

The Chart Page

Edited by Colleen A. Nash, Associate Editor

Foreign Holdings in US Technology

	Japan	UK	France	Netherlands	Canada	Switzerland	Taiwan	South Korea	Australia
Advanced materials	28	5	2	1	0	0	1	0	1
Aerospace	11	5	3	0	1	0	0	0	0
Chemical	12	4	6	1	3	1	0	0	0
Computers	63	11	2	1	3	1	12	3	1
Electronics	20	7	1	0	0	0	0	1	1
Semiconductor equipment	27	0	1	0	0	2	0	0	1
Semiconductors	41	1	1	0	1	0	1	0	0
Telecommunications	23	9	3	0	2	1	1	0	2

Since 1988, more than 500 foreign takeovers and investments in US firms have been reported to the Committee on Foreign Investment in the United States (CFIUS), which is charged with checking these actions for national security impact. CFIUS has blocked only one such investment. In many instances, the foreign penetration has been in high-technology sectors.

Source: Economic Strategy Institute

US vs. Japan

Where the US Stands in Comparison to Japan on Emerging Technologies

Key: Ahead
 Even
 Behind

Related to the problem of increased reliance on foreign sources is the steady deterioration of US leadership in military technologies. For more on the defense industrial base, see "Declining, Diversifying, and Disappearing" and "Lifelines Abroad" in this issue.

Source: Department of Commerce

Technology	R&D		Product Information	
	Current	Future	Current	Future
Advanced materials		Losing		Losing
Advanced semiconductor devices		Holding		Losing
Artificial intelligence		Holding		Holding
Biotechnology		Losing		Losing
Digital imaging technology		Losing		Losing
Computer-integrated manufacturing		Holding		Holding
High-density data storage		Holding		Losing
High-performance computing		Holding		Losing
Optoelectronics		Holding		Losing
Sensor technology		Losing		Holding
Superconductors		Losing		Losing

Problems in Key Sectors

Bearings	Foreign dependence
Electronics	Foreign dependence
Fasteners	Foreign dependence
Forgings	Lack of productivity
Machine tools	Foreign dependence
Optics	Foreign dependence
Titanium	Tight capacity and foreign dependence

US armed forces are nervous about their increasing reliance on foreign sources. Of the problems identified in key sectors by Air Force Systems Command in its July 1990 report, AFSC Industrial Base Assessment, the dominant factor was foreign dependence.