Table A.3: Effect of Geopolitical Distance on Cross-Border **Portfolio** Allocation of **All Investors**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.544***	-0.236	-0.902***	-0.632***	-0.264	-1.052***
	(0.045)	(0.138)	(0.092)	(0.056)	(0.137)	(0.134)
Distance$_{ij}$	-0.796***	-0.835***	-0.800***	-0.840***	-0.895***	-0.784***
	(0.040)	(0.082)	(0.046)	(0.051)	(0.086)	(0.066)
Common Language$_{ij}$	0.230***	0.210***	0.266***	0.329***	0.289***	0.373***
	(0.038)	(0.063)	(0.047)	(0.048)	(0.071)	(0.061)
Common Colonial History$_{ij}$	0.135**	-0.0488	0.132**	0.208***	0.0777	0.187**
	(0.044)	(0.105)	(0.048)	(0.054)	(0.089)	(0.064)
Common Religion$_{ij}$	0.182***	0.119	0.124*	0.406***	0.221**	0.524***
	(0.040)	(0.070)	(0.049)	(0.061)	(0.084)	(0.085)
Contiguity$_{ij}$	0.159***	0.156**	0.174***	0.148***	0.159*	0.163***
	(0.033)	(0.057)	(0.040)	(0.038)	(0.065)	(0.045)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	31,055	12,247	18,803	26,963	11,258	15,702

[18]OLS regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the S score.

Table A.4: Effect of Geopolitical Distance on Cross-Border **Portfolio** Allocation of **Advanced Economies**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.372***	-0.207	-0.729***	-0.450**	-0.103	-0.811**
	(0.085)	(0.166)	(0.156)	(0.138)	(0.234)	(0.254)
Distance$_{ij}$	-0.538***	-0.544***	-0.539***	-0.590***	-0.728***	-0.595***
	(0.062)	(0.096)	(0.077)	(0.087)	(0.113)	(0.110)
Common Language$_{ij}$	0.133**	0.286***	0.0638	0.100	0.170	0.0131
	(0.050)	(0.077)	(0.058)	(0.064)	(0.088)	(0.083)
Common Colonial History$_{ij}$	-0.0496	-0.241	0.00437	0.0319	-0.259**	0.193
	(0.069)	(0.126)	(0.077)	(0.140)	(0.098)	(0.170)
Common Religion$_{ij}$	0.180*	0.385***	-0.0892	0.240*	0.305*	0.151
	(0.088)	(0.091)	(0.112)	(0.103)	(0.118)	(0.159)
Contiguity$_{ij}$	0.156*	0.0654	0.348	0.0990	0.128	0.0152
	(0.077)	(0.071)	(0.209)	(0.081)	(0.086)	(0.184)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,567	3,822	6,745	9,584	3,718	5,866

[19]OLS regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the S score.

Table A.5: Effect of Geopolitical Distance on Cross-Border **Portfolio** Allocation of **Emerging Markets**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.707***	-0.354	-1.360***	-1.143***	-0.785***	-1.972***
	(0.080)	(0.278)	(0.180)	(0.101)	(0.230)	(0.242)
Distance$_{ij}$	-0.860***	-1.029***	-0.832***	-0.955***	-1.058***	-0.875***
	(0.051)	(0.104)	(0.058)	(0.068)	(0.111)	(0.086)
Common Language$_{ij}$	0.250***	0.184*	0.285***	0.340***	0.314***	0.373***
	(0.052)	(0.083)	(0.065)	(0.064)	(0.093)	(0.083)
Common Colonial History$_{ij}$	0.166**	-0.0128	0.147*	0.192**	0.0675	0.144
	(0.054)	(0.128)	(0.059)	(0.064)	(0.107)	(0.078)
Common Religion$_{ij}$	0.106*	-0.181	0.0958	0.306***	0.110	0.383***
	(0.049)	(0.093)	(0.058)	(0.077)	(0.119)	(0.103)
Contiguity$_{ij}$	0.129***	0.182*	0.110**	0.114**	0.127	0.0849
	(0.035)	(0.076)	(0.042)	(0.041)	(0.087)	(0.046)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	20,212	8,408	11,799	17,054	7,534	9,517

[20]OLS regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the S score.

Table A.6: Effect of Geopolitical Distance on Cross-Border **Portfolio** Allocation of **All Investors**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.272***	-0.170	-0.600***	-0.308***	-0.0651	-0.883***
	(0.061)	(0.119)	(0.108)	(0.060)	(0.109)	(0.135)
Distance$_{ij}$	-0.616***	-0.538***	-0.889***	-0.665***	-0.643***	-0.872***
	(0.054)	(0.069)	(0.086)	(0.077)	(0.073)	(0.138)
Common Language$_{ij}$	0.292***	0.314***	0.337***	0.253***	0.289***	0.294**
	(0.043)	(0.045)	(0.082)	(0.066)	(0.056)	(0.108)
Common Colonial History$_{ij}$	0.314***	0.189	0.249**	0.327**	0.182	0.201
	(0.078)	(0.132)	(0.086)	(0.107)	(0.114)	(0.103)
Common Religion$_{ij}$	0.247***	0.154*	0.451***	0.413***	0.299***	0.865***
	(0.061)	(0.075)	(0.101)	(0.078)	(0.084)	(0.151)
Contiguity$_{ij}$	0.0333	0.101***	-0.0221	-0.0403	0.0144	-0.114*
	(0.022)	(0.024)	(0.032)	(0.034)	(0.036)	(0.047)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	70,738	15,926	54,139	71,051	16,021	53,262

[21]PPML regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the IPD score.

Table A.7: Effect of Geopolitical Distance on Cross-Border **Portfolio** Allocation of **Advanced Economies**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.298**	-0.364**	-0.743***	-0.205*	-0.220*	-1.130**
	(0.107)	(0.130)	(0.218)	(0.094)	(0.110)	(0.354)
Distance$_{ij}$	-0.362***	-0.388***	-0.373**	-0.496***	-0.511***	-0.472***
	(0.069)	(0.070)	(0.142)	(0.086)	(0.091)	(0.102)
Common Language$_{ij}$	0.164**	0.162*	0.301**	0.218***	0.241***	0.171*
	(0.056)	(0.063)	(0.106)	(0.058)	(0.065)	(0.069)
Common Colonial History$_{ij}$	0.0984	-0.280**	0.254**	0.0275	-0.486***	0.214***
	(0.096)	(0.096)	(0.098)	(0.103)	(0.120)	(0.064)
Common Religion$_{ij}$	0.299***	0.305***	-0.164	0.245*	0.258*	-0.0812
	(0.077)	(0.084)	(0.185)	(0.123)	(0.131)	(0.159)
Contiguity$_{ij}$	0.0825**	0.0748**	0.260***	0.00826	0.0130	0.0956
	(0.026)	(0.028)	(0.058)	(0.037)	(0.039)	(0.070)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	17,903	4,338	13,268	17,278	4,392	12,786

[22]PPML regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the IPD score.

Table A.8: Effect of Geopolitical Distance on Cross-Border **Portfolio** Allocation of **Emerging Markets**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.258**	0.111	-0.783***	-0.634***	0.153	-1.305***
	(0.088)	(0.189)	(0.121)	(0.114)	(0.226)	(0.149)
Distance$_{ij}$	-0.681***	-0.536***	-0.982***	-0.705***	-0.739***	-1.108***
	(0.071)	(0.100)	(0.095)	(0.115)	(0.104)	(0.182)
Common Language$_{ij}$	0.297***	0.355***	0.323***	0.221*	0.260**	0.244*
	(0.056)	(0.063)	(0.088)	(0.092)	(0.085)	(0.116)
Common Colonial History$_{ij}$	0.336***	0.221	0.245**	0.348**	0.194	0.184
	(0.087)	(0.128)	(0.092)	(0.120)	(0.126)	(0.112)
Common Religion$_{ij}$	0.219**	0.0667	0.468***	0.476***	0.406***	0.892***
	(0.081)	(0.117)	(0.112)	(0.104)	(0.116)	(0.172)
Contiguity$_{ij}$	0.00864	0.176***	-0.0482	-0.0504	0.0554	-0.138**
	(0.029)	(0.030)	(0.032)	(0.046)	(0.055)	(0.048)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	45,842	11,478	34,059	47,323	11,459	34,372

[23]PPML regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the IPD score.

Table A.9: Effect of Geopolitical Distance on Cross-Border **Portfolio** Allocation of **All Investors**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.500***	-0.317*	-0.724***	-0.582***	-0.311*	-0.905***
	(0.037)	(0.127)	(0.070)	(0.049)	(0.126)	(0.107)
Distance$_{ij}$	-0.797***	-0.829***	-0.816***	-0.833***	-0.891***	-0.791***
	(0.040)	(0.082)	(0.046)	(0.051)	(0.086)	(0.066)
Common Language$_{ij}$	0.226***	0.204**	0.256***	0.322***	0.284***	0.357***
	(0.038)	(0.063)	(0.046)	(0.048)	(0.071)	(0.061)
Common Colonial History$_{ij}$	0.116**	-0.0655	0.118*	0.189***	0.0662	0.165*
	(0.044)	(0.104)	(0.048)	(0.054)	(0.089)	(0.064)
Common Religion$_{ij}$	0.169***	0.121	0.111*	0.386***	0.222**	0.499***
	(0.040)	(0.070)	(0.049)	(0.061)	(0.084)	(0.085)
Contiguity$_{ij}$	0.159***	0.156**	0.179***	0.149***	0.159*	0.166***
	(0.033)	(0.057)	(0.040)	(0.037)	(0.065)	(0.044)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	31,055	12,247	18,803	26,963	11,258	15,702

[24]OLS regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the IPD score.

Table A.10: Effect of Geopolitical Distance on Cross-Border **Portfolio** Allocation of **Advanced Economies**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.326***	-0.0425	-0.640***	-0.389**	-0.0158	-0.853***
	(0.081)	(0.181)	(0.153)	(0.134)	(0.222)	(0.251)
Distance$_{ij}$	-0.539***	-0.549***	-0.543***	-0.593***	-0.731***	-0.584***
	(0.062)	(0.096)	(0.076)	(0.088)	(0.113)	(0.107)
Common Language$_{ij}$	0.132**	0.293***	0.0617	0.102	0.174	0.0183
	(0.051)	(0.078)	(0.058)	(0.064)	(0.090)	(0.083)
Common Colonial History$_{ij}$	-0.0649	-0.264*	-0.0147	0.0139	-0.271**	0.158
	(0.069)	(0.119)	(0.077)	(0.141)	(0.097)	(0.170)
Common Religion$_{ij}$	0.177*	0.381***	-0.0788	0.234*	0.303*	0.153
	(0.088)	(0.091)	(0.112)	(0.103)	(0.118)	(0.158)
Contiguity$_{ij}$	0.157*	0.0680	0.338	0.0995	0.130	0.00254
	(0.076)	(0.071)	(0.208)	(0.081)	(0.085)	(0.182)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,567	3,822	6,745	9,584	3,718	5,866

[25]OLS regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the IPD score.

Table A.11: Effect of Geopolitical Distance on Cross-Border **Portfolio** Allocation of **Emerging Markets**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.628***	-0.567*	-0.946***	-0.971***	-0.880***	-1.435***
	(0.061)	(0.223)	(0.119)	(0.082)	(0.194)	(0.175)
Distance$_{ij}$	-0.867***	-1.013***	-0.857***	-0.959***	-1.045***	-0.898***
	(0.051)	(0.104)	(0.058)	(0.068)	(0.112)	(0.086)
Common Language$_{ij}$	0.242***	0.175*	0.272***	0.323***	0.304**	0.337***
	(0.051)	(0.083)	(0.065)	(0.063)	(0.093)	(0.083)
Common Colonial History$_{ij}$	0.150**	-0.0420	0.139*	0.179**	0.0492	0.131
	(0.054)	(0.129)	(0.058)	(0.064)	(0.107)	(0.079)
Common Religion$_{ij}$	0.0900	-0.176	0.0777	0.285***	0.115	0.363***
	(0.049)	(0.093)	(0.059)	(0.077)	(0.119)	(0.104)
Contiguity$_{ij}$	0.130***	0.180*	0.125**	0.118**	0.123	0.103*
	(0.035)	(0.077)	(0.041)	(0.041)	(0.088)	(0.046)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	20,212	8,408	11,799	17,054	7,534	9,517

[26]OLS regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the IPD score.

Table A.12: Effect of Geopolitical Distance on Cross-Border **FDI** Allocation of **All Investors**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.305***	-0.278*	-0.546***	-0.450***	-0.127	-0.571***
	(0.050)	(0.119)	(0.104)	(0.050)	(0.122)	(0.102)
Distance$_{ij}$	-0.877***	-0.705***	-1.004***	-1.065***	-0.855***	-1.188***
	(0.053)	(0.080)	(0.074)	(0.053)	(0.083)	(0.075)
Common Language$_{ij}$	0.154***	0.151*	0.126**	0.246***	0.230***	0.237***
	(0.036)	(0.059)	(0.046)	(0.037)	(0.059)	(0.047)
Common Colonial History$_{ij}$	0.265***	0.217	0.247***	0.287***	0.370**	0.234***
	(0.043)	(0.147)	(0.047)	(0.046)	(0.130)	(0.051)
Common Religion$_{ij}$	0.240***	0.275***	0.0742	0.354***	0.316***	0.282***
	(0.039)	(0.062)	(0.053)	(0.039)	(0.061)	(0.056)
Contiguity$_{ij}$	0.181***	0.169***	0.200***	0.198***	0.202***	0.195***
	(0.019)	(0.030)	(0.026)	(0.020)	(0.031)	(0.026)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	27,500	10,212	17,223	40,326	14,320	25,918

[27]OLS regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the S score.

Table A.13: Effect of Geopolitical Distance on Cross-Border **FDI** Allocation of **Advanced Economies**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.279*	-0.282	-0.181	-0.0349	-0.245	0.423
	(0.113)	(0.145)	(0.200)	(0.119)	(0.134)	(0.243)
Distance$_{ij}$	-0.924***	-0.749***	-0.942***	-1.051***	-0.870***	-1.123***
	(0.071)	(0.081)	(0.102)	(0.071)	(0.095)	(0.101)
Common Language$_{ij}$	0.133**	0.128	0.108	0.289***	0.186**	0.329***
	(0.044)	(0.066)	(0.062)	(0.048)	(0.068)	(0.062)
Common Colonial History$_{ij}$	0.449***	0.474	0.425**	0.272*	0.531	0.275
	(0.122)	(0.255)	(0.147)	(0.126)	(0.296)	(0.151)
Common Religion$_{ij}$	0.179***	0.292***	-0.0238	0.250***	0.334***	0.158*
	(0.053)	(0.066)	(0.074)	(0.049)	(0.060)	(0.072)
Contiguity$_{ij}$	0.172***	0.167***	0.177**	0.210***	0.200***	0.230***
	(0.027)	(0.033)	(0.055)	(0.030)	(0.036)	(0.065)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	16,512	6,522	9,977	24,672	9,104	15,557

[28]OLS regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the S score.

Table A.14: Effect of Geopolitical Distance on Cross-Border **FDI** Allocation of **Emerging Markets**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.365***	-0.254	-0.672***	-0.498***	-0.0669	-0.802***
	(0.093)	(0.283)	(0.167)	(0.091)	(0.291)	(0.149)
Distance$_{ij}$	-0.943***	-1.049***	-1.090***	-1.187***	-1.147***	-1.301***
	(0.096)	(0.171)	(0.133)	(0.091)	(0.183)	(0.123)
Common Language$_{ij}$	0.189**	0.255*	0.118	0.237***	0.359***	0.151*
	(0.058)	(0.100)	(0.072)	(0.059)	(0.102)	(0.074)
Common Colonial History$_{ij}$	0.164**	-0.0570	0.175**	0.186***	0.262	0.142*
	(0.052)	(0.174)	(0.057)	(0.054)	(0.160)	(0.060)
Common Religion$_{ij}$	0.424***	0.292	0.168	0.506***	0.245	0.418***
	(0.075)	(0.177)	(0.099)	(0.068)	(0.177)	(0.092)
Contiguity$_{ij}$	0.188***	0.232***	0.193***	0.184***	0.240**	0.175***
	(0.028)	(0.058)	(0.033)	(0.027)	(0.075)	(0.030)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,593	3,683	6,857	15,475	5,213	10,185

[29]OLS regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the S score.

Table A.15: Effect of Geopolitical Distance on Cross-Border **FDI** Allocation of **All Investors**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.250***	-0.239*	-0.359***	-0.235***	-0.0452	-0.299***
	(0.051)	(0.111)	(0.070)	(0.058)	(0.093)	(0.088)
Distance$_{ij}$	-0.846***	-0.556***	-1.394***	-1.004***	-0.672***	-1.596***
	(0.078)	(0.079)	(0.096)	(0.072)	(0.070)	(0.153)
Common Language$_{ij}$	0.174***	0.0966	0.259***	0.190***	0.238***	0.115
	(0.053)	(0.066)	(0.057)	(0.049)	(0.067)	(0.064)
Common Colonial History$_{ij}$	0.186**	0.125	0.222***	0.172***	0.231*	0.136*
	(0.060)	(0.155)	(0.055)	(0.052)	(0.108)	(0.060)
Common Religion$_{ij}$	0.272***	0.288***	0.229**	0.348***	0.304***	0.423***
	(0.055)	(0.077)	(0.070)	(0.049)	(0.072)	(0.086)
Contiguity$_{ij}$	0.0967***	0.0936**	0.140***	0.121***	0.134***	0.0991***
	(0.021)	(0.031)	(0.023)	(0.017)	(0.029)	(0.021)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	76,894	15,148	58,773	88,150	19,045	68,027

[30]PPML regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the IPD score.

Table A.16: Effect of Geopolitical Distance on Cross-Border **FDI** Allocation of **Advanced Economies**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.142	-0.249	0.341	-0.0465	-0.0192	-0.101
	(0.144)	(0.156)	(0.196)	(0.112)	(0.125)	(0.378)
Distance$_{ij}$	-0.649***	-0.637***	-0.679***	-0.722***	-0.648***	-1.099***
	(0.051)	(0.058)	(0.099)	(0.067)	(0.064)	(0.106)
Common Language$_{ij}$	-0.0319	-0.103	0.205**	0.143*	0.0952	0.303***
	(0.055)	(0.066)	(0.065)	(0.060)	(0.074)	(0.074)
Common Colonial History$_{ij}$	0.390**	0.410*	0.409***	0.378***	0.389**	0.256
	(0.122)	(0.177)	(0.115)	(0.101)	(0.141)	(0.146)
Common Religion$_{ij}$	0.303***	0.293***	0.0816	0.337***	0.310***	0.136
	(0.062)	(0.072)	(0.083)	(0.071)	(0.084)	(0.099)
Contiguity$_{ij}$	0.120***	0.132***	0.168***	0.154***	0.172***	0.148***
	(0.025)	(0.032)	(0.029)	(0.027)	(0.034)	(0.033)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	34,786	7,425	26,877	41,752	10,032	31,502

[31]PPML regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the IPD score.

Table A.17: Effect of Geopolitical Distance on Cross-Border **FDI** Allocation of **Emerging Markets**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.275**	-0.344	-0.520***	-0.208	0.210	-0.428**
	(0.101)	(0.403)	(0.091)	(0.107)	(0.266)	(0.138)
Distance$_{ij}$	-1.117***	-0.486**	-1.875***	-1.290***	-0.760***	-1.944***
	(0.149)	(0.188)	(0.148)	(0.113)	(0.167)	(0.229)
Common Language$_{ij}$	0.370***	0.416***	0.242***	0.232***	0.477***	0.0537
	(0.066)	(0.089)	(0.073)	(0.061)	(0.088)	(0.078)
Common Colonial History$_{ij}$	0.0670	-0.122	0.166*	0.0839	0.104	0.0905
	(0.071)	(0.159)	(0.068)	(0.060)	(0.120)	(0.074)
Common Religion$_{ij}$	0.251**	0.122	0.286*	0.351***	0.0206	0.446***
	(0.097)	(0.183)	(0.139)	(0.077)	(0.176)	(0.130)
Contiguity$_{ij}$	0.123***	0.111*	0.111***	0.111***	0.0811	0.0829***
	(0.031)	(0.053)	(0.030)	(0.025)	(0.057)	(0.024)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	38,206	7,511	28,423	44,183	9,013	34,344

[32]PPML regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the IPD score.

Table A.18: Effect of Geopolitical Distance on Cross-Border **FDI** Allocation of **All Investors**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.274***	-0.274*	-0.456***	-0.399***	-0.0841	-0.487***
	(0.046)	(0.126)	(0.090)	(0.045)	(0.125)	(0.089)
Distance$_{ij}$	-0.882***	-0.704***	-1.021***	-1.073***	-0.861***	-1.198***
	(0.054)	(0.080)	(0.074)	(0.053)	(0.082)	(0.075)
Common Language$_{ij}$	0.155***	0.149*	0.131**	0.247***	0.231***	0.237***
	(0.036)	(0.059)	(0.046)	(0.037)	(0.059)	(0.047)
Common Colonial History$_{ij}$	0.264***	0.205	0.245***	0.286***	0.373**	0.234***
	(0.044)	(0.149)	(0.048)	(0.046)	(0.132)	(0.051)
Common Religion$_{ij}$	0.237***	0.274***	0.0704	0.349***	0.315***	0.278***
	(0.039)	(0.062)	(0.053)	(0.039)	(0.061)	(0.056)
Contiguity$_{ij}$	0.182***	0.171***	0.203***	0.200***	0.203***	0.198***
	(0.019)	(0.030)	(0.026)	(0.020)	(0.031)	(0.026)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	27,500	10,212	17,223	40,326	14,320	25,918

[33]OLS regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the IPD score.

Table A.19: Effect of Geopolitical Distance on Cross-Border **FDI** Allocation of **Advanced Economies**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.275*	-0.230	-0.00542	0.0505	-0.120	0.497
	(0.128)	(0.168)	(0.267)	(0.137)	(0.145)	(0.337)
Distance$_{ij}$	-0.927***	-0.758***	-0.944***	-1.052***	-0.879***	-1.118***
	(0.071)	(0.080)	(0.103)	(0.071)	(0.094)	(0.101)
Common Language$_{ij}$	0.134**	0.130	0.108	0.290***	0.193**	0.328***
	(0.045)	(0.067)	(0.062)	(0.048)	(0.068)	(0.062)
Common Colonial History$_{ij}$	0.447***	0.460	0.423**	0.274*	0.520	0.271
	(0.122)	(0.259)	(0.147)	(0.127)	(0.301)	(0.153)
Common Religion$_{ij}$	0.178***	0.290***	-0.0223	0.250***	0.332***	0.157*
	(0.053)	(0.066)	(0.074)	(0.049)	(0.060)	(0.073)
Contiguity$_{ij}$	0.173***	0.170***	0.176**	0.210***	0.202***	0.230***
	(0.027)	(0.033)	(0.055)	(0.030)	(0.036)	(0.064)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	16,512	6,522	9,977	24,672	9,104	15,557

[34]OLS regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the IPD score.

Table A.20: Effect of Geopolitical Distance on Cross-Border **FDI** Allocation of **Emerging Markets**

	Debt			Equity		
	All	AEs	EMDEs	All	AEs	EMDEs
	(1)	(2)	(3)	(4)	(5)	(6)
Geopolitical Distance$_{ij,t-1}$	-0.348***	-0.330	-0.581***	-0.420***	-0.102	-0.610***
	(0.080)	(0.273)	(0.129)	(0.076)	(0.282)	(0.122)
Distance$_{ij}$	-0.944***	-1.033***	-1.120***	-1.204***	-1.141***	-1.330***
	(0.094)	(0.172)	(0.133)	(0.088)	(0.181)	(0.122)
Common Language$_{ij}$	0.188**	0.251*	0.124	0.235***	0.358***	0.153*
	(0.058)	(0.100)	(0.072)	(0.059)	(0.102)	(0.075)
Common Colonial History$_{ij}$	0.162**	-0.0697	0.172**	0.189***	0.258	0.143*
	(0.052)	(0.178)	(0.057)	(0.054)	(0.161)	(0.060)
Common Religion$_{ij}$	0.422***	0.292	0.173	0.504***	0.245	0.423***
	(0.075)	(0.177)	(0.099)	(0.068)	(0.177)	(0.093)
Contiguity$_{ij}$	0.189***	0.231***	0.195***	0.186***	0.240**	0.179***
	(0.028)	(0.058)	(0.033)	(0.027)	(0.075)	(0.030)
Source Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Recipient Country x Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,593	3,683	6,857	15,475	5,213	10,185

[35]OLS regressions. Fixed effects and constant not reported for the sake of simplicity. Standard errors (in parentheses) are clustered at the country-pair level). Measure of geopolitical distance is the IPD score.