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Publicizing Performance.

The aim of this paper is to test for the relevance of spatial linkages for Dutch (outbound) foreign direct investment (FDI). We estimate a spatial lag model for Dutch FDI to 18 host countries. After controlling for fixed effects, we find for our sample period 1984–2004 that third-country effects matter. Apart from our benchmark spatial lag model, we also estimate various alternative models by looking at European host FDI countries only, by dividing FDI into industry and services FDI, and by estimating a spatial error model.