

# The Network of Foreign Direct Investment Flows: Theory and Empirical Analysis<sup>1</sup>

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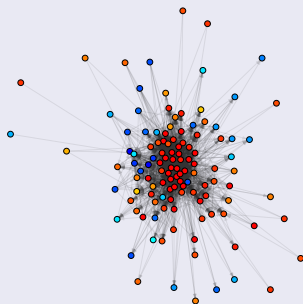
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# Introduction

- FDI as a Network
  - Clustering
  - Reciprocity
- Motivation
  - Violation of Independence Assumptions
  - Theoretical Importance of Dependence Terms
- Simultaneously test exogenous variables as well

## FDI Network 2008



Color Scheme: Autocracy to Democracy  
is scaled as Blue to Red

# Theory for Network Terms

# Exogenous Covariates



# Network Statistics

# ERGM Count Model

# Results



# Conclusion and Future Research

# References