For Filing Pursuant to Rule 424(b)(3) Registration Statement No. 33-60827

PRICING SUPPLEMENT NO. 4 DATED OCTOBER 27, 1997 (To Prospectus dated February 20, 1996 and Prospectus Supplement dated June 11, 1996)

AMERICAN INTERNATIONAL GROUP, INC.

MEDIUM-TERM NOTES, SERIES E

The Series E Notes to which this Pricing Supplement relates will bear interest at the rate specified above and will be Fixed Rate Notes. Merrill Lynch & Co. has purchased the Notes as principal in this transaction, at a discount of .053%, for resale to one or more investors at varying prices related to prevailing market conditions at the time or times of resale as determined by Merrill Lynch & Co.