FOREIGN DIRECT INVESTMENT
OPPORTUNITIES FOR GEORGIA

ZOU, SHANSHAN

GEORGIA TECH ENTERPRISE INNOVATION INSTITUTE

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Executive Summary

This article focuses on finding out foreign direct investment opportunities for Georgia. The key research questions are as follows:

• What is the overall picture of foreign investment in U.S. and how does it change over time?

• What is Georgia’s position in the global trends of FDI?

• What is Georgia’s competitiveness in attracting FDI and what are the opportunities to increase its competitiveness?

The article addresses these questions within the following framework:

• Assessing recent FDI trends and patterns in the United States, and identifying countries and industries with FDI potential.

• Analyzing FDI trends and patterns in Georgia, and comparing them with the country’s average and other competing state.

• Complementary qualitative analysis including industry distribution of foreign affiliates in Georgia and recent investment examples.

The main findings of this article suggest that Georgia has comparative advantages in information and high technology industries. In addition, some fast emerging economies have built strong ties with Georgia, which lays more opportunities to the growth of FDI in Georgia.

Some policy implications are provided at the end of the article, which we hope would expand the knowledge about FDI’s impacts that we can leverage to further Georgia’s economics development, and would help economic developers, governments, businesses, and other stakeholders in Georgia as they consider FDI policies in the futures.
1 Introduction

Foreign direct investment (FDI) is essential to a country’s economic development. The Bureau of Economic Analysis (BEA) defines FDI as “an investment in which resident of one country obtains a lasting interest in, and a degree of influence over the management of, a business enterprise in another country.” Simply speaking, a FDI is “a company controlled through ownership by a foreign company or foreign individuals” (Daniels & Radebaugh, 1998). This kind of control usually can be achieved in two ways: greenfield investment, which is the creation of new enterprises and the development or expansion of production facilities; and the mergers and acquisitions, which involve the purchased of an existing enterprise. This article will only focus on the foreign direct investment in the United States, which is also sometimes shorthanded as “inward direct investment”.

U.S. is the world’s largest recipient of FDI. In 2008, U.S. received a total of $2.3 trillion FDI, equivalent to 16 percent of U.S. total gross domestic product (GDP).

FDI benefits the U.S. economy in many ways. First, it creates new jobs. In 2006, U.S. affiliates of majority-owned nonbank foreign companies supported 5.3 million jobs of the country’s employment. Second, it increases U.S. exports. Exports of goods by U.S. affiliates were $195.3 billion in 2006, 19 percent of the total U.S. exports. Third, it strengthens U.S. manufacturing and services. Almost 30 percent of the 2006 employment by U.S. affiliates was in manufacturing industry. Finally, it brings in new research, technology, and skills. In 2006, expenditures for research and development performed by

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1 Measured by the direct investment position on a historical-cost basis.
2 Data Source: Bureau of Economic Analysis
3 U.S. affiliate: A U.S. business enterprise in which there is foreign direct investment – that is, in which a single foreign person owns or controls, directly or indirectly, 10 percent or more of the voting securities or an equivalent interest.
4 Majority-owned U.S. affiliate: A U.S. affiliate that is owned more than 50 percent by foreign direct investors. In this article, the term “U.S. affiliate” refers to majority-owned nonbank U.S. affiliate.
U.S. affiliates totaled $34.3 billion, accounted for 14 percent of the total R&D performed by all U.S. business.¹

Since FDI is such an important factor to the economic growth of U.S., it has attracted huge amount of studies on the key factors that affect the location of foreign investment. Many of the past literatures focused on finding out what kind of characteristics are most attracting to foreign investors by constructing econometrics models. Friedman, Gerlowski and Silberman (1992) investigated the location decisions of foreign multinational plants in U.S. using conditional logit model based on profit maximizing behavior. The results indicated that the access to market, higher manufacturing wages, labor productivity, transportation infrastructures, state promotional activities, state and local personal taxes are significant factors in the location decisions. Coughlin and Segev (2000) examined the county-level pattern of new foreign-owned manufacturing plants in U.S. among BEA regions, from 1898 through 1994. They found that higher levels of economic size, educational attainment, the existing manufacturing base, and transportation infrastructure are associated with larger numbers of new foreign-owned plants. Meanwhile, higher levels of taxes and labor-intensiveness are found to be associated with smaller numbers of new plants. They also pointed out that the main advantages of the Southeast region stem from a relatively high manufacturing base and relatively low taxes.

“A large body of previous literature took partial equilibrium predictions of multinational enterprises’ FDI decisions and examines how exogenous factors, while a more recent body of literature has begun to frame MNE decisions in a general equilibrium framework and generates predictions of how fundamental country-level factor affect aggregate country-level FDI behavior.” (Blonigen, 2005)

¹ Data Source: Bureau of Economic Analysis
from 1985 through 1991 with a conditional logit model. They found that Japanese firm’s location decisions are affected by membership in either vertical or horizontal groups, providing evidence of that business networking and information externalities that affect the FDI location decisions of partner firms. Kokko and Blomstrom (2003) suggested that the potential spillover benefits of foreign investment are realized only if local firms have the ability and motivation to invest in absorbing foreign technologies and skills. They argued that good governance in the area of FDI policy is to consider the investment incentives packages as part of the country’s overall industrial policy, and make any incentives available on equal terms to all investors.

For a certain state, FDI is a benchmark for measuring the presence of foreign-owned business in a state, an important indicator of a state’s ability to attract foreign investors, and a key determinate of a region’s ability to attract new technologies, capital, workforce skills, global connections, and job opportunities. However, there were few literatures analyzing the FDI position of a specific state, except some government economic reports.

The United States has historically been the most attracting destination for FDI, within which, Georgia State is a traditional base of manufacturing industry. It has attracted more and more attentions from the foreign investors. But there are still a lot of opportunities lying in front of us. How can we take a bite of the continuously growing trends of global FDI? What is our competitiveness and what are the opportunities to increase our competitiveness? This article focuses on exploring the FDI opportunities for Georgia, and tries to answer these following questions: 1) What are the FDI patterns and trends for the whole U.S. and how do them change over time? 2) What is Georgia’s position in the global trend of FDI? 3) What are Georgia’s advantages in attracting foreign investment when competing with other states, and what are our opportunities?
Based on a comprehensive discussion on Georgia’s current FDI situation with both quantitative and qualitative methodologies, we find that the major competitiveness of Georgia lies in information and high technology industries. Besides, some big emerging economies have played more and more important roles in providing sources of Georgia’s inward FDI, which could open more opportunities for increasing FDI in Georgia.

The rest of this article will follow this outline: Part 2 provides an overall picture of the FDI patterns and trends in the whole United States. Part 3 focuses on assessing the current FDI situation in Georgia, via some statistical comparison between Georgia and other states after a state overview on FDI trends and patterns, and also by discussing industry distribution of foreign affiliates and examples of recent foreign investment in Georgia. Part 5 concludes the possible opportunities of increasing Georgia’s FDI competitiveness.
2 FDI in U.S.

First, let us take a look at the overall FDI trends and patterns in the whole United States.

At the end of 2008, the FDI position in U.S. valued at historical cost was $2,278.9 billion, an increase of 72 percent since 2002. The inward direct investment position increased 9 percent in 2008, down from 14 percent in 2007.

2.1 Country Detail

Europe was the largest investor in U.S. It provided 71 percent of the total foreign investment in 2008. Canada, Asian and Pacific countries also contributed a lot to the foreign investment in this country. (Chart 1)

Chart 2 compares the FDI by investing country between 2008 and 2002, from which we can see that while the investment from Canada (140%) and Europe (69%) kept growing at a fast rate, Asian and Pacific countries also showed great potential by increasing 91 percent of the investment in U.S. since 2002.

Particularly, in 2008, there were eight counties invested more than $100 billion: Canada, France, Germany, the Netherlands, Switzerland, Luxembourg, the United Kingdom, and Japan, which are all exclusively OECD countries. Among these major investors, UK had the largest position,

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1 The book value of foreign director investors’ equity in, and outstanding loans to, their U.S. affiliates
2 Data Source: U.S. Bureau of Economic Analysis
which equals 20 percent of the total FDI. Japan had the next largest position, which equals 12 percent of the total FDI.

Top developing economies by growth in FDI include United Arab Emirates, India, China and Taiwan.

Data Source: U.S. Bureau of Economic Analysis

Besides those developed major investors in U.S., the top developing economies by growth in FDI include United Arab Emirates, India, China and Taiwan, which are all big emerging economies during the past decade.

2.2 Industry Detail

Manufacturing industry was the biggest recipient of FDI in 2008, which attracted $795 billion FDI, equivalent to 35 percent of the 2008 total foreign investment. FDI in all industries increased from 2002 to 2008. Especially, retail trade (103%), professional, scientific and technical services (79%) and manufacturing (76%) industries had the highest growth rates. (Chart 3)
Manufacturing industry was the biggest receiver of FDI in 2008.

Retail trade, professional, scientific and technical services and manufacturing industries had the highest growth rates since 2002.

Since manufacturing received the largest part of the inward FDI in 2008, now we take a closer look at it. Chart 4 presents the comparison of FDI by sub-industry within manufacturing between 2002 and 2008. The total FDI in manufacturing industry grew 76 percent since 2002. FDI in all sectors increased except food, among which, chemicals, and primary and fabricated metals sectors had the largest growth rates. Particularly, primary and fabricated metals sector almost tripled from 2002 to 2008.
3 FDI in Georgia

3.1 State overview

So far, we have discussed the overall FDI trends and patterns in the whole United States. But where is Georgia’s position in this fast growing global trend of FDI? Are we leading the FDI in this country, or do we fall behind? Here are a few factsheets of the recent FDI situation in Georgia:

- In 2006, the capital value\(^1\) of the nonbank majority-owned U.S. affiliates in Georgia was $23.3 billion, equivalent to 7.1 percent of the state’s total private industry GDP. It ranked the 18\(^{th}\) nationally. (Table 1)
- In 2006, the nonbank majority-owned U.S. affiliates supported 173,600 jobs in Georgia, accounted for 3.8 percent of the state’s total private industry employment. It ranked the 11\(^{th}\) nationally in the number of employees provided by U.S. subsidiaries. (Table 1)
- There are now over a thousand foreign affiliates within Georgia. Fulton County leads the state with 574 foreign affiliates.\(^2\)

<table>
<thead>
<tr>
<th>Capital Value</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>California</td>
</tr>
<tr>
<td>2</td>
<td>Texas</td>
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<tr>
<td>3</td>
<td>New York</td>
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<td>4</td>
<td>Illinois</td>
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<td>5</td>
<td>Michigan</td>
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<td>6</td>
<td>Ohio</td>
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<td>7</td>
<td>New Jersey</td>
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<td>9</td>
<td>Pennsylvania</td>
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<td>10</td>
<td>Alaska</td>
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<td>11</td>
<td>Florida</td>
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<td>12</td>
<td>Kentucky</td>
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<td>13</td>
<td>Louisiana</td>
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<td>14</td>
<td>North Carolina</td>
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<tr>
<td>15</td>
<td>Colorado</td>
</tr>
<tr>
<td>16</td>
<td>South Carolina</td>
</tr>
</tbody>
</table>

\(^1\) Measured by the value of gross property, plant and equipment.

\(^2\) Data Source: GeorgiaFacts.net

In 2006, the capital value of FDI in Georgia was $23.3 billion, ranked 18\(^{th}\) nationally. U.S. affiliates supported 173,600 jobs in Georgia, ranked 11\(^{th}\) nationally.

There are now over a thousand foreign affiliates within Georgia.
<table>
<thead>
<tr>
<th></th>
<th>Massachusetts</th>
<th>Connecticut</th>
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<tbody>
<tr>
<td>18</td>
<td>Georgia</td>
<td>Maryland</td>
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<td>19</td>
<td>Tennessee</td>
<td>Kentucky</td>
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<tr>
<td>20</td>
<td>Alabama</td>
<td>Washington</td>
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<td>21</td>
<td>Washington</td>
<td>Wisconsin</td>
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<td>22</td>
<td>Virginia</td>
<td>Minnesota</td>
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<td>23</td>
<td>Missouri</td>
<td>Missouri</td>
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<tr>
<td>24</td>
<td>Wisconsin</td>
<td>Colorado</td>
</tr>
<tr>
<td>25</td>
<td>Connecticut</td>
<td>Alabama</td>
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<tr>
<td>26</td>
<td>Minnesota</td>
<td>Arizona</td>
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<tr>
<td>27</td>
<td>Maryland</td>
<td>Louisiana</td>
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<td>28</td>
<td>Arizona</td>
<td>Kansas</td>
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<td>29</td>
<td>Oklahoma</td>
<td>Oregon</td>
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<td>30</td>
<td>Wyoming</td>
<td>Iowa</td>
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<td>31</td>
<td>Oregon</td>
<td>New Hampshire</td>
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<td>32</td>
<td>Nevada</td>
<td>Oklahoma</td>
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<td>33</td>
<td>Mississippi</td>
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<td>34</td>
<td>Utah</td>
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<td>35</td>
<td>Iowa</td>
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<td>36</td>
<td>Kansas</td>
<td>Hawaii</td>
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<tr>
<td>37</td>
<td>Arkansas</td>
<td>Mississippi</td>
</tr>
<tr>
<td>38</td>
<td>West Virginia</td>
<td>Delaware</td>
</tr>
<tr>
<td>39</td>
<td>Maine</td>
<td>Maine</td>
</tr>
<tr>
<td>40</td>
<td>Hawaii</td>
<td>West Virginia</td>
</tr>
<tr>
<td>41</td>
<td>Delaware</td>
<td>Rhode Island</td>
</tr>
<tr>
<td>42</td>
<td>New Hampshire</td>
<td>Nebraska</td>
</tr>
<tr>
<td>43</td>
<td>District of Columbia</td>
<td>District of Columbia</td>
</tr>
<tr>
<td>44</td>
<td>Rhode Island</td>
<td>New Mexico</td>
</tr>
<tr>
<td>45</td>
<td>New Mexico</td>
<td>Idaho</td>
</tr>
<tr>
<td>46</td>
<td>Montana</td>
<td>Alaska</td>
</tr>
<tr>
<td>47</td>
<td>Nebraska</td>
<td>Vermont</td>
</tr>
<tr>
<td>48</td>
<td>Idaho</td>
<td>North Dakota</td>
</tr>
<tr>
<td>49</td>
<td>North Dakota</td>
<td>Wyoming</td>
</tr>
<tr>
<td>50</td>
<td>Vermont</td>
<td>Montana</td>
</tr>
</tbody>
</table>

*Data Source: U.S. Bureau of Economic Analysis*
3.2 Country and Industry Detail

Chart 5 and Chart 6 present the FDI percent in Georgia in 2006 by country and by industry, respectively.

In 2006, the nine major investors in Georgia - Canada, France, Germany, the Netherlands, Sweden, Switzerland, the United Kingdom, Australia, and Japan - accounted for almost 80 percent of the foreign investment in Georgia.

54 percent of FDI in Georgia ($12.6 billion) came from Europe, among which European Union countries invested $11.8 billion. Asian and Pacific countries contributed 26 percent ($6 billion) of the total FDI. Japan was Georgia’s largest foreign investor with 20 percent ($4.5 billion) of the state’s total FDI. Germany and Canada were second and third respectively. Among all these investors, Canada increased its FDI in the state by 36 percent, the largest increase among world region.

More than half of FDI ($12 billion) in Georgia went into manufacturing industry. Wholesale
More than half of FDI in Georgia went into manufacturing industry. Foreign investment in all industries increased except manufacturing, among which technical services and information industries increased the most.

Top developing investors in Georgia include China, Mexico, India, Brazil, Taiwan, and etc.

Table 2. Top developing economies by numbers of employment in GA

<table>
<thead>
<tr>
<th>Employment</th>
<th>Facilities</th>
<th>Industries of Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>724</td>
<td>18 Manufacturing, Sales, Distribution</td>
</tr>
<tr>
<td>Mexico</td>
<td>690</td>
<td>19 Manufacturing, Sales, Airline</td>
</tr>
<tr>
<td>India</td>
<td>626</td>
<td>22 Manufacturing, Sales, Research</td>
</tr>
<tr>
<td>Brazil</td>
<td>501</td>
<td>8 Manufacturing, Sales, Distribution, Warehouse</td>
</tr>
<tr>
<td>Taiwan</td>
<td>404</td>
<td>19 Manufacturing, Sales, Distribution, Warehouse</td>
</tr>
<tr>
<td>South Africa</td>
<td>128</td>
<td>8 Manufacturing, Sales</td>
</tr>
<tr>
<td>Chile</td>
<td>91</td>
<td>6 Sales, Distribution</td>
</tr>
</tbody>
</table>

Data Source: GeorgiaFacts.net

3.3 How Does Georgia Perform?

3.3.1 Georgia vs. Country’s Average

In order to identify Georgia’s competitiveness and opportunities in FDI, we need to find out our advantages and disadvantages. Chart 7 and 8 compare Georgia’s percentage change in FDI from 2002 to 2006 by country and industry with the country’s average percentage change.

As we can see, our foreign investment from Canada, Latin America and other Western Hemisphere countries grew faster than the country’s average. But at the same time, our foreign investment from Europe declined 12% while the whole country’s FDI from Europe had an average 11% growth rate.
By industry, the foreign investment in Georgia’s information, and technical services industries increased much faster than the country’s average. But FDI in our manufacturing industry declined 20% while the FDI of the whole U.S. manufacturing industry had an average growth rate of 6%.

Chart 7. Percentage Change in FDI by Country
(2002-2006)

Data Source: U.S. Bureau of Economic Analysis

Chart 8. Percentage Change in FDI by Industry
(2002-2006)

Data Source: U.S. Bureau of Economic Analysis
3.3.2 Georgia vs. North Carolina

In addition to the comparison with the country’s average, how does Georgia perform when competing with other comparative states? Now we take North Carolina as an example.

North Carolina is a traditional competitor of Georgia in economic growth: both in the Southeastern Area, with close population (9.7 million and 9.2 million in 2008) and similar per capita GDP ($33,499 and $33,753 in 2007). Table 3 presents some simple comparison on the FDI situation in 2006 between Georgia and North Carolina.

<table>
<thead>
<tr>
<th></th>
<th>FDI capital value(^1) (billions of dollars)</th>
<th>Ranking</th>
<th>Percentage of total private industry GDP</th>
<th>Employment(^2) (thousands of jobs)</th>
<th>Ranking</th>
<th>Percentage of total private industry employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>GA</td>
<td>23.3</td>
<td>18</td>
<td>7.10%</td>
<td>173.6</td>
<td>11</td>
<td>3.80%</td>
</tr>
<tr>
<td>NC</td>
<td>26.1</td>
<td>14</td>
<td>7.90%</td>
<td>209.4</td>
<td>9</td>
<td>4.70%</td>
</tr>
</tbody>
</table>

\(1\) Gross Property, Plant, and Equipment of Majority-Owned Nonbank U.S. Affiliates

\(2\) Employment of Majority-Owned Nonbank U.S. Affiliates

Data Source: U.S. Bureau of Economic Analysis

From this comparison, it is obvious that FDI in Georgia fell behind FDI in North Carolina overall in 2006. But it does not mean that we have no advantages in all industries and all investing areas. Therefore, we make a detailed comparison by country and industry detail to find out our strengths and weakness. (Chart 9-10)

In 2006, North Carolina attracted more FDI from Canada ($0.2 million) and Europe ($5.2 billion). But there were more investment from Asia and Pacific countries ($2 million) went into Georgia than North Carolina.

By industry, there were much more manufacturing FDI ($6.4 billion) came into North Carolina than Georgia in 2006. But we had more strength in wholesale trade, information, finance, real estate and technical services industries.
3.4 Industry Distribution of Foreign Affiliates in Georgia

In order to compare how different industries spread throughout Georgia, we plotted the distribution of foreign firms within the state for four different industries: manufacturing, research, service, transportation and distribution. (Appendix I)

These distribution maps are plotted according to the foreign firm density of counties in Georgia. Different colors represent different level of foreign company density in a county. All counties shaded in white color.

Data Source: U.S. Bureau of Economic Analysis
have no foreign companies. While the more foreign companies a county houses, the darker it is shaded.

As we can see in these maps, Atlanta Metropolitan area has the highest foreign firm density through all these four industries. However, there exist obvious different distribution patterns among different industries: while manufacturing foreign firms trend to spread throughout the whole state (Chart 11), research foreign companies seem to be more concentrated within Metro Atlanta area (Chart 12). For service industry, the location of foreign firms mostly distributed according to the population density (Chart 13). For transportation and distribution industry, outside the Metro Atlanta area, there are also a few counties along the east coast with relative more firm investment, like Chatham County and Glynn County, which are where the Savanna Seaport and Brunswick Seaport located.

3.5 Example of Recent Foreign Investment

Finally, we will discuss a couple of recent foreign investment opportunities in Georgia and try to find out the most attracting incentives of Georgia to foreign investors. One piece of news happened in manufacturing industry. The other is for service industry.¹

3.5.1 Example of Foreign Investment in Manufacturing Industry

In July 2009, Chemrec AB, a Swedish company, came to seek the opportunity of turning Georgia mills into biorefineries with their own technologies.

The major interest of Georgia to them is our abundant forest resources and large number of pulp and paper mill. In fact, Georgia’s biggest asset is our forest resources. The state has 24.4 million acres of forest land, second in the U.S. only to Oregon. However, “many of Oregon’s forest are protected land, while most of Georgia’s are private owned and can be used for commercial enterprises” said Jill Stuctkey, the director of alternative fuels at the Georgia Environmental Facilities Authority.

Another big reason attracted them to Georgia is that they hoped our aggressive stance on biofuels would help us to win federal funding for creating biorefineries. In February 2009, there was a package of $787

¹ Source: GlobalGoergia.com
million passed by the congress, which allocated $71 million for green incentives and $20 million more for green tax incentives.

3.5.2 Example of Foreign Investment in Service Industry

In June 2009, a Chinese business magazine, *Chinese Economic Review* chose Atlanta as its headquarter of North America, which would hopefully bring 20-30 new employment to Georgia.

When Mr. Earnshaw, the CEO of the magazine mentioned the reasons of choosing Atlanta, he said: “Atlanta has always been a regional hub for business. It is a well-known city with the headquarters of a lot of major companies, good human resources, and low costs of living.” (However, unfortunately, the flight from Atlanta to Shanghai has recently been suspended by Delta.) These factors are all key determinants to the growth of a business magazine.

They had also considered New York and San Francisco as alternative choices. But they could not compete with Georgia when comparing cost. In addition, "The Southeast already represents a huge market for Chinese goods; the Savannah port and surrounding counties are likely to see increased logistics business with China over the next few years," said Mr. Earnshaw.
4 Conclusion

From the discussion above, we can tell that Georgia is strongly competitive in attracting foreign investment. It is a traditional site for manufacturing industry with an existing big industry base. The population density here is above the country’s average, which provides plenty work force availability. The state’s transportation infrastructure is highly developed: within Metro Atlanta region, foreign investors are able to reach access to over 80% of the U.S. market within two days via road transportation; and the Atlanta International Airport also provides them a gateway to the global market. In addition, we have a favorable cost environment: both cost-of-living and cost-of-doing-business are lower than many other regions of the country. But there are still a lot of opportunities for Georgia to increase its competitiveness.

First, the previous comparative statistics between Georgia and the country’s average or other competing state show that Georgia has a lot of strengths in information and high technology industries, which could be listed as our target industries and promoted by policy and financial incentives.

Second, since the developing economies are playing more and more important roles in the global economic growth and is becoming more connected with Georgia, we should strengthen our ties with the emerging economies, especially those growth leaders, like the Asian tigers – China and India, and other Latin American countries.

Third, we should increase the international awareness of Georgia’s FDI potential, constructing the perception of Georgia’s openness to foreign investment, to make Georgia a more attracting location of FDI.

Finally, we should focus on activities that create the strongest potential for spillovers, like the linkages between foreign and domestic firms, education and training, and R&D industries, which would also bring benefits to the growth of domestic firms.

We hope the findings of this article would expand the knowledge about FDI’s impacts that we can leverage to further Georgia’s economics development, and provide policy implications that will be useful to economic developers, governments, businesses, and other stakeholders in Georgia as they consider FDI policies in the futures.
References

Appendix I. Industry Distribution Maps of Foreign Affiliates in Georgia.

Chart 11. Foreign Affiliates Distribution of Manufacturing Industry in Georgia

Data Source: GeorgiaFacts.net
Chart 12. Foreign Affiliates Distribution of Research Industry in Georgia

Data Source: GeorgiaFacts.net
Chart 13. Foreign Affiliates Distribution of Service Industry in Georgia

Data Source: GeorgiaFacts.net
Chart 14. Foreign Affiliates Distribution of Transportation and Distribution Industry in Georgia

Data Source: GeorgiaFacts.net
Appendix II. Industry Classification by U.S. Bureau of Economic Analysis

1. Manufacturing

Food
   Animal foods
   Grain and oilseed milling
   Sugar and confectionery products
   Fruit and vegetable preserving and specialty foods
   Dairy products
   Meat products
   Seafood product preparation and packaging
   Bakeries and tortillas
   Other food products

Chemicals
   Basic chemicals
   Resins and synthetic rubber, fibers, and filaments
   Pharmaceuticals and medicines
   Soap, cleaning compounds, and toilet preparations
   Other
   Pesticides, fertilizers, and other agricultural chemicals
   Paints, coatings, and adhesives
   Other chemical products and preparations

Primary and fabricated metals
   Primary metals
   Iron and steel mills and ferroalloys
   Steel products from purchased steel
   Alumina and aluminum production and processing
   Nonferrous metal (except aluminum) production and processing
   Foundries

Fabricated metal products
   Forging and stamping
   Cutlery and handtools
   Architectural and structural metals
   Boilers, tanks, and shipping containers
   Hardware
   Spring and wire products
   Machine shops, turned products, and screws, nuts, and bolts
   Coating, engraving, heat treating and allied activities
   Other fabricated metal products

Machinery
   Agriculture, construction, and mining machinery
   Industrial machinery
   Other
   Commercial and service industry machinery
Foreign Direct Investment Opportunities for Georgia

Ventilation, heating, air-conditioning, and commercial refrigeration equipment
   Metalworking machinery
   Engines, turbines, and power transmission equipment
   Other general purpose machinery

Computers and electronic products
   Computers and peripheral equipment
   Communications equipment
   Semiconductors and other electronic components
   Navigational, measuring, and other instruments
   Other
      Audio and video equipment
      Magnetic and optical media

Electrical equipment, appliances, and components
   Electric lighting equipment
   Household appliances
   Electrical equipment
   Other electrical equipment and components

Transportation equipment
   Motor vehicles, bodies and trailers, and parts
      Motor vehicles
      Motor vehicle bodies and trailers
      Motor vehicle parts
   Other
      Aerospace products and parts
      Railroad rolling stock
      Ship and boat building
      Other transportation equipment

Other manufacturing
   Beverages and tobacco products
      Beverages
      Tobacco products
   Textiles, apparel, and leather products
      Textile mills
      Textile product mills
      Apparel
      Leather and allied products
   Paper
      Pulp, paper, and paperboard mills
      Converted paper products
   Printing and related support activities
   Petroleum and coal products
      Integrated petroleum refining and extraction
      Petroleum refining excluding oil and gas extraction
      Asphalt and other petroleum and coal products
   Plastics and rubber products
      Plastics products
Rubber products
Nonmetallic mineral products
  Clay products and refractories
  Glass and glass products
  Cement and concrete products
  Lime and gypsum products
  Other nonmetallic mineral products
Wood products
Furniture and related products
Miscellaneous manufacturing
  Medical equipment and supplies
  Other miscellaneous manufacturing

2. Wholesale trade
Motor vehicles and motor vehicle parts and supplies
Electrical goods
Petroleum and petroleum products
Other
  Other durable goods
    Furniture and home furnishings
    Lumber and other construction materials
    Professional and commercial equipment and supplies
    Metals and minerals (except petroleum)
    Hardware, and plumbing and heating equipment and supplies
    Machinery, equipment, and supplies
    Miscellaneous durable goods
Other nondurable goods
  Paper and paper products
  Drugs and druggists' sundries
  Apparel, piece goods, and notions
  Groceries and related products
  Farm product raw materials
  Chemical and allied products
  Beer, wine, and distilled alcoholic beverages
  Miscellaneous nondurable goods
Wholesale electronic markets and agents and brokers

3. Retail trade
Food and beverage stores
Other
  Motor vehicle and parts dealers
  Furniture and home furnishings stores
  Electronics and appliance stores
  Building materials and garden equipment and supplies dealers
  Health and personal care stores
  Gasoline stations
  Clothing and clothing accessories stores
  Sporting goods, hobby, book, and music stores
  General merchandise stores
  Miscellaneous store retailers
Nonstore retailers

4. Information
   Publishing industries
   - Newspaper, periodical, book, and database publishers
   - Software publishers
   Motion picture and sound recording industries
   - Motion picture and video industries
   - Sound recording industries
   Telecommunications
   - Wired telecommunications carriers
   - Wireless telecommunications carriers (except satellite)
   - Telecommunications resellers
   - Satellite telecommunications
   - Cable and other program distribution
   - Other telecommunications
   Other
   - Broadcasting (except internet)
     - Radio and television broadcasting
     - Cable and other subscription programming
   Internet publishing and broadcasting
   - Internet service providers, web search portals, and data processing services
     - Internet service providers and web search portals
     - Data processing, hosting, and related services
   - Other information services

5. Depository institutions (banking)
   Banks
   Branches and agencies

6. Finance (except depository institutions) and insurance
   Finance, except depository institutions
   - Nondepository credit intermediation and related services
     - Nondepository credit intermediation
     - Activities related to credit intermediation
   - Securities, commodity contracts, and other intermediation and related activities
     - Securities and commodity contracts intermediation and brokerage
     - Other financial investment activities and exchanges
   - Funds, trusts, and other financial vehicles
   Insurance carriers and related activities
   - Insurance carriers, except life insurance carriers
   - Life insurance carriers
   - Agencies, brokerages, and other insurance related activities

7. Real estate and rental and leasing
   Real estate
   - Rental and leasing (except real estate)
     - Automotive equipment rental and leasing
     - Other rental and leasing services
   - Lessors of nonfinancial intangible assets (except copyrighted works)
8. **Professional, scientific, and technical services**
   - Architectural, engineering, and related services
   - Computer systems design and related services
   - Management, scientific, and technical consulting
   - Other
     - Legal services
     - Accounting, tax preparation, bookkeeping, and payroll services
     - Specialized design services
     - Scientific research and development services
     - Advertising and related services
     - Other professional, scientific, and technical services

9. **Other industries**
   - Agriculture, forestry, fishing, and hunting
     - Crop production
     - Animal production
     - Forestry and logging
     - Fishing, hunting, and trapping
     - Support activities for agriculture and forestry
   - Mining
     - Oil and gas extraction
     - Mining (except oil and gas)
       - Coal mining
       - Metal ore mining
         - Iron ores
         - Gold and silver ores
         - Copper, nickel, lead, and zinc ores
         - Other metal ores
     - Nonmetallic mineral mining and quarrying
   - Support activities for mining
     - Support activities for oil and gas extraction
     - Support activities for mining, except for oil and gas extraction
   - Utilities
     - Electric power generation, transmission, and distribution
     - Natural gas distribution
     - Water, sewage, and other systems
   - Construction
     - Construction of buildings
     - Heavy and civil engineering construction
     - Special trade contractors
   - Transportation and warehousing
     - Air transportation
     - Rail transportation
     - Water transportation
       - Petroleum tanker operations
       - Other water transportation
     - Truck transportation
     - Transit and ground passenger transportation
     - Pipeline transportation
Pipeline transportation of crude oil, refined petroleum products, and natural gas
Other pipeline transportation
Scenic and sightseeing transportation
Support activities for transportation
Couriers and messengers
Warehousing and storage
Petroleum storage for hire
Other warehousing and storage
Holding companies (nonbank)
Holding companies (nonbank) excluding management offices
Corporate, subsidiary, and regional management offices
Administration, support, and waste management
Administrative and support services
Office administrative services
Facilities support services
Employment services
Business support services
Travel arrangement and reservation services
Investigation and security services
Services to buildings and dwellings
Other support services
Waste management and remediation services
Health care and social assistance
Ambulatory health care services
Hospitals
Nursing and residential care facilities
Social assistance
Accommodation and food services
Accommodation
Food services and drinking places
Miscellaneous services
Educational services
Arts, entertainment, and recreation
Performing arts, spectator sports, and related industries
Museums, historical sites, and similar institutions
Amusement, gambling, and recreation industries
Other services (except public administration and private households)
Recreation and sports organizations
Personal and laundry services
Religious, grantmaking, civic, professional, and similar organizations