          | 2.1          | 2.6          | 2.2          |
| Ships .....  | 6.4          | 6.8          | 6.7                                 | 6.5          | 7.0          | 5.9          | 6.6          | 6.5          |
| Vehicles .....   | 1.5          | 1.6          | 1.7                                 | 1.5          | 1.9          | 1.9          | 2.1          | 2.0          |
| Electronics and software ....  | 14.5         | 17.2         | 17.6                                | 18.1         | 18.1         | 19.2         | 20.4         | 20.7         |
| Other equipment .....  | 13.8         | 14.7         | 14.0                                | 13.8         | 16.1         | 14.0         | 14.8         | 12.9         |
| <b>Residual</b> .....  | <b>-2</b>    | <b>-8</b>    | <b>-1.3</b>                         | <b>-1.3</b>  | <b>-6</b>    | <b>-1.4</b>  | <b>-1.3</b>  | <b>-1.4</b>  |
| <b>Addendum:</b>   |              |              |                                     |              |              |              |              |              |
| Compensation of general government employees <sup>3</sup> .....                                | 124.7        | 121.5        | 121.5                               | 121.7        | 120.7        | 120.4        | 120.5        | 121.6        |

1. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

2. Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries.

3. Compensation of government employees engaged in new own-account investment and related expenditures for goods and services are classified as investment in structures and in software. The compensation of all general government employees is shown in the addendum.

4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the line in the addendum.

Chain-type indexes for the series in this table are shown in table 7.12.

See footnotes to table 3.10.

## 4. Foreign Transactions

Table 4.1.—Foreign Transactions in the National Income and Product Accounts

[Billions of dollars]

|  | 1998           | 1999           | Seasonally adjusted at annual rates |                |                |                |                |                |
|--|----------------|----------------|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
|  |                |                | 1999                                |                |                | 2000           |                |                |
|  |                |                | II                                  | III            | IV             | I              | II             | III            |
| <b>Receipts from the rest of the world</b> ..... | <b>1,251.4</b> | <b>1,296.1</b> | <b>1,268.9</b>                      | <b>1,314.0</b> | <b>1,362.2</b> | <b>1,402.8</b> | <b>1,468.3</b> | <b>1,510.6</b> |
| Exports of goods and services ...                | 966.0          | 990.2          | 973.0                               | 999.5          | 1,031.0        | 1,051.9        | 1,092.9        | 1,135.1        |
| Goods <sup>1</sup> .....                         | 682.0          | 699.2          | 682.1                               | 708.9          | 734.6          | 747.5          | 783.6          | 819.8          |
| Durable .....                                    | 487.6          | 504.5          | 492.0                               | 511.6          | 528.4          | 538.1          | 569.3          | 593.0          |
| Nondurable .....                                 | 194.4          | 194.7          | 190.0                               | 197.3          | 206.1          | 209.4          | 214.3          | 226.8          |
| Services <sup>1</sup> .....                      | 284.0          | 291.0          | 290.9                               | 290.7          | 296.4          | 304.4          | 309.2          | 315.3          |
| Income receipts .....                            | 285.4          | 305.9          | 295.9                               | 314.4          | 331.2          | 350.9          | 375.4          | 375.5          |
| <b>Payments to the rest of the world</b> .....   | <b>1,251.4</b> | <b>1,296.1</b> | <b>1,268.9</b>                      | <b>1,314.0</b> | <b>1,362.2</b> | <b>1,402.8</b> | <b>1,468.3</b> | <b>1,510.6</b> |
| Imports of goods and services ...                | 1,117.5        | 1,244.2        | 1,213.4                             | 1,280.0        | 1,330.1        | 1,387.1        | 1,448.3        | 1,521.2        |
| Goods <sup>1</sup> .....                         | 930.5          | 1,048.6        | 1,020.4                             | 1,081.7        | 1,127.3        | 1,176.1        | 1,233.9        | 1,295.9        |
| Durable .....                                    | 636.1          | 715.4          | 699.9                               | 732.5          | 758.7          | 783.8          | 818.8          | 851.5          |
| Nondurable .....                                 | 294.3          | 333.2          | 320.5                               | 349.3          | 368.6          | 392.3          | 415.1          | 444.4          |
| Services <sup>1</sup> .....                      | 187.0          | 195.6          | 193.0                               | 198.3          | 202.8          | 211.0          | 214.4          | 225.3          |
| Income payments .....                            | 288.9          | 316.9          | 305.6                               | 328.0          | 344.6          | 358.6          | 383.7          | 387.7          |
| Transfer payments (net) .....                    | 44.1           | 48.1           | 46.3                                | 45.7           | 57.0           | 47.8           | 48.9           | 51.4           |
| From persons (net) .....                         | 24.0           | 26.6           | 26.7                                | 26.6           | 27.6           | 28.5           | 28.3           | 29.4           |
| From government (net) .....                      | 10.8           | 11.6           | 10.0                                | 9.1            | 18.9           | 8.3            | 9.1            | 11.3           |
| From business .....                              | 9.3            | 9.9            | 9.7                                 | 10.0           | 10.5           | 11.0           | 11.4           | 10.8           |
| Net foreign investment .....                     | -199.1         | -313.2         | -296.5                              | -339.8         | -369.6         | -390.7         | -412.5         | -449.7         |

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

Table 4.2.—Real Exports and Imports of Goods and Services and Receipts and Payments of Income

[Billions of chained (1996) dollars]

|  | 1998           | 1999           | Seasonally adjusted at annual rates |                |                |                |                |                |
|--|----------------|----------------|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
|  |                |                | 1999                                |                |                | 2000           |                |                |
|  |                |                | II                                  | III            | IV             | I              | II             | III            |
| <b>Exports of goods and services</b> ..... | <b>1,003.6</b> | <b>1,033.0</b> | <b>1,017.6</b>                      | <b>1,042.6</b> | <b>1,068.4</b> | <b>1,084.8</b> | <b>1,121.8</b> | <b>1,162.7</b> |
| Goods <sup>1</sup> .....                   | 723.6          | 752.2          | 735.7                               | 763.4          | 786.5          | 798.1          | 833.5          | 872.1          |
| Durable .....                              | 514.0          | 538.7          | 525.3                               | 547.8          | 564.2          | 575.3          | 608.1          | 632.3          |
| Nondurable .....                           | 209.6          | 213.4          | 210.4                               | 215.5          | 222.1          | 222.7          | 225.4          | 239.7          |
| Services <sup>1</sup> .....                | 280.3          | 281.7          | 282.3                               | 280.5          | 283.7          | 288.5          | 291.0          | 294.4          |
| Income receipts .....                      | 278.7          | 294.1          | 285.4                               | 301.9          | 316.2          | 332.0          | 353.2          | 351.1          |
| <b>Imports of goods and services</b> ..... | <b>1,224.6</b> | <b>1,355.3</b> | <b>1,332.2</b>                      | <b>1,385.2</b> | <b>1,420.9</b> | <b>1,461.7</b> | <b>1,525.2</b> | <b>1,587.7</b> |
| Goods <sup>1</sup> .....                   | 1,032.0        | 1,161.1        | 1,139.9                             | 1,190.5        | 1,222.5        | 1,255.3        | 1,313.9        | 1,365.4        |
| Durable .....                              | 700.4          | 802.6          | 785.0                               | 824.3          | 854.4          | 880.5          | 920.8          | 960.2          |
| Nondurable .....                           | 331.8          | 358.8          | 355.0                               | 366.5          | 369.1          | 376.2          | 394.5          | 407.2          |
| Services <sup>1</sup> .....                | 192.6          | 195.9          | 193.7                               | 196.7          | 200.6          | 208.4          | 213.7          | 224.7          |
| Income payments .....                      | 279.3          | 301.5          | 291.8                               | 312.0          | 325.0          | 335.8          | 357.9          | 359.6          |

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. Chain-type quantity indexes for the series in this table are shown in table 7.9.



## 5. Saving and Investment

Table 5.1.—Gross Saving and Investment

(Billions of dollars)

|  | 1998    | 1999    | Seasonally adjusted at annual rates |         |         |         |         |         |
|--|---------|---------|-------------------------------------|---------|---------|---------|---------|---------|
|  |         |         | 1999                                |         |         | 2000    |         |         |
|  |         |         | II                                  | III     | IV      | I       | II      | III     |
| <b>Gross saving</b> .....  | 1,654.4 | 1,717.6 | 1,691.7                             | 1,716.8 | 1,746.3 | 1,777.0 | 1,844.5 | 1,852.8 |
| <b>Gross private saving</b> .....  | 1,375.7 | 1,343.5 | 1,338.5                             | 1,321.1 | 1,331.4 | 1,279.2 | 1,328.8 | 1,315.2 |
| Personal saving .....  | 265.4   | 147.6   | 163.6                               | 121.1   | 101.0   | 11.0    | 20.6    | -17.2   |
| Undistributed corporate profits with inventory valuation and capital consumption adjustments ..... | 218.9   | 229.4   | 218.7                               | 214.0   | 241.7   | 262.7   | 278.5   | 279.2   |
| Undistributed profits .....  | 162.1   | 196.4   | 186.5                               | 190.9   | 219.3   | 247.1   | 257.4   | 254.0   |
| Inventory valuation adjustment .....   | 17.0    | -9.1    | -8.9                                | -19.7   | -19.2   | -25.0   | -13.6   | -4.7    |
| Capital consumption adjustment .....   | 39.9    | 42.1    | 41.2                                | 42.7    | 41.6    | 40.6    | 34.7    | 29.9    |
| Corporate consumption of fixed capital .....   | 624.3   | 676.9   | 670.7                               | 687.7   | 694.8   | 711.5   | 731.1   | 749.9   |
| Noncorporate consumption of fixed capital .....  | 265.1   | 284.5   | 280.3                               | 293.1   | 288.7   | 294.1   | 298.7   | 303.3   |
| Wage accruals less disbursements .....   | 2.1     | 5.2     | 5.2                                 | 5.2     | 5.2     | 0       | 0       | 0       |
| <b>Gross government saving</b> .....   | 278.7   | 374.0   | 353.3                               | 395.7   | 414.9   | 497.7   | 515.7   | 537.6   |
| Federal .....  | 137.4   | 217.3   | 209.5                               | 240.6   | 238.4   | 333.0   | 339.9   | 355.2   |
| Consumption of fixed capital .....   | 88.4    | 92.8    | 92.0                                | 93.4    | 95.0    | 97.2    | 98.9    | 100.9   |
| Current surplus or deficit (-), national income and product accounts .....                         | 49.0    | 124.4   | 117.5                               | 147.3   | 143.3   | 235.8   | 240.9   | 254.3   |
| State and local .....  | 141.2   | 156.8   | 143.7                               | 155.1   | 176.6   | 164.7   | 175.8   | 182.4   |
| Consumption of fixed capital .....   | 99.5    | 106.8   | 105.8                               | 107.7   | 109.9   | 112.7   | 115.6   | 118.2   |
| Current surplus or deficit (-), national income and product accounts .....                         | 41.7    | 50.0    | 38.0                                | 47.4    | 66.6    | 52.0    | 60.1    | 64.2    |
| <b>Gross investment</b> .....  | 1,629.6 | 1,645.6 | 1,614.9                             | 1,627.3 | 1,678.5 | 1,699.3 | 1,771.9 | 1,756.3 |
| Gross private domestic investment .....  | 1,549.9 | 1,650.1 | 1,607.9                             | 1,659.1 | 1,723.7 | 1,755.7 | 1,852.6 | 1,872.4 |
| Gross government investment .....  | 278.8   | 308.7   | 303.5                               | 308.0   | 324.4   | 334.2   | 331.9   | 333.6   |
| Net foreign investment .....   | -199.1  | -313.2  | -296.5                              | -339.8  | -369.6  | -390.7  | -412.5  | -449.7  |
| <b>Statistical discrepancy</b> .....   | -24.8   | -71.9   | -76.8                               | -89.5   | -67.8   | -77.7   | -72.5   | -96.5   |
| <b>Addendum:</b>   |         |         |                                     |         |         |         |         |         |
| Gross saving as a percentage of gross national product .....                                       | 18.8    | 18.5    | 18.4                                | 18.4    | 18.3    | 18.2    | 18.6    | 18.5    |

Table 5.4.—Private Fixed Investment by Type

(Billions of dollars)

|   | 1998    | 1999    | Seasonally adjusted at annual rates |         |         |         |         |         |
|---|---------|---------|-------------------------------------|---------|---------|---------|---------|---------|
|   |         |         | 1999                                |         |         | 2000    |         |         |
|   |         |         | II                                  | III     | IV      | I       | II      | III     |
| <b>Private fixed investment</b> .....                 | 1,472.9 | 1,606.8 | 1,593.4                             | 1,622.4 | 1,651.0 | 1,725.8 | 1,780.5 | 1,805.0 |
| <b>Nonresidential</b> .....                           | 1,107.5 | 1,203.1 | 1,188.0                             | 1,216.8 | 1,242.2 | 1,308.5 | 1,359.2 | 1,392.5 |
| Structures .....                                      | 283.2   | 285.6   | 283.7                               | 281.2   | 290.4   | 308.9   | 315.1   | 330.2   |
| Nonresidential buildings, including farm .....        | 202.3   | 208.5   | 207.7                               | 204.7   | 208.7   | 224.5   | 229.3   | 236.6   |
| Utilities .....                                       | 44.5    | 45.0    | 44.5                                | 45.1    | 45.8    | 47.1    | 45.4    | 47.6    |
| Mining exploration, shafts, and wells .....           | 29.3    | 24.3    | 23.2                                | 23.8    | 27.8    | 29.8    | 33.2    | 37.4    |
| Other structures .....                                | 7.1     | 7.8     | 8.4                                 | 7.6     | 8.1     | 7.5     | 7.1     | 8.5     |
| Equipment and software .....                          | 824.3   | 917.4   | 904.3                               | 935.6   | 951.8   | 999.6   | 1,044.1 | 1,062.4 |
| Information processing equipment and software .....   | 367.4   | 433.0   | 423.6                               | 445.5   | 461.4   | 495.3   | 527.5   | 550.5   |
| Computers and peripheral equipment <sup>1</sup> ..... | 84.9    | 94.3    | 92.8                                | 97.6    | 98.9    | 104.3   | 113.6   | 119.7   |
| Software <sup>2</sup> .....                           | 144.1   | 180.1   | 173.3                               | 184.7   | 196.8   | 210.5   | 224.5   | 240.9   |
| Other .....   | 138.4   | 158.6   | 157.5                               | 163.2   | 165.7   | 180.6   | 189.3   | 189.9   |
| Industrial equipment .....                            | 148.9   | 150.7   | 148.3                               | 151.8   | 156.3   | 162.7   | 168.0   | 172.1   |
| Transportation equipment .....                        | 168.2   | 193.5   | 191.6                               | 200.3   | 196.5   | 198.7   | 201.6   | 193.7   |
| Other .....   | 139.8   | 140.2   | 140.8                               | 137.9   | 137.6   | 142.9   | 147.1   | 146.1   |
| <b>Residential</b> .....                              | 365.4   | 403.8   | 405.4                               | 405.6   | 408.8   | 417.3   | 421.3   | 412.5   |
| Structures .....                                      | 357.1   | 394.9   | 396.5                               | 396.6   | 399.6   | 407.8   | 411.7   | 402.9   |
| Single family .....                                   | 185.8   | 207.2   | 207.2                               | 206.1   | 211.5   | 222.8   | 220.6   | 212.1   |
| Multifamily .....                                     | 24.6    | 27.3    | 27.1                                | 27.5    | 27.3    | 28.7    | 28.6    | 26.3    |
| Other structures .....                                | 146.8   | 160.4   | 162.3                               | 163.1   | 160.9   | 156.3   | 162.5   | 164.4   |
| <b>Equipment</b> .....                                | 8.3     | 8.9     | 8.8                                 | 9.0     | 9.2     | 9.5     | 9.6     | 9.6     |

- Includes new computers and peripheral equipment only.
- Excludes software "embedded," or bundled, in computers and other equipment.

Table 5.5.—Real Private Fixed Investment by Type

(Billions of chained (1996) dollars)

|   | 1998    | 1999    | Seasonally adjusted at annual rates |         |         |         |         |         |
|---|---------|---------|-------------------------------------|---------|---------|---------|---------|---------|
|   |         |         | 1999                                |         |         | 2000    |         |         |
|   |         |         | II                                  | III     | IV      | I       | II      | III     |
| <b>Private fixed investment</b> .....                 | 1,485.3 | 1,621.4 | 1,607.1                             | 1,637.8 | 1,666.6 | 1,730.9 | 1,777.6 | 1,791.9 |
| <b>Nonresidential</b> .....                           | 1,140.3 | 1,255.3 | 1,237.5                             | 1,272.5 | 1,301.8 | 1,365.3 | 1,412.5 | 1,439.4 |
| Structures .....                                      | 263.0   | 259.2   | 258.7                               | 254.6   | 260.6   | 274.0   | 277.0   | 286.8   |
| Nonresidential buildings, including farm .....        | 189.1   | 187.4   | 187.7                               | 183.2   | 185.1   | 196.5   | 199.5   | 204.0   |
| Utilities .....                                       | 43.0    | 43.5    | 43.2                                | 43.6    | 44.0    | 44.9    | 42.8    | 44.8    |
| Mining exploration, shafts, and wells .....           | 24.4    | 21.5    | 20.6                                | 21.3    | 24.6    | 26.1    | 28.4    | 30.5    |
| Other structures .....                                | 6.7     | 7.3     | 7.9                                 | 7.1     | 7.5     | 6.9     | 6.5     | 7.7     |
| Equipment and software .....                          | 879.0   | 1,003.1 | 985.0                               | 1,026.6 | 1,050.1 | 1,100.4 | 1,146.6 | 1,162.7 |
| Information processing equipment and software .....   | 431.6   | 542.2   | 526.9                               | 561.1   | 587.9   | 629.4   | 669.1   | 696.1   |
| Computers and peripheral equipment <sup>1</sup> ..... | 149.3   | 217.3   | 208.5                               | 230.9   | 243.8   | 264.1   | 297.3   | 322.9   |
| Software <sup>2</sup> .....                           | 151.0   | 188.0   | 181.1                               | 192.5   | 205.3   | 215.0   | 224.5   | 235.2   |
| Other .....   | 140.7   | 163.1   | 161.3                               | 168.1   | 171.6   | 187.3   | 196.6   | 197.5   |
| Industrial equipment .....                            | 146.9   | 147.8   | 145.7                               | 148.9   | 152.8   | 158.9   | 164.0   | 167.8   |
| Transportation equipment .....                        | 168.0   | 191.8   | 189.0                               | 199.1   | 195.9   | 197.3   | 199.2   | 190.5   |
| Other .....   | 136.7   | 135.6   | 136.2                               | 133.3   | 132.8   | 138.0   | 141.4   | 139.9   |
| <b>Residential</b> .....                              | 346.1   | 368.3   | 370.9                               | 368.0   | 368.5   | 371.4   | 372.6   | 362.3   |
| Structures .....                                      | 337.7   | 359.2   | 361.9                               | 358.8   | 359.2   | 361.8   | 362.9   | 352.7   |
| Single family .....                                   | 175.9   | 187.6   | 188.5                               | 185.6   | 188.8   | 195.8   | 193.5   | 185.1   |
| Multifamily .....                                     | 21.7    | 23.2    | 23.1                                | 23.3    | 23.0    | 23.8    | 23.6    | 21.6    |
| Other structures .....                                | 140.2   | 148.5   | 150.4                               | 150.1   | 147.5   | 142.0   | 145.7   | 146.0   |
| <b>Equipment</b> .....                                | 8.3     | 9.1     | 9.0                                 | 9.2     | 9.3     | 9.7     | 9.7     | 9.8     |
| <b>Residual</b> .....                                 | -16.6   | -50.3   | -45.1                               | -58.4   | -65.4   | -75.4   | -95.1   | -111.4  |

- Includes new computers and peripheral equipment only.
- Excludes software "embedded," or bundled, in computers and other equipment.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines. Chain-type quantity indexes for the series in this table are shown in table 7.6. Contributions to the percent change in real private fixed investment are shown in table 8.4.

Table 5.10.—Change in Private Inventories by Industry Group

[Billions of dollars]

|   | 1998        | 1999        | Seasonally adjusted at annual rates |             |             |             |             |             |
|---|-------------|-------------|-------------------------------------|-------------|-------------|-------------|-------------|-------------|
|   |             |             | 1999                                |             |             | 2000        |             |             |
|   |             |             | II                                  | III         | IV          | I           | II          | III         |
| <b>Change in private inventories .....</b>        | <b>77.0</b> | <b>43.3</b> | <b>14.5</b>                         | <b>36.7</b> | <b>72.7</b> | <b>29.9</b> | <b>72.0</b> | <b>67.4</b> |
| Farm .....  | .6          | -2          | 1.2                                 | -5.3        | .9          | -2.5        | -1          | -1.0        |
| Nonfarm .....                                     | 76.4        | 43.5        | 13.4                                | 42.0        | 71.8        | 32.4        | 72.2        | 68.4        |
| Change in book value <sup>1</sup> .....           | 54.2        | 59.1        | 33.0                                | 73.3        | 95.5        | 65.1        | 99.2        | 79.1        |
| Inventory valuation adjustment <sup>2</sup> ..... | 22.2        | -15.6       | -19.6                               | -31.3       | -23.7       | -32.7       | -27.1       | -10.8       |
| Manufacturing .....                               | 24.7        | .2          | -9.0                                | 3.4         | 7.4         | 9.9         | 16.9        | 20.5        |
| Durable goods .....                               | 18.9        | -1          | -7.7                                | 3.1         | 3.2         | 6.3         | 10.8        | 15.3        |
| Nondurable goods .....                            | 5.8         | .3          | -1.3                                | .2          | 4.1         | 3.6         | 6.1         | 5.2         |
| Wholesale trade .....                             | 21.6        | 16.7        | 14.4                                | 21.9        | 17.9        | 21.0        | 32.1        | 25.3        |
| Durable goods .....                               | 15.7        | 12.5        | 13.1                                | 11.9        | 14.6        | 16.7        | 23.0        | 12.8        |
| Nondurable goods .....                            | 5.9         | 4.2         | 1.3                                 | 10.0        | 3.3         | 4.3         | 9.1         | 12.5        |
| Merchant wholesalers .....                        | 19.2        | 15.3        | 10.3                                | 19.6        | 19.9        | 15.7        | 28.4        | 18.3        |
| Durable goods .....                               | 13.7        | 11.2        | 8.3                                 | 10.6        | 16.7        | 11.9        | 20.6        | 6.8         |
| Nondurable goods .....                            | 5.5         | 4.1         | 2.0                                 | 9.1         | 3.2         | 3.8         | 7.8         | 11.5        |
| Nonmerchant wholesalers .....                     | 2.4         | 1.4         | 4.2                                 | 2.3         | -1.9        | 5.2         | 3.7         | 7.0         |
| Durable goods .....                               | 2.0         | 1.3         | 4.9                                 | 1.3         | -2.1        | 4.8         | 2.4         | 6.0         |
| Nondurable goods .....                            | .4          | .1          | -7                                  | 1.0         | .2          | .5          | 1.3         | 1.0         |
| Retail trade .....                                | 14.7        | 21.0        | 4.1                                 | 15.8        | 42.4        | -4.5        | 22.1        | 18.3        |
| Durable goods .....                               | 8.1         | 14.2        | 1.0                                 | 12.9        | 27.7        | -3.6        | 16.1        | 13.9        |
| Motor vehicle dealers <sup>3</sup> .....          | 2.2         | 7.5         | -4.5                                | 9.6         | 14.6        | -6.4        | 9.7         | 10.0        |
| Other <sup>3</sup> .....                          | 6.0         | 6.7         | 5.5                                 | 3.3         | 13.1        | 2.8         | 6.3         | 3.9         |
| Nondurable goods .....                            | 6.6         | 6.8         | 3.1                                 | 2.9         | 14.7        | -9          | 6.0         | 4.3         |
| Other .....                                       | 15.3        | 5.6         | 3.8                                 | .9          | 4.1         | 6.1         | 1.1         | 4.3         |
| Durable goods .....                               | 3.0         | .7          | -1.5                                | -3          | 2.0         | 1.3         | -1.6        | .1          |
| Nondurable goods .....                            | 12.3        | 5.0         | 5.3                                 | 1.2         | 2.1         | 4.8         | 2.6         | 4.1         |

1. This series is derived from the Census Bureau series "current cost inventories."

2. The inventory valuation adjustment (IVA) shown in this table differs from the IVA that adjusts business incomes. The IVA in this table reflects the mix of methods (such as first-in, first-out and last-in, first-out) underlying inventories derived primarily from Census Bureau statistics (see footnote 1). This mix differs from that underlying business income derived primarily from Internal Revenue Service statistics.

3. Inventories of auto and home supply stores are included in "other durable goods."

Table 5.11.—Real Change in Private Inventories by Industry Group

[Billions of chained (1996) dollars]

|  | 1998        | 1999        | Seasonally adjusted at annual rates |             |             |             |             |             |
|--|-------------|-------------|-------------------------------------|-------------|-------------|-------------|-------------|-------------|
|  |             |             | 1999                                |             |             | 2000        |             |             |
|  |             |             | II                                  | III         | IV          | I           | II          | III         |
| <b>Change in private inventories .....</b> | <b>80.2</b> | <b>45.3</b> | <b>13.1</b>                         | <b>39.1</b> | <b>80.9</b> | <b>36.6</b> | <b>78.6</b> | <b>73.5</b> |
| Farm .....                                 | 1.2         | 0           | -1.1                                | -5.0        | 7.9         | 3.6         | 6.2         | 5.0         |
| Nonfarm .....                              | 78.7        | 44.9        | 14.1                                | 43.5        | 73.0        | 33.0        | 72.3        | 68.4        |
| Manufacturing .....                        | 25.6        | .1          | -9.5                                | 3.5         | 7.6         | 10.3        | 17.6        | 21.0        |
| Durable goods .....                        | 19.5        | -1          | -8.1                                | 3.3         | 3.3         | 6.5         | 11.3        | 15.9        |
| Nondurable goods .....                     | 6.1         | .2          | -1.4                                | .2          | 4.2         | 3.8         | 6.4         | 5.3         |
| Wholesale trade .....                      | 22.6        | 17.4        | 15.1                                | 23.0        | 18.5        | 21.5        | 32.5        | 25.8        |
| Durable goods .....                        | 16.2        | 13.0        | 13.8                                | 12.5        | 15.2        | 17.3        | 23.8        | 13.3        |
| Nondurable goods .....                     | 6.4         | 4.4         | 1.4                                 | 10.5        | 3.4         | 4.4         | 8.9         | 12.3        |
| Merchant wholesalers .....                 | 20.0        | 16.0        | 10.8                                | 20.6        | 20.6        | 16.2        | 28.9        | 18.8        |
| Durable goods .....                        | 14.1        | 11.7        | 8.7                                 | 11.1        | 17.4        | 12.3        | 21.3        | 7.0         |
| Nondurable goods .....                     | 5.9         | 4.4         | 2.1                                 | 9.5         | 3.3         | 3.9         | 7.7         | 11.6        |
| Nonmerchant wholesalers .....              | 2.5         | 1.4         | 4.3                                 | 2.4         | -2.0        | 5.2         | 3.6         | 6.8         |
| Durable goods .....                        | 2.1         | 1.4         | 5.1                                 | 1.4         | -2.2        | 5.0         | 2.5         | 6.3         |
| Nondurable goods .....                     | .5          | .1          | -7                                  | 1.0         | .2          | .4          | 1.2         | .8          |
| Retail trade .....                         | 14.8        | 20.8        | 4.1                                 | 15.7        | 41.7        | -4.4        | 21.5        | 17.9        |
| Durable goods .....                        | 8.2         | 14.2        | 1.0                                 | 13.0        | 27.7        | -3.6        | 16.0        | 14.0        |
| Motor vehicle dealers <sup>1</sup> .....   | 2.2         | 7.6         | -4.6                                | 9.7         | 14.7        | -6.4        | 9.7         | 10.0        |
| Other <sup>1</sup> .....                   | 6.0         | 6.7         | 5.5                                 | 3.3         | 13.0        | 2.7         | 6.3         | 3.9         |
| Nondurable goods .....                     | 6.6         | 6.7         | 3.0                                 | 2.9         | 14.2        | -8          | 5.7         | 4.1         |
| Other .....                                | 16.0        | 6.1         | 4.2                                 | 1.1         | 4.2         | 6.1         | .9          | 4.0         |
| Durable goods .....                        | 3.0         | .6          | -1.4                                | -3          | 1.9         | 1.3         | -1.5        | .1          |
| Nondurable goods .....                     | 12.9        | 5.4         | 5.7                                 | 1.4         | 2.2         | 4.8         | 2.5         | 3.8         |
| Residual .....                             | .1          | .6          | .3                                  | .6          | .8          | -.5         | -.7         | -.3         |

1. Inventories of auto and home supply stores are included in "other durable goods."

NOTE.—Chained (1996) dollar series for real change in private inventories are calculated as the period-to-period change in chained-dollar end-of-period inventories. Quarterly changes in end-of-period inventories are stated at annual rates. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.



**Table 5.12.—Private Inventories and Domestic Final Sales of Business by Industry Group**  
[Billions of dollars]

|  | Seasonally adjusted quarterly totals |                |                |                |                |                |
|--|--------------------------------------|----------------|----------------|----------------|----------------|----------------|
|  | 1999                                 |                |                | 2000           |                |                |
|  | II                                   | III            | IV             | I              | II             | III            |
| <b>Private inventories</b> <sup>1</sup> .....                                      | <b>1,362.5</b>                       | <b>1,387.9</b> | <b>1,416.3</b> | <b>1,446.5</b> | <b>1,472.4</b> | <b>1,492.4</b> |
| Farm .....   | 98.0                                 | 96.4           | 100.3          | 108.3          | 108.0          | 104.6          |
| Nonfarm .....  | 1,264.5                              | 1,291.4        | 1,316.0        | 1,338.3        | 1,364.3        | 1,387.7        |
| Durable goods .....  | 704.2                                | 714.9          | 729.7          | 737.0          | 749.6          | 759.6          |
| Nondurable goods .....   | 560.3                                | 576.6          | 586.3          | 601.3          | 614.7          | 628.1          |
| Manufacturing .....  | 445.3                                | 452.6          | 458.6          | 466.1          | 472.6          | 480.6          |
| Durable goods .....  | 277.6                                | 280.7          | 283.3          | 286.2          | 288.4          | 292.9          |
| Nondurable goods .....   | 167.7                                | 171.9          | 175.3          | 179.9          | 184.2          | 187.7          |
| Wholesale trade .....  | 347.1                                | 356.4          | 363.4          | 373.2          | 381.3          | 388.7          |
| Durable goods .....  | 222.3                                | 225.7          | 230.4          | 235.3          | 241.4          | 244.0          |
| Nondurable goods .....   | 124.9                                | 130.7          | 133.0          | 137.9          | 140.0          | 144.7          |
| Merchant wholesalers .....   | 300.8                                | 308.5          | 315.4          | 322.7          | 329.6          | 334.7          |
| Durable goods .....  | 193.5                                | 196.6          | 201.7          | 205.4          | 210.8          | 212.0          |
| Nondurable goods .....   | 107.3                                | 111.9          | 113.7          | 117.4          | 118.8          | 122.7          |
| Nonmerchant wholesalers .....  | 46.4                                 | 47.9           | 48.0           | 50.4           | 51.7           | 54.0           |
| Durable goods .....  | 28.7                                 | 29.1           | 28.7           | 29.9           | 30.6           | 32.0           |
| Nondurable goods .....   | 17.6                                 | 18.8           | 19.3           | 20.5           | 21.1           | 22.0           |
| Retail trade .....   | 356.5                                | 363.5          | 374.6          | 375.5          | 382.2          | 386.8          |
| Durable goods .....  | 193.7                                | 198.0          | 205.1          | 204.0          | 208.8          | 211.8          |
| Motor vehicle dealers <sup>2</sup> .....   | 97.7                                 | 101.4          | 104.9          | 103.2          | 106.3          | 108.8          |
| Other <sup>2</sup> .....   | 96.0                                 | 96.6           | 100.1          | 100.9          | 102.5          | 103.0          |
| Nondurable goods .....   | 162.8                                | 165.5          | 169.5          | 171.5          | 173.3          | 175.0          |
| Other .....  | 115.6                                | 118.9          | 119.5          | 123.5          | 128.2          | 131.7          |
| Durable goods .....  | 10.7                                 | 10.5           | 11.0           | 11.5           | 11.0           | 11.0           |
| Nondurable goods .....   | 104.9                                | 108.4          | 108.4          | 112.0          | 117.2          | 120.7          |
| <b>Final sales of domestic business</b> <sup>3</sup> .....                         | <b>646.5</b>                         | <b>655.9</b>   | <b>669.8</b>   | <b>687.3</b>   | <b>698.2</b>   | <b>706.0</b>   |
| <b>Final sales of goods and structures of domestic business</b> <sup>3</sup> ..... | <b>357.1</b>                         | <b>361.6</b>   | <b>369.7</b>   | <b>382.3</b>   | <b>386.9</b>   | <b>391.0</b>   |
| <b>Ratio of private inventories to final sales of domestic business</b>            |                                      |                |                |                |                |                |
| Private inventories to final sales .....   | 2.11                                 | 2.12           | 2.11           | 2.10           | 2.11           | 2.11           |
| Nonfarm inventories to final sales .....   | 1.96                                 | 1.97           | 1.96           | 1.95           | 1.95           | 1.97           |
| Nonfarm inventories to final sales of goods and structures .....                   | 3.54                                 | 3.57           | 3.56           | 3.50           | 3.53           | 3.55           |

1. Inventories are as of the end of the quarter. The quarter-to-quarter change in inventories calculated from current-dollar inventories in this table is not the current-dollar change in the private inventories component of GDP. The former is the difference between two inventory stocks, each valued at its respective end-of-quarter prices. The latter is the change in the physical volume of inventories valued at average prices of the quarter. In addition, changes calculated from this table are at quarterly rates, whereas, the change in private inventories is stated at annual rates.

2. Inventories of auto and home supply stores are included in "other durable goods."

3. Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross product of households and institutions and of general government, and it includes a small amount of final sales by farm and by government enterprises.

**Table 5.13.—Real Private Inventories and Real Domestic Final Sales of Business by Industry Group**  
[Billions of chained (1996) dollars]

|  | Seasonally adjusted quarterly totals |                |                |                |                |                |
|--|--------------------------------------|----------------|----------------|----------------|----------------|----------------|
|  | 1999                                 |                |                | 2000           |                |                |
|  | II                                   | III            | IV             | I              | II             | III            |
| <b>Private inventories</b> <sup>1</sup> .....                                      | <b>1,411.1</b>                       | <b>1,420.8</b> | <b>1,441.1</b> | <b>1,450.2</b> | <b>1,469.9</b> | <b>1,488.2</b> |
| Farm .....   | 107.4                                | 106.2          | 108.2          | 109.1          | 110.6          | 111.9          |
| Nonfarm .....  | 1,303.2                              | 1,314.1        | 1,332.4        | 1,340.6        | 1,358.7        | 1,375.8        |
| Durable goods .....  | 729.8                                | 736.9          | 749.2          | 754.5          | 766.8          | 777.6          |
| Nondurable goods .....   | 573.4                                | 577.1          | 583.2          | 586.2          | 592.1          | 598.4          |
| Manufacturing .....  | 468.2                                | 469.0          | 470.9          | 473.5          | 477.9          | 483.2          |
| Durable goods .....  | 292.4                                | 293.2          | 294.0          | 295.7          | 298.5          | 302.4          |
| Nondurable goods .....   | 175.7                                | 175.8          | 176.8          | 177.8          | 179.4          | 180.7          |
| Wholesale trade .....  | 362.7                                | 368.5          | 373.1          | 378.5          | 386.6          | 393.0          |
| Durable goods .....  | 232.1                                | 235.2          | 239.0          | 243.3          | 249.3          | 252.6          |
| Nondurable goods .....   | 130.6                                | 133.2          | 134.1          | 135.2          | 137.4          | 140.4          |
| Merchant wholesalers .....   | 314.5                                | 319.6          | 324.8          | 328.8          | 336.0          | 340.7          |
| Durable goods .....  | 201.9                                | 204.7          | 209.0          | 212.1          | 217.4          | 219.2          |
| Nondurable goods .....   | 112.5                                | 114.9          | 115.7          | 116.7          | 118.6          | 121.5          |
| Nonmerchant wholesalers .....  | 48.2                                 | 48.8           | 48.3           | 49.6           | 50.5           | 52.2           |
| Durable goods .....  | 30.2                                 | 30.5           | 30.0           | 31.2           | 31.8           | 33.4           |
| Nondurable goods .....   | 18.1                                 | 18.3           | 18.3           | 18.5           | 18.7           | 19.0           |
| Retail trade .....   | 353.6                                | 357.5          | 368.0          | 366.9          | 372.2          | 376.7          |
| Durable goods .....  | 194.9                                | 198.2          | 205.1          | 204.2          | 208.2          | 211.7          |
| Motor vehicle dealers <sup>2</sup> .....   | 99.5                                 | 101.9          | 105.6          | 104.0          | 106.4          | 108.9          |
| Other <sup>2</sup> .....   | 95.4                                 | 96.2           | 99.5           | 100.2          | 101.8          | 102.7          |
| Nondurable goods .....   | 158.7                                | 159.4          | 163.0          | 162.8          | 164.2          | 165.2          |
| Other .....  | 118.9                                | 119.1          | 120.2          | 121.7          | 121.9          | 122.9          |
| Durable goods .....  | 10.3                                 | 10.2           | 10.7           | 11.0           | 10.7           | 10.7           |
| Nondurable goods .....   | 108.5                                | 108.8          | 109.4          | 110.6          | 111.2          | 112.1          |
| Residual .....   | .5                                   | .7             | .9             | .5             | .6             | .5             |
| <b>Final sales of domestic business</b> <sup>3</sup> .....                         | <b>620.7</b>                         | <b>628.4</b>   | <b>639.6</b>   | <b>651.3</b>   | <b>657.7</b>   | <b>662.2</b>   |
| <b>Final sales of goods and structures of domestic business</b> <sup>3</sup> ..... | <b>352.8</b>                         | <b>357.3</b>   | <b>364.8</b>   | <b>375.1</b>   | <b>377.3</b>   | <b>380.7</b>   |
| <b>Ratio of private inventories to final sales of domestic business</b>            |                                      |                |                |                |                |                |
| Private inventories to final sales .....   | 2.27                                 | 2.26           | 2.25           | 2.23           | 2.23           | 2.25           |
| Nonfarm inventories to final sales .....   | 2.10                                 | 2.09           | 2.08           | 2.06           | 2.07           | 2.08           |
| Nonfarm inventories to final sales of goods and structures .....                   | 3.69                                 | 3.68           | 3.65           | 3.57           | 3.60           | 3.61           |

1. Inventories are as of the end of the quarter. The quarter-to-quarter changes calculated from this table are at quarterly rates, whereas, the change in private inventories component of GDP is stated at annual rates.

2. Inventories of auto and home supply stores are included in "other durable goods."

3. Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross product of households and institutions and of general government, and it includes a small amount of final sales by farm and by government enterprises.

NOTE.—Chained (1996) dollar inventory series are calculated to ensure that the chained (1996) dollar change in inventories for 1996 equals the current-dollar change in inventories for 1996 and that the average of the 1995 and 1996 end-of-year chain-weighted and fixed-weighted inventories are equal. Chained (1996) dollar final sales are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines for inventories.

## 6. Income and Employment by Industry

Table 6.1C.—National Income Without Capital Consumption Adjustment by Industry Group

[Billions of dollars]

|   | 1998           | 1999           | Seasonally adjusted at annual rates |                |                |                |                |                |
|---|----------------|----------------|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
|   |                |                | 1999                                |                |                | 2000           |                |                |
|   |                |                | II                                  | III            | IV             | I              | II             | III            |
| <b>National income without capital consumption adjustment</b> ..... | <b>7,009.3</b> | <b>7,439.2</b> | <b>7,361.3</b>                      | <b>7,466.3</b> | <b>7,649.4</b> | <b>7,805.1</b> | <b>7,961.2</b> | <b>8,074.8</b> |
| <b>Domestic industries</b> .....                                    | <b>7,012.8</b> | <b>7,450.2</b> | <b>7,371.0</b>                      | <b>7,479.9</b> | <b>7,662.8</b> | <b>7,812.7</b> | <b>7,969.4</b> | <b>8,087.0</b> |
| <b>Private industries</b> .....                                     | <b>6,098.5</b> | <b>6,497.0</b> | <b>6,422.9</b>                      | <b>6,522.8</b> | <b>6,696.9</b> | <b>6,828.8</b> | <b>6,974.1</b> | <b>7,085.0</b> |
| Agriculture, forestry, and fishing .....                            | 102.5          | 109.2          | 111.8                               | 100.3          | 118.6          | 106.9          | 110.9          | .....          |
| Mining .....  | 54.5           | 51.3           | 50.6                                | 51.2           | 52.3           | 53.8           | 57.6           | .....          |
| Construction .....  | 346.4          | 381.8          | 379.0                               | 384.1          | 393.1          | 410.8          | 418.5          | .....          |
| Manufacturing .....   | 1,153.7        | 1,193.3        | 1,188.8                             | 1,200.1        | 1,202.5        | 1,237.0        | 1,257.2        | .....          |
| Durable goods .....   | 672.7          | 704.6          | 702.0                               | 708.8          | 716.1          | 726.0          | 735.6          | .....          |
| Nondurable goods .....  | 481.0          | 488.7          | 486.8                               | 491.3          | 486.5          | 510.9          | 521.6          | .....          |
| Transportation and public utilities .....                           | 497.8          | 534.6          | 518.8                               | 540.5          | 562.3          | 578.3          | 596.5          | .....          |
| Transportation .....  | 225.1          | 236.9          | 233.4                               | 239.1          | 244.4          | 248.3          | 257.7          | .....          |
| Communications .....  | 142.6          | 161.9          | 156.3                               | 163.7          | 174.2          | 183.2          | 188.6          | .....          |
| Electric, gas, and sanitary services .....                          | 130.2          | 135.9          | 129.1                               | 137.7          | 143.7          | 146.7          | 150.3          | .....          |
| Wholesale trade .....   | 416.3          | 441.8          | 438.3                               | 443.0          | 457.1          | 465.0          | 480.6          | .....          |
| Retail trade .....  | 594.1          | 635.2          | 633.6                               | 632.8          | 651.5          | 674.5          | 682.6          | .....          |
| Finance, insurance, and real estate .....                           | 1,285.2        | 1,366.9        | 1,338.9                             | 1,371.5        | 1,418.5        | 1,439.8        | 1,459.8        | .....          |
| Services .....  | 1,648.0        | 1,782.9        | 1,763.2                             | 1,799.4        | 1,841.0        | 1,862.7        | 1,910.4        | .....          |
| <b>Government</b> .....   | <b>914.3</b>   | <b>953.2</b>   | <b>948.1</b>                        | <b>957.1</b>   | <b>965.9</b>   | <b>984.0</b>   | <b>995.3</b>   | <b>1,002.0</b> |
| <b>Rest of the world</b> .....                                      | <b>-3.5</b>    | <b>-11.0</b>   | <b>-9.7</b>                         | <b>-13.6</b>   | <b>-13.4</b>   | <b>-7.7</b>    | <b>-8.3</b>    | <b>-12.2</b>   |

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification.

Table 6.16C.—Corporate Profits by Industry Group

[Billions of dollars]

|   | 1998         | 1999         | Seasonally adjusted at annual rates |              |              |              |              |              |
|---|--------------|--------------|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
|   |              |              | 1999                                |              |              | 2000         |              |              |
|   |              |              | II                                  | III          | IV           | I            | II           | III          |
| <b>Corporate profits with inventory valuation and capital consumption adjustments</b> ..... | <b>815.0</b> | <b>856.0</b> | <b>836.8</b>                        | <b>842.0</b> | <b>893.2</b> | <b>936.3</b> | <b>963.6</b> | <b>971.2</b> |
| <b>Domestic industries</b> .....  | <b>711.5</b> | <b>744.6</b> | <b>730.8</b>                        | <b>730.1</b> | <b>772.7</b> | <b>807.4</b> | <b>829.3</b> | <b>831.8</b> |
| Financial .....   | 151.1        | 156.1        | 144.7                               | 150.9        | 170.6        | 174.6        | 169.1        | 173.5        |
| Nonfinancial .....  | 560.4        | 588.5        | 586.0                               | 579.1        | 602.0        | 632.8        | 660.1        | 658.3        |
| <b>Rest of the world</b> .....  | <b>103.5</b> | <b>111.4</b> | <b>106.0</b>                        | <b>111.9</b> | <b>120.5</b> | <b>128.9</b> | <b>134.3</b> | <b>139.4</b> |
| Receipts from the rest of the world .....   | 147.7        | 169.3        | 164.4                               | 176.4        | 181.7        | 194.8        | 206.8        | 206.1        |
| Less: Payments to the rest of the world .....   | 44.2         | 57.9         | 58.5                                | 64.5         | 61.2         | 66.0         | 72.5         | 66.7         |
| <b>Corporate profits with inventory valuation adjustment</b> .....                          | <b>775.1</b> | <b>813.9</b> | <b>795.6</b>                        | <b>799.3</b> | <b>851.5</b> | <b>895.7</b> | <b>928.8</b> | <b>941.3</b> |
| <b>Domestic industries</b> .....  | <b>671.6</b> | <b>702.5</b> | <b>689.6</b>                        | <b>687.4</b> | <b>731.0</b> | <b>766.8</b> | <b>794.5</b> | <b>801.9</b> |
| Financial .....   | 164.8        | 172.0        | 160.5                               | 167.2        | 187.3        | 191.9        | 188.1        | 194.0        |
| Federal Reserve banks .....   | 24.7         | 25.8         | 24.9                                | 25.6         | 28.1         | 29.6         | 29.7         | 30.5         |
| Other .....   | 140.1        | 146.2        | 135.5                               | 141.5        | 159.1        | 162.3        | 158.3        | 163.5        |
| Nonfinancial .....  | 506.8        | 530.4        | 529.2                               | 520.2        | 543.8        | 574.9        | 606.5        | 607.9        |
| Manufacturing .....   | 177.4        | 181.6        | 184.8                               | 179.8        | 173.0        | 193.7        | 201.8        | .....        |
| Durable goods .....   | 85.4         | 92.2         | 94.0                                | 90.0         | 92.6         | 94.7         | 97.2         | .....        |
| Primary metal industries .....  | 6.5          | 2.6          | 2.9                                 | 2.0          | 2.2          | 4.8          | 5.1          | .....        |
| Fabricated metal products .....   | 17.2         | 18.3         | 18.5                                | 18.0         | 16.7         | 18.5         | 18.0         | .....        |
| Industrial machinery and equipment .....  | 17.6         | 22.8         | 23.0                                | 22.9         | 24.5         | 20.8         | 21.2         | .....        |
| Electronic and other electric equipment .....   | 10.6         | 12.3         | 10.6                                | 13.3         | 14.3         | 16.1         | 16.4         | .....        |
| Motor vehicles and equipment .....  | 4.4          | 6.9          | 8.0                                 | 5.5          | 5.7          | 6.2          | 6.1          | .....        |
| Other .....   | 29.1         | 29.4         | 31.0                                | 28.3         | 29.2         | 28.3         | 30.3         | .....        |
| Nondurable goods .....  | 92.0         | 89.4         | 90.8                                | 89.9         | 80.4         | 99.0         | 104.6        | .....        |
| Food and kindred products .....   | 22.7         | 21.9         | 25.5                                | 25.3         | 14.1         | 21.0         | 20.3         | .....        |
| Chemicals and allied products .....   | 30.4         | 29.9         | 31.4                                | 26.9         | 25.3         | 32.7         | 37.9         | .....        |
| Petroleum and coal products .....   | 7.4          | 5.4          | 3.3                                 | 7.2          | 7.1          | 10.4         | 15.4         | .....        |
| Other .....   | 31.4         | 32.2         | 30.7                                | 30.5         | 34.0         | 34.8         | 30.9         | .....        |
| Transportation and public utilities .....   | 83.9         | 88.4         | 79.7                                | 88.6         | 101.4        | 101.9        | 103.9        | .....        |
| Transportation .....  | 23.0         | 23.0         | 22.8                                | 22.6         | 24.9         | 22.6         | 28.2         | .....        |
| Communications .....  | 23.4         | 26.9         | 23.8                                | 26.7         | 32.6         | 35.2         | 31.9         | .....        |
| Electric, gas, and sanitary services .....  | 37.6         | 38.4         | 33.1                                | 39.3         | 43.8         | 44.1         | 43.8         | .....        |
| Wholesale trade .....   | 56.4         | 56.7         | 58.0                                | 54.3         | 59.2         | 61.2         | 69.7         | .....        |
| Retail trade .....  | 76.6         | 81.5         | 84.8                                | 75.4         | 81.9         | 90.2         | 92.4         | .....        |
| Other .....   | 112.6        | 122.3        | 121.9                               | 122.1        | 128.3        | 127.9        | 138.7        | .....        |
| <b>Rest of the world</b> .....  | <b>103.5</b> | <b>111.4</b> | <b>106.0</b>                        | <b>111.9</b> | <b>120.5</b> | <b>128.9</b> | <b>134.3</b> | <b>139.4</b> |

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification.











Table 7.14.—Chain-Type Quantity and Price Indexes for Gross Domestic Product by Sector

[Index numbers, 1996=100]

|                                 | 1998   | 1999   | Seasonally adjusted |        |        |        |        |        |
|---------------------------------|--------|--------|---------------------|--------|--------|--------|--------|--------|
|                                 |        |        | 1999                |        |        | 2000   |        |        |
|                                 |        |        | II                  | III    | IV     | I      | II     | III    |
| Chain-type quantity indexes     |        |        |                     |        |        |        |        |        |
| Gross domestic product          | 108.99 | 113.60 | 112.42              | 113.98 | 116.27 | 117.65 | 119.27 | 119.97 |
| Business <sup>1</sup>           | 110.07 | 115.27 | 113.90              | 115.70 | 118.34 | 119.88 | 121.66 | 122.43 |
| Nonfarm <sup>2</sup>            | 110.07 | 115.26 | 113.82              | 115.71 | 118.39 | 119.90 | 121.73 | 122.49 |
| Nonfarm less housing            | 110.85 | 116.27 | 114.73              | 116.72 | 119.60 | 121.13 | 123.10 | 123.88 |
| Housing                         | 103.08 | 106.27 | 105.67              | 106.70 | 107.70 | 108.99 | 109.63 | 110.12 |
| Farm                            | 108.74 | 115.26 | 120.80              | 113.32 | 111.82 | 116.37 | 112.92 | 115.14 |
| Households and institutions     | 106.64 | 108.54 | 108.35              | 108.66 | 109.27 | 109.68 | 110.31 | 110.90 |
| Private households              | 110.36 | 87.94  | 93.83               | 84.08  | 72.02  | 67.99  | 68.36  | 69.05  |
| Nonprofit institutions          | 106.51 | 109.29 | 108.88              | 109.55 | 110.63 | 111.20 | 111.84 | 112.42 |
| General government <sup>3</sup> | 102.20 | 103.68 | 103.41              | 103.85 | 104.26 | 104.93 | 105.87 | 106.14 |
| Federal                         | 98.07  | 98.12  | 97.96               | 98.05  | 98.29  | 99.01  | 100.85 | 100.32 |
| State and local                 | 104.15 | 106.29 | 105.98              | 106.57 | 107.07 | 107.72 | 108.22 | 108.87 |
| Chain-type price indexes        |        |        |                     |        |        |        |        |        |
| Gross domestic product          | 103.23 | 104.77 | 104.63              | 104.90 | 105.31 | 106.17 | 106.80 | 107.31 |
| Business <sup>1</sup>           | 102.91 | 104.18 | 104.07              | 104.27 | 104.63 | 105.41 | 106.03 | 106.48 |
| Nonfarm <sup>2</sup>            | 103.24 | 104.67 | 104.60              | 104.79 | 105.08 | 105.91 | 106.45 | 106.96 |
| Nonfarm less housing            | 102.95 | 104.23 | 104.18              | 104.34 | 104.59 | 105.41 | 105.94 | 106.42 |
| Housing                         | 105.98 | 108.95 | 108.67              | 109.16 | 109.87 | 110.76 | 111.40 | 112.16 |
| Farm                            | 80.56  | 69.84  | 67.28               | 68.40  | 73.44  | 71.34  | 77.37  | 73.47  |
| Households and institutions     | 103.61 | 106.19 | 105.88              | 106.47 | 106.97 | 107.77 | 108.77 | 110.00 |
| Private households              | 105.49 | 108.58 | 108.39              | 108.95 | 110.00 | 111.34 | 112.99 | 114.09 |
| Nonprofit institutions          | 103.55 | 106.10 | 105.80              | 106.39 | 106.88 | 107.67 | 108.65 | 109.88 |
| General government <sup>3</sup> | 105.45 | 108.80 | 108.41              | 109.13 | 109.93 | 111.46 | 112.03 | 112.75 |
| Federal                         | 104.26 | 108.03 | 107.81              | 108.17 | 108.58 | 111.69 | 111.61 | 112.25 |
| State and local                 | 106.00 | 109.16 | 108.70              | 109.57 | 110.54 | 111.39 | 112.23 | 113.00 |

1. Equals gross domestic product less gross product of households and institutions and of general government.  
2. Equals gross domestic business product less gross farm product.  
3. Equals compensation of general government employees plus general government consumption of fixed capital.

Table 7.15.—Price, Costs, and Profit Per Unit of Real Gross Product of Nonfinancial Corporate Business

[Dollars]

|   |       |       |       |       |       |       |       |       |
|---|-------|-------|-------|-------|-------|-------|-------|-------|
| Price per unit of real gross product of nonfinancial corporate business <sup>1</sup>                                  | 1.010 | 1.019 | 1.019 | 1.019 | 1.019 | 1.025 | 1.031 | 1.033 |
| Compensation of employees (unit labor cost)   | .653  | .659  | .660  | .661  | .658  | .658  | .659  | .661  |
| Unit nonlabor cost  | .239  | .241  | .240  | .242  | .243  | .245  | .247  | .248  |
| Consumption of fixed capital  | .113  | .115  | .115  | .116  | .115  | .116  | .117  | .118  |
| Indirect business tax and nontax liability plus business transfer payments less subsidies                             | .098  | .097  | .097  | .097  | .098  | .099  | .099  | .098  |
| Net interest  | .028  | .029  | .028  | .029  | .030  | .030  | .031  | .032  |
| Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production) | .120  | .119  | .119  | .116  | .118  | .122  | .126  | .124  |
| Profits tax liability   | .034  | .034  | .034  | .034  | .034  | .036  | .037  | .036  |
| Profits after tax with inventory valuation and capital consumption adjustments  | .086  | .085  | .085  | .083  | .084  | .086  | .089  | .088  |

1. The implicit price deflator for gross product of nonfinancial corporate business divided by 100.

NOTE.—Effective with this release, the estimates of chained-dollar gross product of nonfinancial corporate business for 1997-2000 are revised to reflect revisions to the gross product price indexes for nonfinancial industries (see "Revised Estimates of Real Gross Product of Nonfinancial Corporate Business for 1997-2000" in this issue).

Table 7.16.—Implicit Price Deflators for Private Inventories by Industry Group

[Index numbers, 1996=100]

|                                  | 1998   | 1999   | Seasonally adjusted |        |        |        |    |     |
|----------------------------------|--------|--------|---------------------|--------|--------|--------|----|-----|
|                                  |        |        | 1999                |        |        | 2000   |    |     |
|                                  |        |        | II                  | III    | IV     | I      | II | III |
| Private inventories <sup>1</sup> |        |        |                     |        |        |        |    |     |
| Farm                             | 91.21  | 90.79  | 92.73               | 99.28  | 97.67  | 93.53  |    |     |
| Nonfarm                          | 97.03  | 98.28  | 98.77               | 99.82  | 100.42 | 100.87 |    |     |
| Durable goods                    | 96.50  | 97.01  | 97.41               | 97.68  | 97.76  | 97.68  |    |     |
| Nondurable goods                 | 97.71  | 99.90  | 100.52              | 102.57 | 103.83 | 104.96 |    |     |
| Manufacturing                    | 95.11  | 96.50  | 97.38               | 98.43  | 98.90  | 99.47  |    |     |
| Durable goods                    | 94.96  | 95.74  | 96.34               | 96.79  | 96.63  | 96.83  |    |     |
| Nondurable goods                 | 95.40  | 97.80  | 99.14               | 101.19 | 102.70 | 103.89 |    |     |
| Wholesale                        | 95.70  | 96.74  | 97.40               | 98.60  | 98.64  | 98.90  |    |     |
| Durable goods                    | 95.77  | 95.96  | 96.40               | 96.70  | 96.83  | 96.61  |    |     |
| Nondurable goods                 | 95.63  | 98.15  | 99.21               | 102.02 | 101.89 | 103.01 |    |     |
| Merchant wholesalers             | 95.64  | 96.53  | 97.11               | 98.14  | 98.10  | 98.22  |    |     |
| Durable goods                    | 95.84  | 96.06  | 96.51               | 96.83  | 96.96  | 96.73  |    |     |
| Nondurable goods                 | 95.32  | 97.40  | 98.22               | 100.55 | 100.17 | 100.94 |    |     |
| Nonmerchant wholesalers          | 96.11  | 98.13  | 99.32               | 101.64 | 102.25 | 103.39 |    |     |
| Durable goods                    | 95.23  | 95.29  | 95.60               | 95.79  | 95.95  | 95.77  |    |     |
| Nondurable goods                 | 97.57  | 102.81 | 105.39              | 111.26 | 112.62 | 116.06 |    |     |
| Retail trade                     | 100.82 | 101.68 | 101.80              | 102.36 | 102.67 | 102.67 |    |     |
| Durable goods                    | 99.37  | 99.92  | 99.98               | 99.93  | 100.30 | 100.05 |    |     |
| Motor vehicle dealers            | 98.18  | 99.52  | 99.39               | 99.25  | 99.95  | 99.88  |    |     |
| Other                            | 100.65 | 100.39 | 100.64              | 100.67 | 100.71 | 100.26 |    |     |
| Nondurable goods                 | 102.59 | 103.83 | 104.01              | 105.37 | 105.58 | 105.91 |    |     |
| Other                            | 97.23  | 99.77  | 99.40               | 101.45 | 105.15 | 107.13 |    |     |
| Durable goods                    | 103.40 | 102.50 | 102.90              | 104.05 | 103.50 | 102.75 |    |     |
| Nondurable goods                 | 96.72  | 99.59  | 99.15               | 101.30 | 105.42 | 107.65 |    |     |

1. Implicit price deflators are as of the end of the quarter and are consistent with the inventory stocks shown in tables 5.12 and 5.13.



**Table 7.17.—Chain-Type Quantity Indexes for Gross Domestic Product by Major Type of Product**  
[Index numbers, 1996=100]

|  | 1998          | 1999          | Seasonally adjusted |               |               |               |               |               |
|--|---------------|---------------|---------------------|---------------|---------------|---------------|---------------|---------------|
|  |               |               | 1999                |               |               | 2000          |               |               |
|  |               |               | II                  | III           | IV            | I             | II            | III           |
| <b>Gross domestic product</b>                    | <b>108.99</b> | <b>113.60</b> | <b>112.42</b>       | <b>113.98</b> | <b>116.27</b> | <b>117.65</b> | <b>119.27</b> | <b>119.97</b> |
| Final sales of domestic product                  | 108.38        | 113.41        | 112.61              | 113.86        | 115.64        | 117.54        | 118.66        | 119.41        |
| Change in private inventories                    |               |               |                     |               |               |               |               |               |
| <b>Goods</b>                                     | <b>113.17</b> | <b>120.08</b> | <b>117.77</b>       | <b>120.80</b> | <b>124.84</b> | <b>126.79</b> | <b>129.40</b> | <b>130.70</b> |
| Final sales                                      | 111.55        | 119.66        | 118.44              | 120.58        | 123.22        | 126.64        | 127.82        | 129.28        |
| Change in private inventories                    |               |               |                     |               |               |               |               |               |
| Durable goods                                    | 121.28        | 131.80        | 128.46              | 133.65        | 138.26        | 142.10        | 146.86        | 147.85        |
| Final sales                                      | 119.47        | 131.58        | 129.96              | 133.41        | 136.51        | 142.58        | 145.20        | 146.68        |
| Change in private inventories                    |               |               |                     |               |               |               |               |               |
| Nondurable goods                                 | 106.50        | 110.55        | 109.04              | 110.41        | 113.99        | 114.49        | 115.47        | 117.00        |
| Final sales                                      | 105.08        | 110.06        | 109.14              | 110.27        | 112.55        | 113.97        | 114.08        | 115.52        |
| Change in private inventories                    |               |               |                     |               |               |               |               |               |
| <b>Services</b>                                  | <b>105.64</b> | <b>108.89</b> | <b>108.28</b>       | <b>109.31</b> | <b>110.50</b> | <b>111.18</b> | <b>112.59</b> | <b>113.05</b> |
| <b>Structures</b>                                | <b>112.06</b> | <b>115.74</b> | <b>115.48</b>       | <b>114.48</b> | <b>116.54</b> | <b>119.98</b> | <b>119.06</b> | <b>118.89</b> |
| <b>Addenda:</b>                                  |               |               |                     |               |               |               |               |               |
| Motor vehicle output                             | 115.34        | 126.35        | 123.96              | 127.71        | 130.25        | 130.35        | 128.86        | 123.21        |
| Gross domestic product less motor vehicle output | 108.76        | 113.15        | 112.01              | 113.50        | 115.77        | 117.20        | 118.93        | 119.85        |

**Table 7.18B.—Chain-Type Quantity Indexes for Motor Vehicle Output**  
[Index numbers, 1996=100]

|  | 1998          | 1999          | Seasonally adjusted |               |               |               |               |               |
|--|---------------|---------------|---------------------|---------------|---------------|---------------|---------------|---------------|
|  |               |               | 1999                |               |               | 2000          |               |               |
|  |               |               | II                  | III           | IV            | I             | II            | III           |
| <b>Motor vehicle output</b>                                | <b>115.34</b> | <b>126.35</b> | <b>123.96</b>       | <b>127.71</b> | <b>130.25</b> | <b>130.35</b> | <b>128.86</b> | <b>123.21</b> |
| Auto output  | 102.58        | 102.34        | 102.24              | 99.97         | 103.97        | 103.88        | 96.72         | 93.41         |
| Truck output <sup>1</sup>                                  | 126.04        | 146.35        | 142.10              | 150.77        | 152.13        | 152.39        | 155.53        | 147.95        |
| <b>Final sales of domestic product</b>                     | <b>113.54</b> | <b>121.07</b> | <b>121.81</b>       | <b>122.51</b> | <b>123.04</b> | <b>129.35</b> | <b>121.59</b> | <b>119.15</b> |
| <b>Personal consumption expenditures</b>                   | <b>114.94</b> | <b>126.94</b> | <b>128.55</b>       | <b>127.69</b> | <b>129.43</b> | <b>138.07</b> | <b>131.61</b> | <b>133.95</b> |
| New motor vehicles   | 115.85        | 130.15        | 130.82              | 130.75        | 134.24        | 144.92        | 137.22        | 139.28        |
| Autos  | 107.95        | 120.73        | 121.66              | 120.09        | 126.32        | 133.18        | 128.63        | 123.71        |
| Light trucks   | 125.21        | 141.32        | 141.23              | 143.33        | 143.66        | 158.77        | 147.41        | 157.60        |
| Net purchases of used autos                                | 112.13        | 117.17        | 122.20              | 118.39        | 114.95        | 117.57        | 114.78        | 117.93        |
| <b>Private fixed investment</b>                            | <b>116.21</b> | <b>131.60</b> | <b>128.98</b>       | <b>137.38</b> | <b>134.41</b> | <b>138.07</b> | <b>131.48</b> | <b>127.82</b> |
| New motor vehicles   | 114.41        | 126.83        | 125.19              | 132.44        | 128.53        | 132.91        | 125.82        | 123.11        |
| Autos  | 100.62        | 106.96        | 108.94              | 110.99        | 105.29        | 109.78        | 100.72        | 99.71         |
| Trucks   | 127.63        | 145.85        | 140.81              | 152.96        | 150.72        | 155.00        | 149.76        | 145.45        |
| Light trucks   | 132.05        | 149.20        | 142.84              | 159.04        | 153.56        | 163.55        | 158.47        | 160.27        |
| Other  | 118.99        | 139.13        | 136.53              | 141.18        | 144.88        | 138.69        | 133.18        | 117.63        |
| Net purchases of used autos                                | 107.80        | 109.19        | 111.20              | 114.14        | 106.81        | 113.79        | 104.95        | 105.68        |
| <b>Gross government investment</b>                         | <b>114.33</b> | <b>118.29</b> | <b>102.22</b>       | <b>123.73</b> | <b>135.82</b> | <b>123.54</b> | <b>115.38</b> | <b>118.63</b> |
| Autos  | 95.32         | 99.01         | 88.86               | 108.11        | 108.30        | 86.04         | 93.99         | 123.34        |
| New trucks   | 124.94        | 129.04        | 109.82              | 132.38        | 151.25        | 144.75        | 127.34        | 115.51        |
| <b>Net exports</b>   | <b>100.51</b> | <b>96.65</b>  | <b>98.08</b>        | <b>95.51</b>  | <b>98.34</b>  | <b>100.25</b> | <b>101.69</b> | <b>99.63</b>  |
| Exports  | 94.43         | 94.99         | 98.33               | 91.69         | 95.86         | 96.79         | 98.45         | 93.43         |
| Autos  | 111.91        | 99.94         | 97.91               | 102.74        | 103.14        | 106.83        | 107.87        | 111.17        |
| Trucks   | 116.94        | 142.99        | 138.79              | 148.85        | 149.50        | 153.68        | 153.82        | 162.24        |
| Imports  | 118.91        | 142.71        | 137.38              | 149.45        | 149.62        | 154.15        | 157.77        | 168.98        |
| Autos  | 107.48        | 144.23        | 145.46              | 145.96        | 148.84        | 151.37        | 135.07        | 130.35        |
| Trucks   |               |               |                     |               |               |               |               |               |
| <b>Change in private inventories</b>                       |               |               |                     |               |               |               |               |               |
| <b>Autos</b>   |               |               |                     |               |               |               |               |               |
| New  |               |               |                     |               |               |               |               |               |
| Domestic   |               |               |                     |               |               |               |               |               |
| Foreign  |               |               |                     |               |               |               |               |               |
| Used   |               |               |                     |               |               |               |               |               |
| <b>New trucks</b>  |               |               |                     |               |               |               |               |               |
| Domestic   |               |               |                     |               |               |               |               |               |
| Foreign  |               |               |                     |               |               |               |               |               |
| <b>Addenda:</b>  |               |               |                     |               |               |               |               |               |
| Final sales of motor vehicles to domestic purchasers       | 115.38        | 128.35        | 127.83              | 131.09        | 131.46        | 137.60        | 131.04        | 131.23        |
| Private fixed investment in new autos and new light trucks | 113.39        | 124.11        | 122.68              | 130.51        | 124.90        | 131.63        | 124.20        | 124.34        |
| Domestic output of new autos <sup>2</sup>                  | 97.99         | 100.70        | 99.59               | 101.90        | 100.85        | 105.06        | 101.48        | 101.92        |
| Sales of imported new autos <sup>3</sup>                   | 123.41        | 144.38        | 144.11              | 145.99        | 152.66        | 152.30        | 150.64        | 149.24        |

1. Except for exports and imports, consists of new trucks only.

2. Consists of final sales and change in private inventories of new autos assembled in the United States.

3. Consists of personal consumption expenditures, private fixed investment, and gross government investment.



Table 8.2.—Contributions to Percent Change in Real Gross Domestic Product

|   | 1998  | 1999  | Seasonally adjusted at annual rates |       |       |       |       |       |
|---|-------|-------|-------------------------------------|-------|-------|-------|-------|-------|
|   |       |       | 1999                                |       |       | 2000  |       |       |
|   |       |       | II                                  | III   | IV    | I     | II    | III   |
| <b>Percent change at annual rate:</b>                                 |       |       |                                     |       |       |       |       |       |
| Gross domestic product .....  | 4.4   | 4.2   | 2.5                                 | 5.7   | 8.3   | 4.8   | 5.6   | 2.4   |
| <b>Percentage points at annual rates:</b>                             |       |       |                                     |       |       |       |       |       |
| <b>Personal consumption expenditures</b>                              | 3.12  | 3.52  | 3.67                                | 3.43  | 4.08  | 5.03  | 2.14  | 3.02  |
| Durable goods .....   | .81   | .96   | 1.14                                | .64   | 1.04  | 1.79  | -.42  | .64   |
| Motor vehicles and parts .....  | .32   | .35   | .62                                 | -.02  | .27   | .87   | -.64  | .26   |
| Furniture and household equipment .....                               | .36   | .44   | .41                                 | .45   | .52   | .56   | .18   | .27   |
| Other .....   | .13   | .17   | .11                                 | .20   | .25   | .37   | .04   | .11   |
| Nondurable goods .....  | .79   | 1.10  | .75                                 | .97   | 1.47  | 1.19  | .74   | .95   |
| Food .....  | .23   | .39   | .24                                 | .41   | .90   | .28   | .20   | .12   |
| Clothing and shoes .....  | .24   | .29   | .14                                 | .24   | 0     | .63   | .18   | .31   |
| Gasoline, fuel oil, and other energy goods .....                      | .02   | .05   | .10                                 | -.02  | .09   | -.26  | .08   | .09   |
| Other .....   | .29   | .37   | .27                                 | .34   | .48   | .54   | .27   | .44   |
| Services .....  | 1.53  | 1.46  | 1.78                                | 1.81  | 1.58  | 2.04  | 1.83  | 1.43  |
| Housing .....   | .26   | .25   | .25                                 | .25   | .29   | .23   | .27   | .22   |
| Household operation .....   | .19   | .17   | .18                                 | .39   | -.22  | .23   | .42   | .07   |
| Electricity and gas .....   | .03   | .01   | -.01                                | .23   | -.32  | .09   | .27   | -.06  |
| Other household operation .....                                       | .16   | .16   | .18                                 | .16   | .10   | .14   | .16   | .12   |
| Transportation .....  | .08   | .10   | .11                                 | .14   | .11   | .12   | .11   | .04   |
| Medical care .....  | .30   | .26   | .35                                 | .36   | .36   | .22   | .30   | .27   |
| Recreation .....  | .09   | .13   | .16                                 | .18   | .10   | .24   | .23   | .22   |
| Other .....   | .61   | .55   | .73                                 | .49   | .94   | 1.00  | .50   | .61   |
| <b>Gross private domestic investment</b> ..                           | 2.06  | 1.15  | .01                                 | 2.50  | 3.04  | .92   | 3.66  | .40   |
| <b>Fixed investment</b> .....   | 1.87  | 1.53  | 1.43                                | 1.33  | 1.26  | 2.68  | 1.93  | .58   |
| Nonresidential .....  | 1.54  | 1.26  | 1.18                                | 1.47  | 1.22  | 2.54  | 1.87  | 1.04  |
| Structures .....  | .22   | -.05  | -.20                                | -.19  | .29   | .63   | .14   | .45   |
| Equipment and software .....  | 1.32  | 1.30  | 1.38                                | 1.66  | .94   | 1.91  | 1.73  | .59   |
| Information processing equipment and software ..                      | .88   | 1.03  | 1.21                                | 1.20  | .91   | 1.37  | 1.28  | .85   |
| Computers and peripheral equipment .....                              | .38   | .39   | .45                                 | .43   | .23   | .34   | .53   | .39   |
| Software <sup>1</sup> .....   | .37   | .40   | .33                                 | .48   | .53   | .39   | .39   | .43   |
| Other .....   | .13   | .25   | .42                                 | .29   | .15   | .63   | .37   | .03   |
| Industrial equipment .....  | .08   | .01   | .09                                 | .15   | .17   | .26   | .22   | .16   |
| Transportation equipment .....  | .21   | .27   | .26                                 | .45   | -.13  | .06   | .08   | -.35  |
| Other .....   | .15   | -.01  | -.18                                | -.13  | -.02  | .23   | .15   | -.07  |
| Residential .....   | .33   | .27   | .25                                 | -.13  | .03   | .14   | .06   | -.46  |
| <b>Change in private inventories</b> .....                            | .20   | -.37  | -1.42                               | 1.17  | 1.78  | -1.76 | 1.73  | -.18  |
| Farm .....  | -.02  | -.01  | .01                                 | -.14  | .49   | -.15  | .10   | -.05  |
| Nonfarm .....   | .22   | -.37  | -1.44                               | 1.32  | 1.29  | -1.60 | 1.63  | -.13  |
| <b>Net exports of goods and services</b> ..                           | -1.20 | -1.03 | -1.35                               | -1.08 | -.37  | -.94  | -1.00 | -.79  |
| <b>Exports</b> .....  | .26   | .32   | .60                                 | 1.05  | 1.09  | .67   | 1.48  | 1.60  |
| Goods .....   | .18   | .30   | .51                                 | 1.13  | .94   | .46   | 1.37  | 1.46  |
| Services .....  | .08   | .02   | .08                                 | -.08  | .15   | .21   | .11   | .15   |
| <b>Imports</b> .....  | -1.46 | -1.35 | -1.95                               | -2.13 | -1.45 | -1.61 | -2.48 | -2.39 |
| Goods .....   | -1.21 | -1.32 | -1.89                               | -1.99 | -1.28 | -1.28 | -2.26 | -1.95 |
| Services .....  | -.24  | -.04  | -.05                                | -.13  | -.17  | -.33  | -.22  | -.44  |
| <b>Government consumption expenditures and gross investment</b> ..... | .38   | .59   | .13                                 | .84   | 1.50  | -.18  | .85   | -.26  |
| <b>Federal</b> .....  | -.03  | .16   | .12                                 | .41   | .79   | -.93  | .97   | -.57  |
| National defense .....  | -.07  | .08   | -.09                                | .46   | .48   | -.86  | .60   | -.38  |
| Consumption expenditures .....  | -.09  | .04   | -.20                                | .36   | .46   | -.82  | .57   | -.34  |
| Gross investment .....  | .02   | .04   | .10                                 | .10   | .03   | -.04  | .03   | -.04  |
| <b>Nondefense</b> .....   | .04   | .08   | .21                                 | -.05  | .30   | -.07  | .37   | -.19  |
| Consumption expenditures .....  | -.02  | 0     | -.06                                | .01   | .10   | .05   | .25   | -.16  |
| Gross investment .....  | .06   | .07   | .27                                 | -.06  | .20   | -.12  | .12   | -.03  |
| <b>State and local</b> .....  | .41   | .43   | .01                                 | .43   | .71   | .75   | -.12  | .31   |
| Consumption expenditures .....  | .33   | .26   | .24                                 | .31   | .30   | .29   | .25   | .25   |
| Gross investment .....  | .08   | .17   | -.23                                | .12   | .41   | .46   | -.37  | .05   |
| <b>Addenda:</b>   |       |       |                                     |       |       |       |       |       |
| Goods .....   | 2.32  | 2.28  | 1.14                                | 3.92  | 5.14  | 2.41  | 3.18  | 1.54  |
| Services .....  | 1.49  | 1.64  | 1.63                                | 2.09  | 2.45  | 1.34  | 2.75  | .87   |
| Structures .....  | .56   | .30   | -.31                                | -.31  | .67   | 1.09  | -.28  | -.05  |
| Motor vehicle output .....  | .28   | .34   | .06                                 | .45   | .31   | .01   | -.16  | -.62  |
| Final sales of computers <sup>2</sup> .....                           | .38   | .40   | .44                                 | .55   | .25   | .60   | .50   | .37   |

1. Excludes software "embedded," or bundled, in computers and other equipment.

2. For some components of final sales of computers, includes computer parts.

NOTE.—The quantity indexes on which the estimates in this table are based are shown in tables 7.1, 7.2, 7.4, 7.6, 7.9, 7.11, and 7.17.

Table 8.3.—Contributions to Percent Change in Real Personal Consumption Expenditures by Major Type of Product

|  | 1998 | 1999 | Seasonally adjusted at annual rates |      |      |      |      |      |
|--|------|------|-------------------------------------|------|------|------|------|------|
|  |      |      | 1999                                |      |      | 2000 |      |      |
|  |      |      | II                                  | III  | IV   | I    | II   | III  |
| <b>Percent change at annual rate:</b>                        |      |      |                                     |      |      |      |      |      |
| Personal consumption expenditures .....                      | 4.7  | 5.3  | 5.6                                 | 5.0  | 5.9  | 7.6  | 3.1  | 4.5  |
| <b>Percentage points at annual rates:</b>                    |      |      |                                     |      |      |      |      |      |
| <b>Durable goods</b> .....                                   | 1.22 | 1.45 | 1.71                                | .95  | 1.52 | 2.67 | -.64 | .96  |
| Motor vehicles and parts .....                               | .48  | .53  | .93                                 | -.03 | .39  | 1.29 | -.95 | .38  |
| Furniture and household equipment .....                      | .55  | .66  | .62                                 | .67  | .77  | .83  | .26  | .41  |
| Other .....  | .19  | .26  | .16                                 | .30  | .36  | .55  | .06  | .17  |
| <b>Nondurable goods</b> .....                                | 1.18 | 1.64 | 1.14                                | 1.43 | 2.14 | 1.81 | 1.06 | 1.43 |
| Food .....   | .34  | .59  | .38                                 | .61  | 1.32 | .44  | .29  | .19  |
| Clothing and shoes .....                                     | .37  | .43  | .21                                 | .35  | 0    | .94  | .27  | .46  |
| Gasoline, fuel oil, and other energy goods .....             | .03  | .07  | .15                                 | -.03 | .12  | -.38 | .12  | .13  |
| Gasoline and oil .....                                       | .05  | .05  | .11                                 | -.05 | .17  | -.34 | .07  | .10  |
| Fuel oil and coal .....                                      | -.02 | .02  | .04                                 | .02  | -.05 | -.04 | .05  | .03  |
| Other .....  | .44  | .55  | .41                                 | .50  | .70  | .81  | .39  | .66  |
| <b>Services</b> .....  | 2.30 | 2.20 | 2.71                                | 2.67 | 2.27 | 3.10 | 2.64 | 2.16 |
| Housing .....  | .39  | .38  | .39                                 | .37  | .42  | .36  | .38  | .33  |
| Household operation .....                                    | .28  | .26  | .27                                 | .57  | -.34 | .35  | .62  | .10  |
| Electricity and gas .....                                    | .04  | .02  | -.01                                | .34  | -.48 | .14  | .39  | -.08 |
| Other household operation .....                              | .24  | .24  | .28                                 | .23  | .14  | .21  | .23  | .19  |
| Transportation .....   | .13  | .14  | .17                                 | .21  | .16  | .18  | .16  | .07  |
| Medical care .....   | .45  | .39  | .54                                 | .53  | .51  | .34  | .42  | .40  |
| Recreation .....   | .13  | .20  | .24                                 | .27  | .15  | .36  | .33  | .33  |
| Other .....  | .92  | .83  | 1.10                                | .72  | 1.37 | 1.51 | .73  | .92  |
| <b>Addenda:</b>  |      |      |                                     |      |      |      |      |      |
| Energy goods and services <sup>1</sup> .....                 | .08  | .09  | .14                                 | .31  | -.35 | -.24 | .51  | .05  |
| Personal consumption expenditures less food and energy ..... | 4.28 | 4.62 | 5.05                                | 4.13 | 4.96 | 7.38 | 2.27 | 4.31 |

1. Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.

NOTE.—The quantity indexes on which the estimates in this table are based are shown in table 7.4. The estimates in this table differ from those in table 8.2 because this table shows contributions to real personal consumption expenditures, whereas table 8.2 shows contributions to real gross domestic product.







*Annual Estimates*

Except as noted for table B.3 below, these tables are derived from the NIPA tables that were published in the August 2000 SURVEY OF CURRENT BUSINESS; they are consistent with the most recent comprehensive and annual revisions.

“Table B.3.—Gross Domestic Product by Industry, Current-Dollar and Real Estimates” is not published in this issue. For the annual revision of these estimates, see the article “Gross Domestic Product by Industry for 1997-99” in this issue.













Table B.10.—Farm Sector Output, Gross Product, and National Income

|  | Billions of dollars |              |              | Billions of chained (1996) dollars |              |              |
|--|---------------------|--------------|--------------|------------------------------------|--------------|--------------|
|  | 1997                | 1998         | 1999         | 1997                               | 1998         | 1999         |
| <b>Farm output</b> .....   | <b>226.3</b>        | <b>214.6</b> | <b>208.4</b> | <b>237.5</b>                       | <b>238.4</b> | <b>243.9</b> |
| Cash receipts from farm marketings .....   | 208.6               | 198.2        | 190.7        | 218.7                              | 220.5        | 224.3        |
| Crops .....  | 112.0               | 104.0        | 95.3         | 121.2                              | 122.2        | 123.7        |
| Livestock .....  | 96.6                | 94.2         | 95.4         | 97.6                               | 98.3         | 100.6        |
| Farm housing .....   | 6.4                 | 6.7          | 7.0          | 6.0                                | 5.9          | 5.7          |
| Farm products consumed on farms .....  | .5                  | .5           | .5           | .5                                 | .5           | .5           |
| Other farm income .....  | 7.8                 | 8.6          | 10.4         | 8.2                                | 9.6          | 12.4         |
| Change in farm inventories .....   | 2.9                 | .6           | -0.2         | 3.2                                | 1.2          | 0            |
| Crops .....  | 3.3                 | .9           | .5           | 3.5                                | 1.5          | .9           |
| Livestock .....  | -4                  | -3           | -7           | -4                                 | -3           | -7           |
| Less: Intermediate goods and services purchased .....  | 138.1               | 133.9        | 134.2        | 134.4                              | 138.0        | 138.4        |
| Intermediate goods and services, other than rent .....   | 122.1               | 118.8        | 120.1        | 119.0                              | 122.4        | 124.0        |
| Rent paid to nonoperator landlords .....   | 16.0                | 15.1         | 14.1         | 15.5                               | 15.7         | 14.4         |
| <b>Equals: Gross farm product</b> .....  | <b>88.3</b>         | <b>80.8</b>  | <b>74.2</b>  | <b>103.6</b>                       | <b>100.2</b> | <b>106.3</b> |
| Less: Consumption of fixed capital .....   | 26.3                | 27.4         | 29.2         | 25.9                               | 26.6         | 28.1         |
| <b>Equals: Net farm product</b> .....  | <b>61.9</b>         | <b>53.4</b>  | <b>45.0</b>  | <b>78.1</b>                        | <b>73.5</b>  | <b>78.2</b>  |
| Less: Indirect business tax and nontax liability .....   | 5.2                 | 5.2          | 5.6          | .....                              | .....        | .....        |
| Plus: Subsidies to operators .....   | 6.3                 | 10.3         | 17.6         | .....                              | .....        | .....        |
| <b>Equals: Farm national income</b> .....  | <b>63.1</b>         | <b>58.5</b>  | <b>58.9</b>  | .....                              | .....        | .....        |
| Compensation of employees .....  | 17.6                | 18.7         | 19.4         | .....                              | .....        | .....        |
| Wage and salary accruals .....   | 15.1                | 16.2         | 16.6         | .....                              | .....        | .....        |
| Supplements to wages and salaries .....  | 2.4                 | 2.5          | 2.9          | .....                              | .....        | .....        |
| Proprietors' income and corporate profits with inventory valuation and capital consumption adjustments ..... | 35.8                | 29.8         | 27.2         | .....                              | .....        | .....        |
| Proprietors' income .....  | 29.7                | 25.4         | 25.3         | .....                              | .....        | .....        |
| Corporate profits .....  | 6.1                 | 4.4          | 1.9          | .....                              | .....        | .....        |
| Net interest .....   | 9.7                 | 10.0         | 10.3         | .....                              | .....        | .....        |

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Table B.11.—Housing Sector Output, Gross Product, and National Income

|  | Billions of dollars |              |              | Billions of chained (1996) dollars |              |              |
|--|---------------------|--------------|--------------|------------------------------------|--------------|--------------|
|  | 1997                | 1998         | 1999         | 1997                               | 1998         | 1999         |
| <b>Housing output</b> <sup>1</sup> .....   | <b>778.0</b>        | <b>823.2</b> | <b>868.7</b> | <b>756.1</b>                       | <b>775.5</b> | <b>795.0</b> |
| Nonfarm housing .....  | 771.6               | 816.6        | 861.7        | 750.1                              | 769.6        | 789.4        |
| Owner-occupied .....   | 585.5               | 622.7        | 661.1        | 569.0                              | 586.7        | 605.7        |
| Tenant-occupied .....  | 186.1               | 193.8        | 200.6        | 181.0                              | 182.9        | 183.7        |
| Farm housing .....   | 6.4                 | 6.7          | 7.0          | 6.0                                | 5.9          | 5.7          |
| Less: Intermediate goods and services consumed .....   | 106.0               | 115.4        | 118.6        | 102.0                              | 107.9        | 107.1        |
| <b>Equals: Gross housing product</b> .....   | <b>672.0</b>        | <b>707.9</b> | <b>750.2</b> | <b>654.0</b>                       | <b>667.6</b> | <b>687.9</b> |
| Nonfarm housing .....  | 666.7               | 702.3        | 744.3        | 649.0                              | 662.6        | 683.1        |
| Owner-occupied .....   | 504.0               | 534.0        | 570.8        | 490.3                              | 503.3        | 523.6        |
| Tenant-occupied .....  | 162.6               | 168.3        | 173.5        | 158.7                              | 159.4        | 159.5        |
| Farm housing .....   | 5.3                 | 5.6          | 5.9          | 5.0                                | 5.0          | 4.8          |
| Less: Consumption of fixed capital .....   | 126.5               | 133.7        | 143.7        | 122.7                              | 125.8        | 130.1        |
| Capital consumption allowances .....   | 67.6                | 72.0         | 77.5         | .....                              | .....        | .....        |
| Less: Capital consumption adjustment .....   | -58.8               | -61.7        | -66.2        | .....                              | .....        | .....        |
| <b>Equals: Net housing product</b> .....   | <b>545.5</b>        | <b>574.2</b> | <b>606.5</b> | <b>531.3</b>                       | <b>541.7</b> | <b>557.8</b> |
| Less: Indirect business tax and nontax liability plus business transfer payments .....           | 124.2               | 129.9        | 135.6        | .....                              | .....        | .....        |
| Plus: Subsidies less current surplus of government enterprises .....                             | 23.7                | 23.7         | 24.2         | .....                              | .....        | .....        |
| <b>Equals: Housing national income</b> .....   | <b>445.0</b>        | <b>468.0</b> | <b>495.2</b> | .....                              | .....        | .....        |
| Compensation of employees .....  | 8.8                 | 9.5          | 10.1         | .....                              | .....        | .....        |
| Proprietors' income with inventory valuation adjustment and capital consumption adjustment ..... | 21.3                | 20.7         | 20.2         | .....                              | .....        | .....        |
| Rental income of persons with capital consumption adjustment .....                               | 109.0               | 119.0        | 126.4        | .....                              | .....        | .....        |
| Corporate profits with inventory valuation adjustment and capital consumption adjustment .....   | 4.7                 | 4.5          | 4.4          | .....                              | .....        | .....        |
| Net interest .....   | 301.2               | 314.4        | 334.1        | .....                              | .....        | .....        |

1. Equals personal consumption expenditures for housing less expenditures for other housing as shown in table B.4.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.









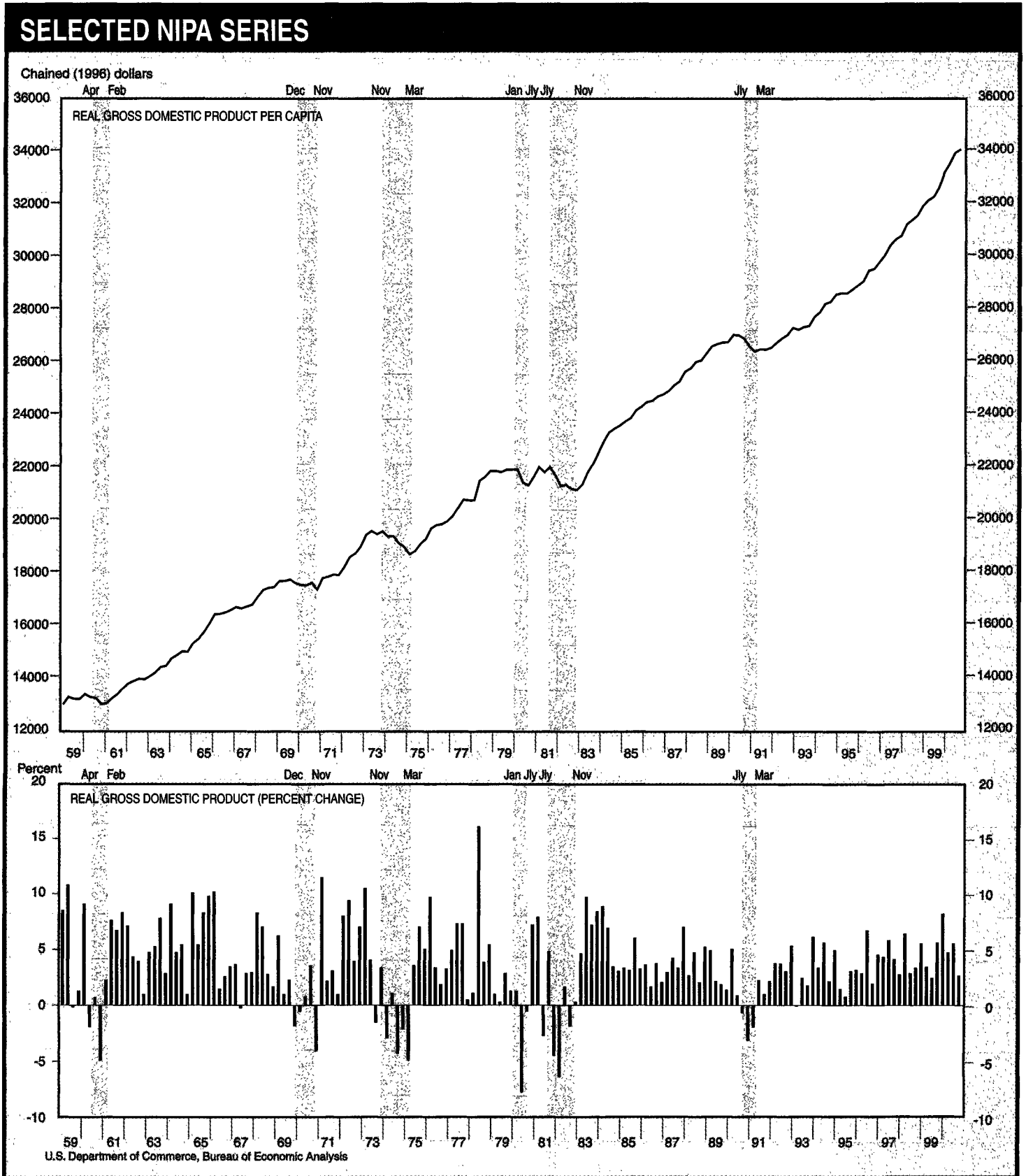
**Table C.1.—Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases—Continued**  
 [Quarterly estimates are seasonally adjusted at annual rates]

| Year and quarter | Billions of chained (1996) dollars |                                 |                        | Percent change from preceding period |                                 | Chain-type price indexes |                          | Implicit price deflators |                        | Percent change from preceding period |                          |                          |                        |
|------------------|------------------------------------|---------------------------------|------------------------|--------------------------------------|---------------------------------|--------------------------|--------------------------|--------------------------|------------------------|--------------------------------------|--------------------------|--------------------------|------------------------|
|                  | Gross domestic product             | Final sales of domestic product | Gross national product | Gross domestic product               | Final sales of domestic product | Gross domestic product   | Gross domestic purchases | Gross domestic product   | Gross national product | Chain-type price index               |                          | Implicit price deflators |                        |
|                  |                                    |                                 |                        |                                      |                                 |                          |                          |                          |                        | Gross domestic product               | Gross domestic purchases | Gross domestic product   | Gross national product |
| 1988: I          | 6,275.9                            | 6,263.0                         | 6,302.0                | 2.7                                  | 6.6                             | 78.99                    | 79.21                    | 78.98                    | 78.99                  | 2.7                                  | 2.9                      | 2.7                      | 2.7                    |
| II               | 6,349.8                            | 6,334.0                         | 6,372.8                | 4.8                                  | 4.6                             | 79.79                    | 80.01                    | 79.79                    | 79.79                  | 4.1                                  | 4.1                      | 4.1                      | 4.1                    |
| III              | 6,382.3                            | 6,365.9                         | 6,402.0                | 2.1                                  | 2.0                             | 80.73                    | 80.75                    | 80.71                    | 80.72                  | 4.8                                  | 3.8                      | 4.7                      | 4.7                    |
| IV               | 6,465.2                            | 6,447.5                         | 6,487.4                | 5.3                                  | 5.2                             | 81.36                    | 81.46                    | 81.33                    | 81.34                  | 3.2                                  | 3.6                      | 3.1                      | 3.1                    |
| 1989: I          | 6,543.8                            | 6,492.7                         | 6,565.6                | 5.0                                  | 2.8                             | 82.20                    | 82.36                    | 82.20                    | 82.20                  | 4.2                                  | 4.5                      | 4.3                      | 4.3                    |
| II               | 6,579.4                            | 6,542.8                         | 6,599.7                | 2.2                                  | 3.1                             | 83.02                    | 83.26                    | 83.01                    | 83.02                  | 4.0                                  | 4.4                      | 4.0                      | 4.0                    |
| III              | 6,610.6                            | 6,605.8                         | 6,633.4                | 1.9                                  | 3.9                             | 83.62                    | 83.74                    | 83.62                    | 83.63                  | 2.9                                  | 2.4                      | 2.9                      | 3.0                    |
| IV               | 6,633.5                            | 6,620.4                         | 6,663.4                | 1.4                                  | .9                              | 84.24                    | 84.43                    | 84.24                    | 84.25                  | 3.0                                  | 3.3                      | 3.0                      | 3.0                    |
| 1990: I          | 6,716.3                            | 6,705.8                         | 6,743.6                | 5.1                                  | 5.3                             | 85.19                    | 85.48                    | 85.18                    | 85.20                  | 4.6                                  | 5.1                      | 4.5                      | 4.6                    |
| II               | 6,731.7                            | 6,697.6                         | 6,760.8                | .9                                   | -5                              | 86.17                    | 86.27                    | 86.16                    | 86.17                  | 4.7                                  | 4.7                      | 4.7                      | 4.6                    |
| III              | 6,719.4                            | 6,699.2                         | 6,742.6                | -7                                   | -1                              | 87.00                    | 87.26                    | 86.99                    | 87.00                  | 3.9                                  | 4.7                      | 3.9                      | 3.9                    |
| IV               | 6,664.2                            | 6,680.0                         | 6,713.3                | -3.2                                 | -1.1                            | 87.76                    | 88.41                    | 87.74                    | 87.76                  | 3.5                                  | 5.3                      | 3.5                      | 3.5                    |
| 1991: I          | 6,631.4                            | 6,652.5                         | 6,667.4                | -2.0                                 | -1.6                            | 88.78                    | 89.09                    | 88.76                    | 88.78                  | 4.7                                  | 3.1                      | 4.8                      | 4.7                    |
| II               | 6,668.5                            | 6,692.5                         | 6,692.1                | 2.3                                  | 2.4                             | 89.41                    | 89.51                    | 89.40                    | 89.41                  | 2.9                                  | 1.9                      | 2.9                      | 2.9                    |
| III              | 6,684.9                            | 6,689.2                         | 6,704.7                | 1.0                                  | -2                              | 89.99                    | 90.04                    | 89.99                    | 90.00                  | 2.6                                  | 2.4                      | 2.7                      | 2.6                    |
| IV               | 6,720.9                            | 6,692.0                         | 6,749.4                | 2.2                                  | .2                              | 90.47                    | 90.60                    | 90.47                    | 90.48                  | 2.2                                  | 2.5                      | 2.2                      | 2.2                    |
| 1992: I          | 6,783.3                            | 6,788.9                         | 6,811.1                | 3.8                                  | 5.9                             | 91.16                    | 91.25                    | 91.16                    | 91.15                  | 3.1                                  | 2.9                      | 3.1                      | 3.0                    |
| II               | 6,846.8                            | 6,827.1                         | 6,873.8                | 3.8                                  | 2.3                             | 91.68                    | 91.81                    | 91.67                    | 91.67                  | 2.3                                  | 2.5                      | 2.3                      | 2.3                    |
| III              | 6,899.7                            | 6,882.7                         | 6,923.3                | 3.1                                  | 3.3                             | 91.98                    | 92.26                    | 91.97                    | 91.97                  | 1.3                                  | 2.0                      | 1.3                      | 1.3                    |
| IV               | 6,990.6                            | 6,972.4                         | 7,015.1                | 5.4                                  | 5.3                             | 92.56                    | 92.81                    | 92.55                    | 92.55                  | 2.5                                  | 2.4                      | 2.5                      | 2.5                    |
| 1993: I          | 6,988.7                            | 6,953.6                         | 7,020.9                | -1                                   | -1.1                            | 93.33                    | 93.42                    | 93.32                    | 93.32                  | 3.4                                  | 2.7                      | 3.4                      | 3.4                    |
| II               | 7,031.2                            | 7,008.8                         | 7,056.0                | 2.5                                  | 3.2                             | 93.63                    | 93.98                    | 93.62                    | 93.63                  | 2.2                                  | 2.4                      | 2.2                      | 2.2                    |
| III              | 7,062.0                            | 7,057.9                         | 7,092.4                | 1.8                                  | 2.8                             | 94.26                    | 94.32                    | 94.24                    | 94.26                  | 1.8                                  | 1.5                      | 1.8                      | 1.8                    |
| IV               | 7,169.7                            | 7,154.8                         | 7,162.1                | 6.2                                  | 5.6                             | 94.79                    | 94.83                    | 94.79                    | 94.81                  | 2.3                                  | 2.2                      | 2.4                      | 2.4                    |
| 1994: I          | 7,229.4                            | 7,187.1                         | 7,249.8                | 3.4                                  | 1.8                             | 95.28                    | 95.22                    | 95.28                    | 95.29                  | 2.1                                  | 1.7                      | 2.0                      | 2.1                    |
| II               | 7,330.2                            | 7,250.2                         | 7,346.3                | 5.7                                  | 3.6                             | 95.72                    | 95.74                    | 95.71                    | 95.73                  | 1.8                                  | 2.2                      | 1.8                      | 1.8                    |
| III              | 7,370.2                            | 7,318.5                         | 7,385.1                | 2.2                                  | 3.8                             | 96.29                    | 96.43                    | 96.28                    | 96.29                  | 2.4                                  | 2.9                      | 2.4                      | 2.4                    |
| IV               | 7,461.1                            | 7,387.2                         | 7,476.0                | 5.0                                  | 3.8                             | 96.74                    | 96.86                    | 96.74                    | 96.74                  | 1.9                                  | 1.8                      | 1.9                      | 1.9                    |
| 1995: I          | 7,488.7                            | 7,427.3                         | 7,510.2                | 1.5                                  | 2.2                             | 97.45                    | 97.51                    | 97.45                    | 97.45                  | 3.0                                  | 2.7                      | 3.0                      | 3.0                    |
| II               | 7,503.3                            | 7,469.6                         | 7,528.6                | .8                                   | 2.3                             | 97.86                    | 98.04                    | 97.86                    | 97.87                  | 1.7                                  | 2.2                      | 1.7                      | 1.7                    |
| III              | 7,561.4                            | 7,549.7                         | 7,572.3                | 3.1                                  | 4.4                             | 98.31                    | 98.42                    | 98.30                    | 98.31                  | 1.8                                  | 1.6                      | 1.8                      | 1.8                    |
| IV               | 7,621.9                            | 7,602.5                         | 7,645.2                | 3.2                                  | 2.8                             | 98.79                    | 98.85                    | 98.78                    | 98.79                  | 2.0                                  | 1.8                      | 2.0                      | 2.0                    |
| 1996: I          | 7,676.4                            | 7,669.6                         | 7,703.1                | 2.9                                  | 3.6                             | 99.40                    | 99.42                    | 99.39                    | 99.39                  | 2.5                                  | 2.3                      | 2.5                      | 2.5                    |
| II               | 7,802.9                            | 7,773.4                         | 7,820.4                | 6.8                                  | 5.5                             | 99.74                    | 99.74                    | 99.74                    | 99.74                  | 1.4                                  | 1.3                      | 1.4                      | 1.4                    |
| III              | 7,841.9                            | 7,792.1                         | 7,853.5                | 2.0                                  | 1.0                             | 100.23                   | 100.16                   | 100.22                   | 100.22                 | 2.0                                  | 1.7                      | 1.9                      | 1.9                    |
| IV               | 7,931.3                            | 7,897.6                         | 7,947.9                | 4.6                                  | 5.5                             | 100.63                   | 100.68                   | 100.63                   | 100.63                 | 1.6                                  | 2.1                      | 1.7                      | 1.6                    |
| 1997: I          | 8,016.4                            | 7,966.4                         | 8,025.1                | 4.4                                  | 3.5                             | 101.36                   | 101.28                   | 101.34                   | 101.33                 | 2.9                                  | 2.4                      | 2.9                      | 2.8                    |
| II               | 8,131.9                            | 8,043.2                         | 8,145.6                | 5.9                                  | 3.9                             | 101.82                   | 101.49                   | 101.82                   | 101.80                 | 1.9                                  | .8                       | 1.9                      | 1.8                    |
| III              | 8,216.6                            | 8,164.9                         | 8,225.1                | 4.2                                  | 6.2                             | 102.12                   | 101.74                   | 102.12                   | 102.10                 | 1.2                                  | 1.0                      | 1.2                      | 1.2                    |
| IV               | 8,272.9                            | 8,206.3                         | 8,276.9                | 2.8                                  | 2.0                             | 102.49                   | 102.07                   | 102.49                   | 102.46                 | 1.4                                  | 1.3                      | 1.4                      | 1.4                    |
| 1998: I          | 8,404.9                            | 8,289.4                         | 8,412.9                | 6.5                                  | 4.1                             | 102.75                   | 102.08                   | 102.74                   | 102.70                 | 1.0                                  | .1                       | 1.0                      | 1.0                    |
| II               | 8,465.6                            | 8,402.7                         | 8,471.4                | 2.9                                  | 5.6                             | 103.04                   | 102.28                   | 103.03                   | 102.99                 | 1.1                                  | .8                       | 1.1                      | 1.1                    |
| III              | 8,537.6                            | 8,463.4                         | 8,526.7                | 3.4                                  | 2.9                             | 103.42                   | 102.57                   | 103.41                   | 103.38                 | 1.5                                  | 1.1                      | 1.5                      | 1.5                    |
| IV               | 8,654.5                            | 8,585.0                         | 8,649.3                | 5.6                                  | 5.9                             | 103.69                   | 102.87                   | 103.70                   | 103.67                 | 1.1                                  | 1.2                      | 1.1                      | 1.1                    |
| 1999: I          | 8,730.0                            | 8,680.3                         | 8,726.0                | 3.5                                  | 4.5                             | 104.25                   | 103.35                   | 104.29                   | 104.25                 | 2.2                                  | 1.9                      | 2.3                      | 2.3                    |
| II               | 8,783.2                            | 8,764.9                         | 8,776.7                | 2.5                                  | 4.0                             | 104.63                   | 103.86                   | 104.65                   | 104.62                 | 1.4                                  | 2.0                      | 1.4                      | 1.4                    |
| III              | 8,905.8                            | 8,861.8                         | 8,895.4                | 5.7                                  | 4.5                             | 104.90                   | 104.30                   | 104.89                   | 104.86                 | 1.1                                  | 1.7                      | .9                       | .9                     |
| IV               | 9,084.1                            | 9,000.5                         | 9,075.0                | 8.3                                  | 6.4                             | 105.31                   | 104.80                   | 105.24                   | 105.19                 | 1.6                                  | 1.9                      | 1.3                      | 1.3                    |
| 2000: I          | 9,191.8                            | 9,148.0                         | 9,187.7                | 4.8                                  | 6.7                             | 106.17                   | 105.78                   | 106.10                   | 106.07                 | 3.3                                  | 3.8                      | 3.3                      | 3.4                    |
| II               | 9,318.9                            | 9,235.3                         | 9,313.7                | 5.6                                  | 3.9                             | 106.80                   | 106.33                   | 106.73                   | 106.70                 | 2.4                                  | 2.1                      | 2.4                      | 2.4                    |
| III              | 9,373.5                            | 9,294.1                         | 9,364.5                | 2.4                                  | 2.6                             | 107.31                   | 106.94                   | 107.24                   | 107.21                 | 1.9                                  | 2.3                      | 1.9                      | 1.9                    |

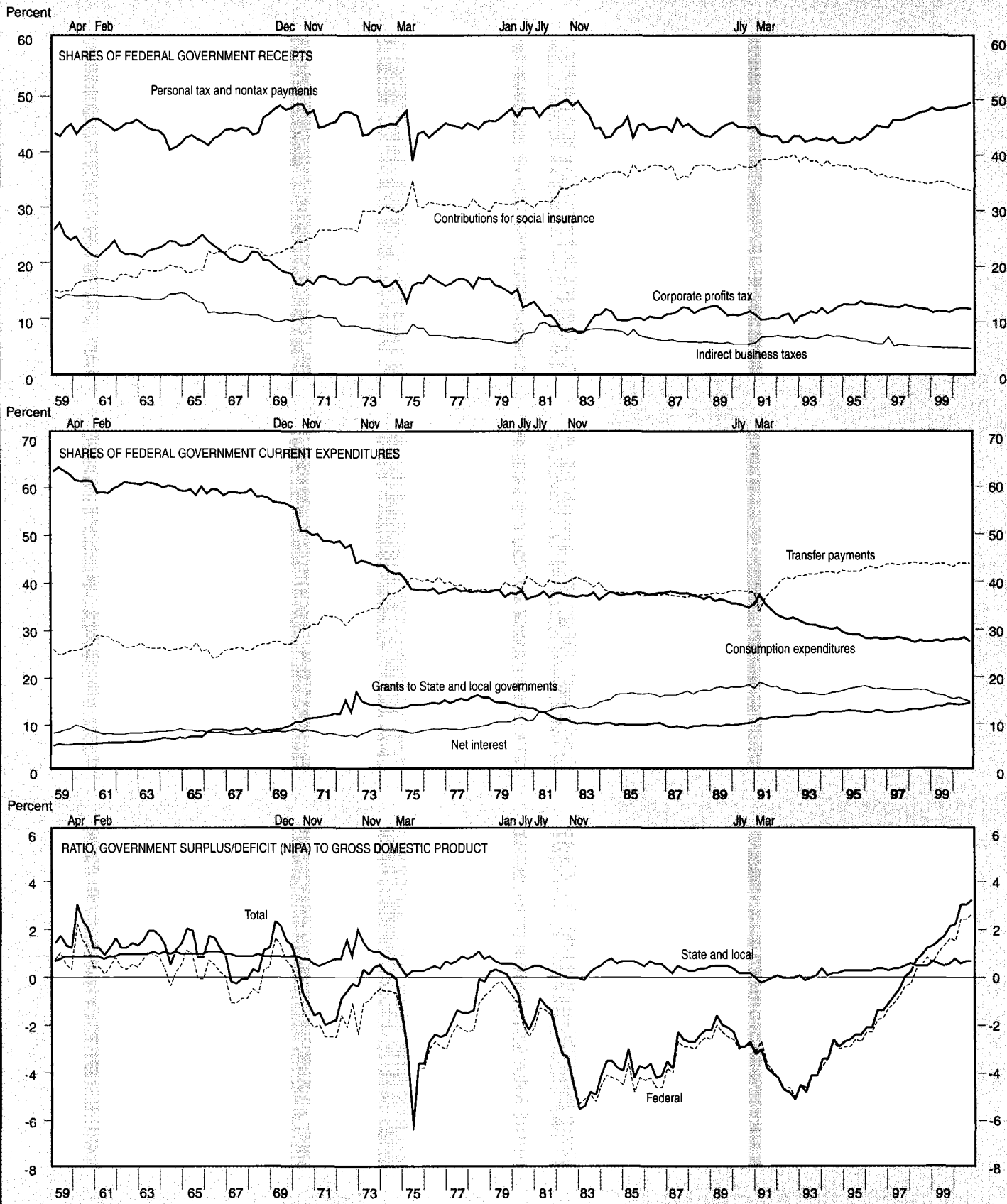


### E. Charts

Percent changes shown in this section are based on quarter-to-quarter changes and are expressed at seasonally adjusted annual rates; likewise, levels of series are expressed at seasonally adjusted annual rates as appropriate.

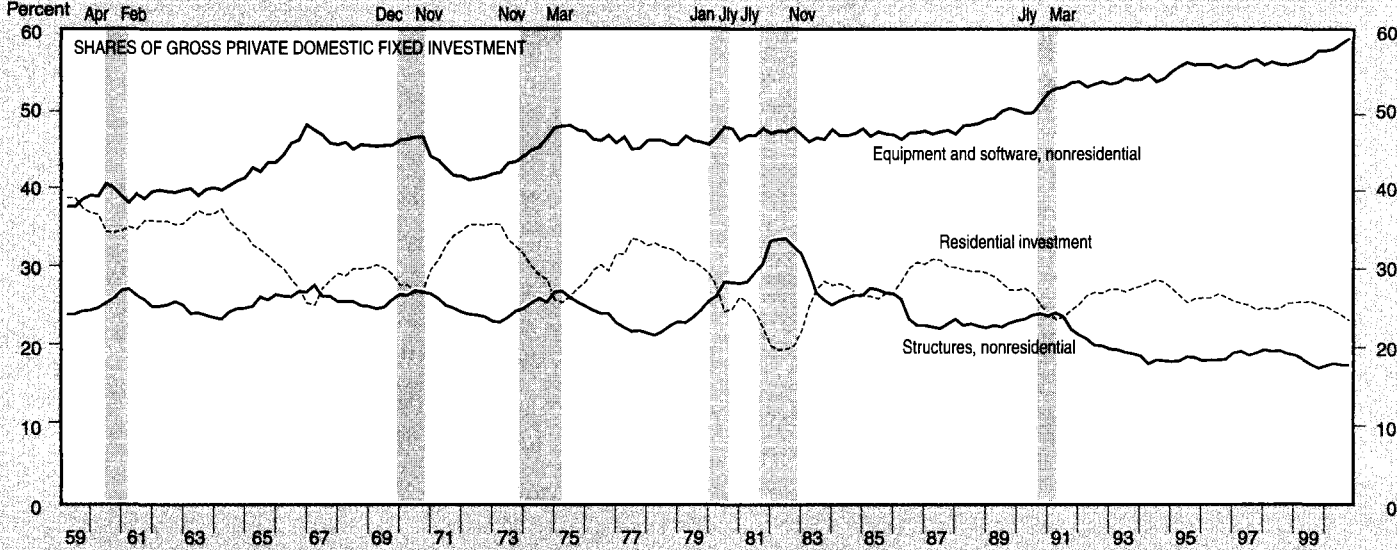
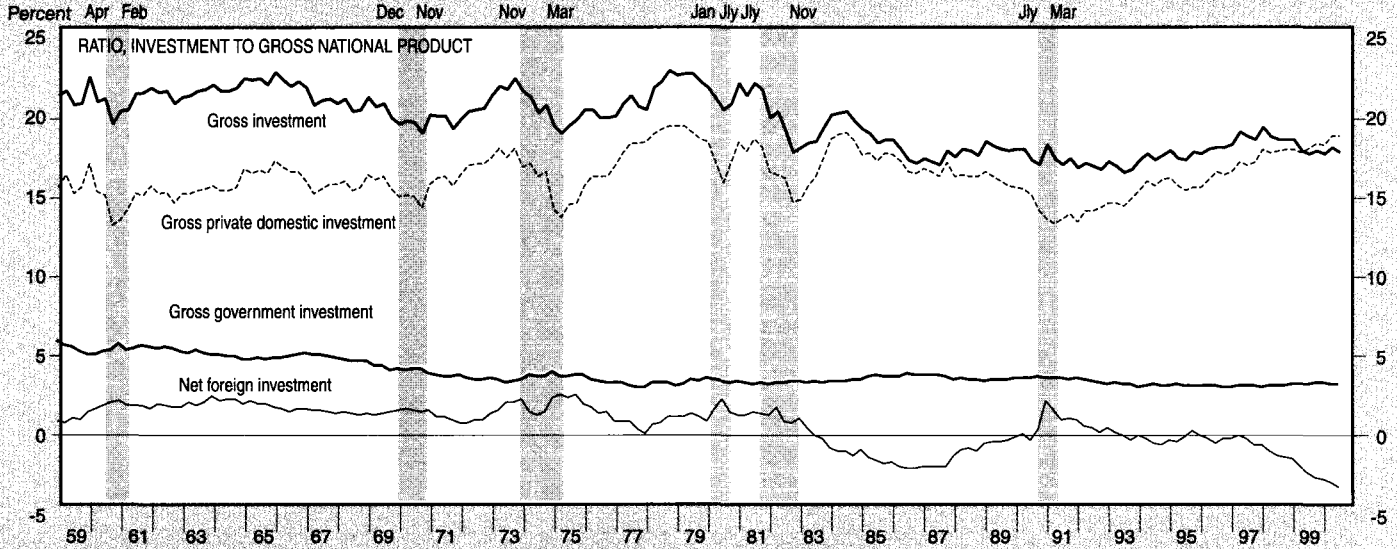
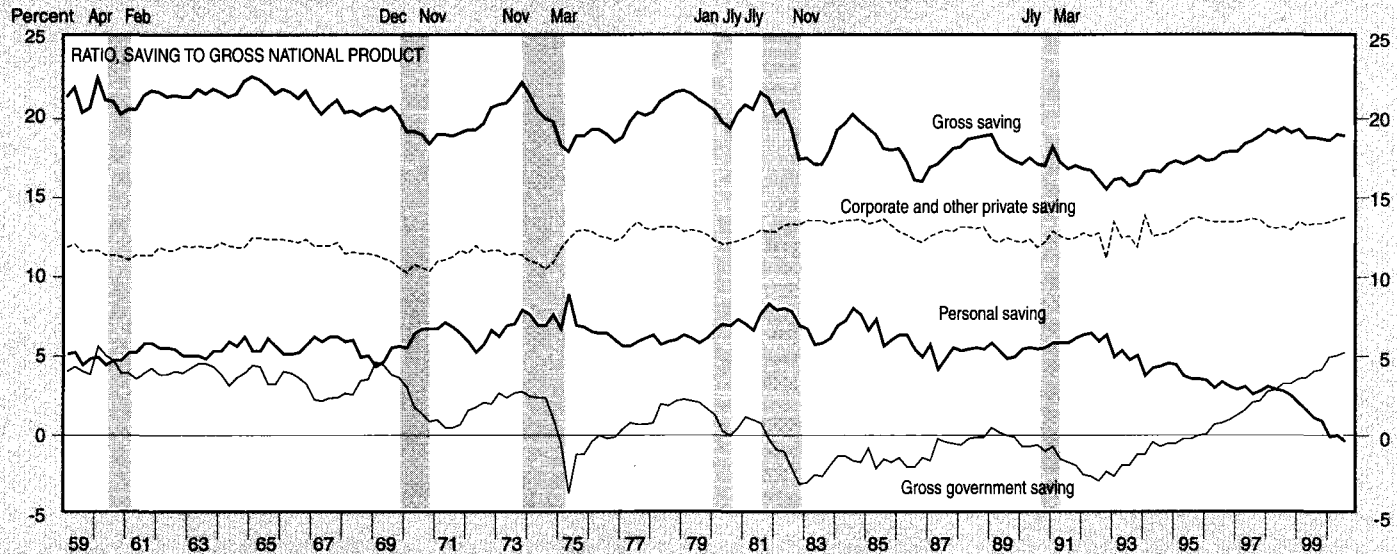


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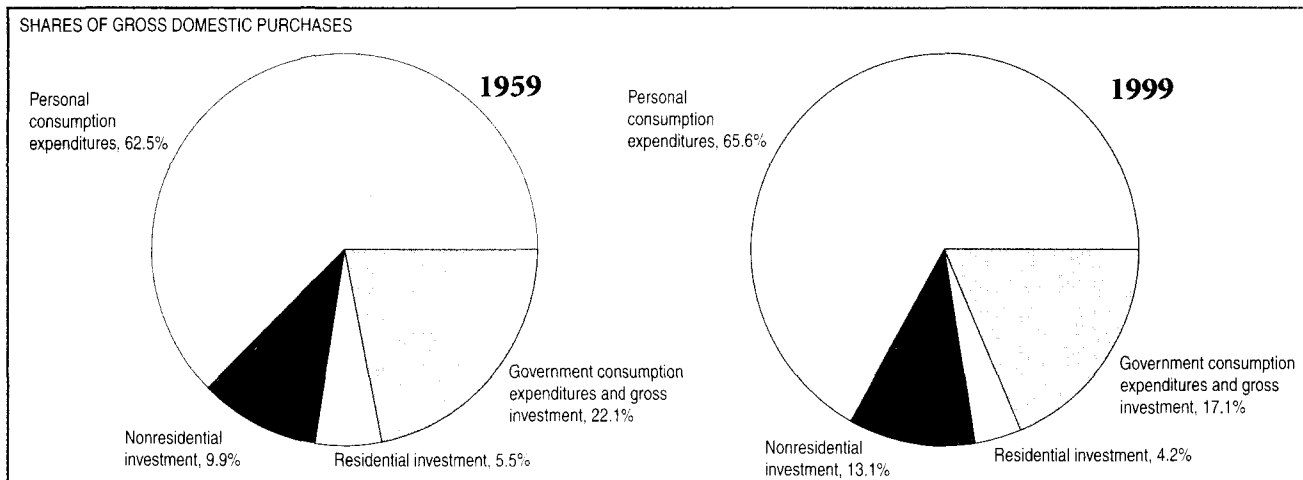
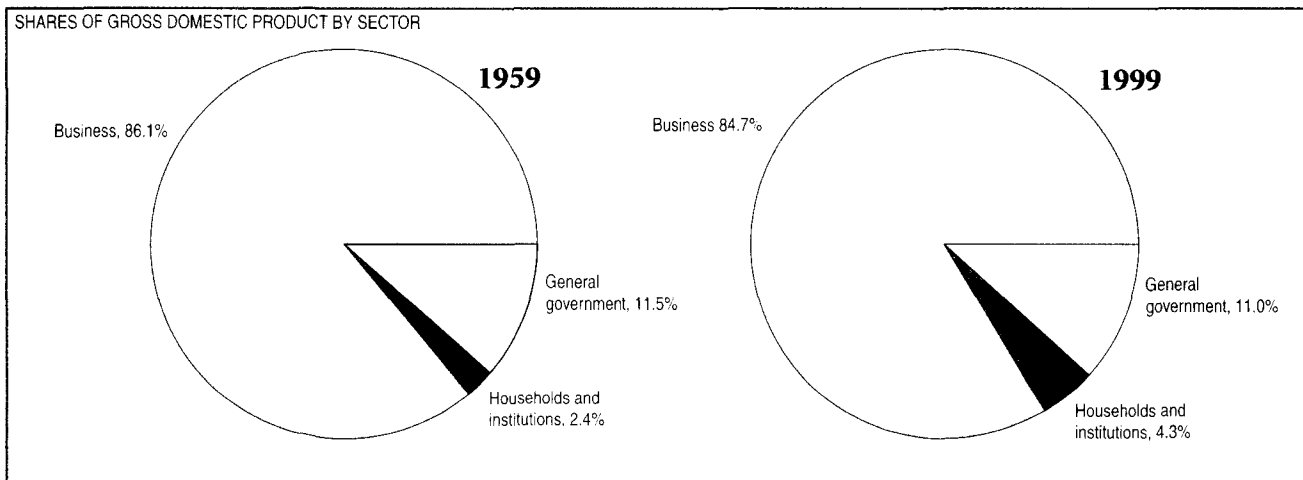
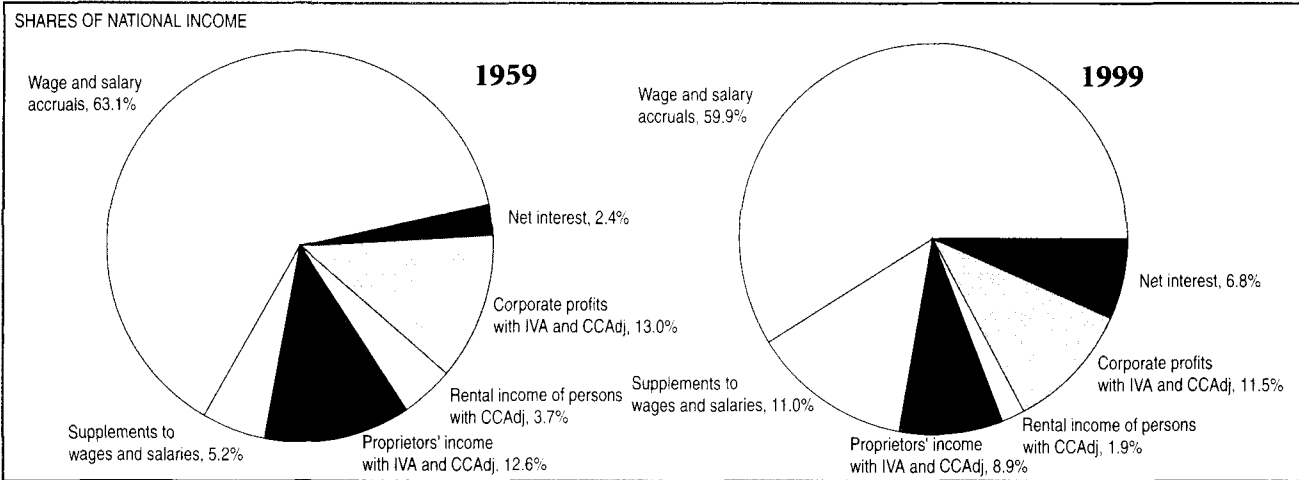
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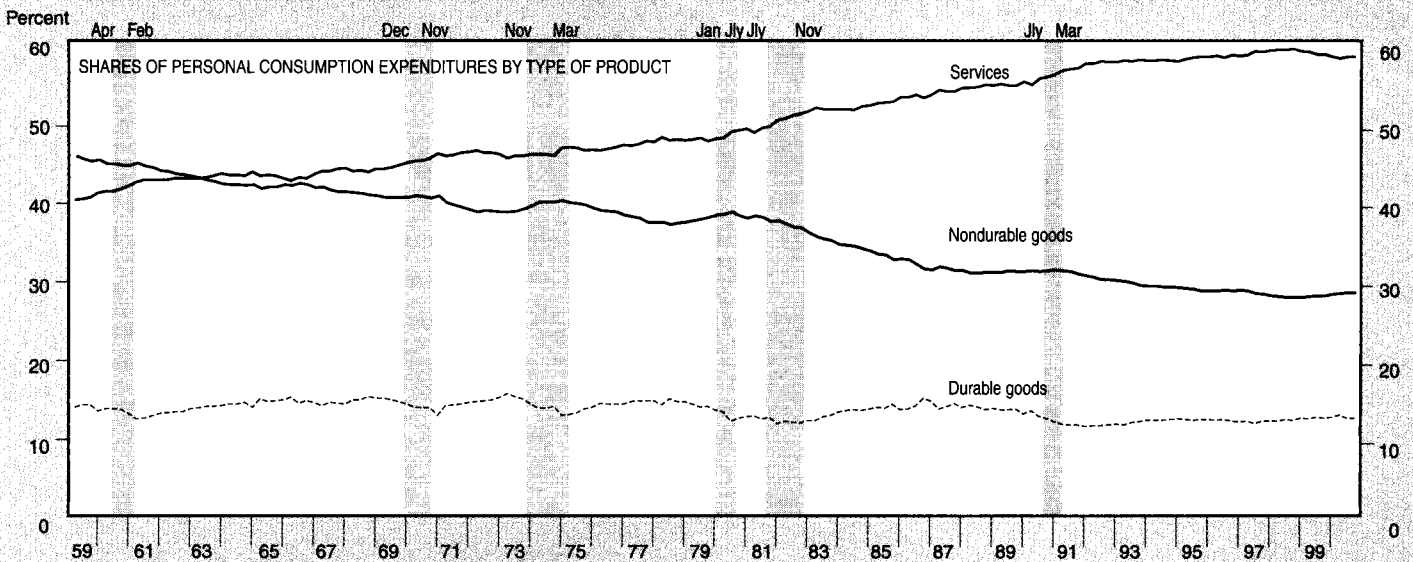
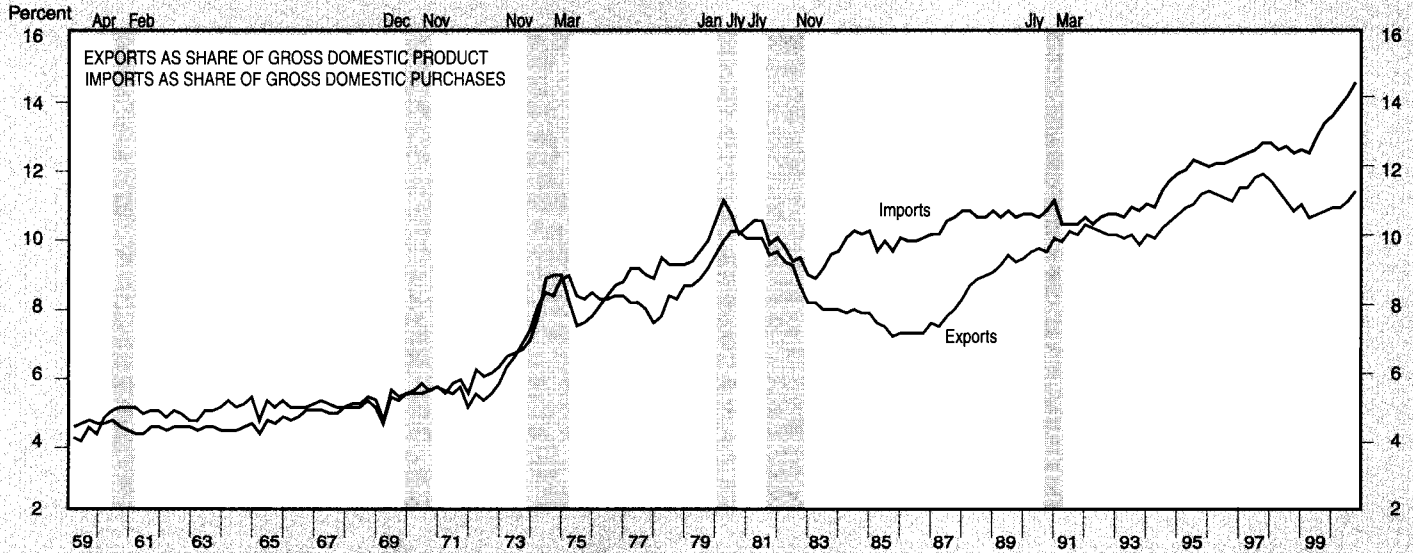
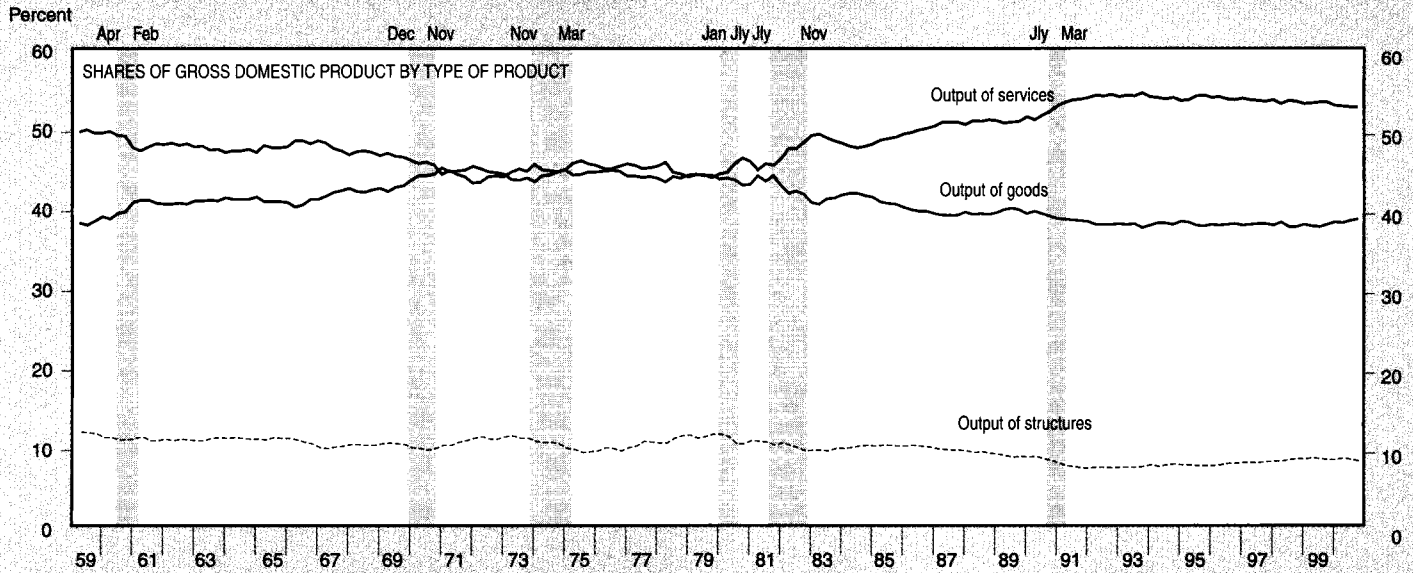


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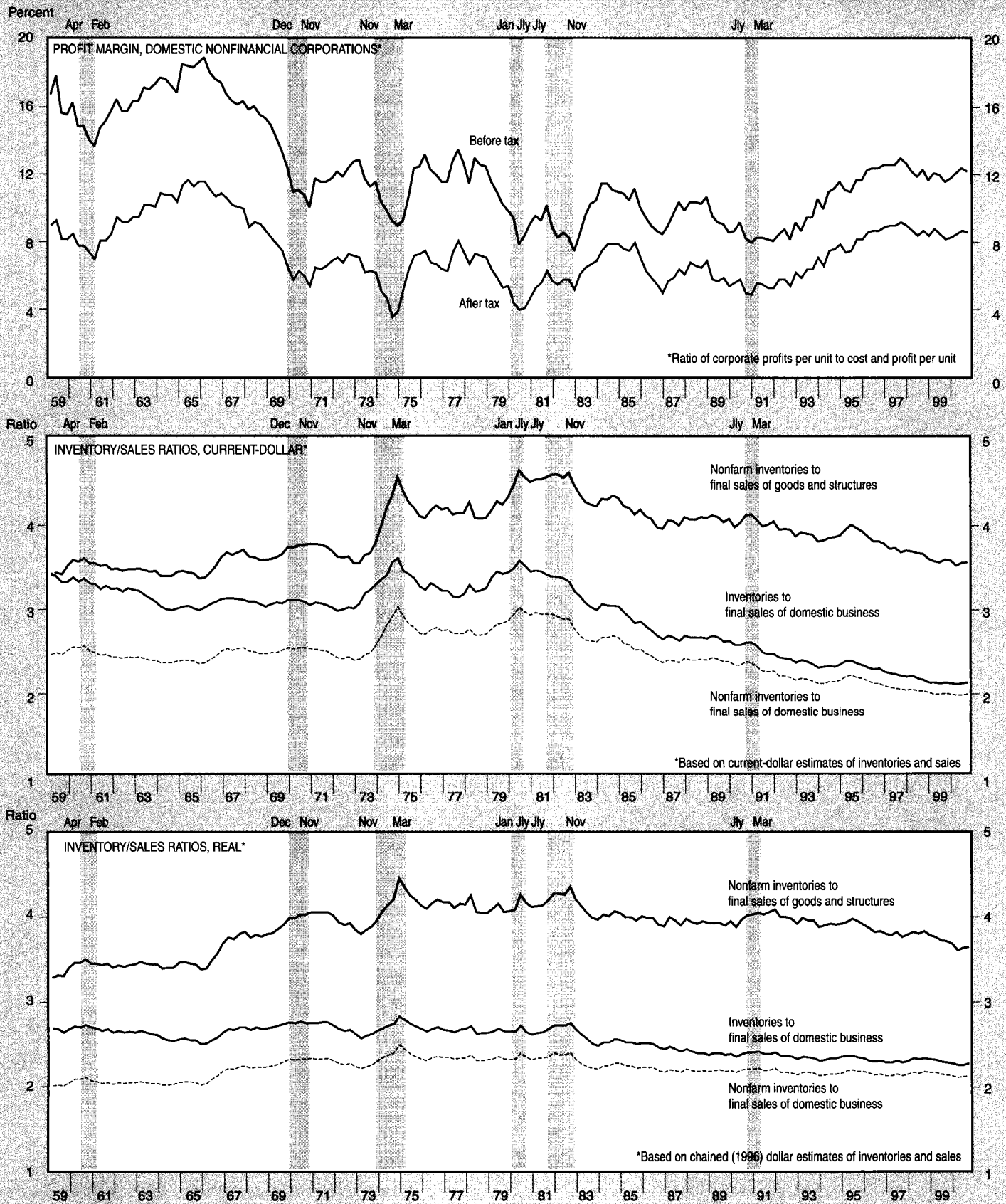


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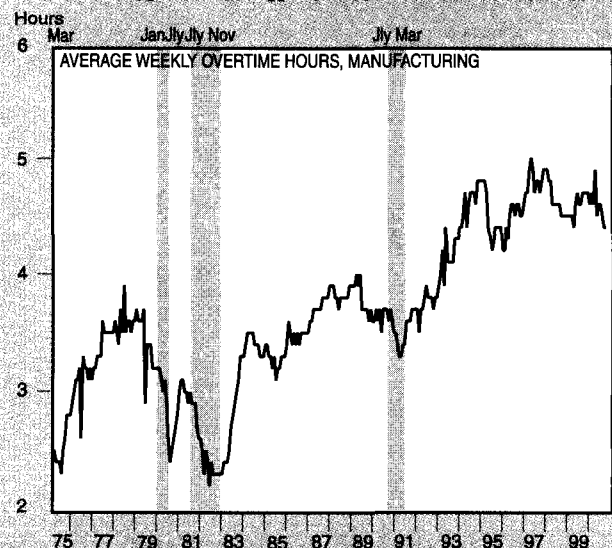
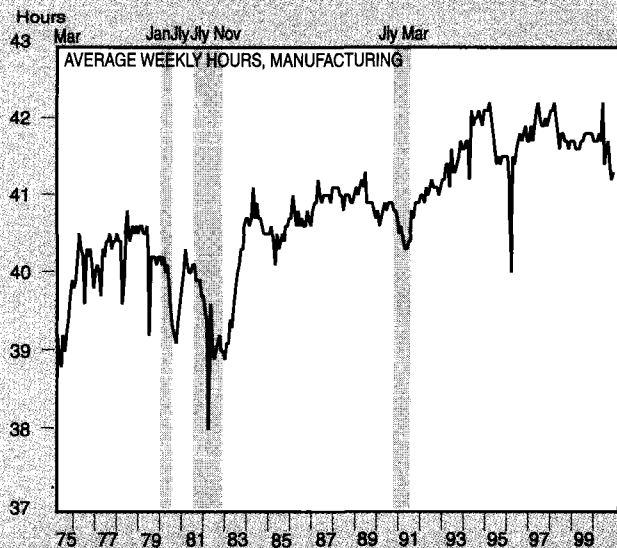
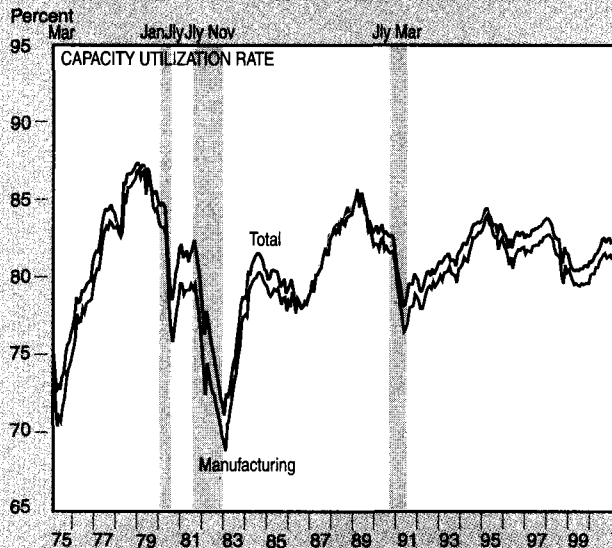
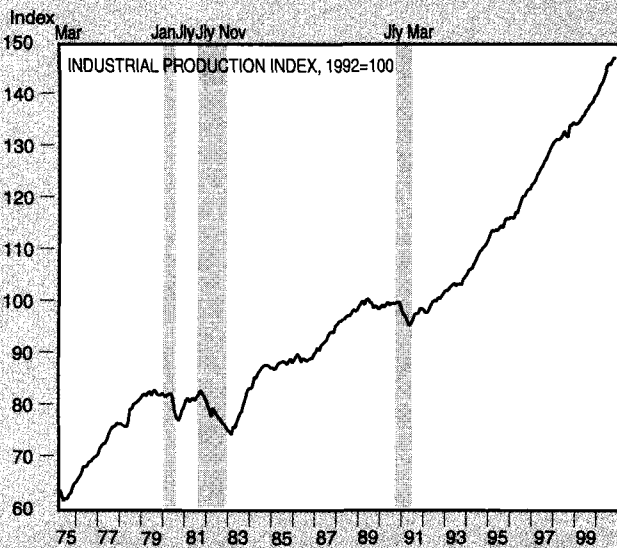
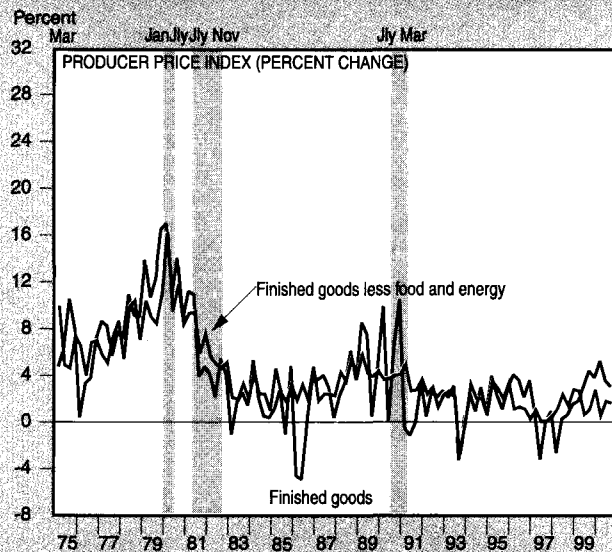
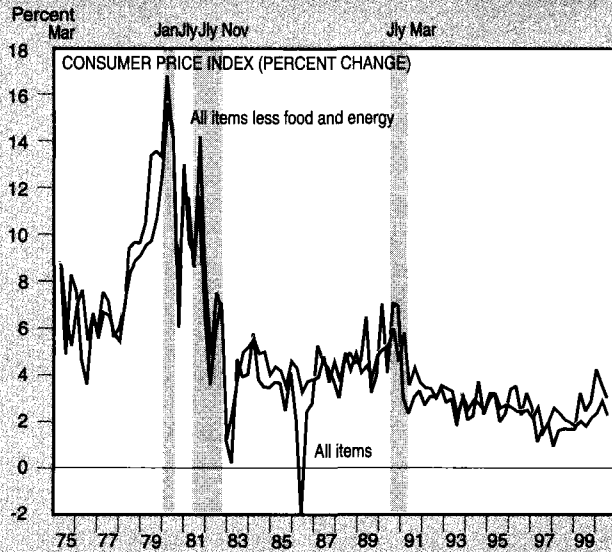
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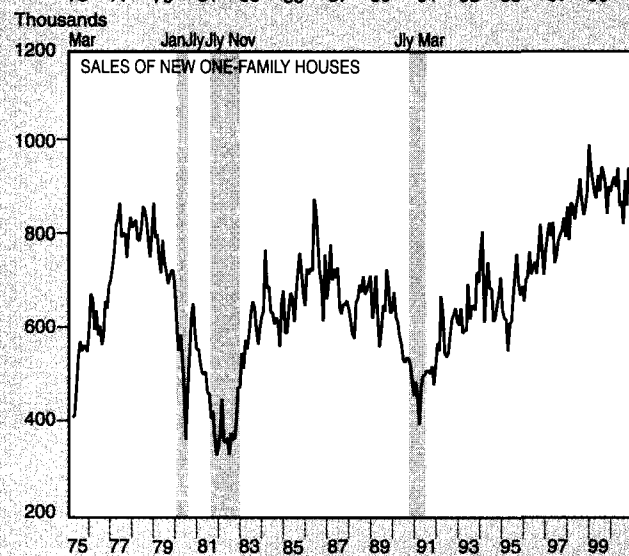
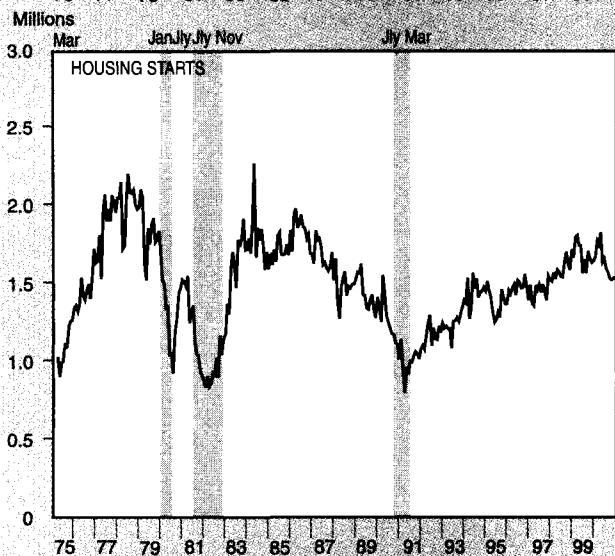
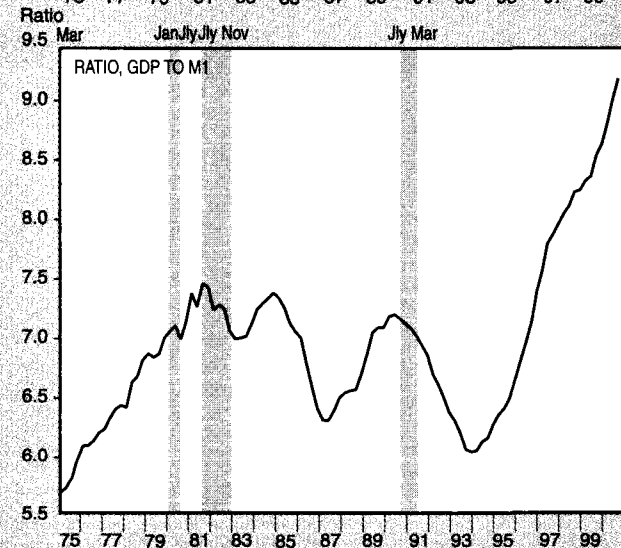
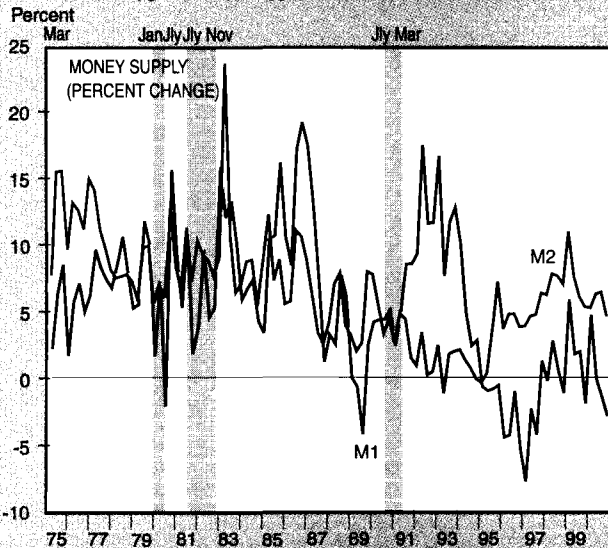
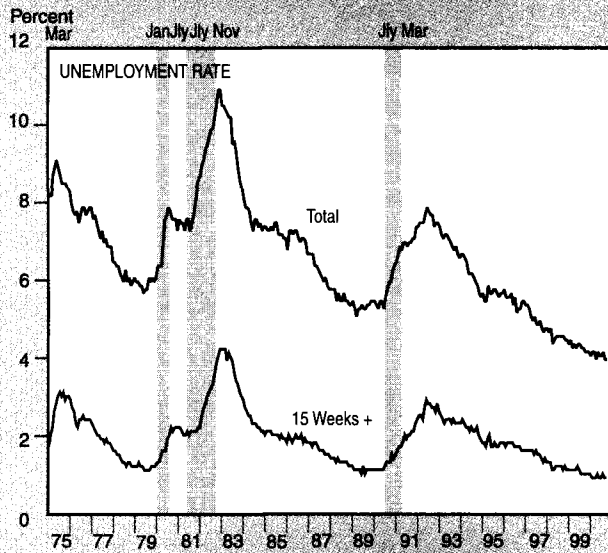
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# OTHER INDICATORS OF THE DOMESTIC ECONOMY



# OTHER INDICATORS OF THE DOMESTIC ECONOMY



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## International Data

### F. Transactions Tables

Table F.1 includes the most recent estimates of U.S. international trade in goods and services; the estimates were released on November 21, 2000 and include "preliminary" estimates for September 2000 and "revised" estimates for August 2000. The sources for the other tables in this section are as noted.

**Table F.1.—U.S. International Transactions in Goods and Services**  
[Millions of dollars; monthly estimates seasonally adjusted]

|   | 1998             | 1999             | 1999           |                |                |                |                | 2000           |                |                |                |                |                |                |                   |                    |
|---|------------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------|--------------------|
|   |                  |                  | Aug.           | Sept.          | Oct.           | Nov.           | Dec.           | Jan.           | Feb.           | Mar.           | Apr.           | May            | June           | July           | Aug. <sup>r</sup> | Sept. <sup>p</sup> |
| <b>Exports of goods and services</b> .....                              | <b>932,977</b>   | <b>956,242</b>   | <b>81,108</b>  | <b>81,857</b>  | <b>82,349</b>  | <b>83,198</b>  | <b>84,107</b>  | <b>83,691</b>  | <b>85,312</b>  | <b>86,975</b>  | <b>87,268</b>  | <b>86,846</b>  | <b>90,991</b>  | <b>89,799</b>  | <b>92,968</b>     | <b>92,360</b>      |
| <b>Goods</b> .....  | <b>670,324</b>   | <b>684,358</b>   | <b>58,402</b>  | <b>59,094</b>  | <b>59,193</b>  | <b>59,682</b>  | <b>61,211</b>  | <b>60,321</b>  | <b>60,894</b>  | <b>62,513</b>  | <b>62,566</b>  | <b>62,749</b>  | <b>66,468</b>  | <b>65,096</b>  | <b>67,973</b>     | <b>67,316</b>      |
| Foods, feeds, and beverages .....                                       | 46,397           | 45,532           | 3,947          | 4,130          | 3,992          | 3,748          | 3,846          | 3,951          | 3,865          | 3,953          | 3,851          | 3,977          | 3,999          | 4,084          | 4,279             | 4,155              |
| Industrial supplies and materials .....                                 | 148,266          | 147,000          | 12,532         | 13,099         | 13,163         | 13,717         | 13,559         | 13,283         | 13,862         | 14,649         | 13,728         | 13,749         | 14,278         | 13,987         | 14,843            | 15,243             |
| Capital goods, except automotive .....                                  | 299,612          | 311,406          | 26,785         | 26,702         | 26,793         | 26,379         | 27,784         | 27,428         | 26,972         | 27,176         | 29,056         | 29,055         | 31,124         | 30,661         | 31,813            | 31,528             |
| Automotive vehicles, engines, and parts .....                           | 73,157           | 75,756           | 6,700          | 6,369          | 6,391          | 6,397          | 6,596          | 6,536          | 6,549          | 6,901          | 6,417          | 6,568          | 7,033          | 6,455          | 7,134             | 6,615              |
| Consumer goods (nonfood), except automotive .....                       | 79,261           | 80,768           | 6,566          | 6,885          | 6,790          | 6,915          | 7,193          | 7,029          | 7,374          | 7,422          | 7,214          | 7,165          | 7,753          | 7,556          | 7,691             | 7,616              |
| Other goods .....   | 35,444           | 35,336           | 2,729          | 3,056          | 2,894          | 2,789          | 3,124          | 3,003          | 3,380          | 2,989          | 2,842          | 2,932          | 3,170          | 2,895          | 2,974             | 2,732              |
| Adjustments <sup>1</sup> .....  | -11,613          | -11,439          | -857           | -1,147         | -850           | -263           | -691           | -1,009         | -1,108         | -576           | -642           | -697           | -689           | -541           | -761              | -572               |
| <b>Services</b> .....   | <b>262,653</b>   | <b>271,884</b>   | <b>22,706</b>  | <b>22,763</b>  | <b>23,156</b>  | <b>23,516</b>  | <b>22,896</b>  | <b>23,370</b>  | <b>24,418</b>  | <b>24,462</b>  | <b>24,702</b>  | <b>24,097</b>  | <b>24,523</b>  | <b>24,703</b>  | <b>24,985</b>     | <b>25,044</b>      |
| Travel .....  | 71,286           | 74,861           | 6,167          | 6,347          | 6,577          | 6,731          | 6,174          | 6,616          | 6,998          | 6,817          | 7,133          | 6,714          | 6,902          | 7,042          | 7,158             | 7,251              |
| Passenger fares .....   | 20,098           | 19,776           | 1,681          | 1,752          | 1,672          | 1,693          | 1,590          | 1,456          | 1,851          | 1,755          | 1,714          | 1,655          | 1,719          | 1,736          | 1,734             | 1,788              |
| Other transportation .....  | 25,604           | 27,033           | 2,299          | 2,240          | 2,355          | 2,396          | 2,344          | 2,384          | 2,534          | 2,434          | 2,463          | 2,500          | 2,459          | 2,516          | 2,560             |                    |
| Royalties and license fees .....  | 36,197           | 36,467           | 3,035          | 3,027          | 3,035          | 3,034          | 3,038          | 3,092          | 3,117          | 3,144          | 3,207          | 3,231          | 3,247          | 3,269          | 3,275             | 3,282              |
| Other private services .....  | 90,914           | 96,508           | 8,057          | 8,108          | 8,228          | 8,412          | 8,478          | 8,612          | 8,820          | 8,942          | 8,900          | 8,751          | 8,817          | 8,883          | 9,035             | 8,954              |
| Transfers under U.S. military agency sales contracts <sup>2</sup> ..... | 17,628           | 16,334           | 1,386          | 1,208          | 1,213          | 1,175          | 1,201          | 1,191          | 1,180          | 1,203          | 1,244          | 1,212          | 1,266          | 1,241          | 1,204             | 1,135              |
| U.S. Government miscellaneous services .....                            | 926              | 885              | 81             | 81             | 76             | 73             | 71             | 69             | 68             | 67             | 70             | 71             | 72             | 73             | 74                | 74                 |
| <b>Imports of goods and services</b> .....                              | <b>1,099,875</b> | <b>1,221,213</b> | <b>105,039</b> | <b>105,904</b> | <b>107,259</b> | <b>108,909</b> | <b>109,764</b> | <b>110,957</b> | <b>112,793</b> | <b>117,345</b> | <b>116,905</b> | <b>116,640</b> | <b>120,837</b> | <b>121,492</b> | <b>122,774</b>    | <b>126,623</b>     |
| <b>Goods</b> .....  | <b>917,178</b>   | <b>1,029,917</b> | <b>88,920</b>  | <b>89,667</b>  | <b>90,769</b>  | <b>92,082</b>  | <b>93,466</b>  | <b>94,370</b>  | <b>95,535</b>  | <b>99,861</b>  | <b>99,460</b>  | <b>99,224</b>  | <b>103,330</b> | <b>103,620</b> | <b>104,657</b>    | <b>107,524</b>     |
| Foods, feeds, and beverages .....                                       | 41,243           | 43,579           | 3,663          | 3,692          | 3,828          | 3,747          | 3,768          | 3,648          | 3,668          | 3,827          | 3,769          | 3,802          | 3,836          | 3,930          | 3,966             | 3,927              |
| Industrial supplies and materials .....                                 | 200,140          | 222,024          | 19,991         | 20,349         | 20,651         | 20,816         | 21,274         | 21,831         | 23,560         | 24,579         | 23,382         | 23,925         | 25,430         | 25,801         | 25,095            | 26,498             |
| Capital goods, except automotive .....                                  | 269,557          | 297,112          | 25,069         | 25,104         | 25,860         | 26,230         | 26,592         | 26,547         | 26,772         | 27,749         | 28,669         | 28,812         | 29,644         | 29,553         | 30,769            | 31,611             |
| Automotive vehicles, engines, and parts .....                           | 149,054          | 179,393          | 15,568         | 15,543         | 15,357         | 15,523         | 16,119         | 16,364         | 15,595         | 16,372         | 16,501         | 15,620         | 16,741         | 17,000         | 16,918            | 16,939             |
| Consumer goods (nonfood), except automotive .....                       | 216,515          | 239,466          | 20,271         | 20,312         | 20,893         | 21,130         | 21,202         | 21,405         | 21,179         | 22,536         | 22,937         | 23,030         | 23,129         | 23,067         | 23,283            | 23,757             |
| Other goods .....   | 35,387           | 43,046           | 3,769          | 3,715          | 3,865          | 3,717          | 3,758          | 3,882          | 3,901          | 3,924          | 3,951          | 3,769          | 4,147          | 4,096          | 4,300             | 4,198              |
| Adjustments <sup>1</sup> .....  | 5,281            | 5,299            | 589            | 953            | 514            | 922            | 753            | 693            | 860            | 674            | 251            | 265            | 403            | 173            | 325               | 593                |
| <b>Services</b> .....   | <b>182,697</b>   | <b>191,296</b>   | <b>16,119</b>  | <b>16,237</b>  | <b>16,490</b>  | <b>16,827</b>  | <b>16,298</b>  | <b>16,587</b>  | <b>17,258</b>  | <b>17,884</b>  | <b>17,445</b>  | <b>17,416</b>  | <b>17,507</b>  | <b>17,872</b>  | <b>18,117</b>     | <b>19,099</b>      |
| Travel .....  | 56,509           | 59,351           | 4,906          | 4,920          | 5,175          | 5,236          | 4,663          | 5,004          | 5,302          | 5,531          | 5,431          | 5,307          | 5,369          | 5,478          | 5,534             | 5,638              |
| Passenger fares .....   | 19,971           | 21,405           | 1,768          | 1,788          | 1,874          | 1,898          | 1,796          | 1,779          | 1,947          | 2,051          | 2,017          | 1,935          | 2,012          | 2,036          | 2,086             | 2,108              |
| Other transportation .....  | 30,363           | 34,137           | 3,030          | 3,047          | 2,990          | 3,142          | 3,082          | 3,076          | 3,217          | 3,289          | 3,212          | 3,320          | 3,259          | 3,360          | 3,415             | 3,528              |
| Royalties and license fees .....  | 11,713           | 13,275           | 1,101          | 1,127          | 1,194          | 1,221          | 1,241          | 1,198          | 1,194          | 1,198          | 1,222          | 1,234          | 1,246          | 1,262          | 1,276             | 1,956              |
| Other private services .....  | 49,051           | 46,657           | 3,842          | 3,895          | 3,890          | 3,986          | 3,979          | 4,185          | 4,253          | 4,269          | 4,213          | 4,266          | 4,261          | 4,365          | 4,433             | 4,498              |
| Direct defense expenditures <sup>2</sup> .....                          | 12,241           | 13,650           | 1,215          | 1,205          | 1,134          | 1,115          | 1,109          | 1,108          | 1,107          | 1,107          | 1,113          | 1,116          | 1,121          | 1,131          | 1,131             | 1,129              |
| U.S. Government miscellaneous services .....                            | 2,849            | 2,821            | 257            | 255            | 233            | 229            | 228            | 237            | 238            | 239            | 237            | 238            | 239            | 240            | 242               | 242                |
| <b>Memoranda:</b> .....   |                  |                  |                |                |                |                |                |                |                |                |                |                |                |                |                   |                    |
| Balance on goods .....  | -245,853         | -345,559         | -30,518        | -30,573        | -31,576        | -32,401        | -32,255        | -34,049        | -34,641        | -37,148        | -36,895        | -36,474        | -36,862        | -38,523        | -36,684           | -40,208            |
| Balance on services .....   | 79,956           | 80,588           | 6,587          | 6,526          | 6,666          | 6,689          | 6,598          | 6,783          | 7,160          | 6,778          | 7,257          | 6,681          | 7,016          | 6,831          | 6,878             | 5,945              |
| Balance on goods and services .....                                     | -166,897         | -264,971         | -23,931        | -24,047        | -24,910        | -25,712        | -25,657        | -27,266        | -27,481        | -30,370        | -29,638        | -29,793        | -29,846        | -31,692        | -29,806           | -34,263            |

<sup>p</sup> Preliminary.

<sup>r</sup> Revised.

1. Reflects adjustments necessary to bring the Census Bureau's component data in line with the concepts and

definitions used to prepare BEA's international and national accounts.

2. Contains goods that cannot be separately identified.

Source: U.S. Department of Commerce, Bureau of Economic Analysis and Bureau of the Census







Table F.3.—U.S. International Transactions, by Area—Continued  
[Millions of dollars]

| Line                                 | (Credits +; debits -) <sup>1</sup>   | Australia |                |                 | Other countries in Asia and Africa |                |                 | International organizations and unallocated <sup>16</sup> |                |                 |
|--------------------------------------|--|-----------|----------------|-----------------|------------------------------------|----------------|-----------------|---|----------------|-----------------|
|                                      |  | 1999      | 2000           |                 | 1999                               | 2000           |                 | 1999  | 2000           |                 |
|                                      |  | IV        | I <sup>r</sup> | II <sup>p</sup> | IV                                 | I <sup>r</sup> | II <sup>p</sup> | IV  | I <sup>r</sup> | II <sup>p</sup> |
| <b>Current account</b>               |  |           |                |                 |                                    |                |                 |   |                |                 |
| 1                                    | Exports of goods and services and income receipts .....                                      | 6,552     | 5,963          | 6,652           | 59,567                             | 59,175         | 62,800          | 8,822   | 8,786          | 8,970           |
| 2                                    | Exports of goods and services .....  | 4,779     | 4,283          | 4,746           | 52,433                             | 50,304         | 53,975          | 1,545   | 1,532          | 1,540           |
| 3                                    | Goods, balance of payments basis <sup>2</sup> .....  | 3,424     | 2,960          | 3,277           | 39,030                             | 35,998         | 39,782          | .....   | .....          | .....           |
| 4                                    | Services <sup>3</sup> .....  | 1,355     | 1,323          | 1,469           | 13,403                             | 14,306         | 14,193          | 1,545   | 1,532          | 1,540           |
| 5                                    | Transfers under U.S. military agency sales contracts <sup>4</sup> .....                      | 65        | 65             | 68              | 2,060                              | 1,987          | 2,102           | .....   | .....          | .....           |
| 6                                    | Travel .....   | 435       | 408            | 514             | 2,551                              | 2,519          | 3,614           | .....   | .....          | .....           |
| 7                                    | Passenger fares .....  | 128       | 123            | 142             | 380                                | 351            | 412             | .....   | .....          | .....           |
| 8                                    | Other transportation .....   | 89        | 76             | 84              | 2,352                              | 2,258          | 2,364           | 144   | 133            | 148             |
| 9                                    | Royalties and license fees <sup>5</sup> .....  | 195       | 173            | 187             | 1,130                              | 1,068          | 1,126           | 513   | 482            | 495             |
| 10                                   | Other private services <sup>5</sup> .....  | 440       | 476            | 472             | 4,822                              | 6,044          | 4,492           | 888   | 917            | 897             |
| 11                                   | U.S. Government miscellaneous services .....   | 3         | 2              | 2               | 108                                | 79             | 83              | .....   | .....          | .....           |
| 12                                   | Income receipts .....  | 1,773     | 1,680          | 1,906           | 7,134                              | 8,871          | 8,825           | 7,277   | 7,254          | 7,430           |
| 13                                   | Income receipts on U.S.-owned assets abroad .....  | 1,772     | 1,679          | 1,905           | 7,115                              | 8,851          | 8,805           | 6,828   | 6,798          | 6,967           |
| 14                                   | Direct investment receipts .....   | 877       | 749            | 941             | 4,301                              | 5,007          | 5,490           | 3,630   | 3,547          | 3,647           |
| 15                                   | Other private receipts .....   | 895       | 930            | 964             | 2,562                              | 3,271          | 3,080           | 3,021   | 3,070          | 3,139           |
| 16                                   | U.S. Government receipts .....   | .....     | .....          | .....           | 252                                | 573            | 235             | 177   | 181            | 181             |
| 17                                   | Compensation of employees .....  | 1         | 1              | 1               | 19                                 | 20             | 20              | 449   | 456            | 463             |
| 18                                   | Imports of goods and services and income payments .....                                      | -2,428    | -2,617         | -3,024          | -100,152                           | -97,980        | -107,253        | -2,675  | -2,868         | -3,118          |
| 19                                   | Imports of goods and services .....  | -2,281    | -2,274         | -2,599          | -91,982                            | -89,471        | -98,377         | -510  | -594           | -663            |
| 20                                   | Goods, balance of payments basis <sup>2</sup> .....  | -1,366    | -1,346         | -1,679          | -81,781                            | -79,566        | -88,007         | .....   | .....          | .....           |
| 21                                   | Services <sup>3</sup> .....  | -915      | -928           | -10,201         | -9,905                             | -10,370        | -10,370         | -510  | -594           | -663            |
| 22                                   | Direct defense expenditures .....  | -22       | -19            | -15             | -836                               | -928           | -933            | .....   | .....          | .....           |
| 23                                   | Travel .....   | -269      | -352           | -334            | -3,032                             | -2,856         | -3,125          | .....   | .....          | .....           |
| 24                                   | Passenger fares .....  | -192      | -170           | -184            | -1,335                             | -1,298         | -1,410          | .....   | .....          | .....           |
| 25                                   | Other transportation .....   | -63       | -56            | -52             | -2,966                             | -2,843         | -2,944          | -269  | -315           | -377            |
| 26                                   | Royalties and license fees <sup>5</sup> .....  | -26       | -17            | -17             | -90                                | -66            | -66             | -181  | -168           | -172            |
| 27                                   | Other private services <sup>5</sup> .....  | -343      | -305           | -309            | -1,759                             | -1,724         | -1,703          | -60   | -111           | -114            |
| 28                                   | U.S. Government miscellaneous services .....   | -10       | -9             | -9              | -183                               | -190           | -189            | .....   | .....          | .....           |
| 29                                   | Income payments .....  | -147      | -343           | -425            | -8,170                             | -8,509         | -8,876          | -2,165  | -2,274         | -2,455          |
| 30                                   | Income payments on foreign-owned assets in the United States .....                           | -145      | -341           | -423            | -8,014                             | -8,352         | -8,769          | -2,165  | -2,274         | -2,455          |
| 31                                   | Direct investment payments .....   | 187       | 7              | -62             | -174                               | -114           | -172            | -1,329  | -1,370         | -1,459          |
| 32                                   | Other private payments .....   | -234      | -246           | -247            | -2,762                             | -2,949         | -3,100          | -831  | -898           | -992            |
| 33                                   | U.S. Government payments .....   | -98       | -102           | -114            | -5,078                             | -5,289         | -5,497          | -5  | -6             | -4              |
| 34                                   | Compensation of employees .....  | -2        | -2             | -2              | -156                               | -157           | -107            | .....   | .....          | .....           |
| 35                                   | Unilateral current transfers, net .....  | -73       | -70            | -72             | -6,085                             | -4,178         | -4,021          | -3,086  | -2,519         | -2,513          |
| 36                                   | U.S. Government grants <sup>4</sup> .....  | .....     | .....          | .....           | -3,782                             | -1,497         | -1,654          | -301  | -357           | -386            |
| 37                                   | U.S. Government pensions and other transfers .....   | -10       | -10            | -9              | -121                               | -122           | -126            | -747  | -259           | -100            |
| 38                                   | Private remittances and other transfers <sup>6</sup> .....                                   | -63       | -60            | -63             | -2,182                             | -2,559         | -2,241          | -2,038  | -1,903         | -2,027          |
| <b>Capital and financial account</b> |  |           |                |                 |                                    |                |                 |   |                |                 |
| <b>Capital account</b>               |  |           |                |                 |                                    |                |                 |   |                |                 |
| 39                                   | Capital account transactions, net .....  | 2         | 2              | 2               | 32                                 | 29             | 33              | .....   | .....          | .....           |
| <b>Financial account</b>             |  |           |                |                 |                                    |                |                 |   |                |                 |
| 40                                   | U.S.-owned assets abroad, net (increase/financial outflow (-)) .....                         | -1,583    | -2,732         | -3,119          | -445                               | -7,828         | -9,315          | -2,108  | -3,518         | -2,824          |
| 41                                   | U.S. official reserve assets, net .....  | .....     | .....          | .....           | .....                              | .....          | .....           | 1,622   | -417           | 2,148           |
| 42                                   | Gold <sup>7</sup> .....  | .....     | .....          | .....           | .....                              | .....          | .....           | .....   | .....          | .....           |
| 43                                   | Special drawing rights .....   | .....     | .....          | .....           | .....                              | .....          | .....           | -178  | -180           | -180            |
| 44                                   | Reserve position in the International Monetary Fund .....                                    | .....     | .....          | .....           | .....                              | .....          | .....           | 1,800   | -237           | 2,328           |
| 45                                   | Foreign currencies .....   | .....     | .....          | .....           | .....                              | .....          | .....           | .....   | .....          | .....           |
| 46                                   | U.S. Government assets, other than official reserve assets, net .....                        | 1         | 1              | .....           | -55                                | -107           | 11              | -248  | -248           | -264            |
| 47                                   | U.S. credits and other long-term assets .....  | .....     | .....          | .....           | -377                               | -1,125         | -338            | -248  | -248           | -264            |
| 48                                   | Repayments on U.S. credits and other long-term assets <sup>8</sup> .....                     | .....     | .....          | .....           | 473                                | 786            | 383             | .....   | .....          | .....           |
| 49                                   | U.S. foreign currency holdings and U.S. short-term assets, net .....                         | 1         | 1              | .....           | -151                               | 232            | -34             | .....   | .....          | .....           |
| 50                                   | U.S. private assets, net .....   | -1,584    | -2,733         | -3,119          | -390                               | -7,721         | -9,326          | -3,482  | -2,853         | -4,708          |
| 51                                   | Direct investment .....  | -183      | -600           | -565            | -3,838                             | -4,415         | -4,059          | -3,360  | -3,251         | -3,421          |
| 52                                   | Foreign securities .....   | -422      | 874            | -356            | 484                                | -2,510         | -1,284          | 903   | 175            | 391             |
| 53                                   | U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns .....            | -22       | -944           | .....           | -475                               | -1,696         | .....           | -2  | -8             | -1,112          |
| 54                                   | U.S. claims reported by U.S. banks, not included elsewhere .....                             | -957      | -2,063         | -2,198          | 3,439                              | 900            | -3,983          | -1,023  | 231            | -566            |
| 55                                   | Foreign-owned assets in the United States, net (increase/financial inflow (+)) .....         | 2,900     | 2,830          | 824             | 32,240                             | 5,939          | 10,154          | 9,191   | -2,625         | 9,991           |
| 56                                   | Foreign official assets in the United States, net .....                                      | (18)      | (18)           | (18)            | (18)                               | (18)           | (18)            | .....   | .....          | .....           |
| 57                                   | U.S. Government securities .....   | (18)      | (18)           | (18)            | (18)                               | (18)           | (18)            | .....   | .....          | .....           |
| 58                                   | U.S. Treasury securities <sup>9</sup> .....  | (18)      | (18)           | (18)            | (18)                               | (18)           | (18)            | .....   | .....          | .....           |
| 59                                   | Other <sup>10</sup> .....  | (18)      | (18)           | (18)            | (18)                               | (18)           | (18)            | .....   | .....          | .....           |
| 60                                   | Other U.S. Government liabilities <sup>11</sup> .....  | 8         | -10            | -31             | 168                                | -52            | -460            | .....   | .....          | .....           |
| 61                                   | U.S. liabilities reported by U.S. banks, not included elsewhere .....                        | (18)      | (18)           | (18)            | (18)                               | (18)           | (18)            | .....   | .....          | .....           |
| 62                                   | Other foreign official assets <sup>12</sup> .....  | (18)      | (18)           | (18)            | (18)                               | (18)           | (18)            | .....   | .....          | .....           |
| 63                                   | Other foreign assets in the United States, net .....   | (18)      | (18)           | (18)            | (18)                               | (18)           | (18)            | 9,191   | -2,626         | 9,990           |
| 64                                   | Direct investment .....  | -182      | 2,853          | 213             | 622                                | 1,427          | 495             | 1,098   | 1,115          | 1,138           |
| 65                                   | U.S. Treasury securities .....   | (18)      | (18)           | (18)            | (18)                               | (18)           | (18)            | (18)  | (18)           | (18)            |
| 66                                   | U.S. securities other than U.S. Treasury securities .....                                    | 595       | 544            | 304             | 5,652                              | 7,355          | 9,752           | 97  | -121           | 7               |
| 67                                   | U.S. currency .....  | .....     | .....          | .....           | .....                              | .....          | .....           | 12,213  | -6,847         | 989             |
| 68                                   | U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns .....       | -202      | -1,117         | .....           | -1,384                             | 2,212          | .....           | 51  | 29             | 4,597           |
| 69                                   | U.S. liabilities reported by U.S. banks, not included elsewhere .....                        | (18)      | (18)           | (18)            | (18)                               | (18)           | (18)            | (18)  | (18)           | (18)            |
| 70                                   | Statistical discrepancy (sum of above items with sign reversed) .....                        | -5,370    | -3,376         | -1,263          | 14,843                             | 44,843         | 47,602          | -10,144   | 2,744          | -10,506         |
| <b>Memoranda:</b>                    |  |           |                |                 |                                    |                |                 |   |                |                 |
| 71                                   | Balance on goods (lines 3 and 20) .....  | 2,058     | 1,614          | 1,598           | -42,751                            | -43,568        | -48,225         | .....   | .....          | .....           |
| 72                                   | Balance on services (lines 4 and 21) .....   | 440       | 395            | 549             | 3,202                              | 4,401          | 3,823           | 1,035   | 938            | 877             |
| 73                                   | Balance on goods and services (lines 2 and 19) .....   | 2,498     | 2,009          | 2,147           | -39,549                            | -39,167        | -44,402         | 1,035   | 938            | 877             |
| 74                                   | Balance on income (lines 12 and 29) .....  | 1,626     | 1,337          | 1,481           | -1,036                             | 362            | -51             | 5,112   | 4,980          | 4,975           |
| 75                                   | Unilateral current transfers, net (line 35) .....  | -73       | -70            | -72             | -6,085                             | -4,178         | -4,021          | -3,086  | -2,519         | -2,513          |
| 76                                   | Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) <sup>13</sup> ..... | 4,051     | 3,276          | 3,556           | -46,670                            | -42,983        | -48,474         | 3,061   | 3,399          | 3,339           |

14. The "European Union" includes the "European Union (6)," United Kingdom, Denmark, Ireland, Greece, Spain, and Portugal. Beginning with the first quarter of 1995, the "European Union" also includes Austria, Finland, and Sweden.

15. The "European Union (6)" includes Belgium, France, Germany (includes the former German Democratic Republic (East Germany) beginning in the fourth quarter of 1990), Italy, Luxembourg, Netherlands, European Atomic Energy Community, European Coal and Steel Community, and European Investment Bank.

16. Includes, as part of international and unallocated, the estimated direct investment in foreign affiliates engaged in international shipping, in operating oil and gas drilling equipment internationally, and in petroleum trading. Also

includes taxes withheld; current-cost adjustments associated with U.S. and foreign direct investment; before 1996, small transactions in business services that are not reported by country; and net U.S. currency flows, for which geographic source data are not available.

17. Details are not shown separately; see totals in lines 56 and 63.

18. Details not shown separately are included in line 69.

NOTE.—The data in tables F.2 and F.3 are from tables 1 and 10 in "U.S. International Transactions, Second Quarter 2000" in the October 2000 issue of the SURVEY OF CURRENT BUSINESS, which presents the most recent estimates from the U.S. international transactions accounts.

Table F.4.—Private Service Transactions

[Millions of dollars]

| Line              |   | 1998     | 1999     | Seasonally adjusted |         |         |         |                |                 |
|-------------------|---|----------|----------|---------------------|---------|---------|---------|----------------|-----------------|
|                   |   |          |          | 1999                |         |         |         | 2000           |                 |
|                   |   |          |          | I                   | II      | III     | IV      | I <sup>r</sup> | II <sup>P</sup> |
| 1                 | Exports of private services .....                             | 244,099  | 254,665  | 61,929              | 63,070  | 63,905  | 65,759  | 68,471         | 69,388          |
| 2                 | Travel (table F.2, line 6) .....                              | 71,286   | 74,881   | 18,140              | 18,564  | 18,695  | 19,482  | 20,431         | 20,749          |
| 3                 | Passenger fares (table F.2, line 7) .....                     | 20,098   | 19,776   | 4,814               | 4,902   | 5,105   | 4,955   | 5,062          | 5,088           |
| 4                 | Other transportation (table F.2, line 8) .....                | 25,604   | 27,033   | 6,515               | 6,692   | 6,728   | 7,097   | 7,252          | 7,397           |
| 5                 | Freight .....   | 11,048   | 11,667   | 2,785               | 2,813   | 2,927   | 3,142   | 3,257          | 3,292           |
| 6                 | Port services .....   | 14,557   | 15,365   | 3,730               | 3,880   | 3,801   | 3,956   | 3,995          | 4,105           |
| 7                 | Royalties and license fees (table F.2, line 9) .....          | 36,197   | 36,467   | 9,114               | 9,140   | 9,106   | 9,107   | 9,353          | 9,685           |
| 8                 | Affiliated .....  | 26,809   | 26,307   | 6,655               | 6,628   | 6,540   | 6,484   | 6,674          | 6,950           |
| 9                 | U.S. parents' receipts .....                                  | 24,720   | 24,576   | 6,127               | 6,114   | 6,097   | 6,238   | 6,132          | 6,353           |
| 10                | U.S. affiliates' receipts .....                               | 2,089    | 1,731    | 528                 | 514     | 443     | 246     | 542            | 597             |
| 11                | Unaffiliated .....  | 9,388    | 10,160   | 2,459               | 2,512   | 2,566   | 2,623   | 2,679          | 2,735           |
| 12                | Industrial processes <sup>1</sup> .....                       | 3,573    | 3,551    | 891                 | 888     | 886     | 886     | 886            | 886             |
| 13                | Other <sup>2</sup> .....                                      | 5,814    | 6,609    | 1,568               | 1,624   | 1,680   | 1,737   | 1,793          | 1,848           |
| 14                | Other private services (table F.2, line 10) .....             | 90,914   | 96,508   | 23,346              | 23,772  | 24,271  | 25,118  | 26,373         | 26,469          |
| 15                | Affiliated services .....                                     | 28,397   | 28,943   | 7,351               | 6,937   | 7,127   | 7,527   | 8,059          | 7,793           |
| 16                | U.S. parents' receipts .....                                  | 18,232   | 18,111   | 4,512               | 4,336   | 4,569   | 4,693   | 4,534          | 4,651           |
| 17                | U.S. affiliates' receipts .....                               | 10,165   | 10,832   | 2,839               | 2,601   | 2,558   | 2,834   | 3,525          | 3,142           |
| 18                | Unaffiliated services .....                                   | 62,517   | 67,565   | 15,995              | 16,835  | 17,144  | 17,591  | 18,314         | 18,676          |
| 19                | Education .....   | 9,037    | 9,572    | 2,343               | 2,377   | 2,417   | 2,435   | 2,484          | 2,518           |
| 20                | Financial services .....                                      | 11,273   | 13,925   | 2,901               | 3,496   | 3,613   | 3,915   | 4,389          | 4,573           |
| 21                | Insurance, net .....  | 2,189    | 2,295    | 553                 | 563     | 579     | 599     | 625            | 651             |
| 22                | Premiums received .....                                       | 7,265    | 8,259    | 1,991               | 2,043   | 2,091   | 2,135   | 2,178          | 2,220           |
| 23                | Losses paid .....   | 5,076    | 5,964    | 1,437               | 1,480   | 1,512   | 1,536   | 1,553          | 1,568           |
| 24                | Telecommunications .....                                      | 5,538    | 4,460    | 1,162               | 1,152   | 1,099   | 1,048   | 1,015          | 972             |
| 25                | Business, professional, and technical services .....          | 22,175   | 24,368   | 5,871               | 6,055   | 6,172   | 6,269   | 6,378          | 6,507           |
| 26                | Other unaffiliated services <sup>3</sup> .....                | 12,305   | 12,946   | 3,165               | 3,192   | 3,264   | 3,325   | 3,424          | 3,454           |
| 27                | Imports of private services .....                             | 167,607  | 174,825  | 42,041              | 43,122  | 44,096  | 45,567  | 47,492         | 48,302          |
| 28                | Travel (table F.2, line 23) .....                             | 56,509   | 59,351   | 14,560              | 14,718  | 14,799  | 15,274  | 15,837         | 16,107          |
| 29                | Passenger fares (table F.2, line 24) .....                    | 19,971   | 21,405   | 5,215               | 5,274   | 5,348   | 5,568   | 5,777          | 5,964           |
| 30                | Other transportation (table F.2, line 25) .....               | 30,363   | 34,137   | 7,784               | 8,187   | 8,953   | 9,214   | 9,582          | 9,791           |
| 31                | Freight .....   | 19,412   | 22,214   | 4,977               | 5,273   | 5,915   | 6,049   | 6,251          | 6,362           |
| 32                | Port services .....   | 10,950   | 11,925   | 2,808               | 2,914   | 3,038   | 3,165   | 3,331          | 3,429           |
| 33                | Royalties and license fees (table F.2, line 26) .....         | 11,713   | 13,275   | 3,081               | 3,224   | 3,314   | 3,656   | 3,590          | 3,702           |
| 34                | Affiliated .....  | 8,754    | 10,208   | 2,362               | 2,470   | 2,530   | 2,846   | 2,761          | 2,857           |
| 35                | U.S. parents' payments .....                                  | 1,755    | 2,134    | 500                 | 508     | 536     | 590     | 621            | 641             |
| 36                | U.S. affiliates' payments .....                               | 6,999    | 8,074    | 1,862               | 1,962   | 1,994   | 2,256   | 2,140          | 2,216           |
| 37                | Unaffiliated .....  | 2,959    | 3,067    | 719                 | 754     | 784     | 810     | 829            | 845             |
| 38                | Industrial processes <sup>1</sup> .....                       | 1,536    | 1,883    | 436                 | 461     | 483     | 502     | 515            | 527             |
| 39                | Other <sup>2</sup> .....                                      | 1,423    | 1,185    | 283                 | 293     | 301     | 308     | 314            | 318             |
| 40                | Other private services (table F.2, line 27) .....             | 49,051   | 46,657   | 11,401              | 11,719  | 11,682  | 11,855  | 12,706         | 12,738          |
| 41                | Affiliated services .....                                     | 19,756   | 22,437   | 5,262               | 5,703   | 5,677   | 5,795   | 6,176          | 5,880           |
| 42                | U.S. parents' payments .....                                  | 10,406   | 11,427   | 2,761               | 2,852   | 2,873   | 2,941   | 3,135          | 2,886           |
| 43                | U.S. affiliates' payments .....                               | 9,350    | 11,010   | 2,501               | 2,851   | 2,804   | 2,854   | 3,041          | 2,994           |
| 44                | Unaffiliated services .....                                   | 29,295   | 24,220   | 6,139               | 6,016   | 6,005   | 6,060   | 6,530          | 6,858           |
| 45                | Education .....   | 1,591    | 1,840    | 432                 | 453     | 469     | 486     | 502            | 524             |
| 46                | Financial services .....                                      | 3,561    | 3,574    | 767                 | 845     | 985     | 977     | 1,188          | 1,290           |
| 47                | Insurance, net .....  | 9,080    | 4,078    | 1,233               | 988     | 884     | 972     | 1,182          | 1,408           |
| 48                | Premiums paid .....   | 20,290   | 21,242   | 5,348               | 5,308   | 5,284   | 5,301   | 5,367          | 5,461           |
| 49                | Losses recovered .....  | 11,210   | 17,164   | 4,115               | 4,320   | 4,400   | 4,329   | 4,185          | 4,053           |
| 50                | Telecommunications .....                                      | 7,687    | 6,766    | 1,779               | 1,759   | 1,658   | 1,571   | 1,565          | 1,500           |
| 51                | Business, professional, and technical services .....          | 6,869    | 7,430    | 1,807               | 1,840   | 1,873   | 1,911   | 1,949          | 1,993           |
| 52                | Other unaffiliated services <sup>3</sup> .....                | 507      | 532      | 121                 | 132     | 136     | 143     | 145            | 145             |
| <b>Memoranda:</b> |   |          |          |                     |         |         |         |                |                 |
| 53                | Balance on goods (table F.2, line 71) .....                   | -246,854 | -345,559 | -73,024             | -83,984 | -92,318 | -96,233 | -105,838       | -110,216        |
| 54                | Balance on private services (line 1 minus line 27) .....      | 76,492   | 79,840   | 19,888              | 19,948  | 19,809  | 20,192  | 20,979         | 21,086          |
| 55                | Balance on goods and private services (lines 53 and 54) ..... | -170,362 | -265,719 | -53,136             | -64,036 | -72,509 | -76,041 | -84,859        | -89,130         |

<sup>P</sup> Preliminary.<sup>r</sup> Revised.

1. Patented techniques, processes, and formulas and other intangible property rights that are used in goods production.

2. Copyrights, trademarks, franchises, rights to broadcast live events, and other intangible property rights.

3. Other unaffiliated services receipts (exports) include mainly expenditures of foreign governments and inter-

national organizations in the United States. Payments (imports) include mainly expenditures of U.S. residents temporarily working abroad and film rentals.

NOTE.—The data in this table are from table 3 in "U.S. International Transactions, Second Quarter 2000" in the October 2000 issue of the SURVEY OF CURRENT BUSINESS, which presents the most recent estimates from the U.S. international transactions accounts.



## G. Investment Tables

Table G.1.—International Investment Position of the United States at Yearend, 1998 and 1999

[Millions of dollars]

| Line   | Type of investment   | Position,<br>1998 <sup>r</sup> | Changes in position in 1999 (decrease (-)) |                       |  |                               | Total<br>(a+b+c+d) | Position,<br>1999 <sup>r</sup> |
|--|--|--------------------------------|--|-----------------------|--|-------------------------------|--------------------|--------------------------------|
|  |  |                                | Attributable to:                           |                       |  |                               |                    |                                |
|  |  |                                | Financial<br>flows                         | Valuation adjustments |  |                               |                    |                                |
|  |  |                                |  | Price<br>changes      | Exchange<br>rate<br>changes <sup>1</sup> | Other<br>changes <sup>2</sup> |                    |                                |
|  |  | (a)                            | (b)  | (c)                   | (d)                                      |                               |                    |                                |
| <b>Net international investment position of the United States:</b> |  |                                |  |                       |  |                               |                    |                                |
| 1  | With direct investment positions at current cost (line 3 less line 24)                 | -1,111,813                     | -323,377                                   | 344,215               | -60,235                                  | 68,702                        | 29,305             | -1,082,508                     |
| 2  | With direct investment positions at market value (line 4 less line 25)                 | -1,407,670                     | -323,377                                   | 301,897               | -57,364                                  | 12,829                        | -66,015            | -1,473,685                     |
| <b>U.S.-owned assets abroad:</b>                                   |  |                                |  |                       |  |                               |                    |                                |
| 3  | With direct investment positions at current cost (lines 5+10+15) ...                   | 5,079,056                      | 430,187                                    | 455,115               | -71,115                                  | -4,215                        | 809,972            | 5,889,028                      |
| 4  | With direct investment positions at market value (lines 5+10+16) ...                   | 6,045,544                      | 430,187                                    | 755,413               | -63,035                                  | 5,264                         | 1,127,829          | 7,173,373                      |
| 5  | U.S. official reserve assets .....   | 146,006                        | -8,747                                     | 642                   | -1,500                                   | 17                            | -9,588             | 136,418                        |
| 6  | Gold .....   | 75,291                         |  | <sup>3</sup> 642      |  | <sup>4</sup> 17               | 659                | 75,950                         |
| 7  | Special drawing rights .....   | 10,603                         | -10  |                       | -257                                     |                               | -267               | 10,336                         |
| 8  | Reserve position in the International Monetary Fund .....                              | 24,111                         | -5,484                                     |                       | -677                                     |                               | -6,161             | 17,950                         |
| 9  | Foreign currencies .....   | 36,001                         | -3,253                                     |                       | -566                                     |                               | -3,819             | 32,182                         |
| 10   | U.S. Government assets, other than official reserve assets .....                       | 86,768                         | -2,751                                     |                       | 7  | 202                           | -2,542             | 84,226                         |
| 11   | U.S. credits and other long-term assets <sup>5</sup> .....                             | 84,850                         | -3,384                                     |                       | -11                                      | 202                           | -3,193             | 81,657                         |
| 12   | Repayable in dollars .....   | 84,528                         | -3,363                                     |                       |  | 202                           | -3,161             | 81,367                         |
| 13   | Other <sup>6</sup> .....   | 322                            | -21  |                       | -11                                      |                               | -32                | 290                            |
| 14   | U.S. foreign currency holdings and U.S. short-term assets .....                        | 1,918                          | 633  |                       | 18                                       |                               | 651                | 2,569                          |
| <b>U.S. private assets:</b>  |  |                                |  |                       |  |                               |                    |                                |
| 15   | With direct investment at current cost (lines 17+19+22+23) .....                       | 4,846,282                      | 441,685                                    | 454,473               | -69,622                                  | -4,434                        | 822,102            | 5,668,384                      |
| 16   | With direct investment at market value (lines 18+19+22+23) .....                       | 5,812,770                      | 441,685                                    | 754,771               | -61,542                                  | 5,045                         | 1,139,959          | 6,952,729                      |
| <b>Direct investment abroad:</b>                                   |  |                                |  |                       |  |                               |                    |                                |
| 17   | At current cost .....  | 1,207,059                      | 150,901                                    | 5,475                 | -17,646                                  | -14,602                       | 124,128            | 1,331,187                      |
| 18   | At market value .....  | 2,173,547                      | 150,901                                    | 305,773               | -9,566                                   | -5,123                        | 441,985            | 2,615,532                      |
| 19   | Foreign securities .....   | 2,052,929                      | 128,594                                    | 448,998               | -47,135                                  |                               | 530,457            | 2,583,386                      |
| 20   | Bonds .....  | 576,745                        | 14,193                                     | -31,341               | -2,849                                   |                               | -19,997            | 556,748                        |
| 21   | Corporate stocks .....   | 1,476,184                      | 114,401                                    | 480,339               | -44,286                                  |                               | 550,454            | 2,026,638                      |
| 22   | U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns .....      | 565,466                        | 92,328                                     |                       | -8,037                                   | -6,010                        | 78,281             | 643,747                        |
| 23   | U.S. claims reported by U.S. banks, not included elsewhere .....                       | 1,020,828                      | 69,862                                     |                       | 3,196                                    | 16,178                        | 89,236             | 1,110,064                      |
| <b>Foreign-owned assets in the United States:</b>                  |  |                                |  |                       |  |                               |                    |                                |
| 24   | With direct investment at current cost (lines 26+33) .....                             | 6,190,869                      | 753,564                                    | 110,900               | -10,880                                  | -72,917                       | 780,667            | 6,971,536                      |
| 25   | With direct investment at market value (lines 26+34) .....                             | 7,453,214                      | 753,564                                    | 453,516               | -5,671                                   | -7,565                        | 1,193,844          | 8,647,058                      |
| 26   | Foreign official assets in the United States .....                                     | 837,701                        | 42,864                                     | -11,231               |  |                               | 31,633             | 869,334                        |
| 27   | U.S. Government securities .....   | 620,285                        | 32,527                                     | -23,905               |  |                               | 8,622              | 628,907                        |
| 28   | U.S. Treasury securities .....   | 589,023                        | 12,177                                     | -22,975               |  |                               | -10,798            | 578,225                        |
| 29   | Other .....  | 31,262                         | 20,350                                     | -930                  |  |                               | 19,420             | 50,682                         |
| 30   | Other U.S. Government liabilities <sup>7</sup> .....                                   | 18,000                         | -3,255                                     |                       |  |                               | -3,255             | 14,745                         |
| 31   | U.S. liabilities reported by U.S. banks, not included elsewhere .....                  | 125,863                        | 12,692                                     |                       |  |                               | 12,692             | 138,575                        |
| 32   | Other foreign official assets .....  | 73,533                         | 900  | 12,674                |  |                               | 13,574             | 87,107                         |
| <b>Other foreign assets:</b>                                       |  |                                |  |                       |  |                               |                    |                                |
| 33   | With direct investment at current cost (lines 35+37+38+41+42+43) ...                   | 5,353,168                      | 710,700                                    | 122,131               | -10,880                                  | -72,917                       | 749,034            | 6,102,202                      |
| 34   | With direct investment at market value (lines 36+37+38+41+42+43) ...                   | 6,615,513                      | 710,700                                    | 464,747               | -5,671                                   | -7,565                        | 1,162,211          | 7,777,724                      |
| <b>Direct investment in the United States:</b>                     |  |                                |  |                       |  |                               |                    |                                |
| 35   | At current cost .....  | 928,645                        | 275,533                                    | 1,766                 | -5,209                                   | -75,521                       | 196,569            | 1,125,214                      |
| 36   | At market value .....  | 2,190,990                      | 275,533                                    | 344,382               |  | -10,169                       | 609,746            | 2,800,736                      |
| 37   | U.S. Treasury securities .....   | 729,738                        | -20,464                                    | -48,552               |  |                               | -69,016            | 660,722                        |
| 38   | U.S. securities other than U.S. Treasury securities .....                              | 2,012,431                      | 331,523                                    | 168,917               | -3,549                                   |                               | 496,891            | 2,509,322                      |
| 39   | Corporate and other bonds .....  | 902,155                        | 232,814                                    | -67,690               | -3,549                                   |                               | 161,575            | 1,063,730                      |
| 40   | Corporate stocks .....   | 1,110,276                      | 98,709                                     | 236,607               |  |                               | 335,316            | 1,445,592                      |
| 41   | U.S. currency .....  | 228,250                        | 22,407                                     |                       |  |                               | 22,407             | 250,657                        |
| 42   | U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns ..... | 437,973                        | 34,298                                     |                       | -1,050                                   | 2,604                         | 35,852             | 473,825                        |
| 43   | U.S. liabilities reported by U.S. banks, not included elsewhere .....                  | 1,016,131                      | 67,403                                     |                       | -1,072                                   |                               | 66,331             | 1,082,462                      |

<sup>p</sup> Preliminary.<sup>r</sup> Revised.

1. Represents gains or losses on foreign-currency-denominated assets due to their revaluation at current exchange rates.

2. Includes changes in coverage, statistical discrepancies, and other adjustments to the value of assets.

3. Reflects changes in the value of the official gold stock due to fluctuations in the market price of gold.

4. Reflects changes in gold stock from U.S. Treasury sales of gold medallions and commemorative and bullion coins; also reflects replenishment through open market purchases. These demonetizations/monetizations are not included in international transactions financial flows.

5. Also includes paid-in capital subscriptions to international financial institutions and outstanding amounts of miscellaneous claims that have been settled through international agreements to be payable to the U.S. Government over periods in excess of 1 year. Excludes World War I debts that are not being serviced.

6. Includes indebtedness that the borrower may contractually, or at its option, repay with its currency, with a third country's currency, or by delivery of materials or transfer of services.

7. Primarily U.S. Government liabilities associated with military sales contracts and other transactions arranged with or through foreign official agencies.

NOTE.—The data in this table are from table 1 in "International Investment Position of the United States at Yearend 1999" in the July 2000 issue of the SURVEY OF CURRENT BUSINESS.

Table G.2.—U.S. Direct Investment Abroad: Selected Items, by Country and by Industry of Foreign Affiliate, 1997–99

[Millions of dollars]

|  | Direct investment position on a historical-cost basis |                  |                  | Capital outflows (inflows (-)) |                |                | Income         |               |                |
|--|---|------------------|------------------|--------------------------------|----------------|----------------|----------------|---------------|----------------|
|  | 1997  | 1998             | 1999             | 1997                           | 1998           | 1999           | 1997           | 1998          | 1999           |
| <b>All countries, all industries</b> .....                                 | <b>871,316</b>  | <b>1,014,012</b> | <b>1,132,622</b> | <b>95,769</b>                  | <b>134,083</b> | <b>138,510</b> | <b>104,794</b> | <b>92,775</b> | <b>105,001</b> |
| <b>By country</b>  |   |                  |                  |                                |                |                |                |               |                |
| Canada .....   | 96,626  | 101,871          | 111,707          | 7,642                          | 9,152          | 14,268         | 11,024         | 7,527         | 11,103         |
| Europe .....   | 425,139   | 528,113          | 581,791          | 48,318                         | 93,805         | 72,090         | 48,333         | 52,618        | 53,584         |
| <i>Of which:</i>   |   |                  |                  |                                |                |                |                |               |                |
| France .....   | 36,630  | 42,067           | 39,984           | 2,971                          | 3,805          | 786            | 2,688          | 2,066         | 1,644          |
| Germany .....  | 40,726  | 46,405           | 49,617           | 2,464                          | 3,284          | 5,875          | 3,707          | 5,256         | 4,243          |
| Netherlands .....  | 68,619  | 93,592           | 106,436          | 12,450                         | 24,034         | 7,980          | 11,588         | 11,804        | 12,482         |
| Switzerland .....  | 30,634  | 40,144           | 51,227           | -792                           | 9,418          | 11,910         | 5,071          | 6,614         | 6,566          |
| United Kingdom .....   | 154,462   | 192,663          | 213,070          | 22,961                         | 36,552         | 29,824         | 13,469         | 13,198        | 14,465         |
| Latin America and Other Western Hemisphere .....                           | 180,818   | 200,477          | 223,182          | 21,539                         | 16,830         | 19,522         | 21,723         | 17,262        | 18,578         |
| <i>Of which:</i>   |   |                  |                  |                                |                |                |                |               |                |
| Bermuda .....  | 38,071  | 40,403           | 45,959           | 589                            | 1,352          | 5,122          | 3,965          | 3,080         | 4,173          |
| Brazil .....   | 35,778  | 38,195           | 35,003           | 7,138                          | 4,834          | 455            | 4,965          | 2,906         | 1,626          |
| Mexico .....   | 24,050  | 28,396           | 34,265           | 5,596                          | 4,718          | 5,355          | 3,893          | 3,885         | 4,721          |
| Panama .....   | 22,016  | 25,982           | 33,429           | 354                            | 718            | 1,803          | 1,277          | 1,812         | 2,074          |
| Africa .....   | 11,330  | 14,241           | 15,062           | 3,436                          | 3,150          | 1,302          | 1,948          | 1,574         | 2,106          |
| Middle East .....  | 8,836   | 10,632           | 11,137           | 619                            | 2,150          | 1,417          | 1,340          | 825           | 949            |
| Asia and Pacific .....   | 144,815   | 155,364          | 185,912          | 13,733                         | 8,366          | 29,362         | 20,009         | 12,322        | 18,410         |
| <i>Of which:</i>   |   |                  |                  |                                |                |                |                |               |                |
| Australia .....  | 28,404  | 31,150           | 33,662           | 1,209                          | 4,697          | 4,063          | 3,674          | 1,880         | 2,495          |
| Japan .....  | 33,854  | 35,633           | 47,786           | -339                           | 1,394          | 10,616         | 3,511          | 1,917         | 4,102          |
| International .....  | 3,752   | 3,315            | 3,832            | 482                            | 631            | 549            | 416            | 647           | 271            |
| <b>By industry</b>   |   |                  |                  |                                |                |                |                |               |                |
| Petroleum .....  | 84,116  | 92,964           | 99,925           | 11,555                         | 8,517          | 8,892          | 12,508         | 7,597         | 10,213         |
| Manufacturing .....  | 278,447   | 294,129          | 318,121          | 28,326                         | 22,126         | 35,524         | 38,468         | 29,879        | 32,472         |
| Food and kindred products .....  | 32,773  | 35,074           | 36,126           | 4,080                          | 2,342          | 1,416          | 5,030          | 4,306         | 3,604          |
| Chemicals and allied products .....  | 76,394  | 79,868           | 82,794           | 6,974                          | 5,245          | 7,100          | 10,023         | 9,428         | 9,431          |
| Primary and fabricated metals .....  | 15,898  | 18,776           | 18,803           | 408                            | 2,954          | 808            | 1,376          | 1,281         | 1,365          |
| Industrial machinery and equipment .....                                   | 30,179  | 31,348           | 37,833           | 4,873                          | 1,888          | 6,705          | 5,022          | 3,986         | 3,450          |
| Electronic and other electric equipment .....                              | 31,308  | 32,398           | 38,449           | 2,727                          | 1,866          | 6,231          | 4,663          | 2,147         | 3,737          |
| Transportation equipment .....   | 35,537  | 33,939           | 36,013           | 4,667                          | -1,190         | 4,857          | 5,478          | 2,495         | 4,371          |
| Other manufacturing .....  | 56,357  | 62,725           | 68,103           | 4,687                          | 9,021          | 8,406          | 6,876          | 6,237         | 6,514          |
| Wholesale trade .....  | 64,929  | 70,014           | 80,148           | 121                            | 6,434          | 11,801         | 9,047          | 9,909         | 10,560         |
| Depository institutions .....  | 37,932  | 40,582           | 39,937           | 1,508                          | 2,140          | -920           | 3,286          | 743           | 1,693          |
| Finance (except depository institutions), insurance, and real estate ..... | 297,828   | 375,965          | 436,024          | 39,001                         | 62,161         | 54,475         | 31,986         | 34,921        | 37,867         |
| Services .....   | 46,533  | 60,696           | 68,763           | 4,306                          | 12,210         | 10,778         | 6,109          | 5,955         | 8,193          |
| Other industries .....   | 61,532  | 79,663           | 89,705           | 10,953                         | 20,494         | 17,962         | 3,391          | 3,770         | 4,003          |

NOTE.—In this table, unlike in the international transactions accounts, income and capital outflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. In addition, unlike in the international investment position, the direct investment position is valued at historical cost.

The data in this table are from tables 16 and 17 in "U.S. Direct Investment Abroad: Detail for Historical-Cost Position and Related Capital and Income Flows, 1999" in the September 2000 issue of the SURVEY OF CURRENT BUSINESS.

**Table G.3.—Selected Financial and Operating Data for Nonbank Foreign Affiliates and Majority-Owned Nonbank Foreign Affiliates of U.S. Companies by Country and by Industry of Affiliate, 1998**

|  | All nonbank affiliates |                  |                |  |  |                                     | Majority-owned nonbank foreign affiliates (MOFA's) |                  |                |                  |  |  |                                     |
|--|------------------------|------------------|----------------|--|--|-------------------------------------|--|------------------|----------------|------------------|--|--|-------------------------------------|
|  | Millions of dollars    |                  |                |  |  | Thou-<br>sands of<br>employ-<br>ees | Millions of dollars                                |                  |                |                  |  |  | Thou-<br>sands of<br>employ-<br>ees |
|  | Total<br>assets        | Sales            | Net<br>income  | U.S. ex-<br>ports of<br>goods<br>shipped<br>to affil-<br>iates | U.S. im-<br>ports of<br>goods<br>shipped<br>by affil-<br>iates |                                     | Total<br>assets                                    | Sales            | Net<br>income  | Gross<br>product | U.S. ex-<br>ports of<br>goods<br>shipped<br>to<br>MOFA's | U.S. im-<br>ports of<br>goods<br>shipped<br>by<br>MOFA's |                                     |
| <b>All countries, all industries</b>                                       | <b>4,000,842</b>       | <b>2,443,350</b> | <b>155,292</b> | <b>217,153</b>   | <b>187,610</b>   | <b>8,388.0</b>                      | <b>3,434,808</b>                                   | <b>2,027,782</b> | <b>136,957</b> | <b>510,735</b>   | <b>210,634</b>   | <b>178,150</b>   | <b>6,899.9</b>                      |
| <b>By country</b>  |                        |                  |                |  |  |                                     |  |                  |                |                  |  |  |                                     |
| Canada .....   | 313,647                | 263,849          | 10,666         | 67,776   | 70,577   | 935.3                               | 284,995  | 242,668          | 9,992          | 54,739           | 65,988   | 67,601   | 862.1                               |
| Europe .....   | 2,302,253              | 1,331,199        | 90,889         | 63,782   | 36,638   | 3,532.2                             | 2,093,970  | 1,148,312        | 84,422         | 303,505          | 62,802   | 35,463   | 3,145.2                             |
| <i>Of which:</i>   |                        |                  |                |  |  |                                     |  |                  |                |                  |  |  |                                     |
| France .....   | 171,797                | 141,586          | 4,391          | ( <sup>D</sup> )   | 3,907  | 501.1                               | 146,118  | 123,941          | 4,538          | 35,915           | 5,362  | 3,729  | 447.9                               |
| Germany .....  | 279,338                | 253,825          | 11,759         | 8,322  | 4,542  | 643.1                               | 233,313  | 188,259          | 9,820          | 56,464           | 8,304  | 4,519  | 590.0                               |
| Netherlands .....  | 244,324                | 140,385          | 16,601         | ( <sup>D</sup> )   | ( <sup>D</sup> )   | 179.9                               | 226,984  | 118,114          | 14,904         | 20,243           | 13,605   | 2,739  | 167.5                               |
| United Kingdom .....   | 1,025,588              | 366,114          | 15,646         | 13,839   | 9,924  | 1,038.7                             | 973,745  | 334,572          | 16,128         | 90,735           | 13,803   | 9,854  | 953.5                               |
| Latin America and Other Western Hemisphere .....                           | 570,042                | 297,670          | 31,792         | 37,081   | 37,759   | 1,807.4                             | 434,375  | 230,736          | 22,728         | 61,336           | 35,677   | 36,271   | 1,416.4                             |
| <i>Of which:</i>   |                        |                  |                |  |  |                                     |  |                  |                |                  |  |  |                                     |
| Brazil .....   | 129,977                | 83,715           | 5,003          | 4,168  | 2,882  | 395.1                               | 84,673   | 64,555           | 3,239          | 21,922           | 4,015  | 2,753  | 341.5                               |
| Mexico .....   | 99,105                 | 98,344           | 8,861          | 24,660   | 27,223   | 907.1                               | 55,006   | 65,147           | 4,114          | 13,961           | 23,802   | 26,061   | 668.9                               |
| Africa .....   | 47,990                 | 28,033           | 2,155          | 887  | ( <sup>D</sup> )   | 202.9                               | 35,867   | 20,830           | 1,551          | 6,752            | 856  | 1,542  | 111.2                               |
| Middle East .....  | 40,169                 | 22,443           | 1,506          | 938  | ( <sup>D</sup> )   | 88.6                                | 16,591   | 9,340            | 784            | 3,764            | 696  | 855  | 49.5                                |
| Asia and Pacific .....   | 707,708                | 492,388          | 17,224         | 46,689   | 39,734   | 1,810.8                             | 558,121  | 371,509          | 16,796         | 79,129           | 44,615   | 36,419   | 1,305.4                             |
| <i>Of which:</i>   |                        |                  |                |  |  |                                     |  |                  |                |                  |  |  |                                     |
| Australia .....  | 96,615                 | 65,874           | 2,829          | 4,761  | 1,290  | 291.0                               | 75,555   | 52,315           | 2,209          | 16,756           | 4,731  | 1,217  | 221.6                               |
| Japan .....  | 298,485                | 182,288          | 4,006          | 13,514   | 4,773  | 404.2                               | 232,322  | 103,644          | 3,133          | 23,648           | 12,185   | 2,003  | 187.8                               |
| International .....  | 19,032                 | 7,768            | 1,060          | 0  | 0  | 10.9                                | 10,888   | 4,387            | 684            | 1,510            | 0  | 0  | 10.1                                |
| <b>By industry</b>   |                        |                  |                |  |  |                                     |  |                  |                |                  |  |  |                                     |
| Petroleum .....  | 341,685                | 340,447          | 10,269         | 4,762  | 11,414   | 241.8                               | 252,603  | 233,056          | 6,988          | 89,484           | 4,655  | 11,383   | 176.9                               |
| Manufacturing .....  | 982,117                | 1,087,302        | 56,908         | 136,201  | 156,492  | 4,652.9                             | 839,666  | 954,037          | 52,342         | 251,442          | 131,652  | 147,637  | 3,977.3                             |
| Food and kindred products .....  | 129,038                | 133,141          | 7,492          | 3,501  | 5,161  | 646.6                               | 95,898   | 108,529          | 6,362          | 26,570           | 3,187  | 4,788  | 434.9                               |
| Chemicals and allied products .....  | 236,473                | 200,698          | 19,537         | 15,429   | 10,117   | 609.3                               | 209,859  | 179,830          | 18,517         | 55,040           | 14,707   | 9,661  | 543.6                               |
| Primary and fabricated metals .....  | 51,675                 | 43,506           | 1,870          | 3,253  | 3,597  | 228.4                               | 43,460   | 35,206           | 1,546          | 10,729           | 3,004  | 3,274  | 190.0                               |
| Industrial machinery and equipment .....                                   | 131,304                | 173,128          | 8,266          | 21,487   | 34,919   | 602.1                               | 123,477  | 163,797          | 8,088          | 34,758           | 21,211   | 34,193   | 563.6                               |
| Electronic and other electric equipment .....                              | 90,176                 | 110,418          | 3,231          | 21,574   | 25,787   | 781.8                               | 82,424   | 103,537          | 3,003          | 22,774           | 21,462   | 24,972   | 721.4                               |
| Transportation equipment .....   | 147,949                | 241,818          | 5,604          | 54,872   | 62,580   | 752.4                               | 118,489  | 204,365          | 5,472          | 41,618           | 52,939   | 57,746   | 642.0                               |
| Other manufacturing .....  | 195,501                | 184,593          | 10,909         | 16,085   | 14,329   | 1032.4                              | 166,060  | 158,773          | 9,355          | 59,952           | 15,141   | 13,002   | 881.7                               |
| Wholesale trade .....  | 244,358                | 438,792          | 16,207         | 69,521   | 16,740   | 601.2                               | 238,236  | 420,288          | 15,893         | 59,109           | 68,119   | 16,468   | 569.7                               |
| Finance (except depository institutions), insurance, and real estate ..... | 1,794,120              | 154,402          | 51,409         | 31   | 8  | 239.5                               | 1,732,655  | 146,236          | 49,514         | 22,912           | 27   | 8  | 222.0                               |
| Services .....   | 194,427                | 150,262          | 7,500          | 2,047  | 814  | 1086.6                              | 173,177  | 135,679          | 7,120          | 52,509           | 2,010  | 813  | 962.8                               |
| Other industries .....   | 444,134                | 272,145          | 12,998         | 4,590  | 2,142  | 1,566.0                             | 198,472  | 138,486          | 5,099          | 35,279           | 4,172  | 1,840  | 991.1                               |

<sup>D</sup> Suppressed to avoid disclosure of data of individual companies.  
NOTE.—The data in this table are from "U.S. Multinational Companies: Operations in 1998" in the July 2000 issue of the SURVEY OF CURRENT BUSINESS.

Table G.4.—Foreign Direct Investment in the United States: Selected Items, by Country of Foreign Parent and by Industry of Affiliate, 1997–99

[Millions of dollars]

|  | Direct investment position on a historical-cost basis |         |         | Capital inflows (outflows (-)) |         |         | Income |        |        |
|--|---|---------|---------|--------------------------------|---------|---------|--------|--------|--------|
|  | 1997  | 1998    | 1999    | 1997                           | 1998    | 1999    | 1997   | 1998   | 1999   |
| <b>All countries, all industries</b> .....       | 689,834   | 793,748 | 986,668 | 103,513                        | 181,764 | 271,169 | 40,359 | 32,782 | 51,004 |
| <b>By country</b>                                |   |         |         |                                |         |         |        |        |        |
| Canada .....                                     | 65,144  | 74,143  | 79,716  | 10,838                         | 16,012  | 12,228  | 2,840  | 1,563  | 1,482  |
| Europe .....                                     | 433,876   | 528,601 | 685,845 | 71,860                         | 160,722 | 234,548 | 30,883 | 25,722 | 42,504 |
| <i>Of which:</i>                                 |   |         |         |                                |         |         |        |        |        |
| France .....                                     | 49,515  | 58,051  | 77,622  | 10,932                         | 10,371  | 19,310  | 2,851  | 1,475  | 3,035  |
| Germany .....                                    | 70,901  | 94,404  | 111,138 | 12,186                         | 42,110  | 22,701  | 3,361  | 4,860  | 6,244  |
| Luxembourg .....                                 | 11,433  | 26,650  | 54,894  | 5,334                          | 14,299  | 25,888  | 476    | 1,162  | 2,766  |
| Netherlands .....                                | 87,584  | 98,926  | 130,703 | 12,710                         | 9,606   | 32,845  | 6,957  | 5,618  | 8,638  |
| Switzerland .....                                | 37,874  | 48,403  | 55,280  | 8,611                          | 6,392   | 4,930   | 3,110  | 1,582  | 5,181  |
| United Kingdom .....                             | 130,883   | 143,165 | 183,145 | 11,395                         | 65,701  | 116,605 | 10,925 | 6,929  | 12,355 |
| Latin America and Other Western Hemisphere ..... | 33,008  | 27,854  | 44,591  | 3,819                          | -2,817  | 16,787  | 1,730  | 907    | 1,155  |
| <i>Of which:</i>                                 |   |         |         |                                |         |         |        |        |        |
| Bermuda .....                                    | 3,506   | 3,740   | 13,054  | 1,853                          | -139    | 9,737   | 232    | 172    | 222    |
| Mexico .....                                     | 3,244   | 2,432   | 3,612   | 323                            | 1,057   | 1,214   | 199    | 246    | 260    |
| Panama .....                                     | 5,898   | 6,504   | 5,896   | 328                            | 1,121   | -124    | 725    | 872    | 753    |
| United Kingdom Islands—Caribbean .....           | 11,425  | 9,009   | 13,883  | 3,457                          | -2,082  | 4,351   | 149    | -339   | 244    |
| Africa .....                                     | 1,464   | 862     | 1,545   | 434                            | -593    | 415     | -352   | -90    | -78    |
| Middle East .....                                | 6,585   | 6,346   | 7,087   | 768                            | 509     | 371     | 576    | 371    | 165    |
| Asia and Pacific .....                           | 149,757   | 155,943 | 167,884 | 15,795                         | 7,931   | 6,820   | 4,682  | 4,309  | 5,777  |
| <i>Of which:</i>                                 |   |         |         |                                |         |         |        |        |        |
| Australia .....                                  | 13,977  | 12,883  | 10,818  | 1,821                          | 904     | -2,507  | 36     | -245   | -569   |
| Japan .....                                      | 126,464   | 134,590 | 148,947 | 10,559                         | 7,563   | 9,529   | 5,513  | 5,160  | 5,892  |
| <b>By industry</b>                               |   |         |         |                                |         |         |        |        |        |
| Petroleum .....                                  | 42,632  | 51,729  | 55,940  | 3,847                          | 58,813  | 5,558   | 4,110  | 1,383  | 5,113  |
| Manufacturing .....                              | 271,287   | 334,898 | 391,013 | 34,218                         | 87,010  | 72,610  | 17,842 | 19,795 | 27,570 |
| Food and kindred products .....                  | 26,196  | 22,026  | 16,717  | -1,793                         | -5,031  | -2,285  | 1,384  | 594    | 1,631  |
| Chemicals and allied products .....              | 86,558  | 95,662  | 103,465 | 11,804                         | 10,340  | 9,416   | 5,270  | 6,815  | 6,604  |
| Primary and fabricated metals .....              | 20,466  | 19,340  | 21,808  | 2,067                          | 853     | 1,619   | 1,486  | 1,784  | 1,458  |
| Machinery .....                                  | 51,693  | 62,067  | 76,584  | 11,147                         | 19,675  | 24,132  | 2,691  | 1,417  | 2,362  |
| Other manufacturing .....                        | 86,373  | 136,803 | 172,440 | 10,992                         | 61,173  | 39,729  | 7,011  | 9,184  | 15,514 |
| Wholesale trade .....                            | 86,248  | 89,980  | 108,936 | 13,020                         | 10,364  | 11,853  | 4,148  | 4,435  | 7,381  |
| Retail trade .....                               | 17,546  | 21,090  | 23,386  | 3,181                          | 4,123   | 2,478   | 446    | 766    | 1,830  |
| Depository institutions .....                    | 38,956  | 43,804  | 60,118  | 7,626                          | 4,618   | 18,331  | 3,860  | 2,694  | 2,934  |
| Finance, except depository institutions .....    | 44,024  | 45,895  | 52,133  | 6,970                          | 2,388   | 8,793   | 1,949  | -1,975 | -138   |
| Insurance .....                                  | 71,327  | 77,785  | 101,760 | 12,922                         | 5,537   | 27,014  | 4,599  | 3,795  | 4,383  |
| Real estate .....                                | 38,922  | 43,558  | 44,720  | 5,149                          | 2,980   | 1,341   | 584    | 490    | 939    |
| Services .....                                   | 35,410  | 41,271  | 57,558  | 4,680                          | 6,764   | 16,876  | 985    | 1,067  | 2,157  |
| Other industries .....                           | 43,481  | 43,741  | 91,106  | 11,901                         | -832    | 106,315 | 1,835  | 333    | -1,166 |

NOTE.—In this table, unlike in the international transactions accounts, income and capital inflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. In addition, unlike in the international investment position, the direct investment position is valued at historical cost.

The data in this table are from tables 16 and 17 in "Foreign Direct Investment in the United States: Detail for Historical-Cost Position and Related Capital and Income Flows, 1999" in the September 2000 issue of the SURVEY OF CURRENT BUSINESS.

Table G.5.—Selected Financial and Operating Data of Nonbank U.S. Affiliates and Majority-Owned Nonbank U.S. Affiliates of Foreign Companies by Country of Ultimate Beneficial Owner and by Industry of Affiliate, 1998

|  | All nonbank affiliates |           |            |               |                        |   | Majority-owned nonbank affiliates           |                     |           |            |               |                        |   |   |
|--|------------------------|-----------|------------|---------------|------------------------|---|---|---------------------|-----------|------------|---------------|------------------------|---|---|
|  | Millions of dollars    |           |            |               | Thousands of employees | Millions of dollars                         |   | Millions of dollars |           |            |               | Thousands of employees | Millions of dollars                         |   |
|  | Total assets           | Sales     | Net income | Gross product |                        | U.S. exports of goods shipped by affiliates | U.S. imports of goods shipped to affiliates | Total assets        | Sales     | Net income | Gross product |                        | U.S. exports of goods shipped by affiliates | U.S. imports of goods shipped to affiliates |
|  |                        |           |            |               |                        |   |   |                     |           |            |               |                        |   |   |
| All countries, all industries .....                          | 3,525,885              | 1,881,865 | 33,276     | 418,138       | 5,633.0                | 150,836                                     | 289,679                                     | 3,043,966           | 1,623,767 | 23,970     | 352,756       | 4,655.0                | 137,912                                     | 277,599                                     |
| <b>By country</b>  |                        |           |            |               |                        |   |   |                     |           |            |               |                        |   |   |
| Canada .....   | 371,546                | 153,157   | 2,868      | 40,425        | 661.9                  | 8,118                                       | 15,484                                      | 347,913             | 133,495   | 2,758      | 34,635        | 541.4                  | 7,846                                       | 15,063                                      |
| Europe .....   | 2,234,177              | 1,080,158 | 25,779     | 267,066       | 3,563.5                | 80,329                                      | 119,590                                     | 2,019,390           | 929,236   | 19,460     | 228,162       | 2,936.0                | 72,698                                      | 117,772                                     |
| <i>Of which:</i>   |                        |           |            |               |                        |   |   |                     |           |            |               |                        |   |   |
| France .....   | 387,383                | 142,434   | 1,505      | 37,349        | 525.7                  | 15,140                                      | 12,649                                      | 334,708             | 106,113   | 232        | 25,347        | 306.4                  | (P)   | 12,381                                      |
| Germany .....  | 427,162                | 282,786   | 8,780      | 66,597        | 782.4                  | 28,987                                      | 55,246                                      | 402,534             | 254,117   | 7,341      | 57,658        | 638.3                  | 27,875                                      | 54,783                                      |
| Netherlands .....  | 320,861                | 145,575   | 1,200      | 29,464        | 406.8                  | 4,124                                       | 10,842                                      | 294,479             | 114,442   | 549        | 26,314        | 396.8                  | 3,952                                       | 10,790                                      |
| Sweden .....   | 45,528                 | 34,423    | 359        | 7,679         | 105.3                  | 3,880                                       | 6,562                                       | 45,177              | 33,848    | 339        | 7,542         | 103.7                  | 3,860                                       | 6,514                                       |
| Switzerland .....  | 454,836                | 105,372   | 4,395      | 28,039        | 375.5                  | 5,640                                       | 6,815                                       | 415,446             | 87,216    | 2,491      | 22,955        | 285.3                  | 5,280                                       | 6,654                                       |
| United Kingdom .....   | 493,554                | 269,069   | 8,499      | 76,214        | 986.8                  | 16,700                                      | 15,555                                      | 447,428             | 254,152   | 6,774      | 71,064        | 916.3                  | 16,254                                      | 15,070                                      |
| Latin America and Other Western Hemisphere                   | 75,307                 | 60,235    | 972        | 16,995        | 222.0                  | 5,537                                       | 10,276                                      | 57,272              | 52,367    | 872        | 15,421        | 204.7                  | 5,272                                       | 8,458                                       |
| <i>Of which:</i>   |                        |           |            |               |                        |   |   |                     |           |            |               |                        |   |   |
| Bermuda .....  | 24,778                 | 18,474    | 679        | 5,806         | 118.3                  | (P)   | 857   | (P)                 | 18,242    | 721        | 5,793         | 116.3                  | (P)   | 855   |
| Mexico .....   | 7,807                  | 9,217     | 132        | 1,582         | 29.2                   | 720   | 3,001                                       | 7,053               | 8,160     | 102        | 1,300         | 24.4                   | (P)   | (P)   |
| Panama .....   | 3,362                  | 2,601     | -191       | 943           | 13.4                   | 599   | 200   | 3,240               | 2,536     | -195       | (P)           | J                      | 599   | 200   |
| United Kingdom Islands—Caribbean .....                       | 8,158                  | 3,223     | -40        | 1,009         | 19.1                   | 17  | 350   | 6,714               | 2,711     | 221        | 1,017         | 15.7                   | 16  | 349   |
| Venezuela .....  | 12,175                 | 15,360    | 554        | 5,301         | 9.1                    | 115   | (P)   | (P)                 | (P)       | (P)        | (P)           | I                      | (P)   | (P)   |
| Africa .....   | 12,923                 | 12,233    | 263        | 2,543         | 20.7                   | 788   | 875   | (P)                 | (P)       | (P)        | (P)           | J                      | (P)   | (P)   |
| Middle East .....  | 17,959                 | 16,094    | 439        | 4,614         | 73.1                   | 814   | 2,358                                       | 15,149              | 10,869    | 552        | 2,422         | 52.7                   | 792   | (P)   |
| Asia and Pacific .....                                       | 670,164                | 535,198   | -392       | 78,714        | 1,031.0                | 54,303                                      | 140,248                                     | 587,556             | 483,007   | 530        | 67,496        | 871.0                  | 50,051                                      | 133,994                                     |
| <i>Of which:</i>   |                        |           |            |               |                        |   |   |                     |           |            |               |                        |   |   |
| Australia .....  | 59,088                 | 27,764    | -720       | 6,633         | 83.8                   | 1,404                                       | 1,307                                       | 50,895              | 22,698    | -713       | 5,421         | 67.4                   | 679   | (P)   |
| Japan .....  | 560,799                | 453,381   | 2,059      | 65,482        | 835.9                  | 45,989                                      | 122,315                                     | 491,406             | 412,991   | 2,691      | 56,617        | 715.2                  | 42,775                                      | 117,569                                     |
| United States .....  | 143,808                | 24,791    | 3,346      | 7,780         | 60.7                   | 946   | 849   | (P)                 | (P)       | (P)        | (P)           | K                      | (P)   | 743   |
| <b>By industry<sup>1</sup></b>                               |                        |           |            |               |                        |   |   |                     |           |            |               |                        |   |   |
| Manufacturing .....  | 878,864                | 834,396   | 17,025     | 224,372       | 2,539.6                | 87,581                                      | 126,924                                     | 793,094             | 730,082   | 14,934     | 201,870       | 2,285.3                | 80,843                                      | 118,125                                     |
| <i>Of which:</i>   |                        |           |            |               |                        |   |   |                     |           |            |               |                        |   |   |
| Food .....   | 44,315                 | 49,815    | 743        | 10,796        | 159.0                  | 3,023                                       | 2,498                                       | 41,771              | 46,103    | 677        | 9,716         | 141.3                  | 2,931                                       | 2,439                                       |
| Chemicals .....  | 199,557                | 141,875   | 3,226      | 42,935        | 380.0                  | 14,930                                      | 14,429                                      | 186,187             | 130,516   | 2,836      | 39,637        | 349.0                  | 13,538                                      | 13,936                                      |
| Primary and fabricated metals .....                          | 66,493                 | 66,578    | 1,644      | 17,250        | 224.1                  | 5,212                                       | 8,893                                       | 50,641              | 48,372    | 1,091      | 13,104        | 188.5                  | 3,915                                       | 6,941                                       |
| Machinery .....  | 42,770                 | 49,751    | 855        | 14,622        | 209.7                  | 7,936                                       | 7,438                                       | 39,535              | 45,604    | 1,053      | 13,667        | 196.1                  | 7,133                                       | 6,675                                       |
| Computers and electronic products .....                      | 81,604                 | 97,391    | -1,922     | 19,402        | 282.9                  | 14,306                                      | 26,771                                      | 73,184              | 87,159    | -1,895     | 17,810        | 259.4                  | 13,417                                      | 26,100                                      |
| Electrical equipment, appliances, and components .....       | 30,535                 | 32,865    | 1,157      | 9,925         | 167.6                  | 4,957                                       | 2,967                                       | 29,618              | 31,570    | 1,100      | 9,545         | 162.4                  | 4,748                                       | 2,934                                       |
| Transportation equipment .....                               | 143,045                | 169,701   | 6,957      | 36,056        | 368.2                  | 24,609                                      | 45,241                                      | 138,545             | 160,177   | 6,569      | 33,862        | 344.8                  | 23,638                                      | 43,140                                      |
| Wholesale trade .....  | 283,125                | 491,520   | 3,884      | 51,292        | 526.9                  | 56,127                                      | 155,164                                     | 268,168             | 462,280   | 2,817      | 47,122        | 467.9                  | 50,332                                      | 152,884                                     |
| Retail trade .....   | 51,304                 | 97,275    | 1,373      | 26,032        | 679.2                  | 1,401                                       | 4,089                                       | 38,872              | 68,812    | 723        | 17,043        | 493.5                  | (P)   | 3,399                                       |
| Information .....  | 156,163                | 74,060    | -788       | 23,186        | 266.9                  | 870   | 208   | 99,165              | 49,587    | 34         | 13,746        | 179.3                  | (P)   | (P)   |
| <i>Of which:</i>   |                        |           |            |               |                        |   |   |                     |           |            |               |                        |   |   |
| Publishing industries .....                                  | 51,457                 | 23,676    | 1,034      | 9,595         | 105.1                  | 717   | (P)   | (P)                 | 19,853    | -103       | 6,948         | 95.9                   | (P)   | (P)   |
| Broadcasting and telecommunications .....                    | 77,942                 | 35,036    | -2,438     | 9,616         | 106.0                  | 1   | (P)   | 28,139              | 14,685    | -485       | 2,795         | 29.6                   | 1   | 1   |
| Finance (except depository institutions) and insurance ..... | 1,789,405              | 187,956   | 10,292     | 23,954        | 234.9                  | 4   | 49  | 1,556,470           | 162,016   | 4,895      | 19,970        | 198.2                  | 4   | 49  |
| Real estate and rental and leasing .....                     | 123,474                | 21,121    | 1,411      | 9,679         | 39.1                   | 27  | 224   | 101,316             | 17,582    | 1,047      | 7,678         | 35.4                   | 27  | 224   |
| Professional, scientific, and technical services             | 24,332                 | 20,541    | -202       | 7,961         | 104.5                  | 283   | 232   | 19,093              | 17,486    | 3          | 6,665         | 80.7                   | 263   | (P)   |
| Other industries .....                                       | 219,218                | 154,995   | 281        | 51,662        | 1,241.9                | 4,542                                       | 2,790                                       | 167,788             | 115,922   | -482       | 38,663        | 914.7                  | 4,428                                       | 2,543                                       |

D Suppressed to avoid disclosure of data of individual companies.

1. The industry classification system used to classify the data for U.S. affiliates is based on the North American Industry Classification System. Prior to 1997, the affiliate data were classified using an industry classification system based on the Standard Industrial Classification system.

NOTE.—The data in this table are from BEA's annual survey of the operations of U.S. affiliates of foreign compa-

nies; see "U.S. Affiliates of Foreign Companies: Operations in 1998," in the August 2000 issue of the SURVEY OF CURRENT BUSINESS.

Size ranges are given in employment cells that are suppressed. The size ranges are: A—1 to 499; F—500 to 999; G—1,000 to 2,499; H—2,500 to 4,999; I—5,000 to 9,999; J—10,000 to 24,999; K—25,000 to 49,999; L—50,000 to 99,999; M—100,000 or more.

## H. International Perspectives

Quarterly data in this table are shown in the middle month of the quarter.

Table H.1.—International Perspectives

|   | 1998    | 1999   | 1999   |        |        |        |        | 2000   |        |        |        |        |        |        |        |        |
|---|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|   |         |        | Aug.   | Sept.  | Oct.   | Nov.   | Dec.   | Jan.   | Feb.   | Mar.   | Apr.   | May    | June   | July   | Aug.   | Sept.  |
| Exchange rates per U.S. dollar (not seasonally adjusted) <sup>1</sup>   |         |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |
| Canada (Can.\$/US\$) .....  | 1.4836  | 1.4858 | 1.4932 | 1.4771 | 1.4776 | 1.4674 | 1.4722 | 1.4486 | 1.4512 | 1.4608 | 1.4689 | 1.4957 | 1.4770 | 1.4778 | 1.4828 | 1.4864 |
| European Monetary Union (US\$/Euro) <sup>2</sup> .....  | .....   | 1.0653 | 1.0605 | 1.0497 | 1.0706 | 1.0328 | 1.0110 | 1.0131 | .9834  | .9643  | .9449  | .9059  | .9505  | .9386  | .9045  | .8695  |
| France (FFr/US\$) <sup>2</sup> .....  | 5.8995  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  |
| Germany (DM/US\$) <sup>2</sup> .....  | 1.7597  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  |
| Italy (L/US\$) <sup>2</sup> .....   | 17.3685 | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  |
| Japan (¥/US\$) .....  | 1.3099  | 1.1373 | 1.1323 | 1.0688 | 1.0597 | 1.0465 | 1.0258 | 1.0530 | 1.0939 | 1.0631 | 1.0563 | 1.0832 | 1.0613 | 1.0821 | 1.0808 | 1.0684 |
| Mexico (Peso/US\$) .....  | 9.1520  | 9.5530 | 9.3980 | 9.3410 | 9.5750 | 9.4160 | 9.4270 | 9.4940 | 9.4270 | 9.2890 | 9.3940 | 9.5060 | .9834  | .9419  | .9272  | .9361  |
| United Kingdom (US\$/£) .....   | 1.6573  | 1.6172 | 1.6058 | 1.6247 | 1.6572 | 1.6205 | 1.6132 | 1.6404 | 1.6000 | 1.5799 | 1.5823 | 1.5090 | 1.5092 | 1.5076 | 1.4889 | 1.4336 |
| Addendum:   |         |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |
| Exchange value of the U.S. dollar <sup>3</sup> .....  | 116.48  | 116.87 | 117.00 | 116.38 | 115.88 | 116.08 | 116.09 | 115.95 | 117.44 | 117.44 | 118.10 | 120.70 | 119.43 | 119.86 | 120.64 | 122.08 |
| Unemployment rates (percent, monthly data seasonally adjusted)  |         |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |
| Canada .....  | 8.3     | 7.6    | 7.7    | 7.4    | 7.1    | 6.9    | 6.8    | 6.8    | 6.8    | 6.8    | 6.8    | 6.6    | 6.6    | 6.8    | 7.1    | 6.8    |
| France .....  | 11.8    | 11.2   | 11.3   | 11.1   | 11.0   | 10.8   | 10.6   | 10.5   | 10.2   | 10.0   | 9.9    | 9.8    | 9.6    | 9.7    | 9.6    | 9.5    |
| Germany .....   | 11.1    | 10.5   | 10.5   | 10.5   | 10.5   | 10.4   | 10.2   | 10.1   | 10.0   | 10.1   | 9.6    | 9.6    | 9.6    | 9.5    | 9.5    | 9.4    |
| Italy .....   | 11.8    | 11.4   | 11.5   | .....  | .....  | 11.0   | .....  | .....  | 11.2   | .....  | .....  | 10.7   | .....  | .....  | 10.5   | .....  |
| Japan .....   | 4.1     | 4.7    | 4.7    | 4.7    | 4.6    | 4.6    | 4.7    | 4.7    | 4.9    | 4.9    | 4.8    | 4.6    | 4.7    | 4.7    | 4.6    | 4.7    |
| Mexico .....  | .....   | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  |
| United Kingdom .....  | 4.7     | 4.3    | 4.2    | 4.2    | 4.2    | 4.1    | 4.1    | 4.0    | 4.0    | 3.9    | 3.8    | 3.8    | 3.8    | 3.7    | 3.6    | 3.6    |
| Addendum:   |         |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |
| United States .....   | 4.5     | 4.2    | 4.2    | 4.2    | 4.1    | 4.1    | 4.1    | 4.0    | 4.1    | 4.1    | 3.9    | 4.1    | 4.0    | 4.0    | 4.1    | 3.9    |
| Consumer prices (monthly data seasonally adjusted, 1995=100)  |         |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |
| Canada .....  | 104.2   | 106.1  | 106.6  | 106.9  | 107.0  | 106.9  | 107.0  | 106.9  | 107.5  | 108.2  | 107.9  | 108.4  | 109.1  | 109.5  | 109.3  | 109.8  |
| France .....  | 104.0   | 104.6  | 104.5  | 104.7  | 104.8  | 104.8  | 105.4  | 105.4  | 105.5  | 106.0  | 106.0  | 106.2  | 106.4  | 106.2  | 106.4  | 107.0  |
| Germany .....   | 104.3   | 104.9  | 105.3  | 105.1  | 105.0  | 105.2  | 105.5  | 105.8  | 106.2  | 106.4  | 106.4  | 106.3  | 106.9  | 107.4  | 107.2  | 107.7  |
| Italy .....   | 108.2   | 110.0  | 110.2  | 110.4  | 110.8  | 111.0  | 111.1  | 111.3  | 111.7  | 112.0  | 112.1  | 112.5  | 112.8  | 113.0  | 113.1  | 113.3  |
| Japan .....   | 102.5   | 102.2  | 102.1  | 102.4  | 102.6  | 102.0  | 101.7  | 101.4  | 101.3  | 101.5  | 101.7  | 101.8  | 101.5  | 101.3  | 101.3  | 101.6  |
| Mexico .....  | 187.9   | 219.1  | 221.0  | 223.2  | 224.6  | 226.6  | 228.8  | 231.9  | 234.0  | 235.3  | 236.6  | 237.5  | 238.9  | 239.8  | 241.1  | 242.9  |
| United Kingdom .....  | 109.3   | 111.0  | 111.0  | 111.5  | 111.7  | 111.8  | 112.2  | 111.8  | 112.4  | 113.0  | 114.1  | 114.5  | 114.8  | 114.4  | 114.4  | 115.2  |
| Addendum:   |         |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |
| United States .....   | 107.0   | 109.3  | 109.7  | 110.1  | 110.3  | 110.5  | 110.8  | 111.0  | 111.6  | 112.3  | 112.3  | 112.5  | 113.1  | 113.4  | 113.3  | 113.9  |
| Real gross domestic product (percent change from preceding quarter, quarterly data seasonally adjusted at annual rates) |         |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |
| Canada .....  | 3.3     | 4.5    | .....  | .....  | .....  | 5.1    | .....  | .....  | 5.1    | .....  | .....  | 4.7    | .....  | .....  | .....  | .....  |
| France .....  | 3.2     | 2.9    | 4.0    | .....  | .....  | 4.0    | .....  | .....  | 2.6    | .....  | .....  | 2.9    | .....  | .....  | .....  | .....  |
| Germany .....   | 1.8     | 1.4    | 3.5    | .....  | .....  | 3.0    | .....  | .....  | 3.1    | .....  | .....  | 4.7    | .....  | .....  | .....  | .....  |
| Italy .....   | 1.5     | 1.4    | 2.9    | .....  | .....  | 2.2    | .....  | .....  | 4.3    | .....  | .....  | 1.1    | .....  | .....  | .....  | .....  |
| Japan .....   | .....   | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  | .....  |
| Mexico .....  | 4.8     | 3.7    | 4.3    | .....  | .....  | 5.2    | .....  | .....  | 7.9    | .....  | .....  | 7.6    | .....  | .....  | 7.0    | .....  |
| United Kingdom .....  | 2.6     | 2.1    | 4.0    | .....  | .....  | 2.9    | .....  | .....  | 1.8    | .....  | .....  | 3.9    | .....  | .....  | 2.8    | .....  |
| Addendum:   |         |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |
| United States .....   | 4.4     | 4.2    | 5.7    | .....  | .....  | 8.3    | .....  | .....  | 4.8    | .....  | .....  | 5.6    | .....  | .....  | 2.4    | .....  |

See footnotes at the end of the table.

Table H.1.—International Perspectives—Continued

|   | 1998  | 1999  | 1999  |       |       |       |       | 2000  |       |       |       |       |       |       |       |       |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|   |       |       | Aug.  | Sept. | Oct.  | Nov.  | Dec.  | Jan.  | Feb.  | Mar.  | Apr.  | May   | June  | July  | Aug.  | Sept. |
| Short-term, 3-month, interest rates (percent, not seasonally adjusted)              |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Canada .....  | 5.04  | 4.89  | 4.89  | 4.81  | 5.00  | 5.03  | 5.10  | 5.20  | 5.25  | 5.99  | 5.50  | 5.91  | ..... | ..... | ..... | ..... |
| France .....  | 3.56  | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Germany .....   | 3.54  | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Italy .....   | 4.99  | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Japan .....   | .72   | .25   | .07   | .12   | .28   | .34   | .26   | .12   | .10   | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Mexico .....  | 26.11 | 22.38 | 21.48 | 21.34 | 20.30 | 18.68 | 17.65 | 17.43 | 16.44 | 14.46 | 14.37 | 15.58 | 16.61 | 14.62 | 15.71 | 16.15 |
| United Kingdom .....  | 7.33  | 5.45  | 5.17  | 5.32  | 5.94  | 5.78  | 5.96  | 6.05  | 6.15  | 6.15  | 6.20  | 6.23  | 6.13  | 6.11  | 6.13  | 6.12  |
| Addendum:   |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| United States .....   | 4.81  | 4.66  | 4.76  | 4.73  | 4.88  | 5.07  | 5.23  | 5.34  | 5.57  | 5.72  | 5.67  | 5.92  | 5.74  | 5.93  | 6.11  | 5.99  |
| Long-term interest rates, government bond yields (percent, not seasonally adjusted) |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Canada .....  | 5.45  | 5.68  | 5.85  | 5.88  | 6.26  | 6.15  | 6.22  | 6.48  | 6.19  | 5.93  | 5.90  | 6.10  | 5.89  | 5.84  | 5.77  | 5.81  |
| France .....  | 4.82  | 4.94  | 5.17  | 5.35  | 5.67  | 5.66  | 5.81  | 6.11  | 5.96  | 5.73  | 5.84  | 5.92  | 5.94  | 6.00  | 6.04  | 5.93  |
| Germany .....   | 4.6   | 4.5   | 4.9   | 5.0   | 5.3   | 5.0   | 5.2   | 5.5   | 5.5   | 5.3   | 5.2   | 5.4   | 5.2   | 5.3   | 5.2   | 5.3   |
| Italy .....   | 4.88  | 4.73  | 5.13  | 5.28  | 5.52  | 5.25  | 5.36  | 5.75  | 5.73  | 5.58  | 5.47  | 5.67  | 5.51  | 5.59  | 5.56  | 5.63  |
| Japan .....   | 1.54  | 1.75  | 1.88  | 1.76  | 1.69  | 1.82  | 1.77  | 1.69  | 1.8   | 1.8   | 1.7   | 1.7   | 1.7   | 1.7   | 1.8   | 1.9   |
| United Kingdom .....  | 5.52  | 5.08  | 5.38  | 5.65  | 5.83  | 5.28  | 5.38  | 5.82  | 5.62  | 5.36  | 5.30  | 5.40  | 5.20  | 5.20  | 5.29  | 5.34  |
| Addendum:   |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| United States .....   | 5.26  | 5.65  | 5.94  | 5.92  | 6.11  | 6.03  | 6.28  | 6.66  | 6.52  | 6.26  | 5.99  | 6.44  | 6.10  | 6.05  | 5.83  | 5.80  |
| Share price indices (not seasonally adjusted, 1995=100)                             |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Canada .....  | 152.4 | 159.2 | 157.2 | 156.9 | 163.7 | 169.7 | 189.8 | 191.3 | 205.9 | 213.4 | 210.8 | 208.7 | 229.9 | 234.7 | 253.7 | 234.1 |
| France .....  | 192.2 | 234.6 | 231.7 | 242.3 | 243.0 | 264.9 | 289.3 | 295.1 | 316.7 | 329.7 | 318.2 | 324.2 | 333.4 | 332.6 | 336.5 | 336.5 |
| Germany .....   | 197.7 | 204.9 | 200.8 | 203.2 | 202.7 | 218.1 | 234.8 | 253.6 | 279.6 | 293.8 | 272.9 | 265.8 | 266.0 | 262.9 | 261.8 | 256.6 |
| Italy .....   | 221   | 246   | 234   | 243   | 235   | 241   | 271   | 283   | 320   | 337   | 309   | 316   | 321   | 328   | 325   | 327   |
| Japan .....   | 85    | 100   | 106   | 108   | 110   | 117   | 119   | 120   | 124   | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Mexico .....  | 191.1 | 240.3 | 229.2 | 227.6 | 245.6 | 276.5 | 321.3 | 296.7 | 332.0 | 336.7 | 299.2 | 268.6 | 313.1 | 293.5 | 300.3 | 285.4 |
| United Kingdom .....  | 150.5 | 168.4 | 168.9 | 166.7 | 164.3 | 175.0 | 185.1 | 183.7 | 178.2 | 189.8 | 178.7 | 175.2 | 182.1 | 182.3 | 180.7 | 179.2 |
| Addendum:   |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| United States .....   | 189   | 213   | 213   | 209   | 206   | 218   | 219   | 218   | 208   | 214   | 222   | 220   | 223   | 224   | 229   | 233   |

1. All exchange rates are from the Board of Governors of the Federal Reserve System.

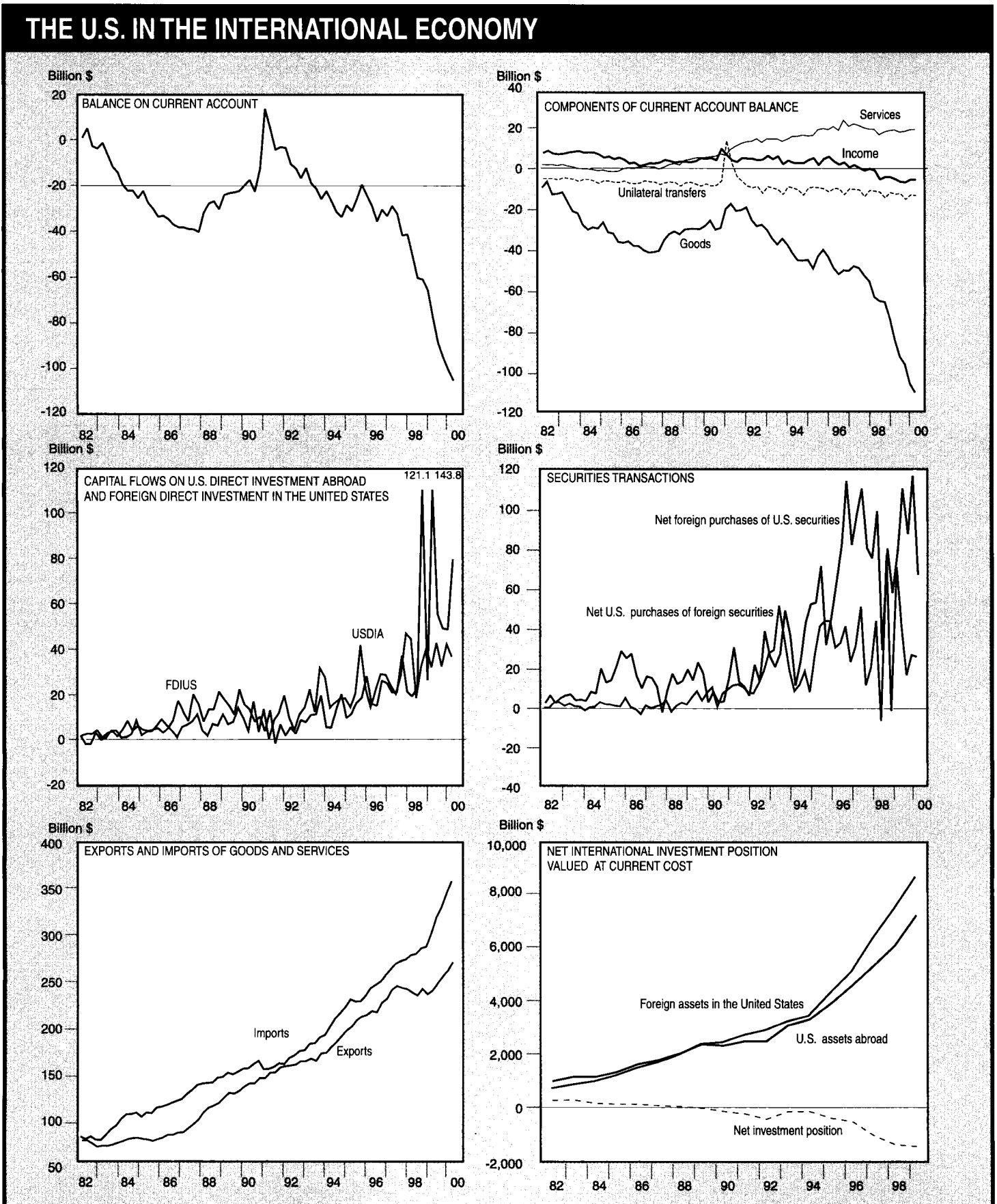
2. As of January 1, 1999, the euro is reported in place of the individual euro-area currencies. These currency rates can be derived from the euro rate by using the following conversion rates: 1 euro = 6.55957 French francs, 1.95583 German marks, and 1936.27 Italian lire.

3. The rate shown for the United States is an index of the weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of major U.S. trading partners, January 1997=100 and

reflects revised trade weights. For more information on the exchange rate indexes, see "New Summary Measures of the Foreign Exchange Value of the Dollar," *Federal Reserve Bulletin*, vol. 84 (October 1998), pp. 811-18.

NOTE.—U.S. interest rates, unemployment rates, and GDP growth rates are from the Federal Reserve, the Bureau of Labor Statistics, and BEA, respectively. GDP growth rates for other countries are calculated from levels published by those countries. All other data (including U.S. consumer prices and U.S. share prices, both of which have been rebased to 1995 to facilitate comparison) are © OECD and are reproduced with permission.

I. Charts





# Regional Data

## J. State and Regional Tables

The tables in this section include the most recent estimates of State personal income and gross state product. The sources of these estimates are noted.

The quarterly and annual State personal income estimates and the gross state product estimates are available on CD-ROM. For information on State personal income, E-mail [reis.remd@bea.doc.gov](mailto:reis.remd@bea.doc.gov); write to the Regional Economic Information System, BE-55, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; or call 202-606-5360. For information on gross state product, E-mail [gspread@bea.doc.gov](mailto:gspread@bea.doc.gov); write to the Regional Economic Information System, BE-61, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; or call 202-606-5340.

**Table J.1.—Quarterly Personal Income by State and Region**

| Area name             | Millions of dollars, seasonally adjusted at annual rates |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |            | Percent change <sup>1</sup> |                |
|-----------------------|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------|-----------------------------|----------------|
|                       | 1997   |                  |                  | 1998             |                  |                  |                  | 1999             |                  |                  |                  | 2000             |                  |            | 1999:IV-2000:I              | 2000:I-2000:II |
|                       | II   | III              | IV               | I                | II               | III              | IV               | I                | II               | III              | IV               | I                | II               |            |                             |                |
| <b>United States</b>  | <b>6,870,797</b>   | <b>6,970,442</b> | <b>7,090,024</b> | <b>7,222,862</b> | <b>7,331,807</b> | <b>7,437,309</b> | <b>7,542,770</b> | <b>7,620,356</b> | <b>7,722,844</b> | <b>7,820,923</b> | <b>7,968,485</b> | <b>8,101,562</b> | <b>8,237,804</b> | <b>1.7</b> | <b>1.7</b>                  |                |
| <b>New England</b>    | <b>404,719</b>   | <b>409,838</b>   | <b>417,782</b>   | <b>423,846</b>   | <b>431,043</b>   | <b>438,955</b>   | <b>444,618</b>   | <b>448,798</b>   | <b>455,967</b>   | <b>466,775</b>   | <b>473,238</b>   | <b>486,241</b>   | <b>490,732</b>   | <b>2.7</b> | <b>.9</b>                   |                |
| Connecticut           | 115,481  | 116,727          | 119,086          | 120,087          | 121,443          | 123,451          | 125,273          | 125,997          | 127,915          | 130,305          | 131,713          | 133,809          | 134,448          | 1.6        | .5                          |                |
| Maine                 | 27,643   | 27,783           | 28,282           | 28,603           | 29,172           | 29,653           | 29,986           | 29,922           | 30,624           | 31,529           | 31,238           | 31,798           | 32,277           | 1.8        | 1.5                         |                |
| Massachusetts         | 189,724  | 192,597          | 196,100          | 199,617          | 203,669          | 207,586          | 209,885          | 213,107          | 216,394          | 222,322          | 226,310          | 234,466          | 236,822          | 3.6        | 1.0                         |                |
| New Hampshire         | 32,060   | 32,664           | 33,378           | 34,037           | 34,756           | 35,652           | 36,330           | 36,299           | 36,945           | 37,710           | 38,532           | 39,989           | 40,301           | 3.8        | .8                          |                |
| Rhode Island          | 26,189   | 26,316           | 26,834           | 27,125           | 27,434           | 27,858           | 28,253           | 28,448           | 28,795           | 29,435           | 29,750           | 30,231           | 30,695           | 1.6        | 1.5                         |                |
| Vermont               | 13,824   | 13,752           | 14,101           | 14,377           | 14,570           | 14,754           | 14,892           | 15,023           | 15,293           | 15,475           | 15,695           | 15,948           | 16,190           | 1.6        | 1.5                         |                |
| <b>Mideast</b>        | <b>1,302,937</b>   | <b>1,320,701</b> | <b>1,345,178</b> | <b>1,363,080</b> | <b>1,386,674</b> | <b>1,401,655</b> | <b>1,414,291</b> | <b>1,440,769</b> | <b>1,448,788</b> | <b>1,470,205</b> | <b>1,484,411</b> | <b>1,503,711</b> | <b>1,527,984</b> | <b>1.3</b> | <b>1.6</b>                  |                |
| Delaware              | 19,799   | 20,371           | 20,701           | 21,508           | 21,896           | 22,109           | 22,507           | 22,721           | 22,879           | 23,377           | 23,794           | 23,672           | 24,245           | -5         | 2.4                         |                |
| District of Columbia  | 18,969   | 19,149           | 19,269           | 19,323           | 19,546           | 19,817           | 19,973           | 20,253           | 20,535           | 20,781           | 21,176           | 21,333           | 21,402           | .7         | .3                          |                |
| Maryland              | 147,724  | 149,168          | 152,084          | 154,300          | 157,312          | 159,573          | 161,870          | 164,308          | 166,527          | 169,323          | 171,422          | 174,181          | 176,220          | 1.6        | 1.2                         |                |
| New Jersey            | 258,243  | 261,930          | 266,584          | 272,605          | 276,258          | 280,493          | 281,672          | 285,924          | 286,897          | 289,804          | 295,387          | 297,743          | 303,131          | .8         | 1.8                         |                |
| New York              | 546,776  | 555,426          | 566,680          | 572,430          | 585,158          | 589,800          | 594,101          | 611,201          | 610,755          | 621,524          | 623,232          | 634,643          | 646,079          | 1.8        | 1.8                         |                |
| Pennsylvania          | 311,426  | 314,656          | 319,860          | 322,913          | 326,513          | 329,863          | 334,168          | 336,963          | 341,195          | 345,396          | 349,399          | 352,139          | 356,907          | .8         | 1.4                         |                |
| <b>Great Lakes</b>    | <b>1,129,996</b>   | <b>1,144,791</b> | <b>1,163,154</b> | <b>1,181,878</b> | <b>1,196,594</b> | <b>1,210,518</b> | <b>1,230,522</b> | <b>1,235,034</b> | <b>1,252,885</b> | <b>1,264,663</b> | <b>1,286,855</b> | <b>1,300,287</b> | <b>1,325,552</b> | <b>1.0</b> | <b>1.9</b>                  |                |
| Illinois              | 337,730  | 342,865          | 349,052          | 353,864          | 359,244          | 364,332          | 369,660          | 370,970          | 375,960          | 377,699          | 386,346          | 389,783          | 397,364          | .9         | 1.9                         |                |
| Indiana               | 138,479  | 139,941          | 142,642          | 145,223          | 147,598          | 149,951          | 152,297          | 152,382          | 154,259          | 155,901          | 158,920          | 159,535          | 162,567          | .4         | 1.9                         |                |
| Michigan              | 248,519  | 251,693          | 254,595          | 259,940          | 261,896          | 262,393          | 268,778          | 271,028          | 275,989          | 279,448          | 282,718          | 288,086          | 294,633          | 1.9        | 2.3                         |                |
| Ohio                  | 277,316  | 280,665          | 285,030          | 288,888          | 291,808          | 295,582          | 299,831          | 300,313          | 303,911          | 306,827          | 311,520          | 315,185          | 320,033          | 1.2        | 1.5                         |                |
| Wisconsin             | 127,953  | 129,628          | 131,835          | 133,962          | 136,048          | 138,260          | 139,956          | 140,340          | 142,767          | 144,789          | 147,350          | 147,698          | 150,955          | .2         | 2.2                         |                |
| <b>Plains</b>         | <b>458,694</b>   | <b>465,269</b>   | <b>472,452</b>   | <b>479,898</b>   | <b>487,019</b>   | <b>493,759</b>   | <b>504,491</b>   | <b>501,590</b>   | <b>510,591</b>   | <b>513,650</b>   | <b>530,874</b>   | <b>530,288</b>   | <b>540,282</b>   | <b>-1</b>  | <b>2.4</b>                  |                |
| Iowa                  | 67,512   | 68,070           | 69,435           | 69,247           | 70,233           | 71,402           | 73,440           | 71,743           | 72,790           | 73,393           | 76,071           | 75,204           | 76,993           | -1.1       | 2.4                         |                |
| Kansas                | 63,277   | 64,194           | 65,104           | 66,163           | 67,179           | 68,109           | 69,688           | 69,382           | 70,429           | 70,970           | 73,993           | 72,945           | 74,341           | -1.4       | 1.9                         |                |
| Minnesota             | 128,028  | 130,423          | 132,548          | 136,155          | 138,506          | 140,132          | 142,974          | 143,178          | 146,146          | 147,277          | 151,600          | 152,729          | 155,535          | .7         | 1.8                         |                |
| Missouri              | 130,011  | 131,704          | 133,794          | 135,136          | 137,171          | 139,291          | 140,915          | 141,628          | 143,515          | 144,538          | 147,259          | 148,533          | 151,295          | .9         | 1.9                         |                |
| Nebraska              | 40,472   | 40,930           | 41,381           | 41,877           | 42,506           | 43,180           | 44,235           | 43,723           | 44,656           | 44,687           | 47,192           | 46,435           | 47,221           | -1.6       | 1.7                         |                |
| North Dakota          | 13,196   | 13,479           | 13,641           | 14,246           | 14,265           | 14,384           | 15,188           | 14,282           | 14,765           | 14,531           | 15,512           | 15,351           | 15,469           | -1.0       | .8                          |                |
| South Dakota          | 16,198   | 16,470           | 16,549           | 17,073           | 17,159           | 17,261           | 18,071           | 17,653           | 18,290           | 18,254           | 19,247           | 19,092           | 19,428           | -0.8       | 1.8                         |                |
| <b>Southeast</b>      | <b>1,519,559</b>   | <b>1,539,593</b> | <b>1,566,737</b> | <b>1,595,658</b> | <b>1,621,796</b> | <b>1,646,448</b> | <b>1,668,295</b> | <b>1,680,215</b> | <b>1,702,597</b> | <b>1,718,561</b> | <b>1,748,282</b> | <b>1,773,785</b> | <b>1,804,349</b> | <b>1.5</b> | <b>1.7</b>                  |                |
| Alabama               | 90,640   | 91,516           | 92,849           | 94,687           | 95,654           | 96,767           | 97,922           | 98,744           | 100,082          | 100,910          | 102,073          | 102,323          | 103,936          | .2         | 1.6                         |                |
| Arkansas              | 50,688   | 51,181           | 52,201           | 53,074           | 53,534           | 54,096           | 55,144           | 55,769           | 56,659           | 56,422           | 58,158           | 58,559           | 59,358           | .7         | 1.4                         |                |
| Florida               | 374,689  | 380,496          | 385,983          | 393,458          | 399,533          | 404,437          | 408,470          | 411,752          | 417,831          | 422,398          | 427,189          | 432,720          | 441,593          | 1.3        | 2.1                         |                |
| Georgia               | 181,981  | 184,824          | 188,417          | 193,708          | 197,381          | 201,949          | 205,267          | 208,396          | 211,262          | 213,865          | 218,194          | 224,299          | 228,147          | 2.8        | 1.7                         |                |
| Kentucky              | 82,370   | 83,248           | 84,543           | 86,041           | 87,406           | 88,769           | 89,583           | 90,069           | 91,322           | 92,669           | 94,085           | 95,155           | 96,664           | 1.1        | 1.6                         |                |
| Louisiana             | 91,600   | 92,589           | 94,411           | 95,803           | 97,292           | 98,141           | 98,828           | 98,443           | 99,707           | 99,937           | 101,460          | 102,062          | 103,633          | .6         | 1.5                         |                |
| Mississippi           | 51,281   | 51,714           | 52,723           | 53,961           | 54,614           | 55,420           | 56,257           | 56,092           | 56,913           | 57,574           | 58,531           | 58,590           | 59,346           | .1         | 1.3                         |                |
| North Carolina        | 178,079  | 180,325          | 184,327          | 187,548          | 190,544          | 193,549          | 196,638          | 195,730          | 198,615          | 197,595          | 203,834          | 208,246          | 212,142          | 2.2        | 1.9                         |                |
| South Carolina        | 80,388   | 81,415           | 82,805           | 84,111           | 85,651           | 87,557           | 88,922           | 89,315           | 90,876           | 92,258           | 93,512           | 94,665           | 96,593           | 1.2        | 2.0                         |                |
| Tennessee             | 124,291  | 125,808          | 128,559          | 130,283          | 132,842          | 134,541          | 136,391          | 136,943          | 139,372          | 141,339          | 143,283          | 145,600          | 148,258          | 1.6        | 1.8                         |                |
| Virginia              | 178,471  | 181,204          | 184,257          | 186,798          | 190,849          | 194,315          | 197,756          | 201,698          | 202,302          | 205,506          | 209,438          | 212,848          | 215,382          | 1.6        | 1.2                         |                |
| West Virginia         | 35,080   | 35,273           | 35,660           | 36,187           | 36,485           | 36,907           | 37,138           | 37,267           | 37,656           | 38,088           | 38,524           | 38,720           | 39,297           | .5         | 1.5                         |                |
| <b>Southwest</b>      | <b>671,020</b>   | <b>683,942</b>   | <b>696,568</b>   | <b>716,197</b>   | <b>725,951</b>   | <b>738,173</b>   | <b>748,146</b>   | <b>756,172</b>   | <b>769,039</b>   | <b>776,955</b>   | <b>793,047</b>   | <b>810,306</b>   | <b>825,233</b>   | <b>2.2</b> | <b>1.8</b>                  |                |
| Arizona               | 102,583  | 104,469          | 106,800          | 109,380          | 111,427          | 113,699          | 116,036          | 116,154          | 119,868          | 121,625          | 123,794          | 127,883          | 128,754          | 3.3        | .7                          |                |
| New Mexico            | 34,734   | 35,069           | 35,400           | 36,298           | 36,485           | 36,822           | 37,244           | 37,158           | 37,925           | 38,252           | 38,747           | 39,102           | 39,826           | .9         | 1.9                         |                |
| Oklahoma              | 69,316   | 70,128           | 71,507           | 72,957           | 73,747           | 74,582           | 75,247           | 75,798           | 76,670           | 77,118           | 78,723           | 78,793           | 80,349           | .1         | 2.0                         |                |
| Texas                 | 464,387  | 474,276          | 482,861          | 497,563          | 504,292          | 513,071          | 519,619          | 527,062          | 534,575          | 539,960          | 551,782          | 564,528          | 576,303          | 2.3        | 2.1                         |                |
| <b>Rocky Mountain</b> | <b>204,783</b>   | <b>209,182</b>   | <b>212,079</b>   | <b>218,624</b>   | <b>220,863</b>   | <b>224,181</b>   | <b>228,535</b>   | <b>230,919</b>   | <b>236,318</b>   | <b>238,603</b>   | <b>246,100</b>   | <b>249,818</b>   | <b>254,710</b>   | <b>1.5</b> | <b>2.0</b>                  |                |
| Colorado              | 107,552  | 110,182          | 111,968          | 116,244          | 117,100          | 119,172          | 121,539          | 123,357          | 126,648          | 128,732          | 133,084          | 134,683          | 137,563          | 1.2        | 2.1                         |                |
| Idaho                 | 25,065   | 25,408           | 25,697           | 26,515           | 26,746           | 27,058           | 27,623           | 27,865           | 28,360           | 28,718           | 29,386           | 30,149           | 30,530           | 2.6        | 1.3                         |                |
| Montana               | 17,559   | 17,845           | 18,144           | 18,400           | 18,656           | 18,711           | 19,252           | 19,078           | 19,477           | 19,223           | 19,973           | 20,010           | 20,370           | .2         | 1.8                         |                |
| Utah                  | 43,268   | 44,208           | 44,618           | 45,726           | 46,480           | 47,193           | 47,925           | 48,281           | 49,289           | 50,134           | 50,697           | 51,766           | 52,898           | 2.1        | 2.2                         |                |
| Wyoming               | 11,339   | 11,539           | 11,653           | 11,739           | 11,881           | 12,047           | 12,198           | 12,337           | 12,545           | 12,796           | 12,960           | 13,210           | 13,349           | 1.9        | 1.0                         |                |
| <b>Far West</b>       | <b>1,179,089</b>   | <b>1,197,125</b> | <b>1,216,074</b> | <b>1,243,682</b> | <b>1,261,878</b> | <b>1,283,622</b> | <b>1,303,871</b> | <b>1,326,861</b> | <b>1,346,659</b> | <b>1,370,511</b> | <b>1,405,679</b> | <b>1,447,126</b> | <b>1,468,963</b> | <b>2.9</b> | <b>1.5</b>                  |                |
| Alaska                | 16,470   | 16,552           | 16,658           | 17,071           | 17,062           | 17,154           | 17,381           | 17,449           | 17,608           | 17,754           | 18,003           | 18,504           | 18,822           | 2.8        | 1.7                         |                |
| California            | 855,418  | 869,194          | 882,788          | 902,618          | 915,372          | 931,826          | 947,197          |                  |                  |                  |                  |                  |                  |            |                             |                |

Table J.2.—Annual Personal Income and Disposable Personal Income for States and Regions

| Area name                   | Personal income     |                  |                  |                             |            | Disposable personal income |                  |                  |                             |            |
|-----------------------------|---------------------|------------------|------------------|-----------------------------|------------|----------------------------|------------------|------------------|-----------------------------|------------|
|                             | Millions of dollars |                  |                  | Percent change <sup>1</sup> |            | Millions of dollars        |                  |                  | Percent change <sup>1</sup> |            |
|                             | 1997                | 1998             | 1999             | 1997-98                     | 1998-99    | 1997                       | 1998             | 1999             | 1997-98                     | 1998-99    |
| <b>United States</b> .....  | <b>6,928,762</b>    | <b>7,383,687</b> | <b>7,783,152</b> | <b>6.6</b>                  | <b>5.4</b> | <b>5,960,966</b>           | <b>6,313,822</b> | <b>6,632,353</b> | <b>5.9</b>                  | <b>5.0</b> |
| <b>New England</b> .....    | <b>408,160</b>      | <b>434,615</b>   | <b>461,194</b>   | <b>6.5</b>                  | <b>6.1</b> | <b>342,534</b>             | <b>361,447</b>   | <b>382,203</b>   | <b>5.5</b>                  | <b>5.7</b> |
| Connecticut .....           | 116,347             | 122,564          | 128,983          | 5.3                         | 5.2        | 95,651                     | 99,372           | 104,030          | 3.9                         | 4.7        |
| Maine .....                 | 27,774              | 29,353           | 30,828           | 5.7                         | 5.0        | 24,201                     | 25,359           | 26,520           | 4.8                         | 4.6        |
| Massachusetts .....         | 191,613             | 205,189          | 219,533          | 7.1                         | 7.0        | 159,690                    | 169,586          | 180,895          | 6.2                         | 6.7        |
| New Hampshire .....         | 32,389              | 35,194           | 37,372           | 8.7                         | 6.2        | 28,192                     | 30,568           | 32,398           | 8.4                         | 6.0        |
| Rhode Island .....          | 26,284              | 27,667           | 29,107           | 5.3                         | 5.2        | 22,843                     | 23,890           | 25,109           | 4.6                         | 5.1        |
| Vermont .....               | 13,752              | 14,648           | 15,371           | 6.5                         | 4.9        | 11,956                     | 12,672           | 13,251           | 6.0                         | 4.6        |
| <b>Mideast</b> .....        | <b>1,315,305</b>    | <b>1,391,425</b> | <b>1,461,043</b> | <b>5.8</b>                  | <b>5.0</b> | <b>1,114,005</b>           | <b>1,168,787</b> | <b>1,221,832</b> | <b>4.9</b>                  | <b>4.5</b> |
| Delaware .....              | 20,143              | 22,003           | 23,192           | 9.2                         | 5.4        | 16,986                     | 18,600           | 19,608           | 9.5                         | 5.4        |
| District of Columbia .....  | 19,081              | 19,665           | 20,686           | 3.1                         | 5.2        | 16,066                     | 16,321           | 17,078           | 1.6                         | 4.6        |
| Maryland .....              | 148,826             | 158,264          | 167,895          | 6.3                         | 6.1        | 125,597                    | 132,608          | 140,236          | 5.6                         | 5.8        |
| New Jersey .....            | 260,727             | 277,757          | 289,503          | 6.5                         | 4.2        | 220,986                    | 233,040          | 241,717          | 5.5                         | 3.7        |
| New York .....              | 553,004             | 585,372          | 616,678          | 5.9                         | 5.3        | 463,929                    | 486,687          | 509,868          | 4.9                         | 4.8        |
| Pennsylvania .....          | 313,523             | 328,364          | 343,088          | 4.7                         | 4.5        | 270,442                    | 281,531          | 293,326          | 4.1                         | 4.2        |
| <b>Great Lakes</b> .....    | <b>1,138,409</b>    | <b>1,204,878</b> | <b>1,259,859</b> | <b>5.8</b>                  | <b>4.6</b> | <b>975,316</b>             | <b>1,026,548</b> | <b>1,069,723</b> | <b>5.3</b>                  | <b>4.2</b> |
| Illinois .....              | 340,490             | 361,775          | 377,744          | 6.3                         | 4.4        | 291,402                    | 307,669          | 319,997          | 5.6                         | 4.0        |
| Indiana .....               | 139,454             | 148,767          | 155,365          | 6.7                         | 4.4        | 119,821                    | 127,277          | 132,401          | 6.2                         | 4.0        |
| Michigan .....              | 250,211             | 263,252          | 277,296          | 5.2                         | 5.3        | 214,495                    | 223,930          | 235,117          | 4.4                         | 5.0        |
| Ohio .....                  | 279,342             | 294,027          | 305,643          | 5.3                         | 4.0        | 239,874                    | 251,603          | 260,595          | 4.9                         | 3.6        |
| Wisconsin .....             | 128,912             | 137,056          | 143,811          | 6.3                         | 4.9        | 109,723                    | 116,069          | 121,615          | 5.8                         | 4.8        |
| <b>Plains</b> .....         | <b>462,250</b>      | <b>491,292</b>   | <b>514,176</b>   | <b>6.3</b>                  | <b>4.7</b> | <b>399,702</b>             | <b>423,294</b>   | <b>443,002</b>   | <b>5.9</b>                  | <b>4.7</b> |
| Iowa .....                  | 67,930              | 71,080           | 73,499           | 4.6                         | 3.4        | 59,286                     | 61,982           | 63,977           | 4.5                         | 3.2        |
| Kansas .....                | 63,721              | 67,780           | 71,194           | 6.4                         | 5.0        | 55,106                     | 58,538           | 61,430           | 6.2                         | 4.9        |
| Minnesota .....             | 129,136             | 139,442          | 147,050          | 8.0                         | 5.5        | 109,299                    | 117,439          | 124,702          | 7.4                         | 6.2        |
| Missouri .....              | 131,131             | 138,128          | 144,235          | 5.3                         | 4.4        | 113,988                    | 119,486          | 124,377          | 4.8                         | 4.1        |
| Nebraska .....              | 40,722              | 42,949           | 45,065           | 5.5                         | 4.9        | 35,530                     | 37,255           | 38,936           | 4.9                         | 4.5        |
| North Dakota .....          | 13,330              | 14,521           | 14,773           | 8.9                         | 1.7        | 11,852                     | 12,954           | 13,112           | 9.3                         | 1.2        |
| South Dakota .....          | 16,280              | 17,391           | 18,361           | 6.8                         | 5.6        | 14,642                     | 15,640           | 16,468           | 6.8                         | 5.3        |
| <b>Southeast</b> .....      | <b>1,532,182</b>    | <b>1,633,047</b> | <b>1,712,414</b> | <b>6.6</b>                  | <b>4.9</b> | <b>1,336,078</b>           | <b>1,418,043</b> | <b>1,481,552</b> | <b>6.1</b>                  | <b>4.5</b> |
| Alabama .....               | 91,283              | 96,257           | 100,452          | 5.4                         | 4.4        | 80,341                     | 84,653           | 88,142           | 5.4                         | 4.1        |
| Arkansas .....              | 51,059              | 53,962           | 56,752           | 5.7                         | 5.2        | 45,067                     | 47,480           | 49,834           | 5.4                         | 5.0        |
| Florida .....               | 377,681             | 401,474          | 419,792          | 6.3                         | 4.6        | 329,690                    | 348,142          | 362,376          | 5.6                         | 4.1        |
| Georgia .....               | 183,762             | 199,576          | 212,929          | 8.6                         | 6.7        | 158,356                    | 171,212          | 182,071          | 8.1                         | 6.3        |
| Kentucky .....              | 82,905              | 87,945           | 92,036           | 6.1                         | 4.7        | 71,894                     | 76,046           | 79,348           | 5.8                         | 4.3        |
| Louisiana .....             | 92,290              | 97,516           | 99,887           | 5.7                         | 2.4        | 81,435                     | 86,198           | 88,190           | 5.8                         | 2.3        |
| Mississippi .....           | 51,589              | 55,063           | 57,278           | 6.7                         | 4.0        | 46,237                     | 49,250           | 51,128           | 6.5                         | 3.8        |
| North Carolina .....        | 179,688             | 192,070          | 198,943          | 6.9                         | 3.6        | 155,308                    | 165,273          | 170,056          | 6.4                         | 2.9        |
| South Carolina .....        | 81,049              | 86,560           | 91,490           | 6.8                         | 5.7        | 70,884                     | 75,530           | 79,872           | 6.6                         | 5.7        |
| Tennessee .....             | 125,449             | 133,514          | 140,234          | 6.4                         | 5.0        | 111,625                    | 118,615          | 124,332          | 6.3                         | 4.8        |
| Virginia .....              | 180,226             | 192,429          | 204,736          | 6.8                         | 6.4        | 154,063                    | 163,213          | 172,777          | 5.9                         | 5.9        |
| West Virginia .....         | 35,200              | 36,679           | 37,884           | 4.2                         | 3.3        | 31,181                     | 32,432           | 33,425           | 4.0                         | 3.1        |
| <b>Southwest</b> .....      | <b>677,722</b>      | <b>732,117</b>   | <b>773,803</b>   | <b>8.0</b>                  | <b>5.7</b> | <b>596,805</b>             | <b>641,449</b>   | <b>676,394</b>   | <b>7.5</b>                  | <b>5.4</b> |
| Arizona .....               | 103,704             | 112,635          | 120,360          | 8.6                         | 6.9        | 90,219                     | 97,361           | 103,789          | 7.9                         | 6.6        |
| New Mexico .....            | 34,861              | 36,712           | 38,020           | 5.3                         | 3.6        | 30,760                     | 32,353           | 33,456           | 5.2                         | 3.4        |
| Oklahoma .....              | 69,952              | 74,133           | 77,077           | 6.0                         | 4.0        | 61,222                     | 64,770           | 67,239           | 5.8                         | 3.8        |
| Texas .....                 | 469,205             | 508,636          | 538,345          | 8.4                         | 5.8        | 414,604                    | 446,966          | 471,910          | 7.8                         | 5.6        |
| <b>Rocky Mountain</b> ..... | <b>206,831</b>      | <b>223,051</b>   | <b>238,235</b>   | <b>7.8</b>                  | <b>6.8</b> | <b>178,178</b>             | <b>191,470</b>   | <b>204,058</b>   | <b>7.5</b>                  | <b>6.6</b> |
| Colorado .....              | 108,763             | 118,514          | 127,955          | 9.0                         | 8.0        | 92,925                     | 100,597          | 108,194          | 8.3                         | 7.6        |
| Idaho .....                 | 25,217              | 26,986           | 28,582           | 7.0                         | 5.9        | 22,035                     | 23,557           | 24,887           | 6.9                         | 5.6        |
| Montana .....               | 17,721              | 18,755           | 19,438           | 5.8                         | 3.6        | 15,616                     | 16,491           | 17,041           | 5.6                         | 3.3        |
| Utah .....                  | 43,696              | 46,831           | 49,600           | 7.2                         | 5.9        | 37,715                     | 40,527           | 43,071           | 7.5                         | 6.3        |
| Wyoming .....               | 11,434              | 11,966           | 12,660           | 4.6                         | 5.8        | 9,887                      | 10,298           | 10,865           | 4.2                         | 5.5        |
| <b>Far West</b> .....       | <b>1,187,903</b>    | <b>1,273,263</b> | <b>1,362,427</b> | <b>7.2</b>                  | <b>7.0</b> | <b>1,018,348</b>           | <b>1,082,785</b> | <b>1,153,588</b> | <b>6.3</b>                  | <b>6.5</b> |
| Alaska .....                | 16,465              | 17,167           | 17,704           | 4.3                         | 3.1        | 14,473                     | 15,036           | 15,501           | 3.9                         | 3.1        |
| California .....            | 862,114             | 924,253          | 991,382          | 7.2                         | 7.3        | 735,730                    | 782,340          | 835,087          | 6.3                         | 6.7        |
| Hawaii .....                | 31,209              | 31,815           | 32,653           | 1.9                         | 2.6        | 27,361                     | 27,819           | 28,541           | 1.7                         | 2.6        |
| Nevada .....                | 47,254              | 51,976           | 56,127           | 10.0                        | 8.0        | 41,122                     | 44,861           | 48,280           | 9.1                         | 7.6        |
| Oregon .....                | 80,578              | 85,197           | 89,614           | 5.7                         | 5.2        | 68,542                     | 72,551           | 76,280           | 5.8                         | 5.1        |
| Washington .....            | 150,283             | 162,855          | 174,948          | 8.4                         | 7.4        | 131,119                    | 140,177          | 149,899          | 6.9                         | 6.9        |

1. Percent change was calculated from unrounded data.

NOTE.—The personal income level shown for the United States is derived as the sum of the State estimates. It differs from the estimate of personal income in the national income and product accounts (NIPA's) because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing of the availability of source data. In particular, it differs from the

NIPA estimate because, by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed abroad temporarily by private U.S. firms. Source: Tables 1 and 2 in "State Personal Income, Revised Estimates for 1997-99" in the October 2000 SURVEY OF CURRENT BUSINESS.

Table J.3.—Per Capita Personal Income and Per Capita Disposable Personal Income for States and Regions

| Area name                   | Per capita personal income <sup>1</sup> |               |               |              | Per capita disposable personal income <sup>1</sup> |               |               |              |
|-----------------------------|---|---------------|---------------|--------------|--|---------------|---------------|--------------|
|                             | Dollars                                 |               |               | Rank in U.S. | Dollars  |               |               | Rank in U.S. |
|                             | 1997                                    | 1998          | 1999          | 1999         | 1997   | 1998          | 1999          | 1999         |
| <b>United States</b> .....  | <b>25,874</b>                           | <b>27,322</b> | <b>28,542</b> | .....        | <b>22,260</b>                                      | <b>23,363</b> | <b>24,322</b> | .....        |
| <b>New England</b> .....    | <b>30,510</b>                           | <b>32,365</b> | <b>34,173</b> | .....        | <b>25,604</b>                                      | <b>26,916</b> | <b>28,320</b> | .....        |
| Connecticut .....           | 35,596                                  | 37,452        | 39,300        | 1            | 29,264   | 30,365        | 31,697        | 1            |
| Maine .....                 | 22,305                                  | 23,529        | 24,603        | 37           | 19,435   | 20,327        | 21,165        | 37           |
| Massachusetts .....         | 31,332                                  | 33,394        | 35,551        | 2            | 26,112   | 27,600        | 28,294        | 3            |
| New Hampshire .....         | 27,607                                  | 29,679        | 31,114        | 8            | 24,030   | 25,778        | 26,973        | 6            |
| Rhode Island .....          | 26,631                                  | 28,012        | 29,377        | 15           | 23,144   | 24,188        | 25,342        | 13           |
| Vermont .....               | 23,362                                  | 24,803        | 25,889        | 32           | 20,310   | 21,456        | 22,318        | 32           |
| <b>Mideast</b> .....        | <b>29,511</b>                           | <b>31,161</b> | <b>32,628</b> | .....        | <b>24,995</b>                                      | <b>26,175</b> | <b>27,286</b> | .....        |
| Delaware .....              | 27,405                                  | 29,571        | 30,778        | 11           | 23,109   | 24,997        | 26,021        | 12           |
| District of Columbia .....  | 36,087                                  | 37,714        | 39,858        | .....        | 30,384   | 31,300        | 32,905        | .....        |
| Maryland .....              | 29,222                                  | 30,850        | 32,465        | 5            | 24,661   | 26,849        | 27,116        | 5            |
| New Jersey .....            | 32,372                                  | 34,310        | 35,551        | 2            | 27,437   | 28,786        | 29,683        | 2            |
| New York .....              | 30,480                                  | 32,236        | 33,890        | 4            | 25,570   | 26,801        | 28,020        | 4            |
| Pennsylvania .....          | 26,092                                  | 27,358        | 28,605        | 16           | 22,507   | 23,456        | 24,456        | 17           |
| <b>Great Lakes</b> .....    | <b>25,825</b>                           | <b>27,224</b> | <b>28,348</b> | .....        | <b>22,125</b>                                      | <b>23,195</b> | <b>24,070</b> | .....        |
| Illinois .....              | 28,947                                  | 29,974        | 31,145        | 7            | 24,260   | 25,491        | 26,384        | 9            |
| Indiana .....               | 23,748                                  | 25,182        | 26,143        | 30           | 20,404   | 21,544        | 22,279        | 34           |
| Michigan .....              | 25,570                                  | 26,907        | 28,113        | 18           | 21,920   | 22,803        | 23,836        | 20           |
| Ohio .....                  | 24,913                                  | 26,164        | 27,152        | 23           | 21,393   | 22,389        | 23,150        | 25           |
| Wisconsin .....             | 24,790                                  | 26,245        | 27,390        | 21           | 21,100   | 22,226        | 23,163        | 24           |
| <b>Plains</b> .....         | <b>24,861</b>                           | <b>26,282</b> | <b>27,350</b> | .....        | <b>21,497</b>                                      | <b>22,644</b> | <b>23,564</b> | .....        |
| Iowa .....                  | 23,798                                  | 24,844        | 25,615        | 33           | 20,770   | 21,664        | 22,296        | 33           |
| Kansas .....                | 24,355                                  | 25,887        | 26,824        | 27           | 21,062   | 22,185        | 23,146        | 26           |
| Minnesota .....             | 27,548                                  | 29,503        | 30,793        | 10           | 23,316   | 24,847        | 26,113        | 10           |
| Missouri .....              | 24,252                                  | 25,403        | 26,376        | 29           | 21,081   | 21,974        | 22,745        | 28           |
| Nebraska .....              | 24,590                                  | 25,861        | 27,049        | 24           | 21,455   | 22,432        | 23,370        | 23           |
| North Dakota .....          | 20,798                                  | 22,767        | 23,313        | 39           | 18,491   | 20,311        | 20,692        | 38           |
| South Dakota .....          | 22,275                                  | 23,797        | 25,045        | 36           | 20,034   | 21,402        | 22,463        | 31           |
| <b>Southeast</b> .....      | <b>23,518</b>                           | <b>24,780</b> | <b>25,703</b> | .....        | <b>20,508</b>                                      | <b>21,518</b> | <b>22,238</b> | .....        |
| Alabama .....               | 21,129                                  | 22,123        | 22,987        | 42           | 18,596   | 19,456        | 20,170        | 42           |
| Arkansas .....              | 20,229                                  | 21,260        | 22,244        | 46           | 17,855   | 18,706        | 19,532        | 46           |
| Florida .....               | 25,722                                  | 26,930        | 27,780        | 19           | 22,453   | 23,352        | 23,981        | 19           |
| Georgia .....               | 26,547                                  | 28,134        | 29,340        | 22           | 21,153   | 22,420        | 23,378        | 22           |
| Kentucky .....              | 21,215                                  | 22,353        | 23,237        | 41           | 18,397   | 19,329        | 20,033        | 43           |
| Louisiana .....             | 21,209                                  | 22,352        | 22,847        | 44           | 18,715   | 19,758        | 20,171        | 41           |
| Mississippi .....           | 18,885                                  | 20,013        | 20,688        | 50           | 16,925   | 17,900        | 18,467        | 50           |
| North Carolina .....        | 24,168                                  | 25,454        | 26,003        | 31           | 20,907   | 21,903        | 22,227        | 35           |
| South Carolina .....        | 21,385                                  | 22,544        | 23,545        | 38           | 18,702   | 19,671        | 20,555        | 39           |
| Tennessee .....             | 23,324                                  | 24,576        | 25,574        | 34           | 20,754   | 21,834        | 22,674        | 29           |
| Virginia .....              | 26,768                                  | 28,343        | 29,789        | 14           | 22,882   | 24,040        | 25,139        | 15           |
| West Virginia .....         | 19,388                                  | 20,246        | 20,966        | 49           | 17,174   | 17,902        | 18,498        | 49           |
| <b>Southwest</b> .....      | <b>23,414</b>                           | <b>24,857</b> | <b>25,862</b> | .....        | <b>20,619</b>                                      | <b>21,779</b> | <b>22,606</b> | .....        |
| Arizona .....               | 22,781                                  | 24,133        | 25,189        | 35           | 19,819   | 20,860        | 21,721        | 36           |
| New Mexico .....            | 20,233                                  | 21,178        | 21,853        | 48           | 17,853   | 18,663        | 19,229        | 48           |
| Oklahoma .....              | 21,106                                  | 22,199        | 22,953        | 43           | 18,472   | 19,395        | 20,023        | 44           |
| Texas .....                 | 24,242                                  | 25,803        | 26,858        | 26           | 21,421   | 22,674        | 23,544        | 21           |
| <b>Rocky Mountain</b> ..... | <b>24,259</b>                           | <b>25,756</b> | <b>27,072</b> | .....        | <b>20,898</b>                                      | <b>22,110</b> | <b>23,188</b> | .....        |
| Colorado .....              | 27,950                                  | 29,860        | 31,546        | 6            | 23,880   | 25,346        | 26,674        | 8            |
| Idaho .....                 | 20,830                                  | 21,923        | 22,835        | 45           | 18,201   | 19,138        | 19,883        | 45           |
| Montana .....               | 20,167                                  | 21,324        | 22,019        | 47           | 17,771   | 18,749        | 19,303        | 47           |
| Utah .....                  | 21,156                                  | 22,294        | 23,288        | 40           | 18,261   | 19,294        | 20,222        | 40           |
| Wyoming .....               | 23,820                                  | 24,927        | 26,396        | 28           | 20,597   | 21,452        | 22,654        | 30           |
| <b>Far West</b> .....       | <b>26,671</b>                           | <b>28,168</b> | <b>29,727</b> | .....        | <b>22,864</b>                                      | <b>23,954</b> | <b>25,170</b> | .....        |
| Alaska .....                | 27,042                                  | 27,904        | 28,571        | 17           | 23,772   | 24,441        | 25,022        | 16           |
| California .....            | 26,759                                  | 28,280        | 29,910        | 13           | 22,836   | 23,937        | 25,195        | 14           |
| Hawaii .....                | 26,241                                  | 26,725        | 27,544        | 20           | 23,006   | 23,368        | 24,075        | 18           |
| Nevada .....                | 28,201                                  | 29,806        | 31,022        | 9            | 24,542   | 25,726        | 26,685        | 7            |
| Oregon .....                | 24,845                                  | 25,958        | 27,023        | 25           | 21,134   | 22,105        | 23,003        | 27           |
| Washington .....            | 26,817                                  | 28,632        | 30,392        | 12           | 23,397   | 24,645        | 26,041        | 11           |

1. Per capita personal income and per capita disposable personal income were computed using midyear population estimates from the Bureau of the Census.

NOTE.—The personal income level shown for the United States is derived as the sum of the State estimates. It differs from the estimate of personal income in the national income and product accounts (NIPAs) because of differences in coverage, in the methodologies used to prepare the

estimates, and in the timing of the availability of source data. In particular, it differs from the NIPA estimate because, by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed abroad temporarily by private U.S. firms.

Source: Tables 1 and 2 in "State Personal Income, Revised Estimates for 1997-99" in the October 2000 SURVEY OF CURRENT BUSINESS.

Table J.4.—Gross State Product for States and Regions by Industry, 1998

[Millions of dollars]

| State and region            | Rank of total gross state product | Total gross state product | Agriculture, forestry, and fishing | Mining         | Construction   | Manufacturing    | Transportation and public utilities | Wholesale trade | Retail trade   | Finance, insurance, and real estate | Services         | Government       |
|-----------------------------|-----------------------------------|---------------------------|------------------------------------|----------------|----------------|------------------|-------------------------------------|-----------------|----------------|-------------------------------------|------------------|------------------|
| <b>United States</b> .....  |                                   | <b>8,745,219</b>          | <b>125,205</b>                     | <b>105,914</b> | <b>373,228</b> | <b>1,432,753</b> | <b>759,132</b>                      | <b>613,800</b>  | <b>781,888</b> | <b>1,674,162</b>                    | <b>1,841,278</b> | <b>1,037,857</b> |
| <b>New England</b> .....    |                                   | <b>501,809</b>            | <b>3,520</b>                       | <b>378</b>     | <b>18,551</b>  | <b>79,122</b>    | <b>32,897</b>                       | <b>34,678</b>   | <b>41,346</b>  | <b>122,319</b>                      | <b>120,938</b>   | <b>48,059</b>    |
| Connecticut .....           | 21                                | 142,099                   | 923                                | 60             | 4,957          | 23,513           | 9,138                               | 9,776           | 10,595         | 39,841                              | 31,206           | 12,089           |
| Maine .....                 | 42                                | 32,318                    | 525                                | 16             | 1,531          | 5,243            | 2,443                               | 1,954           | 3,862          | 5,928                               | 6,349            | 4,468            |
| Massachusetts .....         | 11                                | 239,379                   | 1,271                              | 167            | 8,542          | 33,210           | 14,953                              | 17,730          | 18,868         | 56,916                              | 65,235           | 22,486           |
| New Hampshire .....         | 38                                | 41,313                    | 267                                | 40             | 1,632          | 9,830            | 2,636                               | 2,671           | 3,862          | 9,129                               | 7,917            | 3,331            |
| Rhode Island .....          | 44                                | 30,443                    | 199                                | 23             | 1,139          | 4,492            | 2,382                               | 1,611           | 2,579          | 7,615                               | 6,698            | 3,706            |
| Vermont .....               | 50                                | 16,257                    | 335                                | 72             | 750            | 2,836            | 1,345                               | 935             | 1,580          | 2,890                               | 3,534            | 1,980            |
| <b>Mideast</b> .....        |                                   | <b>1,642,760</b>          | <b>8,987</b>                       | <b>2,602</b>   | <b>57,711</b>  | <b>210,398</b>   | <b>138,501</b>                      | <b>108,452</b>  | <b>120,930</b> | <b>421,122</b>                      | <b>380,237</b>   | <b>193,820</b>   |
| Delaware .....              | 41                                | 33,735                    | 272                                | 5              | 931            | 5,472            | 1,258                               | 2,222           | 13,886         | 4,997                               | 3,034            |                  |
| District of Columbia .....  |                                   | 54,100                    | 14                                 | 9              | 527            | 1,285            | 2,572                               | 621             | 1,372          | 8,791                               | 18,706           | 20,205           |
| Maryland .....              | 16                                | 164,798                   | 1,283                              | 133            | 8,766          | 13,467           | 13,156                              | 10,373          | 14,597         | 34,737                              | 39,356           | 28,930           |
| New Jersey .....            | 8                                 | 319,201                   | 1,567                              | 197            | 11,494         | 42,268           | 31,119                              | 30,135          | 23,165         | 73,735                              | 73,880           | 31,641           |
| New York .....              | 2                                 | 706,886                   | 2,806                              | 481            | 21,384         | 75,907           | 57,152                              | 43,593          | 47,688         | 222,686                             | 162,042          | 73,147           |
| Pennsylvania .....          | 6                                 | 364,039                   | 3,045                              | 1,777          | 14,609         | 71,999           | 32,844                              | 22,473          | 31,888         | 67,288                              | 81,255           | 36,861           |
| <b>Great Lakes</b> .....    |                                   | <b>1,393,449</b>          | <b>16,585</b>                      | <b>4,423</b>   | <b>60,364</b>  | <b>332,880</b>   | <b>111,829</b>                      | <b>101,133</b>  | <b>124,290</b> | <b>230,366</b>                      | <b>268,497</b>   | <b>143,082</b>   |
| Illinois .....              | 4                                 | 425,679                   | 4,835                              | 1,024          | 18,089         | 72,431           | 40,563                              | 33,441          | 33,937         | 86,215                              | 93,610           | 41,535           |
| Indiana .....               | 15                                | 174,433                   | 2,498                              | 792            | 8,708          | 54,258           | 13,623                              | 10,784          | 15,576         | 22,731                              | 28,313           | 17,150           |
| Michigan .....              | 9                                 | 294,505                   | 2,470                              | 1,136          | 12,752         | 78,153           | 19,873                              | 22,072          | 28,318         | 42,903                              | 56,618           | 30,211           |
| Ohio .....                  | 7                                 | 341,070                   | 3,505                              | 1,163          | 13,792         | 86,163           | 26,465                              | 24,603          | 32,403         | 53,480                              | 62,619           | 36,877           |
| Wisconsin .....             | 20                                | 157,761                   | 3,276                              | 307            | 7,023          | 41,875           | 11,306                              | 10,234          | 14,056         | 25,038                              | 27,337           | 17,309           |
| <b>Plains</b> .....         |                                   | <b>575,958</b>            | <b>19,431</b>                      | <b>2,973</b>   | <b>26,522</b>  | <b>105,785</b>   | <b>54,519</b>                       | <b>45,519</b>   | <b>53,202</b>  | <b>91,095</b>                       | <b>109,606</b>   | <b>67,305</b>    |
| Iowa .....                  | 29                                | 84,628                    | 4,597                              | 207            | 3,657          | 20,157           | 6,932                               | 6,238           | 7,157          | 12,465                              | 13,536           | 9,681            |
| Kansas .....                | 31                                | 76,991                    | 2,714                              | 832            | 3,295          | 13,503           | 8,632                               | 6,311           | 7,779          | 10,100                              | 13,563           | 10,263           |
| Minnesota .....             | 18                                | 161,392                   | 3,294                              | 688            | 7,565          | 29,082           | 12,477                              | 13,571          | 14,842         | 29,723                              | 33,357           | 16,794           |
| Missouri .....              | 17                                | 162,772                   | 2,315                              | 448            | 7,826          | 31,838           | 17,286                              | 12,268          | 15,368         | 24,512                              | 32,813           | 18,078           |
| Nebraska .....              | 36                                | 51,737                    | 3,171                              | 127            | 2,460          | 6,883            | 5,811                               | 4,138           | 4,379          | 7,738                               | 9,726            | 7,306            |
| North Dakota .....          | 49                                | 17,214                    | 1,510                              | 470            | 865            | 1,464            | 1,717                               | 1,552           | 1,649          | 2,311                               | 3,121            | 2,556            |
| South Dakota .....          | 46                                | 21,224                    | 1,831                              | 200            | 856            | 2,858            | 1,664                               | 1,441           | 2,008          | 4,247                               | 3,490            | 2,628            |
| <b>Southeast</b> .....      |                                   | <b>1,909,142</b>          | <b>29,272</b>                      | <b>30,439</b>  | <b>86,328</b>  | <b>325,609</b>   | <b>175,733</b>                      | <b>133,239</b>  | <b>188,365</b> | <b>308,735</b>                      | <b>374,423</b>   | <b>256,999</b>   |
| Alabama .....               | 25                                | 109,833                   | 2,037                              | 1,288          | 4,799          | 22,408           | 9,834                               | 7,277           | 11,246         | 15,168                              | 18,627           | 17,149           |
| Arkansas .....              | 34                                | 61,628                    | 2,358                              | 643            | 2,484          | 14,401           | 6,736                               | 3,981           | 6,774          | 7,052                               | 9,679            | 7,520            |
| Florida .....               | 5                                 | 418,851                   | 6,751                              | 1,050          | 20,443         | 30,444           | 37,271                              | 31,726          | 47,078         | 90,271                              | 102,009          | 51,807           |
| Georgia .....               | 10                                | 253,769                   | 3,459                              | 1,232          | 10,295         | 43,335           | 29,384                              | 23,519          | 22,718         | 40,287                              | 48,429           | 31,113           |
| Kentucky .....              | 26                                | 107,152                   | 2,397                              | 2,558          | 4,456          | 28,936           | 8,910                               | 6,689           | 10,041         | 11,929                              | 16,832           | 14,404           |
| Louisiana .....             | 24                                | 129,251                   | 1,227                              | 18,033         | 6,510          | 19,453           | 12,184                              | 7,630           | 11,013         | 16,319                              | 21,699           | 15,185           |
| Mississippi .....           | 33                                | 82,216                    | 1,640                              | 490            | 2,750          | 13,634           | 6,181                               | 3,715           | 6,572          | 7,043                               | 10,601           | 9,590            |
| North Carolina .....        | 12                                | 235,752                   | 4,587                              | 305            | 10,752         | 58,452           | 18,053                              | 15,396          | 21,377         | 38,108                              | 38,490           | 30,231           |
| South Carolina .....        | 28                                | 100,350                   | 1,105                              | 265            | 5,141          | 23,672           | 7,734                               | 6,156           | 10,772         | 14,019                              | 16,513           | 14,973           |
| Tennessee .....             | 19                                | 159,575                   | 1,576                              | 404            | 6,715          | 32,425           | 13,140                              | 12,276          | 17,860         | 23,311                              | 33,519           | 18,348           |
| Virginia .....              | 13                                | 230,825                   | 1,874                              | 1,109          | 10,185         | 31,774           | 21,518                              | 12,723          | 19,115         | 40,633                              | 51,125           | 40,771           |
| West Virginia .....         | 39                                | 39,938                    | 262                                | 3,062          | 1,799          | 6,673            | 4,787                               | 2,152           | 3,799          | 4,596                               | 6,900            | 5,908            |
| <b>Southwest</b> .....      |                                   | <b>908,787</b>            | <b>12,376</b>                      | <b>45,164</b>  | <b>43,882</b>  | <b>134,800</b>   | <b>96,048</b>                       | <b>68,524</b>   | <b>85,829</b>  | <b>134,794</b>                      | <b>177,795</b>   | <b>109,574</b>   |
| Arizona .....               | 23                                | 133,801                   | 2,009                              | 970            | 8,146          | 19,935           | 10,289                              | 8,972           | 13,935         | 25,085                              | 28,238           | 16,221           |
| New Mexico .....            | 37                                | 47,736                    | 964                                | 3,323          | 2,156          | 7,627            | 3,682                               | 2,095           | 4,483          | 6,404                               | 8,730            | 8,271            |
| Oklahoma .....              | 30                                | 81,655                    | 1,644                              | 3,192          | 2,784          | 14,137           | 8,352                               | 5,077           | 8,401          | 10,036                              | 14,967           | 13,064           |
| Texas .....                 | 3                                 | 645,596                   | 7,758                              | 37,679         | 30,796         | 93,101           | 73,725                              | 52,380          | 59,011         | 93,269                              | 125,859          | 72,017           |
| <b>Rocky Mountain</b> ..... |                                   | <b>269,742</b>            | <b>5,564</b>                       | <b>9,904</b>   | <b>15,234</b>  | <b>32,802</b>    | <b>30,086</b>                       | <b>16,746</b>   | <b>26,000</b>  | <b>43,007</b>                       | <b>54,522</b>    | <b>35,877</b>    |
| Colorado .....              | 22                                | 141,791                   | 2,065                              | 2,744          | 8,200          | 15,303           | 17,288                              | 9,037           | 13,420         | 24,284                              | 31,836           | 17,614           |
| Idaho .....                 | 43                                | 30,936                    | 1,702                              | 219            | 1,813          | 6,015            | 2,702                               | 2,007           | 3,182          | 3,917                               | 5,123            | 4,256            |
| Montana .....               | 47                                | 19,861                    | 867                                | 792            | 1,024          | 1,579            | 2,388                               | 1,321           | 2,020          | 2,708                               | 3,965            | 3,200            |
| Utah .....                  | 35                                | 59,624                    | 585                                | 1,352          | 3,436          | 8,863            | 5,257                               | 3,734           | 6,103          | 10,062                              | 11,747           | 8,485            |
| Wyoming .....               | 48                                | 17,530                    | 346                                | 4,797          | 760            | 1,043            | 2,453                               | 647             | 1,276          | 2,036                               | 1,851            | 2,322            |
| <b>Far West</b> .....       |                                   | <b>1,543,572</b>          | <b>29,468</b>                      | <b>10,032</b>  | <b>64,637</b>  | <b>211,356</b>   | <b>119,518</b>                      | <b>105,508</b>  | <b>141,924</b> | <b>322,725</b>                      | <b>355,261</b>   | <b>183,141</b>   |
| Alaska .....                | 45                                | 24,236                    | 443                                | 3,647          | 1,070          | 1,109            | 4,354                               | 757             | 1,740          | 2,795                               | 3,245            | 5,075            |
| California .....            | 1                                 | 1,118,945                 | 20,900                             | 4,337          | 41,390         | 154,608          | 81,756                              | 77,932          | 102,726        | 249,999                             | 260,620          | 124,677          |
| Hawaii .....                | 40                                | 39,712                    | 438                                | 27             | 1,650          | 1,063            | 4,157                               | 1,535           | 4,233          | 9,154                               | 8,783            | 8,673            |
| Nevada .....                | 32                                | 63,044                    | 444                                | 1,529          | 5,648          | 2,867            | 5,202                               | 3,021           | 6,374          | 11,295                              | 20,071           | 6,592            |
| Oregon .....                | 27                                | 104,771                   | 2,783                              | 117            | 5,428          | 26,326           | 7,387                               | 8,183           | 8,760          | 15,461                              | 18,295           | 12,029           |
| Washington .....            | 14                                | 192,864                   | 4,460                              | 374            | 9,451          | 25,382           | 16,663                              | 14,080          | 18,090         | 34,021                              | 44,247           | 26,094           |

NOTE.—Totals shown for the United States differ from the national income and product account estimates of gross domestic product (GDP) because GSP is derived from gross domestic income, which differs from GDP by the statistical discrepancy. In addition, GSP excludes and GDP includes the compensation of Federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and

for military equipment, except office equipment. Also, GSP and GDP have different revision schedules.

Source: Tables 7 and 8 in "Gross State Product by Industry, 1977-98" in the October 2000 SURVEY OF CURRENT BUSINESS.

K. Local Area Table

Table K.1.—Personal Income and Per Capita Personal Income by Metropolitan Area, 1996–98

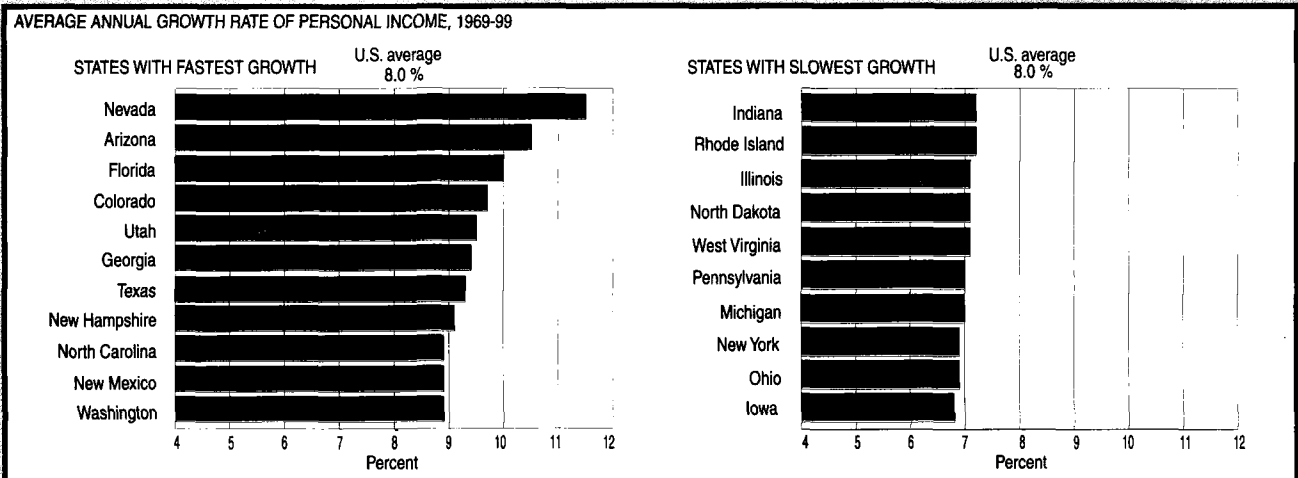
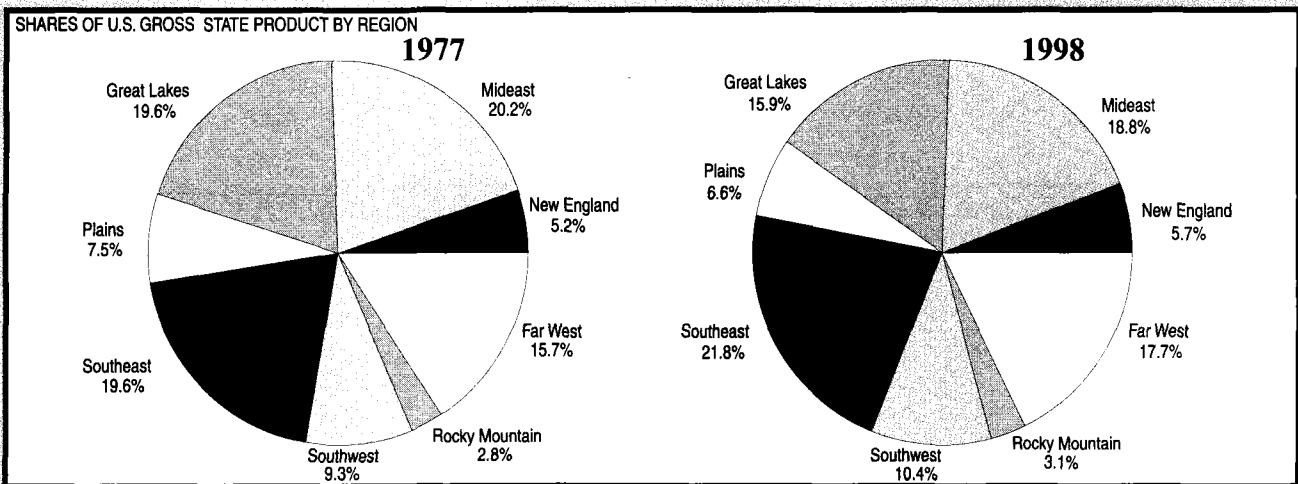
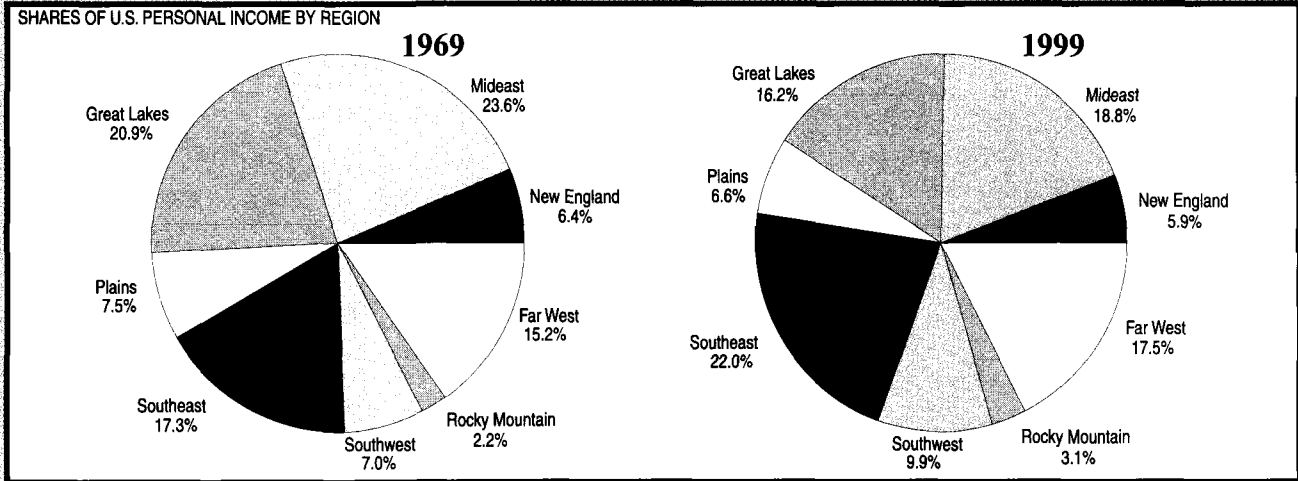
| Area name  | Personal income     |           |           |                | Per capita personal income <sup>1</sup> |        |        |              | Area name                           | Personal income     |         |         |                | Per capita personal income <sup>1</sup> |        |        |              |
|--|---------------------|-----------|-----------|----------------|---|--------|--------|--------------|-------------------------------------|---------------------|---------|---------|----------------|---|--------|--------|--------------|
|  | Millions of dollars |           |           | Percent change | Dollars                                 |        |        | Rank in U.S. |                                     | Millions of dollars |         |         | Percent change | Dollars                                 |        |        | Rank in U.S. |
|  | 1996                | 1997      | 1998      | 1997-98        | 1996                                    | 1997   | 1998   | 1998         |                                     | 1996                | 1997    | 1998    | 1997-98        | 1996                                    | 1997   | 1998   | 1998         |
| United States <sup>2</sup>                         | 6,538,103           | 6,942,114 | 7,351,547 | 5.9            | 24,651                                  | 25,924 | 27,203 |              | Columbia, MO                        | 2,928               | 3,119   | 3,302   | 5.9            | 23,294                                  | 24,394 | 25,606 | 130          |
| Metropolitan portion                               | 5,537,748           | 5,888,223 | 6,251,031 | 6.2            | 26,104                                  | 27,471 | 28,872 |              | Columbia, SC                        | 11,695              | 12,412  | 13,256  | 6.8            | 23,598                                  | 24,721 | 25,995 | 120          |
| Nonmetropolitan portion                            | 1,000,355           | 1,053,891 | 1,100,516 | 4.4            | 18,844                                  | 19,719 | 20,478 |              | Columbus, GA-AL                     | 5,433               | 5,791   | 6,091   | 5.2            | 20,017                                  | 21,288 | 22,435 | 235          |
| Consolidated Metropolitan Statistical Areas        |                     |           |           |                |   |        |        |              | Columbus, OH                        | 36,547              | 39,391  | 41,914  | 6.4            | 25,361                                  | 27,089 | 28,454 | 66           |
| Chicago-Gary-Kenosha, IL-IN-WI                     | 254,130             | 269,815   | 285,768   | 5.9            | 29,201                                  | 30,795 | 32,389 |              | Corpus Christi, TX                  | 7,445               | 7,840   | 8,242   | 5.1            | 19,555                                  | 20,380 | 21,326 | 271          |
| Cincinnati-Hamilton, OH-KY-IN                      | 48,223              | 51,501    | 54,505    | 5.8            | 25,132                                  | 26,624 | 27,975 |              | Corvallis, OR                       | 1,895               | 2,050   | 2,125   | 3.7            | 24,643                                  | 26,442 | 27,307 | 88           |
| Cleveland-Akron, OH                                | 75,742              | 80,003    | 83,577    | 4.5            | 25,954                                  | 27,434 | 28,694 |              | Cumberland, MD-WV                   | 1,814               | 1,907   | 1,961   | 2.8            | 18,010                                  | 19,132 | 19,776 | 300          |
| Dallas-Fort Worth, TX                              | 123,313             | 134,468   | 146,431   | 8.9            | 27,089                                  | 28,785 | 30,541 |              | Dallas, TX                          | 87,113              | 94,986  | 103,788 | 9.3            | 28,723                                  | 30,471 | 32,406 | 26           |
| Denver-Boulder-Greeley, CO                         | 66,080              | 72,406    | 79,121    | 9.3            | 29,116                                  | 31,236 | 33,485 |              | Danville, VA                        | 1,978               | 2,072   | 2,137   | 3.1            | 18,116                                  | 19,046 | 19,738 | 302          |
| Detroit-Ann Arbor-Flint, MI                        | 145,721             | 154,172   | 162,363   | 5.3            | 26,863                                  | 28,330 | 29,775 |              | Davenport-Moline-Rock Island, IA-IL | 8,302               | 8,865   | 9,304   | 5.0            | 23,248                                  | 24,810 | 26,003 | 119          |
| Houston-Galveston-Brazoria, TX                     | 112,191             | 122,128   | 132,134   | 8.2            | 26,551                                  | 28,352 | 30,026 |              | Dayton-Springfield, OH              | 23,362              | 24,636  | 25,406  | 3.1            | 24,214                                  | 25,622 | 26,422 | 110          |
| Los Angeles-Riverside-Orange County, CA            | 377,560             | 396,704   | 422,989   | 6.6            | 24,566                                  | 25,491 | 26,778 |              | Daytona Beach, FL                   | 9,167               | 9,762   | 10,229  | 4.8            | 20,249                                  | 21,186 | 21,869 | 255          |
| Miami-Fort Lauderdale, FL                          | 85,943              | 89,340    | 94,488    | 5.8            | 24,209                                  | 24,755 | 25,826 |              | Decatur, IL                         | 2,952               | 3,110   | 3,248   | 4.4            | 21,012                                  | 21,954 | 22,767 | 221          |
| Milwaukee-Racine, WI                               | 44,336              | 47,230    | 49,779    | 5.4            | 26,936                                  | 28,718 | 30,258 |              | Decatur, AL                         | 2,704               | 2,799   | 2,918   | 4.3            | 23,465                                  | 24,522 | 25,674 | 127          |
| New York-No. New Jersey-Long Island, NY-NJ-CT-PA   | 656,669             | 691,794   | 731,539   | 5.7            | 33,119                                  | 34,749 | 36,582 |              | Denver, CO                          | 55,187              | 60,480  | 66,024  | 9.2            | 29,643                                  | 31,813 | 34,092 | 17           |
| Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD | 167,458             | 176,777   | 186,297   | 5.4            | 28,014                                  | 29,576 | 31,119 |              | Des Moines, IA                      | 11,428              | 12,107  | 12,897  | 6.5            | 26,710                                  | 28,037 | 29,527 | 46           |
| Portland-Salem, OR-WA                              | 53,575              | 57,945    | 61,184    | 5.6            | 25,847                                  | 27,391 | 28,453 |              | Detroit, MI                         | 120,526             | 127,707 | 134,613 | 5.4            | 27,029                                  | 28,585 | 30,118 | 40           |
| Sacramento-Yolo, CA                                | 40,520              | 43,160    | 46,278    | 7.2            | 24,487                                  | 25,701 | 27,102 |              | Dothan, AL                          | 2,666               | 2,795   | 2,931   | 4.9            | 19,870                                  | 20,820 | 21,790 | 260          |
| San Francisco-Oakland-San Jose, CA                 | 219,438             | 237,395   | 254,915   | 7.4            | 33,161                                  | 35,333 | 37,414 |              | Dover, DE                           | 2,555               | 2,602   | 2,757   | 6.0            | 21,003                                  | 21,212 | 22,178 | 242          |
| Seattle-Tacoma-Bremerton, WA                       | 93,370              | 102,812   | 112,135   | 9.1            | 28,241                                  | 30,528 | 32,762 |              | Dubuque, IA                         | 1,971               | 2,054   | 2,153   | 4.8            | 22,296                                  | 23,293 | 24,499 | 162          |
| Washington-Baltimore, DC-MD-VA-WV                  | 218,231             | 230,658   | 244,282   | 5.9            | 30,564                                  | 32,019 | 33,602 |              | Duluth-Superior, MN-WI              | 5,274               | 5,520   | 5,838   | 5.8            | 22,206                                  | 23,215 | 24,676 | 153          |
| Metropolitan Statistical Areas <sup>3</sup>        |                     |           |           |                |   |        |        |              | Dutchess County, NY                 | 6,818               | 7,256   | 7,913   | 9.1            | 25,949                                  | 27,525 | 29,812 | 43           |
| Abilene, TX  | 2,576               | 2,708     | 2,808     | 3.7            | 21,251                                  | 22,270 | 23,012 | 210          | Eau Claire, WI                      | 2,948               | 3,156   | 3,369   | 6.7            | 20,649                                  | 22,003 | 23,431 | 197          |
| Akron, OH  | 16,675              | 17,681    | 18,530    | 4.8            | 24,341                                  | 25,740 | 26,934 | 96           | El Paso, TX                         | 10,165              | 10,796  | 11,363  | 5.3            | 15,081                                  | 15,751 | 16,359 | 315          |
| Albany, GA   | 2,395               | 2,473     | 2,546     | 3.0            | 20,472                                  | 21,059 | 21,619 | 265          | Elkhart-Goshen, IN                  | 3,910               | 4,109   | 4,409   | 7.3            | 23,164                                  | 24,056 | 25,025 | 133          |
| Albany-Schenectady-Troy, NY                        | 21,743              | 22,989    | 23,884    | 5.2            | 24,794                                  | 26,005 | 27,433 | 86           | Elmira, NY                          | 1,927               | 1,996   | 2,077   | 4.1            | 20,648                                  | 21,566 | 22,524 | 233          |
| Albuquerque, NM                                    | 15,296              | 16,089    | 16,806    | 4.5            | 22,925                                  | 23,900 | 24,842 | 146          | Enid, OK                            | 1,172               | 1,251   | 1,294   | 3.4            | 20,603                                  | 22,019 | 22,720 | 225          |
| Alexandria, LA                                     | 2,559               | 2,652     | 2,790     | 5.2            | 20,274                                  | 20,988 | 22,062 | 252          | Erie, PA                            | 6,053               | 6,341   | 6,570   | 3.6            | 21,617                                  | 22,685 | 23,622 | 192          |
| Allentown-Bethlehem-Easton, PA                     | 15,193              | 16,183    | 17,002    | 5.1            | 24,199                                  | 25,335 | 27,599 | 82           | Eugene-Springfield, OR              | 6,727               | 7,178   | 7,568   | 5.4            | 21,960                                  | 23,072 | 24,151 | 173          |
| Alltoona, PA                                       | 2,643               | 2,765     | 2,900     | 4.9            | 20,139                                  | 21,113 | 22,216 | 241          | Evansville-Henderson, IN-KY         | 6,804               | 7,159   | 7,569   | 5.7            | 23,552                                  | 24,677 | 26,079 | 117          |
| Amarillo, TX                                       | 4,340               | 4,633     | 4,865     | 5.0            | 22,104                                  | 22,480 | 23,495 | 194          | Fargo-Moorhead, ND-MN               | 3,754               | 3,933   | 4,223   | 7.4            | 22,761                                  | 23,601 | 25,073 | 142          |
| Anchorage, AK                                      | 7,561               | 7,949     | 8,348     | 5.0            | 30,295                                  | 31,622 | 32,659 | 23           | Fayetteville, NC                    | 6,299               | 6,621   | 6,851   | 3.5            | 22,205                                  | 23,183 | 24,104 | 175          |
| Ann Arbor, MI                                      | 15,119              | 16,207    | 17,316    | 6.8            | 28,517                                  | 30,067 | 31,616 | 29           | Fayetteville-Springdale-Rogers, AR  | 5,563               | 5,952   | 6,384   | 7.3            | 20,870                                  | 21,731 | 22,895 | 217          |
| Annisston, AL                                      | 2,175               | 2,287     | 2,379     | 5.0            | 18,658                                  | 19,522 | 20,315 | 294          | Flagstaff, AZ-UT                    | 2,138               | 2,269   | 2,412   | 6.3            | 18,112                                  | 18,942 | 20,050 | 293          |
| Appleton-Oshkosh-Neenah, WI                        | 8,166               | 8,691     | 9,194     | 5.8            | 24,066                                  | 25,411 | 26,659 | 104          | Flint, MI                           | 10,077              | 10,258  | 10,433  | 1.7            | 23,148                                  | 23,564 | 23,947 | 177          |
| Asheville, NC                                      | 4,791               | 5,141     | 5,405     | 5.1            | 22,914                                  | 24,370 | 25,347 | 137          | Florence, AL                        | 2,766               | 2,875   | 2,887   | 4.7            | 20,252                                  | 20,988 | 21,064 | 282          |
| Athens, GA   | 2,897               | 3,026     | 3,211     | 6.1            | 21,226                                  | 21,917 | 23,160 | 205          | Florence, SC                        | 2,490               | 2,632   | 2,757   | 4.7            | 20,218                                  | 21,161 | 22,114 | 248          |
| Atlanta, GA  | 98,182              | 106,039   | 115,272   | 8.7            | 27,803                                  | 29,194 | 30,788 | 35           | Fort Collins-Loveland, CO           | 5,326               | 5,818   | 6,380   | 9.7            | 24,060                                  | 25,799 | 27,607 | 81           |
| Atlantic-Cape May, NJ                              | 3,462               | 3,787     | 4,036     | 5.5            | 28,433                                  | 29,288 | 30,735 | 36           | Fort Lauderdale, FL                 | 39,013              | 40,657  | 43,041  | 5.9            | 27,042                                  | 27,530 | 28,546 | 62           |
| Auburn-Opelika, AL                                 | 1,700               | 1,824     | 1,892     | 3.7            | 17,823                                  | 18,529 | 19,831 | 309          | Fort Myers-Cape Coral, FL           | 9,533               | 10,245  | 10,860  | 6.0            | 25,114                                  | 26,557 | 27,640 | 79           |
| Augusta-Aiken, GA-SC                               | 9,434               | 9,882     | 10,379    | 5.0            | 20,878                                  | 21,722 | 22,665 | 227          | Fort Pierce-Port St. Lucie, FL      | 7,539               | 8,039   | 8,485   | 5.5            | 26,332                                  | 27,604 | 28,732 | 57           |
| Austin-San Marcos, TX                              | 25,054              | 27,912    | 32,130    | 15.1           | 24,176                                  | 26,136 | 29,087 | 57           | Fort Smith, AR-OK                   | 3,683               | 3,910   | 4,118   | 5.3            | 19,311                                  | 20,326 | 21,257 | 273          |
| Bakersfield, CA                                    | 11,399              | 11,893    | 12,407    | 4.3            | 18,444                                  | 19,042 | 19,643 | 304          | Fort Walton Beach, FL               | 3,650               | 3,935   | 4,155   | 5.6            | 22,040                                  | 23,471 | 24,655 | 155          |
| Baltimore, MD                                      | 66,109              | 69,915    | 73,308    | 4.9            | 26,785                                  | 28,252 | 29,548 | 45           | Fort Wayne, IN                      | 11,466              | 12,197  | 12,830  | 5.6            | 22,188                                  | 23,549 | 24,659 | 104          |
| Bangor, ME (NECMA)                                 | 2,836               | 2,984     | 3,140     | 5.2            | 19,466                                  | 20,573 | 21,743 | 262          | Fort Worth-Arlington, TX            | 36,200              | 39,481  | 42,643  | 8.0            | 23,826                                  | 25,404 | 26,790 | 98           |
| Barnstable-Yarmouth, MA (NECMA)                    | 5,908               | 6,358     | 6,799     | 6.9            | 29,175                                  | 30,987 | 32,612 | 24           | Fresno, CA                          | 16,165              | 16,714  | 17,345  | 3.8            | 19,946                                  | 19,365 | 19,947 | 298          |
| Baton Rouge, LA                                    | 12,676              | 13,173    | 14,013    | 6.4            | 22,415                                  | 23,107 | 24,403 | 165          | Gadsden, AL                         | 1,922               | 2,035   | 2,113   | 3.8            | 18,701                                  | 19,616 | 20,328 | 293          |
| Beaumont-Port Arthur, TX                           | 7,543               | 8,114     | 8,571     | 5.6            | 20,174                                  | 21,661 | 22,848 | 216          | Gainesville, FL                     | 4,312               | 4,567   | 4,887   | 7.0            | 21,948                                  | 23,114 | 24,656 | 154          |
| Bellingham, WA                                     | 3,175               | 3,371     | 3,575     | 6.1            | 20,836                                  | 21,766 | 22,732 | 223          | Galveston-Texas City, TX            | 5,370               | 5,706   | 5,954   | 4.3            | 22,399                                  | 23,548 | 24,303 | 167          |
| Benton Harbor, MI                                  | 3,521               | 3,776     | 3,874     | 2.6            | 21,855                                  | 23,543 | 24,235 | 169          | Gary, IN                            | 14,220              | 15,059  | 15,963  | 6.0            | 22,797                                  | 24,072 | 25,451 | 135          |
| Bergen-Passaic, NJ                                 | 46,267              | 49,416    | 53,165    | 7.6            | 34,853                                  | 37,057 | 39,750 | 6            | Glens Falls, NY                     | 2,474               | 2,569   | 2,685   | 4.5            | 20,267                                  | 21,121 | 22,109 | 249          |
| Billings, MT                                       | 2,784               | 2,918     | 3,083     | 5.7            | 22,173                                  | 23,168 | 24,425 | 164          | Goldensboro, NC                     | 2,037               | 2,139   | 2,205   | 3.1            | 18,240                                  | 19,106 | 19,710 | 303          |
| Blount-Gulfport-Pascagoula, MS                     | 6,617               | 6,997     | 7,602     | 8.6            | 19,378                                  | 20,303 | 21,828 | 256          | Grand Forks, ND-MN                  | 2,164               | 2,125   | 2,243   | 5.6            | 20,908                                  | 20,955 | 22,921 | 212          |
| Binghamton, NY                                     | 5,430               | 5,691     | 5,919     | 4.0            | 21,427                                  | 22,723 | 23,775 | 182          | Grand Junction, CO                  | 2,173               | 2,373   | 2,539   | 7.0            | 20,081                                  | 21,430 | 22,491 | 234          |
| Birmingham, AL                                     | 21,981              | 23,064    | 24,168    | 4.8            | 24,547                                  | 25,583 | 26,582 | 106          | Grand Rapids-Muskegon-Holland, MI   | 24,493              | 26,338  | 27,727  | 5.3            | 24,122                                  | 25,618 | 26,694 | 101          |
| Bismarck, ND                                       | 1,954               | 2,041     | 2,186     | 7.1            | 21,697                                  | 22,489 | 23,885 | 179          | Great Falls, MT                     | 1,730               | 1,787   | 1,863   | 4.3            | 21,421                                  | 22,629 | 23,721 | 190          |
| Bloomington, IN                                    | 2,355               | 2,486     | 2,639     | 5.2            | 20,468                                  | 21,442 | 22,636 | 228          | Greeley, CO                         | 2,964               | 3,180   | 3,478   | 9.4            | 19,619                                  | 20,447 | 21,803 | 258          |
| Bloomington-Normal, IL                             | 3,480               | 3,695     | 3,908     | 6.8            | 24,822                                  | 26,077 | 27,260 | 90           | Green Bay, WI                       | 5,336               | 5,761</ |         |                |   |        |        |              |

Table K.1.—Personal Income and Per Capita Personal Income by Metropolitan Area, 1996–98—Continued

| Area name   | Personal income     |         |         |                | Per capita personal income <sup>1</sup> |        |        |              | Area name                                  | Personal income     |        |        |                | Per capita personal income <sup>1</sup> |        |        |              |
|---|---------------------|---------|---------|----------------|---|--------|--------|--------------|--|---------------------|--------|--------|----------------|---|--------|--------|--------------|
|   | Millions of dollars |         |         | Percent change | Dollars                                 |        |        | Rank in U.S. |  | Millions of dollars |        |        | Percent change | Dollars                                 |        |        | Rank in U.S. |
|   | 1996                | 1997    | 1998    |                | 1996                                    | 1997   | 1998   |              |  | 1996                | 1997   | 1998   |                | 1996                                    | 1997   | 1998   |              |
| Kenosha, WI*  | 3,147               | 3,391   | 3,730   | 10.0           | 22,266                                  | 23,725 | 25,833 | 123          | Reading, PA                                | 8,814               | 9,356  | 9,787  | 4.6            | 25,046                                  | 26,439 | 27,511 | 83           |
| Killeen-Temple, TX                                  | 5,784               | 6,086   | 6,289   | 3.3            | 19,633                                  | 20,615 | 21,178 | 278          | Redding, CA                                | 3,282               | 3,467  | 3,609  | 4.1            | 20,344                                  | 21,322 | 21,986 | 253          |
| Knoxville, TN                                       | 14,733              | 15,544  | 16,420  | 5.6            | 22,490                                  | 23,500 | 24,640 | 156          | Reno, NV                                   | 9,134               | 9,706  | 10,342 | 6.6            | 30,611                                  | 31,687 | 33,040 | 22           |
| Kokomo, IN  | 2,426               | 2,536   | 2,644   | 4.3            | 24,185                                  | 25,306 | 26,423 | 109          | Richland-Kennebec-Pasco, WA                | 3,872               | 3,992  | 4,170  | 4.5            | 21,637                                  | 22,072 | 22,829 | 218          |
| La Crosse, WI-MN                                    | 2,706               | 2,848   | 3,011   | 5.7            | 22,337                                  | 23,477 | 24,742 | 149          | Richmond-Petersburg, VA                    | 24,626              | 26,023 | 27,267 | 4.8            | 26,400                                  | 27,602 | 28,635 | 61           |
| Lafayette, LA                                       | 7,005               | 7,655   | 8,062   | 5.3            | 19,041                                  | 20,585 | 21,487 | 268          | Riverside-San Bernardino, CA*              | 58,143              | 61,729 | 66,385 | 7.5            | 19,411                                  | 20,246 | 21,300 | 272          |
| Lafayette, IN                                       | 3,627               | 3,870   | 4,067   | 5.1            | 21,139                                  | 22,539 | 23,312 | 200          | Roanoke, VA                                | 5,722               | 5,998  | 6,297  | 5.0            | 25,046                                  | 26,250 | 27,624 | 80           |
| Lake Charles, LA                                    | 3,648               | 3,844   | 3,988   | 3.7            | 20,476                                  | 21,450 | 22,139 | 245          | Rochester, MN                              | 3,099               | 3,314  | 3,611  | 9.0            | 27,413                                  | 28,928 | 30,880 | 33           |
| Lakeland-Winter Haven, FL                           | 8,990               | 9,461   | 10,234  | 8.2            | 20,428                                  | 21,179 | 22,609 | 229          | Rochester, NY                              | 27,296              | 28,598 | 29,603 | 3.5            | 25,154                                  | 26,396 | 27,390 | 87           |
| Lancaster, PA                                       | 10,760              | 11,384  | 12,012  | 5.5            | 23,895                                  | 25,094 | 26,303 | 111          | Rockford, IL                               | 8,366               | 8,814  | 9,258  | 5.0            | 23,683                                  | 24,820 | 25,938 | 121          |
| Lansing-East Lansing, MI                            | 10,192              | 10,690  | 10,909  | 2.0            | 22,692                                  | 23,738 | 24,226 | 170          | Rocky Mount, NC                            | 2,927               | 3,120  | 3,207  | 2.8            | 20,375                                  | 21,475 | 21,979 | 254          |
| Laredo, TX  | 2,200               | 2,436   | 2,591   | 6.4            | 12,817                                  | 13,500 | 13,870 | 316          | Sacramento, CA*                            | 36,874              | 39,310 | 42,325 | 7.7            | 24,489                                  | 25,729 | 27,232 | 92           |
| Las Cruces, NM                                      | 2,490               | 2,635   | 2,805   | 6.5            | 15,383                                  | 16,332 | 16,599 | 314          | Saginaw-Bay City-Midland, MI               | 9,273               | 9,788  | 10,044 | 2.8            | 23,034                                  | 24,277 | 25,010 | 143          |
| Las Vegas, NV-AZ                                    | 30,650              | 33,792  | 36,686  | 8.6            | 25,654                                  | 26,819 | 27,780 | 73           | St. Cloud, MN                              | 3,224               | 3,332  | 3,670  | 10.1           | 20,124                                  | 20,993 | 22,539 | 232          |
| Lawrence, KS  | 1,731               | 1,886   | 1,993   | 5.7            | 18,671                                  | 19,878 | 20,645 | 289          | St. Joseph, MO                             | 1,989               | 2,092  | 2,184  | 4.4            | 20,488                                  | 21,533 | 22,434 | 236          |
| Lawton, OK  | 1,154               | 1,211   | 1,299   | 4.0            | 19,613                                  | 20,336 | 21,257 | 273          | St. Louis, MO-IL                           | 67,326              | 71,492 | 74,516 | 4.2            | 26,406                                  | 27,951 | 29,089 | 53           |
| Lewiston-Auburn, ME (NECMA)                         | 2,116               | 2,218   | 2,296   | 3.5            | 20,834                                  | 21,973 | 22,671 | 226          | Salem, OR*                                 | 6,810               | 7,235  | 7,621  | 5.3            | 21,377                                  | 22,277 | 23,072 | 208          |
| Lexington, KY                                       | 10,595              | 11,360  | 12,098  | 6.5            | 24,106                                  | 25,593 | 26,912 | 97           | Salinas, CA                                | 9,036               | 9,769  | 10,333 | 5.8            | 26,018                                  | 27,221 | 28,185 | 68           |
| Lima, OH  | 3,224               | 3,399   | 3,521   | 3.6            | 20,740                                  | 21,949 | 22,818 | 219          | Salt Lake City-Ogden, UT                   | 27,043              | 29,335 | 31,201 | 6.4            | 22,007                                  | 23,448 | 24,698 | 152          |
| Lincoln, NE   | 5,752               | 6,070   | 6,474   | 7.0            | 24,907                                  | 25,926 | 27,487 | 85           | San Angelo, TX                             | 2,072               | 2,156  | 2,273  | 5.4            | 20,360                                  | 21,075 | 22,140 | 244          |
| Little Rock-North Little Rock, AR                   | 13,066              | 13,777  | 14,488  | 5.0            | 23,919                                  | 25,028 | 26,105 | 116          | San Antonio, TX                            | 32,119              | 34,585 | 36,655 | 6.0            | 23,688                                  | 24,820 | 25,800 | 181          |
| Longview-Marshall, TX                               | 4,126               | 4,418   | 4,615   | 4.5            | 20,086                                  | 21,315 | 22,131 | 246          | San Diego, CA                              | 66,403              | 71,126 | 76,502 | 7.6            | 24,836                                  | 26,129 | 27,657 | 78           |
| Los Angeles-Long Beach, CA*                         | 225,144             | 233,234 | 246,949 | 5.9            | 24,860                                  | 25,557 | 26,773 | 100          | San Francisco, CA*                         | 66,781              | 71,370 | 76,080 | 6.6            | 40,398                                  | 42,706 | 45,199 | 1            |
| Louisville, KY-IN                                   | 24,826              | 26,134  | 27,717  | 6.1            | 25,102                                  | 26,290 | 27,749 | 75           | San Jose, CA*                              | 55,782              | 61,581 | 67,034 | 8.9            | 35,003                                  | 37,974 | 40,828 | 4            |
| Lubbock, TX   | 4,906               | 5,108   | 5,352   | 4.8            | 21,243                                  | 22,201 | 23,451 | 195          | San Luis Obispo-Atascadero-Paso Robles, CA | 5,024               | 5,492  | 5,807  | 5.7            | 21,984                                  | 23,730 | 24,807 | 147          |
| Lynchburg, VA                                       | 4,265               | 4,427   | 4,624   | 4.4            | 20,789                                  | 21,401 | 22,268 | 240          | Santa Barbara-Santa Maria-Lompoc, CA       | 10,149              | 10,628 | 11,177 | 5.2            | 26,554                                  | 27,476 | 28,698 | 59           |
| Macon, GA   | 6,824               | 7,051   | 7,362   | 4.4            | 21,889                                  | 22,306 | 23,067 | 209          | Santa Cruz-Watsonville, CA*                | 6,651               | 7,188  | 7,613  | 5.9            | 28,225                                  | 30,093 | 31,302 | 30           |
| Madison, WI   | 11,367              | 12,106  | 12,831  | 6.0            | 27,377                                  | 28,678 | 30,214 | 39           | Santa Fe, NM                               | 3,669               | 3,875  | 4,145  | 7.0            | 26,766                                  | 27,729 | 29,375 | 48           |
| Mansfield, OH                                       | 3,527               | 3,737   | 3,853   | 3.1            | 19,914                                  | 21,108 | 21,784 | 261          | Santa Rosa, CA*                            | 11,484              | 12,440 | 13,408 | 7.8            | 27,392                                  | 29,173 | 30,911 | 32           |
| McAllen-Edinburg-Mission, TX                        | 5,789               | 6,215   | 6,631   | 6.7            | 11,815                                  | 12,330 | 12,759 | 318          | Sarasota-Bradenton, FL                     | 16,405              | 17,653 | 18,558 | 5.1            | 31,015                                  | 32,980 | 34,178 | 15           |
| Medford-Ashtland, OR                                | 3,583               | 3,815   | 4,022   | 5.4            | 21,301                                  | 22,368 | 23,214 | 204          | Savannah, GA                               | 6,575               | 6,779  | 7,170  | 5.8            | 23,414                                  | 23,896 | 25,135 | 141          |
| Metairie-Titusbville-Palm Bay, FL                   | 9,830               | 10,530  | 11,043  | 5.9            | 21,680                                  | 22,934 | 23,758 | 185          | Scranton-Wilkes-Barre-Hazleton, PA         | 13,593              | 14,157 | 14,641 | 3.4            | 21,663                                  | 22,792 | 23,764 | 184          |
| Memphis, TN-AR-MS                                   | 26,848              | 28,009  | 30,053  | 7.3            | 24,991                                  | 26,886 | 27,511 | 61           | Seattle-Bellevue-Everett, WA*              | 69,785              | 77,181 | 85,191 | 10.4           | 31,356                                  | 33,968 | 36,854 | 11           |
| Merced, CA  | 3,241               | 3,361   | 3,498   | 3.6            | 16,972                                  | 17,337 | 17,732 | 312          | Sharon, PA                                 | 2,360               | 2,475  | 2,585  | 4.4            | 19,310                                  | 20,275 | 21,231 | 275          |
| Miami, FL   | 46,930              | 48,692  | 51,448  | 5.7            | 22,270                                  | 22,833 | 23,919 | 178          | Sheboygan, WI                              | 2,612               | 2,715  | 2,876  | 5.9            | 23,882                                  | 24,734 | 26,149 | 114          |
| Middlesex-Somerset-Hunterdon, NJ                    | 37,384              | 40,288  | 42,920  | 6.5            | 34,287                                  | 36,473 | 38,414 | 7            | Sherman-Denison, TX                        | 2,017               | 2,150  | 2,287  | 6.4            | 20,187                                  | 21,356 | 22,417 | 237          |
| Milwaukee-Waukesha, WI                              | 39,791              | 42,358  | 44,837  | 7.4            | 27,224                                  | 29,022 | 30,582 | 37           | Shreveport-Bossier City, LA                | 8,029               | 8,271  | 8,630  | 4.3            | 21,186                                  | 21,776 | 22,858 | 214          |
| Minneapolis-St. Paul, MN-WI                         | 82,373              | 88,381  | 94,991  | 5.5            | 28,836                                  | 31,621 | 33,561 | 20           | Sioux Fe, IA-NE                            | 2,717               | 2,782  | 2,909  | 4.6            | 22,491                                  | 23,092 | 24,173 | 172          |
| Missoula, MT  | 1,852               | 1,951   | 2,066   | 5.9            | 20,981                                  | 21,963 | 23,234 | 203          | Sioux Falls, SD                            | 4,124               | 4,378  | 4,686  | 7.0            | 26,304                                  | 27,678 | 29,131 | 52           |
| Mobile, AL  | 10,156              | 10,715  | 11,200  | 4.5            | 19,504                                  | 20,332 | 21,062 | 281          | South Bend, IN                             | 5,994               | 6,348  | 6,657  | 4.9            | 23,279                                  | 24,591 | 25,782 | 125          |
| Modesto, CA   | 7,954               | 8,479   | 9,022   | 6.4            | 19,237                                  | 20,214 | 21,136 | 280          | Spokane, WA                                | 8,663               | 9,158  | 9,573  | 4.5            | 21,434                                  | 22,581 | 23,450 | 196          |
| Monmouth-Ocean, NJ*                                 | 30,560              | 32,687  | 34,639  | 6.0            | 26,688                                  | 30,289 | 31,682 | 28           | Springfield, IL                            | 5,048               | 5,324  | 5,552  | 4.3            | 24,759                                  | 26,108 | 27,215 | 94           |
| Monroe, LA  | 2,949               | 3,011   | 3,117   | 3.5            | 20,103                                  | 20,489 | 21,230 | 276          | Springfield, MO                            | 6,379               | 6,822  | 7,130  | 4.5            | 21,488                                  | 22,660 | 23,399 | 198          |
| Montgomery, AL                                      | 7,127               | 7,415   | 7,745   | 4.5            | 22,523                                  | 23,219 | 24,084 | 176          | Springfield, MA (NECMA)                    | 13,915              | 14,736 | 15,409 | 4.6            | 23,525                                  | 24,947 | 26,131 | 115          |
| Muncie, IN  | 2,527               | 2,619   | 2,739   | 4.6            | 21,477                                  | 22,252 | 23,545 | 193          | State College, PA                          | 2,779               | 2,945  | 3,072  | 4.3            | 21,043                                  | 22,230 | 23,272 | 202          |
| Myrtle Beach, SC                                    | 3,437               | 3,761   | 4,030   | 7.2            | 20,984                                  | 22,202 | 23,088 | 207          | Staubenville-Weirton, OH-WV                | 2,617               | 2,626  | 2,723  | 3.7            | 18,935                                  | 19,235 | 20,224 | 295          |
| Naples, FL  | 7,218               | 8,082   | 8,553   | 5.8            | 38,806                                  | 41,913 | 42,813 | 2            | Stockton-Lodi, CA                          | 10,345              | 11,015 | 11,440 | 3.9            | 19,462                                  | 20,398 | 20,813 | 285          |
| Nashville, TN                                       | 29,754              | 32,036  | 33,910  | 5.8            | 26,687                                  | 28,171 | 29,344 | 49           | Sumter, SC                                 | 1,798               | 1,855  | 1,943  | 4.7            | 16,191                                  | 16,650 | 17,294 | 313          |
| Nassau-Suffolk, NY*                                 | 89,857              | 95,415  | 99,865  | 4.7            | 33,870                                  | 35,878 | 37,381 | 9            | Syracuse, NY                               | 16,439              | 17,079 | 17,797 | 4.2            | 22,099                                  | 23,122 | 24,219 | 171          |
| New Haven-Bridgeport-Stamford-Danbury-Waterbury, CT | 61,489              | 65,661  | 69,039  | 5.1            | 37,874                                  | 40,383 | 42,346 | 3            | Tacoma, WA                                 | 14,257              | 15,657 | 16,561 | 5.8            | 21,785                                  | 23,617 | 24,500 | 161          |
| New London-Norwich, CT (NECMA)                      | 6,891               | 7,257   | 7,392   | 1.9            | 27,394                                  | 28,993 | 29,933 | 42           | Tallahassee, FL                            | 5,762               | 6,071  | 6,472  | 6.6            | 22,464                                  | 23,497 | 24,978 | 144          |
| New Orleans, LA                                     | 29,928              | 31,508  | 32,956  | 4.6            | 22,876                                  | 24,104 | 25,225 | 139          | Tampa-St. Petersburg-Clearwater, FL        | 53,581              | 57,542 | 61,373 | 6.7            | 24,408                                  | 25,861 | 27,224 | 93           |
| New York, NY*                                       | 286,900             | 298,107 | 315,195 | 5.7            | 33,273                                  | 34,463 | 35,316 | 12           | Terre Haute, IN                            | 2,918               | 3,006  | 3,144  | 4.6            | 19,450                                  | 20,149 | 21,154 | 279          |
| Newark, NJ  | 64,525              | 68,339  | 72,343  | 5.9            | 33,274                                  | 35,172 | 37,186 | 10           | Texarkana, TX-Texasarkana, AR              | 2,363               | 2,492  | 2,535  | 1.7            | 19,168                                  | 20,235 | 20,640 | 230          |
| Newburgh, NY-PA                                     | 8,215               | 8,573   | 9,099   | 6.1            | 22,701                                  | 23,439 | 24,595 | 158          | Toledo, OH                                 | 14,643              | 15,437 | 15,907 | 3.0            | 24,002                                  | 25,230 | 26,077 | 118          |
| Norfolk-Virginia Beach-Newport News, VA-NC          | 33,903              | 35,449  | 36,855  | 4.0            | 22,000                                  | 22,877 | 23,771 | 183          | Topeka, KS                                 | 3,969               | 4,138  | 4,345  | 5.0            | 23,486                                  | 24,424 | 25,508 | 134          |
| Oakland, CA   | 67,449              | 72,802  | 77,940  | 7.1            | 30,206                                  | 32,048 | 33,667 | 18           | Trenton, NJ                                | 11,031              | 11,729 | 12,447 | 6.1            | 33,452                                  | 35,557 | 37,551 | 8            |
| Ocala, FL   | 4,531               | 4,853   | 5,195   | 7.0            | 19,691                                  |        |        |              |  |                     |        |        |                |   |        |        |              |

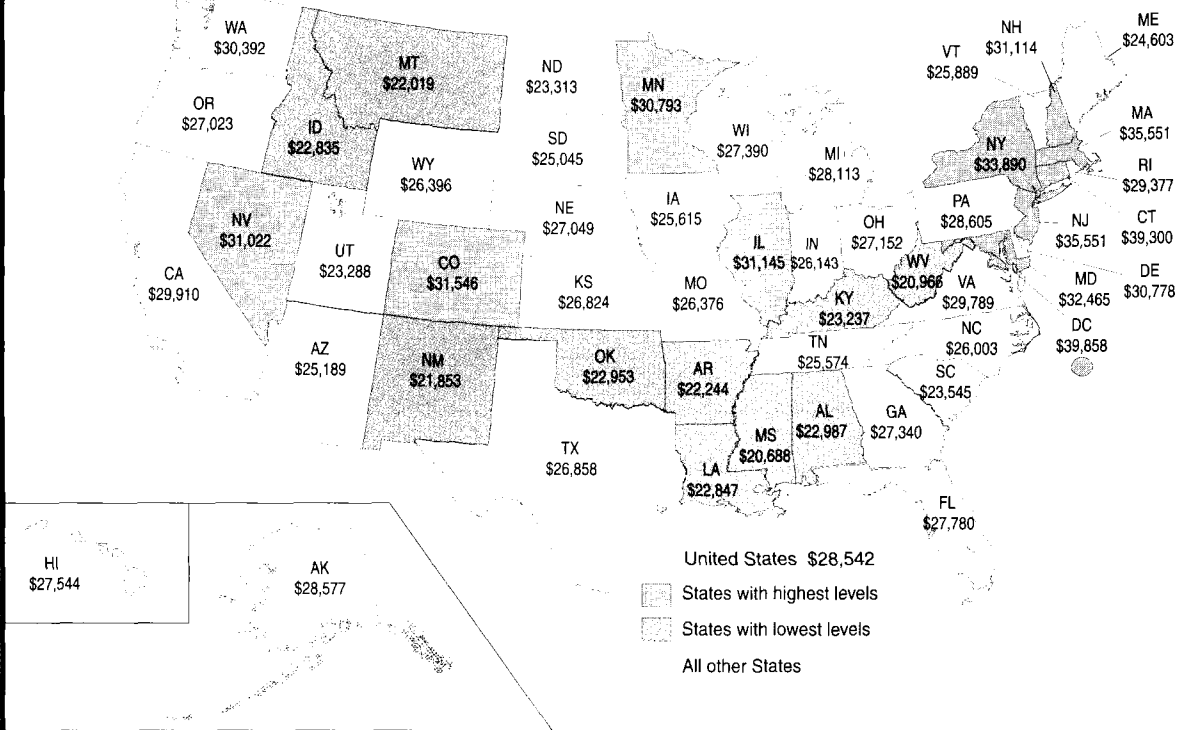
L. Charts

**SELECTED REGIONAL ESTIMATES**

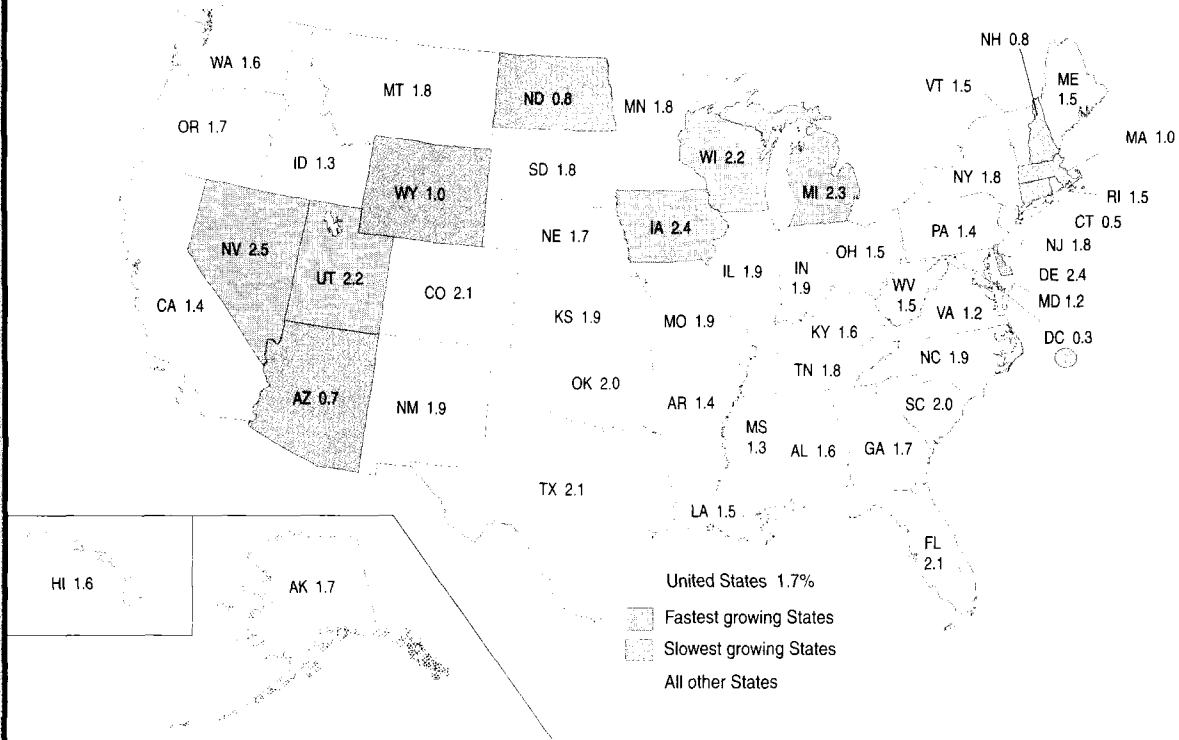


# SELECTED REGIONAL ESTIMATES

PER CAPITA PERSONAL INCOME, 1999



PERSONAL INCOME: PERCENT CHANGE, 2000:I-2000:II



U.S. Department of Commerce, Bureau of Economic Analysis



## Appendix A

### Additional Information About the NIPA Estimates

#### Statistical Conventions

Changes in current-dollar GDP measure changes in the market value of goods and services produced in the economy in a particular period. For many purposes, it is necessary to decompose these changes into quantity and price components. To compute the quantity indexes, changes in the quantities of individual goods and services are weighted by their prices. (Quantity changes for GDP are often referred to as changes in "real GDP.") For the price indexes, changes in the prices for individual goods and services are weighted by quantities produced. (In practice, the current-dollar value and price indexes for most GDP components are determined largely using data from Federal Government surveys, and the real values of these components are calculated by deflation at the most detailed level for which all the required data are available.)

The annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from 2 adjacent years. For example, the annual percent change in real GDP in 1997–98 uses prices for 1997 and 1998 as weights, and the 1997–98 annual percent change in the GDP price index uses quantities for 1997 and 1998 as weights. Because the Fisher formula allows for the effects of changes in relative prices and in the composition of output over time, the resulting quantity or price changes are not affected by the substitution bias that is associated with changes in quantities and prices calculated using a fixed-weighted formula.<sup>1</sup> These annual changes are "chained" (multiplied) together to form time series of quantity and price; the percent changes that are calculated from these time series are not affected by the choice of reference period.

The quarterly changes in quantities and prices are calculated with weights from two adjacent quarters. As part of an annual or comprehensive revision, the quarterly indexes through the most recent complete year are adjusted to ensure that the average of the quarterly indexes conforms to the corresponding annual index.

In addition, BEA prepares measures of real GDP and its components in a dollar-denominated form, designated "chained (1996) dollar estimates." These estimates are computed by multiplying the 1996 current-dollar value of GDP, or of a GDP component, by the corresponding quantity index number. For example, if a current-dollar GDP component equaled \$100 in 1996 and if real output for this component

increased by 10 percent in 1997, then the "chained (1996) dollar" value of this component in 1997 would be \$110 ( $\$100 \times 1.10$ ). Note that percentage changes in the chained (1996) dollar estimates and the percentage changes calculated from the quantity indexes are identical, except for small differences due to rounding.

Because of the formula used for calculating real GDP, the chained (1996) dollar estimates for detailed GDP components do not add to the chained-dollar value of GDP or to any intermediate aggregates. A "residual" line is shown as the difference between GDP and the sum of the most detailed components shown in each table. The residual generally is small close to the base period but tends to become larger as one moves further from it. Accurate measures of component contributions to the percentage changes in real GDP and its major components are shown in NIPA tables 8.2–8.6.

BEA also publishes the "implicit price deflator" (IPD), which is calculated as the ratio of current-dollar value to the corresponding chained-dollar value, multiplied by 100; the values of the IPD and of the corresponding "chain-type" price index are very close.

For quarters and months, the estimates are presented at annual rates, which show the value that would be registered if the rate of activity measured for a quarter or a month were maintained for a full year. Annual rates are used so that time periods of different lengths—for example, quarters and years—may be compared easily. These annual rates are determined simply by multiplying the estimated rate of activity by 4 (for quarterly data) or by 12 (for monthly data).

Percent changes in the estimates are also expressed at annual rates. Calculating these changes requires a variant of the compound interest formula:

$$r = \left[ \left( \frac{x_t}{x_o} \right)^{m/n} - 1 \right] \times 100,$$

where  $r$  is the percent change at an annual rate;  $x_t$  is the level of activity in the later period;  $x_o$  is the level of activity in the earlier period;  $m$  is the yearly periodicity of the data (for example, 1 for annual data, 4 for quarterly, or 12 for monthly); and  $n$  is the number of periods between the earlier and later periods (that is,  $t - o$ ).

Quarterly and monthly NIPA estimates are seasonally adjusted, if necessary. Seasonal adjustment removes from the time series the average impact of variations that normally occur at about the same time and in about the same magnitude each year—for example, weather, holidays, and tax payment dates. After seasonal adjustment, cyclical and other short-term changes in the economy stand out more clearly.

1. In addition, because the changes in quantities and prices calculated using these weights are symmetric, the product of a quantity index and the corresponding price index is generally equal to the current-dollar index.

## Reconciliation Tables

**Table 1.—Reconciliation of Changes in BEA-Derived Compensation Per Hour with BLS Average Hourly Earnings**  
[Percent change from preceding period]

|  | 1998 | 1999 | Seasonally adjusted at annual rates |     |     |      |     |                  |
|--|------|------|-------------------------------------|-----|-----|------|-----|------------------|
|  |      |      | 1999                                |     |     | 2000 |     |                  |
|  |      |      | II                                  | III | IV  | I    | II  | III <sup>P</sup> |
| <b>BEA-derived compensation per hour of all persons in the nonfarm business sector (less housing)</b> .....                            | 5.1  | 4.8  | 5.0                                 | 5.5 | 4.2 | 3.9  | 5.9 | 6.3              |
| Less: Contribution of supplements to wages and salaries per hour .....   | -5   | -3   | -4                                  | -5  | -4  | .1   | .2  | 0                |
| Plus: Contribution of wages and salaries per hour of persons in housing and in nonprofit institutions .....                            | -3   | -1   | -3                                  | -5  | -3  | -1   | -1  | -3               |
| Less: Contribution of wages and salaries per hour of persons in government enterprises, unpaid family workers, and self-employed ..... | -1   | 0    | -1                                  | -1  | -1  | -1   | -3  | .1               |
| <b>Equals: BEA-derived wages and salaries per hour of all employees in the private nonfarm sector</b> .....                            | 5.5  | 5.0  | 5.1                                 | 5.5 | 4.4 | 3.7  | 5.9 | 5.8              |
| Less: Contribution of wages and salaries per hour of nonproduction workers in manufacturing .....                                      | -1   | -1   | .4                                  | .4  | 0   | .2   | .4  | .4               |
| Less: Other differences <sup>2</sup> .....   | 1.5  | 1.4  | 1.0                                 | 1.4 | 1.3 | -3   | 1.6 | 1.7              |
| <b>Equals: BLS average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls</b> .....                   | 4.1  | 3.6  | 3.7                                 | 3.7 | 3.1 | 3.8  | 3.9 | 3.8              |
| <b>Addendum:</b><br>BLS estimates of compensation per hour in the nonfarm business sector <sup>3</sup> .....                           | 5.3  | 5.0  | 5.0                                 | 5.5 | 4.2 | 3.9  | 5.9 | 6.3              |

<sup>P</sup> Preliminary.

1. Includes BLS data on compensation and hours of nonfarm proprietors and hours worked of unpaid family workers.

2. Includes BEA use of non-BLS data and differences in detailed weighting. Annual estimates also include differences in BEA and BLS benchmark procedures; quarterly estimates also include

differences in seasonal adjustment procedures.

3. These estimates differ from the BEA-derived estimates (first line) because the BLS estimates include compensation and hours of tenant-occupied housing.

BLS Bureau of Labor Statistics

**Table 2.—Relation of Net Exports of Goods and Services and Net Receipts of Factor Income in the NIPA's to Balance on Goods, Services, and Income in the ITA's**

[Billions of dollars]

|   | Line | 1998    | 1999    | Seasonally adjusted at annual rates |         |         |         |         |         |
|---|------|---------|---------|-------------------------------------|---------|---------|---------|---------|---------|
|   |      |         |         | 1999                                |         |         | 2000    |         |         |
|   |      |         |         | I                                   | II      | III     | IV      | I       | II      |
| <b>Exports of goods, services, and income receipts, ITA's</b> .....                                 | 1    | 1,191.4 | 1,232.4 | 1,174.9                             | 1,204.0 | 1,252.3 | 1,298.4 | 1,347.4 | 1,408.3 |
| Less: Gold, ITA's .....   | 2    | 5.5     | 5.3     | 3.0                                 | 3.2     | 6.1     | 8.8     | 9.6     | 3.7     |
| Statistical differences <sup>1</sup> .....  | 3    | 0       | 0       | 0                                   | 0       | 0       | 0       | 8.8     | 8.8     |
| Other items .....   | 4    | .9      | 1.0     | .9                                  | .9      | 1.1     | 1.1     | 1.3     | 1.3     |
| Plus: Adjustment for grossing of parent/affiliate interest payments .....                           | 5    | 4.5     | 4.6     | 4.2                                 | 4.4     | 4.6     | 5.3     | 6.0     | 5.6     |
| Adjustment for U.S. territories and Puerto Rico .....   | 6    | 43.3    | 48.9    | 46.3                                | 48.0    | 48.6    | 52.8    | 52.7    | 51.3    |
| Services furnished without payment by financial intermediaries except life insurance carriers ..... | 7    | 18.5    | 16.4    | 17.7                                | 16.7    | 15.7    | 15.5    | 16.4    | 16.9    |
| <b>Equals: Exports of goods and services and income receipts, NIPA's</b> .....                      | 8    | 1,251.4 | 1,296.1 | 1,239.2                             | 1,268.9 | 1,314.0 | 1,362.2 | 1,402.8 | 1,468.3 |
| <b>Imports of goods, services, and income payments, ITA's</b> .....                                 | 9    | 1,364.5 | 1,515.9 | 1,398.1                             | 1,473.8 | 1,565.3 | 1,626.3 | 1,705.3 | 1,783.5 |
| Less: Gold, ITA's .....   | 10   | 6.5     | 5.8     | 3.3                                 | 3.2     | 7.4     | 9.3     | 9.6     | 3.0     |
| Statistical differences <sup>1</sup> .....  | 11   | 0       | 0       | 0                                   | 0       | 0       | 0       | 5.5     | 5.6     |
| Other items .....   | 12   | 0       | 0       | 0                                   | 0       | 0       | 0       | 0       | 0       |
| Plus: Gold, NIPA's .....  | 13   | -3.1    | -2.7    | -2.6                                | -2.7    | -2.6    | -2.7    | -3.2    | -3.1    |
| Adjustment for grossing of parent/affiliate interest payments .....                                 | 14   | 4.5     | 4.6     | 4.2                                 | 4.4     | 4.6     | 5.3     | 6.0     | 5.6     |
| Adjustment for U.S. territories and Puerto Rico .....   | 15   | 28.4    | 32.6    | 28.4                                | 30.0    | 32.5    | 39.6    | 36.2    | 37.5    |
| Imputed interest paid to rest of world .....  | 16   | 18.5    | 16.4    | 17.7                                | 16.7    | 15.7    | 15.5    | 16.4    | 16.9    |
| <b>Equals: Imports of goods and services and income payments, NIPA's</b> .....                      | 17   | 1,406.4 | 1,561.1 | 1,442.5                             | 1,519.0 | 1,608.1 | 1,674.8 | 1,745.7 | 1,832.0 |
| <b>Balance on goods, services, and income, ITA's (1-9)</b> .....                                    | 18   | -173.1  | -283.5  | -223.2                              | -269.8  | -313.0  | -327.9  | -357.9  | -375.2  |
| Less: Gold (2-10+13) .....  | 19   | -4.1    | -3.2    | -2.9                                | -2.7    | -3.9    | -3.2    | -3.2    | -2.4    |
| Statistical differences (3-11) <sup>1</sup> .....   | 20   | 0       | 0       | 0                                   | 0       | 0       | 0       | 3.3     | 3.2     |
| Other items (4-12) .....  | 21   | .9      | 1.0     | .9                                  | .9      | 1.1     | 1.1     | 1.3     | 1.3     |
| Plus: Adjustment for U.S. territories and Puerto Rico (6-15) .....                                  | 22   | 14.9    | 16.3    | 17.9                                | 18.0    | 16.1    | 13.2    | 16.5    | 13.8    |
| <b>Equals: Net exports of goods and services and net receipts of income, NIPA's (8-17)</b> .....    | 23   | -155.0  | -265.0  | -203.3                              | -250.1  | -294.1  | -312.6  | -342.9  | -363.7  |

1. Consists of statistical revisions in the NIPA's that have not yet been incorporated into the ITA's (2000:II) and statistical revisions in the ITA's that have not yet been incorporated into the NIPA's (2000:1-2000:II).

ITA's International transactions accounts  
NIPA's National income and product accounts

## Appendix B

# Suggested Reading

The Bureau of Economic Analysis (BEA) has published a wealth of information about the methodologies that are used to prepare its national, regional, and international accounts.

### National accounts

The national accounts encompass the detailed estimates in the national income and product accounts (including gross domestic product), the estimates of wealth and related estimates, gross product by industry, the input-output accounts, and the satellite accounts.

**National income and product accounts (NIPAs).** This series of papers documents the conceptual framework of the NIPAs and the methodologies that have been used to prepare the estimates.

*An Introduction to National Economic Accounting* (1985) [also in the March 1985 SURVEY]

*Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends* (1985)

*Foreign Transactions* (1987) [A revised version is forthcoming.]

*GNP: An Overview of Source Data and Estimating Methods* (1987) [Most of the information in this paper has been superseded by "A Guide to the NIPAs" (March 1998 SURVEY).]

*Government Transactions* (1988)

*Personal Consumption Expenditures* (1990)

These methodologies have been updated and improved, typically as part of the comprehensive and annual revisions of the NIPAs. The most recent revisions are described in the following SURVEY articles.

"A Preview of the 1999 Comprehensive Revision of the National Income and Product Accounts" Definitional and Classificational Changes (August 1999)

New and Redesigned Tables (September 1999)

Statistical Changes (October 1999)

"Improved Estimates of the National Income and Product Accounts: Results of the Comprehensive Revision"

For 1959-98 (December 1999)

For 1929-99 (April 2000)

"Annual Revision of the U.S. National Income and Product Accounts" (August 2000)

"A Guide to the NIPAs" (March 1998) provides the definitions of the major NIPA aggregates and components, discusses the measures of real output and prices, explains how production is classified and how the NIPAs are presented, describes the statistical conventions that are used, and lists the principal source data and methods that are used to prepare the estimates of gross domestic product (GDP).

Information about the sources and methods that are used to prepare the national estimates of personal income, which are the basis for the State estimates, is in *State Personal Income, 1929-97* (1999).

"BEA's Chain Indexes, Time Series, and Measures of Long-Term Economic Growth" (May 1997) is the most recent in a series of articles that describe the conceptual basis for the chain-type measures of real output and prices that are used in the NIPAs.

"Reliability of the Quarterly and Annual Estimates of GDP and Gross Domestic Income" (December 1998) evaluates these estimates by examining the record of revisions to them.

**Wealth and related estimates.** *Fixed Reproducible Tangible Wealth in the United States, 1925-94* (1999) discusses the concepts and statistical considerations that underlie the estimates and their derivation.

"Fixed Assets and Consumer Durable Goods for 1925-98" (April 2000) describes the definitional and statistical improvements that were incorporated in the comprehensive revision of the estimates.

**Gross product by industry.** "Improved Estimates of

### Mission and Strategic Plan

The mission statement of the Bureau of Economic Analysis and the latest update to its strategic plan for improving the accuracy, reliability, and relevance of the national, regional, and international accounts are available on BEA's Web site at <[www.bea.doc.gov](http://www.bea.doc.gov)>. For information about the development and the implementation of the plan, see these SURVEY articles.

"Mid-Decade Strategic Review of BEA's Economic Accounts: Maintaining and Improving Their Performance" (February 1995)

"Mid-Decade Strategic Review of BEA's Economic Accounts: An Update" (April 1995)

"BEA's Mid-Decade Strategic Plan: A Progress Report" (June 1996)

“Gross Product by Industry for 1947–98” (June 2000) describes the most recent comprehensive revision of these estimates.

“Gross Domestic Product by Industry for 1997–99” (December 2000) describes the most recent annual revision of the these estimates.

**Input-output accounts.** “Benchmark Input-Output Accounts for the U.S. Economy, 1992” (November 1997) describes the preparation of the 1992 accounts and the concepts and methods that underlie the accounts.

“Annual Input-Output Accounts of the U.S. Economy, 1996” (January 2000) presents annual tables for 1996 that update the 1992 benchmark accounts.

**Satellite accounts.** These accounts extend the analytical capacity of the national accounts by focusing on one aspect of economic activity.

“Integrated Economic and Environmental Satellite Accounts” and “Accounting for Mineral Resources: Issues and BEA’s Initial Estimates” (April 1994)

“A Satellite Account for Research and Development” (November 1994)

“U.S. Transportation Satellite Accounts”

For 1992 (April 1998)

For 1996 (May 2000)

“U.S. Travel and Tourism Satellite Accounts”

For 1992 (July 1998)

For 1996 and 1997 (July 2000)

### International accounts

The international accounts encompass the international transactions accounts, direct investment, and international transactions in services.

**International transactions accounts (ITA’s).** *The Balance of Payments of the United States: Concepts, Data Sources, and Estimating Procedures* (1990) describes the methodologies used to prepare the estimates in the ITA’s and the international investment position of the United States. These methodologies are usually updated and improved as part of the annual revisions of the ITA’s.

“U.S. International Transactions, Revised Estimates” is a series of articles about the annual ITA revisions and the improvements in methodology; the latest article is published in the July 2000 issue.

**Direct investment.** *International Direct Investment: Studies by the Bureau of Economic Analysis* (1999) is a collection of previously published articles on U.S. direct investment abroad and foreign direct investment in the United States. It also includes the following information.

“Methodology for U.S. Direct Investment Abroad,” which is also available in *U.S. Direct*

*Investment Abroad: 1994 Benchmark Survey, Final Results* (1998)

“A Guide to BEA Statistics on U.S. Multinational Companies,” which is also available in the March 1995 SURVEY

“Methodology for Foreign Direct Investment in the United States,” which is also available in *Foreign Direct Investment in the United States: 1992 Benchmark Survey, Final Results* (1995)

“A Guide to BEA Statistics on Foreign Direct Investment in the United States,” which is also available in the February 1990 SURVEY

**International services.** *U.S. International Transactions in Private Services: A Guide to the Surveys Conducted by the Bureau of Economic Analysis* (1998) describes 11 surveys. It includes classifications, definitions, release schedules, the methods used to prepare the estimates, and samples of the survey forms.

### Regional accounts

The regional accounts include estimates of personal income and gross state product.

**Personal income.** Estimates of personal income are prepared for States and for local areas.

“Comprehensive Revision of State Personal Income for 1969–99” (June 2000) summarizes the changes in the methodology that is used to prepare the estimates. The detailed methodology is available on the CD-ROM *State Personal Income, 1969–98*.

“Comprehensive Revision of Local Area Personal Income for 1969–98” (July 2000) summarizes the changes in the methodology that is used to prepare the estimates for counties and metropolitan areas. The detailed methodology is available on the CD-ROM *Regional Economic Information System, 1969–98*.

**Gross state product.** “Comprehensive Revision of Gross State Product by Industry, 1977–94” (June 1997 SURVEY) summarizes the sources and the methods that are used to prepare the estimates. “Gross State Product by Industry, 1977–98” (October 2000) describes the most recent comprehensive revision of these estimates.

#### Availability

Most of the items listed here are available on our Web site at <[www.bea.doc.gov](http://www.bea.doc.gov)>; in particular, look under “Methodologies.” Our online *Catalog of Products* provides descriptions of both our printed and electronic publications. The *Catalog* also includes links to compressed files of our diskette products that can be downloaded for free.

For specific information about the availability of our most recently released estimates and products, see “Getting BEA’s Estimates” on the inside back cover.



## Getting BEA's Estimates

Estimates and related information are available in news releases and publications and on diskettes, CD-ROM's, and the BEA Web site. The news releases are now posted on the Web site within minutes of the official time of release. Our online *Catalog of Products* provides product descriptions and includes links to compressed files of our diskette products that can be downloaded for free.

Our most recent Web site postings and statistical products are listed below.

### [www.bea.doc.gov](http://www.bea.doc.gov)

#### **December 2000 *Survey of Current Business***

Click on "*Survey of Current Business* and other BEA Publications," and look under "Table of contents."

#### **Selected NIPA Tables, Third Quarter 2000**

**(Preliminary)** Click on "GDP and related data," and look under "Current period estimates."

**Fixed Assets and Consumer Durable Goods for 1925-99** Click on "Industry and wealth data," and look under "Fixed Assets."

#### **U.S. International Services, 1986-99**

Click on "BOP and related data," and look under "Exports and imports."

### Diskettes and CD-ROM's

#### **Foreign Direct Investment in the United States**

Operations of U.S. Affiliates of Foreign Companies.

Preliminary 1998 Estimates. Diskette IDN-0269, \$20.

Balance of Payments and Direct Investment Position.

Estimates for 1987-99. Diskette IDN-0266, \$20.

#### **U.S. Direct Investment Abroad**

Balance of Payments and Direct Investment Position.

Estimates for 1982-99. Diskette IDN-0264, \$20.

Operations of U.S. Parent Companies and Their For-

eign Affiliates. Diskettes.

Revised 1997 Estimates. IDN-0254, \$20.

Preliminary 1998 Estimates. IDN-0255, \$20.

#### **U.S. International Transactions**

Second Quarter 2000. Diskette IDN-0267, \$20

#### **State Personal Income, 1969-99**

CD-ROM RCN-0268, \$35.

#### **Regional Economic Information System, 1969-98**

CD-ROM RCN-0250, \$35.

To order, call the BEA Order Desk at 1-800-704-0415 (outside the United States, call 202-606-9666).

### Publications

#### ***Foreign Direct Investment in the United States***

#### ***Preliminary Results From the 1997 Benchmark Survey***

Presents data on the financial structure and operations of the U.S. affiliates of foreign investors, including data collected only in benchmark surveys.

003-010-00284-1, \$13.

#### ***U.S. Direct Investment Abroad: Operations of U.S. Parent Companies and Their Foreign Affiliates***

***Revised 1997 Estimates***, 003-010-00285-9, \$10

***Preliminary 1998 Estimates***, 003-010-00286-7, \$10.

Present data for nonbank U.S. multinational companies.

To order, visit the U.S. Government Printing Office's Web site at <[bookstore.gpo.gov](http://bookstore.gpo.gov)> or call 202-512-1800.



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### Schedule of Upcoming BEA News Releases

|   |         |            |
|---|---------|------------|
| U.S. International Transactions, 3rd quarter 2000 .....   | Dec. 14 | 10:00 a.m. |
| Input-Output Estimates, 1997 .....  | Dec. 18 | 10:00 a.m. |
| U.S. International Trade in Goods and Services, October 2000* .....   | Dec. 19 | 8:30 a.m.  |
| Gross Domestic Product, 3rd quarter 2000 (final) and<br>Corporate Profits, 3rd quarter 2000 (revised) ..... | Dec. 21 | 8:30 a.m.  |
| Personal Income and Outlays, November 2000 .....  | Dec. 22 | 8:30 a.m.  |
| U.S. International Trade in Goods and Services, November 2000* .....  | Jan. 19 | 8:30 a.m.  |
| State Personal Income, 3rd quarter 2000 .....   | Jan. 24 | 9:00 a.m.  |
| Gross Domestic Product, 4th quarter 2000 (advance) .....  | Jan. 31 | 8:30 a.m.  |
| Personal Income and Outlays, December 2000 .....  | Feb. 1  | 8:30 a.m.  |
| U.S. International Trade in Goods and Services, December 2000* .....  | Feb. 21 | 8:30 a.m.  |
| Gross Domestic Product, 4th quarter 2000 (preliminary) .....  | Feb. 28 | 8:30 a.m.  |
| Personal Income and Outlays, January 2001 .....   | Mar. 1  | 8:30 a.m.  |
| U.S. International Transactions, 4th quarter 2000 .....   | Mar. 15 | 8:30 a.m.  |
| U.S. International Trade in Goods and Services, January 2001* .....   | Mar. 20 | 8:30 a.m.  |
| Gross Domestic Product, 4th quarter 2000 (final) and<br>Corporate Profits, 4th quarter 2000 (revised) ..... | Mar. 29 | 8:30 a.m.  |
| Personal Income and Outlays, November 2000 .....  | Mar. 30 | 8:30 a.m.  |

\* Joint release by the Bureau of the Census and the Bureau of Economic Analysis (BEA)  
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