A STUDY ON THE FOREIGN DIRECT INVESTMENT IN THE UK : CASE OF SCOTLAND

Tekin Abdulkadir Can

With one third of the total land area of the UK, Scotland accounts for around 9% of the UK population with a population of just over 5 million. With much of the country mountainous, Scotland is the least densely populated among the countries and regions of the UK. The majority of its population is concentrated in the 'Central Belt' area between Glasgow and Edinburgh.

While the period since the UK joined the EU has refocused the trade, industry and so regions of the British Isles, in many ways this was merely exacerbating a much longer decline in Scotland. Indeed, 'over most of this century Scotland has been declining relative to the rest of UK and, by extension, the rest of Europe' (Danson, 1991, p. 88). As one of the first industrialized regions of Europe and so of the world, Scotland has experienced both an early period of growth and a long history of stagnation. However, the growth and development of the economy was built on strong networks.

Since the first regional aid map was drawn in the UK to identify regions with poor economic performance in 1934, Scotland has been the beneficiary of significant public investment to effect industrial modernization. The fillip to this process came with the Second World War, when Scotland's distance from the main bombing targets made it a suitable location for mass production. This introduced a set of new technologies into Scotland, and the pressures of warfare encouraged the development of a skilled workforce able to deal with the demands of the electronics. In the post-war period, Scotland was the recipient of a great deal of inward investment from British and overseas-owned companies creating manufacturing facilities in Scotland to offset their requirements in the South or benefit from incentives, and drawing on the emerging pool of trained labor.

This paper investigates the characteristics of FDI activities in Scotland, and attempts to determine the main factors which attract foreign investors to Scotland, by scanning and examining the recent situation of Scotland as a destination for incoming FDI.

The remainder of this paper is structured as follows.

Part I briefly examines the FDI to Scotland over the period 1987 to 2004. In this section, not only foreign ownership but also the domestic ownership of the investments is analyzed. I should make one point clear about this part. In part I, the data which was obtained from Office for National Statistics of

Scottish Executive (SE) and Scottish Development International (SDI), was mainly used. SE is the devolved government of Scotland and is publishing the main data source for whole Scottish economy. SDI deals with the majority of FDI operations in a supervising position. SDI's objective is to benefit the Scottish economy both by encouraging inward investment into Scotland and helping Scottish-based companies to develop trade with foreign countries.

Part II investigates the characteristics of electronics industry in Scotland which has been consistently dominated by foreign-owned companies.

Part III mainly deals with the main factors attracting foreign investors to Scotland. In the final section, some conclusions and remarks are given.

I. Foreign Direct Investment in Scotland

With regard to the structure of employment, Scotland displays little variation from the UK average. The Scottish economy has undergone a period of profound industrial restructuring over the last 30 years. The traditional industry of Scotland such as mining, steel making, shipbuilding, transport equipment and heavy engineering-have all experienced substantial decline over the last thirty years. These industries are gradually being replaced with new industries including electronics, telecommunications, software, oil and gas engineering, chemicals, producer and consumer services. While the traditional industries were owned and controlled predominantly indigenously, these new industries have developed through inward investment and are characteristically branch plants of multinational corporations. Decision-making powers concerning R&D, finance, and marketing are often located outside the Scottish economy.

We first look at investments that remain under either domestic or foreign-ownership, over the entire period 1987-2004. Foreign amount of investment are much larger than UK owned, as shown in Table 1. On the other hand, they have higher output and value added per employee, invest more per employee and use more intermediate inputs than UK owned-establishments. Foreign investment in Scottish economy has grown quickly over the last decade, particularly between 1995-97 (Table 1). The main reason for the scale of this recent growth is the increasing flows of electronics investment. Along with Wales, Scotland has a large share of its inward investment in electronics and data-processing equipment industries. Electronics accounts for roughly two thirds of all inward investment in Scotland between 1989 and 1997. Also, as shown below (Table 5), electronics sector's job amount is sharing a lot in total foreign investment activities. It is in these sectors that Scotland has won several of the largest FDI projects located in UK in recent years.

Table 1 Foreign Direct Investment in SCOTLAND (£Million)

Year	North America	Europe	Asia *	UK	Total
1987-88	113.80	69.00	79.10	62.30	324.20
1988-89	147.80	34.10	114.40	141.30	437.60
1989-90	581.80	19.60	33.00	218.20	852.60
1990-91	58.80	60.20	92.70	182.50	394.20
1991-92	248.90	66.60	17.00	48.50	381.00
1992-93	186.10	29.30	70.20	66.40	352.00
1993-94	366.20	131.30	23.70	66.40	587.60
1994-95	358.50	77.20	613.10	77.90	1,126.70
1995-96	318.80	59.00	457.10	146.00	980.90
1996-97	252.30	264.00	2,470.20	135.10	3,121.60
1997-98	558.40	198.60	36.60	218.00	1,011.60
1998-99	144.90	140.80	135.00	340.60	761.30
1999-00	366.50	61.20	44.90	177.50	650.10
2000-01	1,522.30	114.60	102.00	24.30	1,763.20
2001-02	79.80	61.90	61.50	68.10	271.30
2002-03	58.60	120.00 #	5.70	---#	184.30
2003-04	157.55	59.97 #	13.98	---#	231.50

* Far East & Rest of World (now Asia Pacific) # Europe Fig now includes UK

Source: Office for National Statistics, Annual Business Inquiry (Compiled by Scottish Executive) 1987-2004

Are the foreign investors creating jobs? To get the answer of this question, we should check the balance sheet for the number of jobs created by foreign investors between years 1987 and 2004. From Table 2, we can find that between years 1997 and 2000, UK companies are sharing a big percentage of total jobs. After 2000, there is a rapid fall in number of jobs thru UK affiliates.

Table 2 JOBS (Scotland)

Year	US	Europe	Asia	UK	Total
1987-88	3,581	2,192	2,113	3,333	11,219
1988-89	2,358	972	940	2,819	7,089
1989-90	6,255	462	632	4,940	12,289
1990-91	1,760	1,135	2,154	5,195	10,244
1991-92	3,026	1,138	431	1,407	6,002
1992-93	3,919	1,387	668	2,085	8,059
1993-94	5,464	1,399	1,074	3,135	11,072
1994-95	5,738	1,233	2,259	3,099	12,329
1995-96	4,065	1,627	4,466	2,402	12,560
1996-97	4,933	1,231	3,636	4,495	14,295
1997-98	6,578	2,586	531	8,252	17,947
1998-99	3,029	1,661	2,639	3,538	10,867
1999-00	10,005	2,433	636	6,260	19,334
2000-01	8,497	3,655	835	1,359	14,346
2001-02	2,163	1,480	850	1,893	6,386
2002-03	2,656	4,398	105	N/A	7,159
2003-04	3,476	1,630	369	N/A	5,475

Source: Office for National Statistics, Annual Business Inquiry (Compiled by Scottish Executive) 1987-2004, Scottish Annual Business Statistics 2000, 2001, 2002, 2003, 2004.

When we see the investment projects (Table 3) in Scotland, it is obvious that US's share is very big. As we will mention below, the first major electronics sector inward investment to Scotland was from US, starting from year 1947. Also, when discussing the projects and sectoral investments, especially electronics, we can not ignore the facts and funds of Scotland's economics development agencies activities. Recently, Scottish Enterprise, the country's main economic development agency committing ? 450million ($ 804million) in funding three intermediary technology institutes that specialize in one of the three priority fields of scientific research. These sectors of research are based in Aberdeen, Dundee and Glasgow. With the innovation created through the institutes, at least 75 spin-off companies could be launched in the first 10 years. Added to this, the centers could act as catalysts for the creation and expansion of new high-tech companies throughout Scotland; encouraging further investment from knowledge and high-skill based companies; and develop a strong workforce with both

business and academic skills.

Meanwhile in Edinburgh, The Edinburgh Science Triangle has been established to promote excellence in technology, medicine, engineering, communications and life sciences. As home to more than 3,300 world-class researchers and with the potential for 15,000 new high-value jobs, this could make it one of the top European area of science and technology investment.

Table 3 PROJECTS

Year	US	Europe	Asia	UK	Total
1987-88	24	14	9	37	84
1988-89	22	6	5	22	55
1989-90	23	7	5	29	64
1990-91	15	14	9	25	63
1991-92	13	18	5	23	59
1992-93	25	9	9	22	65
1993-94	36	17	8	34	95
1994-95	41	15	9	32	97
1995-96	27	12	9	36	84
1996-97	28	17	10	31	86
1997-98	36	18	9	24	87
1998-99	29	18	6	25	78
1999-00	39	13	6	33	91
2000-01	52	19	12	19	102
2001-02	21	14	9	15	59
2002-03	20	33	4	N/A	57
2003-04	21	37	7	N/A	65

Source: Office for National Statistics, Annual Business Inquiry (Compiled by Scottish Executive) 1987-2004

Next, we compare the projects by sector. Table 4 describes projects by sector (between 1998 and 2004) . It is important to note that these figures are based on Inward Investment where Scottish Development International have been actively involved in. Projects of the service sector show a constant number every year. However, in year 2003, total number of projects in the electronics sector exceeds the service sector projects.

Table 4 PROJECTS by SECTOR

Year	Electronics	Services	Misc Manufct	Textiles	Food & Drink	Chem/ Plast/Rubber	Forest Products/Paper	Other Activities	Total
1998-99	16	29	11	6	1	13	0	2	78
1999-00	9	24	11	1	2	3	0	6	56
2000-01	25	35	18	0	4	11	4	5	102
2001-02	11	26	6	1	1	5	2	7	59
2002-03	7	26	17	0	2	3	0	2	57
2003-04	15	8	16	1	2	5	1	17	65

Source: Office for National Statistics, Annual Business Inquiry (Compiled by Scottish Executive) 1987-2004, "Scotland: A global connections strategy", Scottish Development International 2001

Referring to Table 5, we can say that the number of jobs are decreased by year of 2001. What are the main effects of this job losses? When we analyze the government's economic bulletins and factsheets from 2001, we can source out the major effect of this. Inward Investment in Scotland has plummeted from 1.7 billion for the financial year 2000/1 to just 271 million in financial year 2001/2. Although this falloff is similar to the decline in FDI flows around the world, Scotland has suffered mainly from the collapse of the electronics industry. In the last financial year electronics represented 18% of total projects, down from 25% the previous year.

The largest job loss in the sector came when Motorola closed its Bathgate plant in July 2001, resulting in 3,100 job losses. At that time, this has added to the bad news coming out of Scotland. Its economy slid into recession in August and grew just 0.7% up to March of 2002 (Scottish Economic Statistics, 2003). FDI was unlikely to grow, as North America-which accounts for 48% of Scotland's inward flows-has its own economic problems.

However, Scotland has managed to retain its 9% share of the UK's total inward investment.

Other positive factors include the continued growth of service industries within the Scottish Economy. Of the investment going into Scotland, 44% of projects were in services, up from the previous year (Table 6).

Table 5 JOBS by SECTOR

Year	Electronics	Services	Misc Manufct	Textiles	Food & Drink	Chem/ Plast/Rubber	Forest Products/Paper	Other Activities	Total
1998-99	3,665	4,641	1,186	632	31	653	0	59	10,867
1999-00	3,568	6,163	1,055	73	69	783	0	2,171	13,882
2000-01	5,587	5,240	1,023	0	447	1,322	661	66	14,346
2001-02	1,182	3,518	474	40	109	590	95	378	6,386
2002-03	811	1,202	3,189	0	82	447	0	1,419	7,150
2003-04	1,985	983	1,870	8	78	203	50	298	5,475

Source: Office for National Statistics, Annual Business Inquiry (Compiled by Scottish Executive) 1987-2004, "Scotland: A global connections strategy", Scottish Development International 2001

Table 6 INVESTMENT by SECTOR (Million)

Year	Electronics	Services	Misc Manufct	Textiles	Food & Drink	Chem/ Plast/ Rubber	Forest Products/ Paper	Other Activities	Total
1998-99	216.100	73.100	32.500	17.100	1.600	417.400	0.000	3.400	761.200
1999-00	158.592	88.888	49.401	0.350	2.496	69.041	0.000	115.212	483.980
2000-01	1,496.860	119.380	29.700	0.000	7.900	74.100	33.600	1.840	1,763.380
2001-02	42.845	140.021	21.277	0.650	10.000	37.974	2.165	16.247	271.279
2002-03	22.950	27.726	111.543	0.000	26.530	0.599	0.000	16.039	205.387
2003-04	122.334	18.329	57.825	0.077	4.158	25.216	1.600	1.960	231.499

Source: Office for National Statistics, Annual Business Inquiry (Compiled by Scottish Executive) 1987-2004, "Scotland: A global connections strategy", Scottish Development International 2001

Ⅱ. The Electronics sector in Scotland

This section provides an overview of the electronics sector in Scotland by investigating its process and current situation. When we focus on the electronics sector of Scotland, we can easily realize that it has a major effect on Scottish economy and its export profile. In general, electronics is consistently dominated by incoming foreign-owned firms. By 1994, foreign-owned companies were responsible for 51% of total employment (Botham, 1997) . It is obvious that high capital intensity of the semiconductor and telecommunications sectors are mostly foreign-owned. Electronics and related industries is one of

the most dynamic parts of Scotland's manufacturing sector. In fact, output in Scotland's electronics industry grew by an average of over 20% each year (Brown, Raines, Turok 2000) . In 1998, the electronics industry employed over 40,000 in Scotland, with another 30,000 jobs in supplier businesses (Scottish Enterprise, 1999). As a share of total Scottish manufacturing employment, electronics has increased from under 10% in 1992 to nearly 13% in 1995. In 1995, investment, in terms of net capital expenditure by the electronics industry, accounted for 40% of all investment by Scottish manufacturing industries (Scottish Office, 1999) .

Walker (1987) has identified three main periods of electronics FDI in Scotland. The first phase of inward investment occurred between 1945 and 1959; during this time overseas-owned firms-nearly all of whom were American-began locating across the industrial Central Belt of Scotland. For example, NCR arrived in 1947, Honeywell in 1948, Burroughs in 1948 and IBM in 1951. These multinationals were primarily involved in manufacturing electro-mechanical products, such as time clocks, typewriters, cash registers and first generation computers. What was the reason for the arrival of these companies in Scotland? The reason is heavily influenced by the desire of the US firms to gain greater access into the European market place, especially important given the weak state of Europe's indigenous producers in these product markets.

The second phase occurred between 1960 and 1975 and featured the emergence of a microelectronic components sector. During this period, Motorola, General Instruments, Hughes Microelectronics and National Semiconductor, all established plants in Scotland. These companies used semiconductor materials to manufacture transistors. National Semiconductor and Motorola were engaged in mass production of standard integrated circuits whilst Hughes and General Instrument manufactured specialized 'chips' for defense applications. The onset of semiconductor production gave rise to the term 'Silicon Glen' to denote the cluster of firms in Scotland's Central Belt.

These initial periods of investment activity were followed by a period of retrenchment during the early to mid-1970s which saw the levels of employment in the sector diminish due to some divestment. This was followed by a third wave between 1976 and 1985 which saw a broader array of firms coming to Scotland. For example, Burr-Brown and Digital Equipment both came to Scotland during this period. This period was also notable for the inclusion of Japanese firms in Scotland's stock FDI. Mitsubishi Electric, for example, was the first Japanese firm to move to Scotland and began making color televisions in Haddington in 1979.

Since the mid-1980s, a fourth wave of inward investment has occurred which has witnessed a number of new firms locating in Scotland, particularly in the data processing sector (Brown, 1996). Most notably, the rapidly grown personal computer manufacturers Compaq and Sun moved to Scotland

during the late-1980s. They have been joined by a variety of other consumer electronics firms such as JVC (1988) and telecommunications firms, such as Motorola which opened a cellular telephone plant in 1992. This FDI activity broadened the overall profile of Scotland's electronics industry to include a higher emphasis on consumer electronics and computer peripherals. Another feature of this fourth investment wave is the emergence of large investments made by Taiwanese and Korean firms (Chung Hwa and Hyundai) expanding into Western European markets, though this has been partially suspended following the financial crises of several Asian economies (Brown, 2000).

Table 7 Scottish Electronics Industry 2000

Industry Group	Electronics	Manufacturing	Electronics as a% of Manufacturing
Total Turnover (£ m)	13,900	41,100	34
Purchases of goods & services (£ m)	12,300	30,000	41
Gross Value Added (£ m)	1,900	11,200	17
Net Capital Expenditure (£ m)	430	1,530	28
Wages & Salaries (£ m)	960	5,960	16
Total Employment ('000s)	40	303	13
Gross Value Added Per Head (£)	48,000	36,800	130
Net Capital Expenditure Per Head (£)	10,700	5,100	210
Wages & Salaries Per Head (£)	23,700	19,700	120

Source: Scottish Executive, Scottish Production Database 2003

Ⅲ. Main Factors in Attracting Inward Investors to Scotland

Why foreign-owned companies choose to locate in Scotland? The reasons can be identified as; Human and Intellectual Infrastructure and Physical Infrastructure of Scotland.

In this section, I would first reconfirm the factors those attract the FDI. Theoretical work by Stopford and Strange (1991) and Dunning (1993) suggests that three main factors determine the national and regional location of FDI by transnational corporations (TNCs) . These are: (physical, labour or

technological) ; the search for markets (following customers, suppliers or competitors abroad, seeking increased familiarity with the local business environment or reducing their costs of supplying a foreign market) ; the search for efficiency (exploiting different factor endowments, cultures, institutional arrangements, economic systems and policies and market structures) ; and finally the search for strategic assets (enabling them to sustain and advance their international competitive advantages) . In addition, national and regional resource endowments; market access and potential; favourable competitive positions; strong consumer demand; and favourable government policies can all help in attracting FDI to specific national and regional locations.

Hill and Munday (1991 and 1992) also find that government regional policy, based on regional preferential assistance and infrastructure spending, can help in attracting FDI towards particular UK regions.

Over 900 foreign-owned companies now have bases in Scotland, including Motorola, Compaq, NEC, IBM and Sun Microsystems (Invest UK, 2001) . Over the nine-year period from 1991 to 2000, 742 inward investment projects were undertaken in the region, leading to planned investment levels of 8,974 million pounds, and to the creation or safeguarding of 112,431 jobs (Locate in Scotland, 1991 to 2000).

UK government sources suggest that a range of factors may have been important in attracting FDI to Scotland, including market-related factors such as the size of its population (5.1 million) and the quality of its infrastructure. Resourcesrelated factors, such as its 'highly skilled, flexible workforce' and efficiency-related factors, including Scotland's status as a 'major centre for high-tech R,D&D' also appear to play an important role (Invest UK, 2001) . High valued added activities in the electronics and R, D & D sectors can be expected to be attracted to Scotland by the agglomeration economies available in 'Silicon Glen', by the high quality of Scotland's human skills capital and by the sophistication of Scotland's telecommunications network. Market related factors such as the availability of a high-speed distribution infrastructure could also be considered to be powerful incentives driving the location of such FDI in Scotland. On the other hand, lower value-added activities such as financial services and call centres may be more attracted by resource related factors, such as the availability of a pool of affordable labour (due to Scotland's relatively high unemployment and relatively low wage rates) (Locate in Scotland, 2001).

Let's look at the result of a study that was commissioned by Scottish Enterprise and Locate in Scotland. A total of 79 companies participated in the study. One of the main findings of the survey was the importance of the skills within the workforce, attitudes to work, and worker willingness to accept and embrace new technology. Also, the survey found that employee performance is the main reason

why companies prosper and expand in Scotland with 96% of firms claiming that employee productivity has matched or exceeded their targets. Furthermore, 40% of firms claimed that the performance of their companies was better than equivalent plants in other parts of the world.

One of the factors most often cited by inward investors as a reason for choosing a location in Scotland is the availability of a skilled flexible and enthusiastic workforce. In 1994-95, nearly 150,000 students were in higher education in Scotland in the country's 13 universities and 53 colleges. Scottish higher education also produces a higher average per capita share of electronics graduates than the UK as a whole. There are 6,400 scientists, technologists and engineers working in its 13 universities with a further 3,500 people working in government- funded research institutions (Scottish Enterprise, 1999). Measured by the published papers, Scotland ranks sixteenth in the world, accounting for just over one percent of all scientific publications in refereed journals.

Another key aspect of Scotland's infrastructure is its industrial property and sites. Manufacturing investors, especially large electronics companies, often require extensive custom-built facilities. In the past, bulk of this greenfield foreign investment has been made in Scotland's specially-designated New Towns. Scotland's New Towns had their own development corporations which ensured that they had a good supply of industrial sites.

Also, UK location factors, such as market access and labor market regulations are also important reasons why foreign firms decide locate in Scotland. Beside these reasons, two important regional-level location factors are cited by investors. First the existence of other electronic firms in Scotland creates a ready-made market for some firms, while also creating the impression that Scotland is a suitable location for electronics production (i.e. agglomeration effects in terms of suppliers, skills availability etc.)

Second, the role played by Scotland's inward investment agencies and other economic development bodies is also shown to be important, particularly in relation to firms that want to expand quickly through the acquisition of an existing site and those who have little experience of local issues such as property, utilities and legal affairs. The other notable factor is the relatively small role attached to financial incentives by the companies which were interviewed (Brown, Raines, Noble, Bachtler, 1999, pp. 6-8).

Conclusion

Policies to encourage and support the attraction and development of inward investment are well developed in the UK both at national level through the activities of central government departments and at the regional through Regional Development Organisations (RDOs) and Agencies (RDAs). In

Scotland the RDAs have a wide range of economic development powers providing potential inward investors with a clear organizational structure within which to operate. The development of policy towards the attraction of inward investment to the UK regions therefore has a long and successful track record. This track record has developed in response to changing global patterns of inward investment which has seen the dominance of North American inward investment in the 1950s and 1960s, followed by increasing flows of investment from other European Union countries after 1970. In recent years high profile investment from Pacific Rim countries has attracted particular attention from policy makers. It's definite that the approach adopted by UK policy makers to attract inward investment, from a wide range of source countries, provide important lessons for other countries. Of particular value is identifying those factors which are known to be important to FDI and recognizing how policies have been formulated to respond to the changing global and corporate frameworks within which investment decisions are made by multinational enterprises.

However, unemployment and market size are positively related to FDI, as expected, suggesting that increases in market size and unemployment levels help to attract inflows of market-and resources-seeking FDI respectively. On the one hand high labour costs might lead to a reduction in resource-seeking FDI as they raise the total costs of the investing firm. On the other hand, they will help to create higher real incomes and purchasing power at the regional level, so providing a possible stimulus to market-seeking FDI.

Globally, FDI levels continue to demonstrate strong year on year growth, with investment displacing trade, but is now driven by reinvestment, and the increase in mergers and acquisitions rather than "greenfield" projects. The competitive environment to secure the mobile FDI component has and will continue to intensify, particularly through the emergence of major competitors of Scotland in Eastern Europe and the Mediterranean. Indeed, the globalization and convergence of certain sectors, such as shared services and e-commerce, will result in world-wide competition for specific investment projects and surely, will lead to competitors emerging from low-cost, high technology economies in Asia. It is obvious that there are no easy markets and the competition will continue to widen and deepen in both traditional and non-traditional geographies and sectors.

Bibliography

Botham, R. (1997) *"Inward Investment and regional development; Scotland and the electronics industry"*. Paper to the Regional Science Association: British and Irish Section Conference, Falmouth.

Brown, R., Raines, P., Turok, I. (2000) *"Supplier-Investor Linkages and the Internationalisation of the Electronics and Oil-Gas Sectors in Scotland"*. Regional and Industrial Policy Research Paper, No. 40, 2000.

Brown, R., *"Inward Investment and Regional Development: Backward Linkages in Scotland and Singapore"*, Ph. D. dissertation, University of Strathclyde, Glasgow.

Brown, R., Raines, P., Noble, P., Bachtler, J., *"Electronics Foreign Direct Investment in Scotland: Lessons for Nordrhein-Westfalen"*, Regional and Industrial Policy Research Paper, No. 33, 1999, Glasgow.

Danson, M., Fairley, J., Lloyd, G. and Turok, I. (1997) *"The Governance of European Structural Funds: The Experience of the Scottish Regional Partnerships"*. Paper 10. Brussels: Scotland Europa.

Danson, M. (1991) *'The Scottish Economy: the development of underdevelopment?'*, Planning Outlook, 34, 70-97.

Dunning, J. H., *'Multinational Enterprises and the Global Economy'*, (Wokingham, UK and Reading, Mass. : Addison Wesley, 1993)

Griffith, R., Simpson, H., *"Characteristics of Foreign-Owned Firms in British Manufacturing"*, The Institute for Fiscal Studies WP01/10,2001

Hill, S., Munday, M., *"The determinants of Inward Investment: A Welsh analysis"*, Applied Economics. 23.1 (1991), p 760-768.

Hill, S., Munday, M., *"The UK Regional Distribution of Foreign Direct Investment: Analysis and Determinants"*, Regional Studies, 1992 pp534-565

Scottish Development International, *"Scotland: A global connections strategy"*, Scottish Development International 2001

Scottish Executive (1999), Input-Output Tables and Multipliers for Scotland 1996. Government Statistical Service, Edinburgh

Scottish Executive (2001), Scottish Economic Statistics, Government Statistical Service, Edinburgh 2002

Scottish Executive (2002), Scottish Economic Statistics, Government Statistical Service, Edinburgh 2003

Scottish Executive (2003), Scottish Economic Statistics, Government Statistical Service, Edinburgh 2004

Stopford, J., Strange, S., *'Rival States, Rival Firms: Competition for World market Shares'* (Cambridge: Cambridge University Press, 1991).

The Scottish Office (2000), Statistical Bulletin: NO IND/1999/C1.9, Edinburgh, Scotland

Turok, I. (1997), *'Linkages in the Scottish Electronics Industry: Further Evidence'*, Regional Studies 31, pp. 705-710.

U. K National Statistics, Annual Abstract of Statistics, 2000

U. K National Statistics, Annual Abstract of Statistics, 2001

U. K National Statistics, Annual Abstract of Statistics, 2003

U. K National Statistics, Annual Abstract of Statistics, 2004

United Nations, *"World Investment Report 2004 The Shift Towards Services Overview"*, United Nations, New York, Geneva, 2004.