

Author's Preface

United States direct investment in Western Europe has never been of greater concern to Europeans than it is today. Virtually every major American investment sets off a new public outcry. Recurrent newspaper articles continue to draw wide attention to the latest acquisition or joint venture and bring forth an outpouring of critical comment from every quarter.

Nowhere in Europe have American investors provoked more reaction, or encountered a cooler reception, than in France. The latest move in what often appears to be a campaign against foreign investors appeared in the form of a report issued by the Patronat, France's influential association of manufacturers. Their report, comparing French companies to the largest American and British firms, ranks the largest French company only fifty-seventh in the listing, based upon annual sales. Ten French companies—as against 114 American—were shown to have a yearly turnover of more than \$500 million. The inferences and conclusions are clear to the reader and seem intended solely to rally new support for the contention that French business needs protection from United States competition.

Because of this continuing controversy and the involvement of my own company in it, I have observed each new development with intense interest. As a Fellow at the Alfred P. Sloan School of Management at M.I.T., on leave from Chrysler International S.A. for a year of study, I was given an opportunity to write a thesis on a subject of my choice. I chose to investigate the French claims that U.S. investment presents a threat to economic sovereignty; this book is the result of my research. If it produces nothing more in the reader than a new appreciation of the French point of view, its publication will have served a useful purpose.

It would be appropriate here to acknowledge the guidance and encouragement given me throughout my endeavors by Professor Charles P. Kindleberger and Dr. Richard D. Robinson, of the faculty of the Massachusetts Institute of Technology. I am mindful also of my debt to the many anonymous business executives who generously contributed time to discussions of which I was the sole beneficiary. To all those who lent assistance, I am sincerely grateful.

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