



Federal Ministry
for Economic Affairs
and Energy

German Firms as Drivers of Investment and Jobs in the US

*Facts and figures on German-American trade
and investment relations*

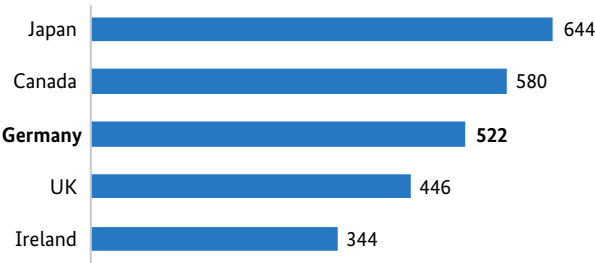


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Germany is the third-largest foreign investor in the US

Around 3,000 companies have invested a total of \$522 billion in the US. This is equivalent to around 12% of all foreign direct investment in the US.

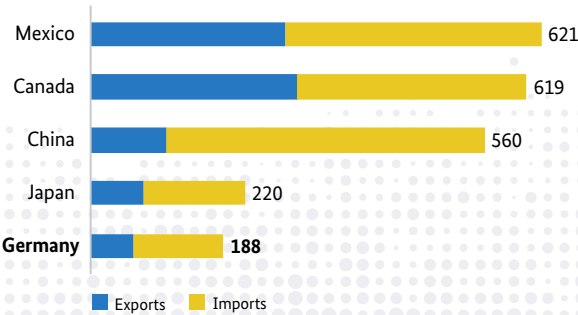
Foreign direct investment in the US (in billion USD)



Germany is the US' fifth-largest trade partner

With trade in goods of around \$188 billion, Germany is the US' fifth largest trade partner and the third most important outside the USMCA region. Bilateral trade relations are dominated by the automotive industry, electrical industry and mechanical engineering (which together account for 75% of the trade volume). The US market is also the number-one export market for German companies.

US trade volume (exports and imports) in billion USD



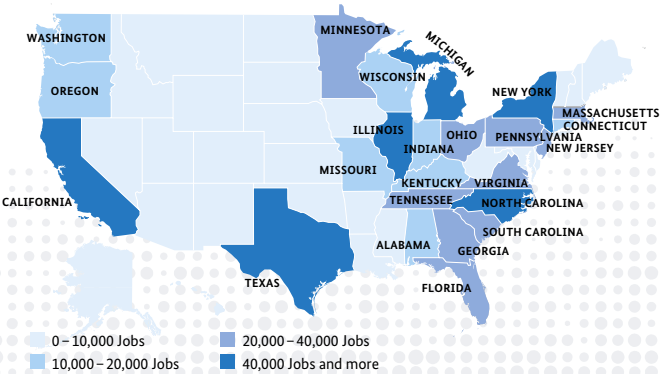
German companies are the third-largest foreign employers in the US

Foreign companies have created a total of 7.8 million jobs in the US. German subsidiaries provide 861,000 of these jobs – which are also jobs that are very well-paid. Within the top-five group of the largest foreign employers, German companies pay the third highest per-capita wages. These are considerably higher than the American average (around \$50,000).

Country	Jobs (in 1,000)	Average wage/ employee (in USD)
UK	1,271	98,802
Japan	948	83,276
Germany	861	74,922
Canada	836	61,734
France	780	56,652

The jobs that have been created are spread across all of the regions of the US.

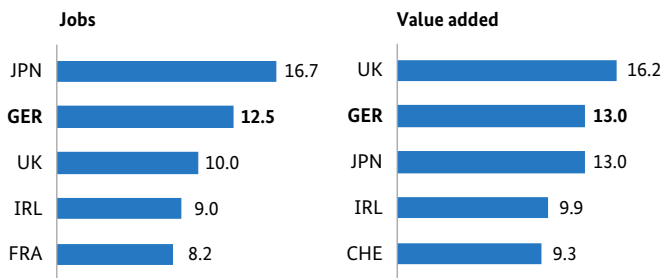
German companies are the biggest foreign employers in Michigan, New Mexico and South Carolina. There are seven other states (Delaware, Kentucky, Illinois, Iowa, Minnesota, Missouri, North Carolina) where German firms are the second-biggest non-US employers.



German companies are the second-largest foreign employers in US manufacturing

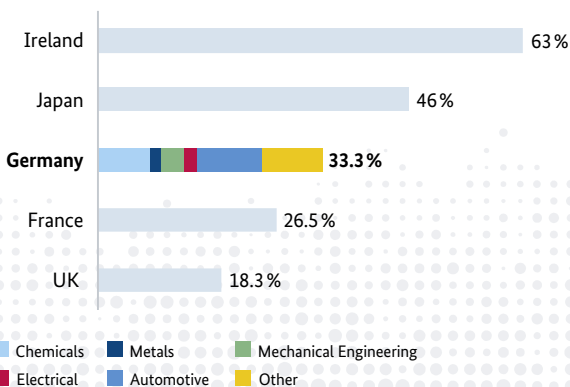
Among all foreign companies in the US manufacturing sector, German subsidiaries make the second-largest contribution to value creation.

Jobs and value added generated by foreign companies in the US manufacturing sector per country and in %



German companies in the US have created a total of 286,800 jobs in the manufacturing industry. Some 33% of the employees of German subsidiaries work in the industrial sector. The dominant industries here are the automotive/transport industry, mechanical engineering and chemical industry.

Share of employees in the industrial sector



Germany is the largest foreign employer engaging in research and development in the US

Foreign subsidiaries based in the US account for almost a fifth of research and development spending in the country. Spending by Germany, the UK, Japan, Switzerland and France makes up nearly two thirds of this amount.

Country	Staff in R&D	R&D spending (in bn USD)
Germany	38,100	10.0
UK	29,200	6.7
Japan	27,000	10.9
Switzerland	20,800	9.6
France	12,500	4.2

Information on sources:

All of the data used has been published by the US Bureau of Economic Analysis (BEA).

The data supplied by the BEA refers to the Ultimate Beneficial Owner (UBO). UBO-figures take account of the ultimate economic owner of a foreign company.

The data provided is based on 2018, with the exception of the figures for foreign direct investment (2019) and trade data (2019).

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Further information can be found at www.bmwi.de
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