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**The Impact of FDI on Exports:
Does the Source Country Matter?**

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This paper looks at the impact of foreign direct investment (FDI) inflows disaggregated by source country on major emerging market nations. A sample that includes the ten ASEAN nations, Brazil and India is chosen, focusing on the period 1990 – 2007. The study confirms what has been found in the case of individual countries like India, namely that FDI from the U.S seems to have some advantage over investments from other countries in fostering home country exports. For this comprehensive study sample, pooled time series – cross section analysis, it is seen that exports are positively and significantly influenced by FDI from the U.S – and by relative unit labor costs – while FDI from the EU bloc and Japan have insignificant impacts.

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