

The Location Choice of US Foreign Direct Investment: How do Institutions Matter?

Supplementary Materials

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Supplementary Materials (Online)

Table 1S: Descriptive statistics

Variables	Definitions of variables	Number of Observations	Mean	Standard Deviation	Minimum	Maximum
FDI	US FDI outflows for sectors- mining and petroleum; food; chemicals; primary and fabricated metals; electrical equipments; appliances and computer transportation. Measured in logarithm, 1984-2010	5423	0.54	1.26	-2.14	11.03
LEB	Life expectancy at birth	8101	1.86	0.04	1.66	1.93
OPEN	Merchandise trade as % of GDP	8095	1.71	0.26	0.99	2.56
TEL	No. of telephones per hundred people	8101	28.46	20.70	0.23	74.68
INF	Inflation consumer prices	7447	0.71	0.59	-1.77	3.87
POP	Population size of a country	8101	7.30	0.63	6.06	9.12
PCGDP	Real per capita GDP	7788	16862.35	11545.7	727.07	52313.91
GOVT	Govt. final consumption expenditure as a % of GDP	8029	1.16	0.17	0.47	1.58
PCEPC	Per capita electric power consumption	8101	4637.01	4742.87	61.81	25590.69
URBAN	Percentage of urban population	8101	1.79	0.17	0.93	2

	to total population					
CONTVIAB	It is an institutional variable and measures the risk of unilateral contract modification or cancellation and is constructed from two ICRG variables called repudiation of contracts and expropriation risk	8101	8.26	1.83	1.25	10
INVPRO	Investment profile measures institutional quality of different countries	8059	7.95	2.47	2.5	12
CONTINTS	Nun's measure of sector specific contract intensity	8100	0.46	0.24	0.14	0.87

Supplementary Materials

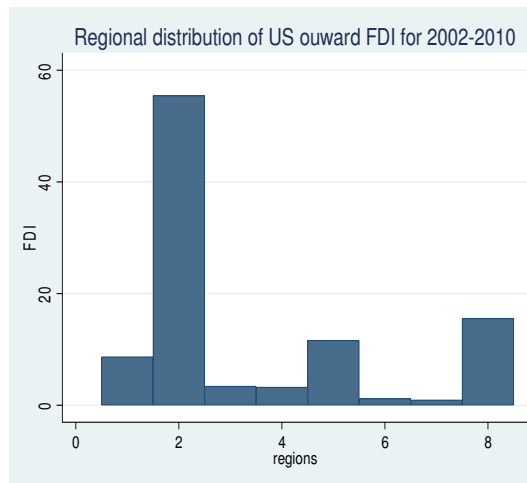
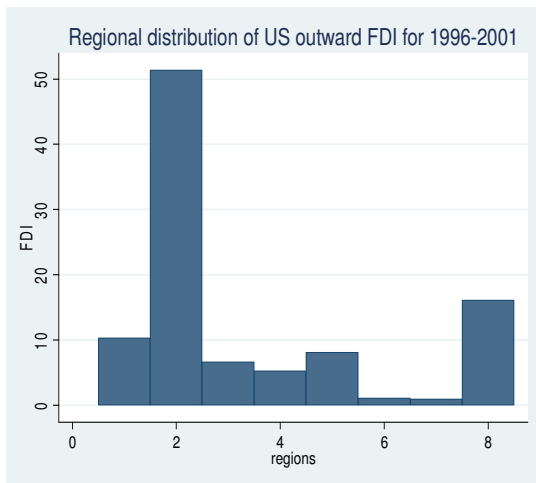
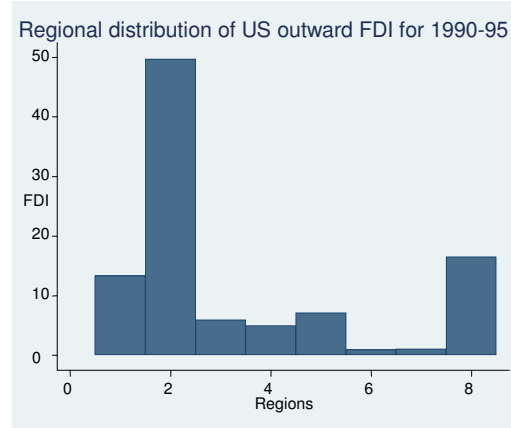
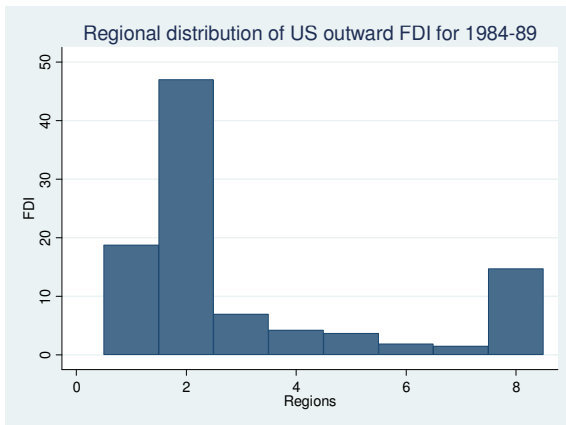


Figure 1S. Regional distribution of US outward FDI for different time periods (in percentage)

Note: region 1,2,3,4,5,6,7,8 are respectively Canada, Europe, South-America, Central-America, Other Western Hemisphere, Africa, Middle East and Asia-Pacific

Source: Authors' calculation from U.S Bureau of Economic Analysis

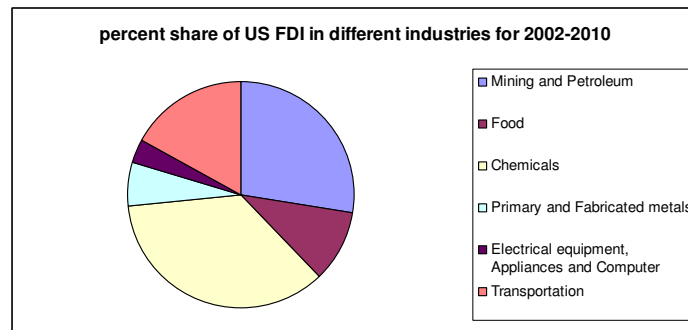
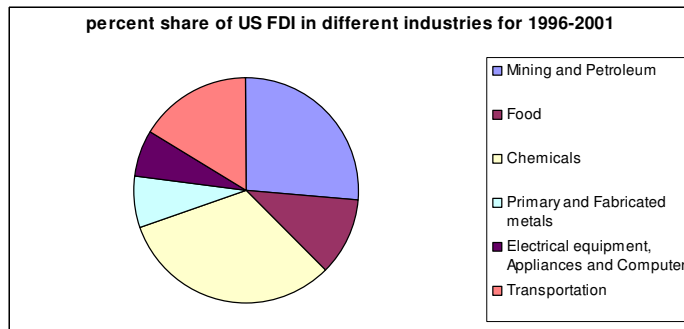
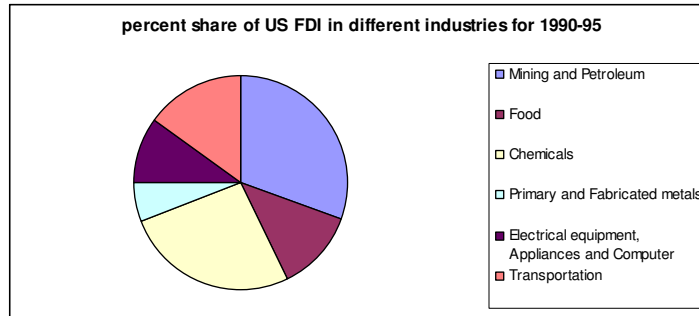
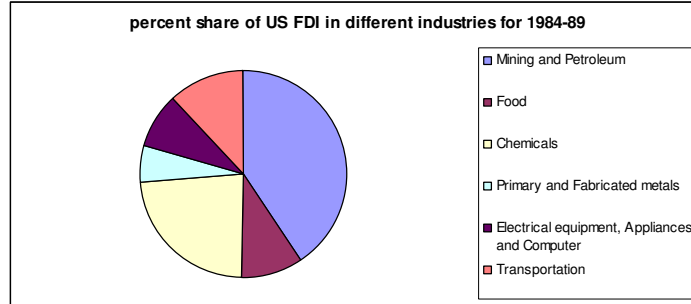


Figure 2S. Sectoral distribution of US outbound FDI for different time periods

Source: Authors' calculation from U.S Bureau of Economic Analysis

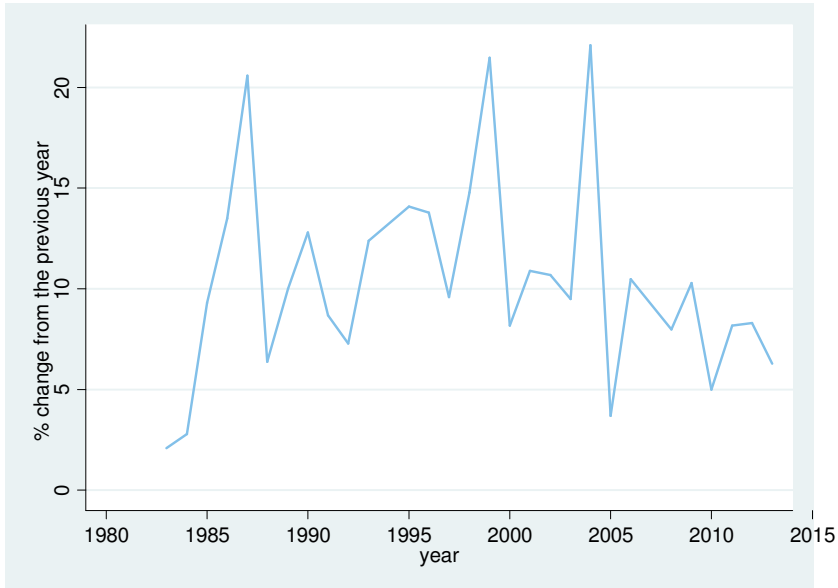
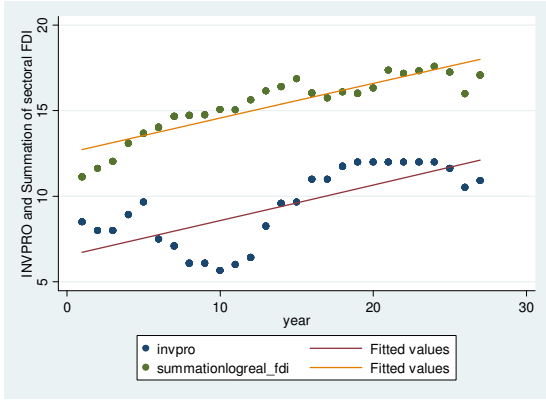
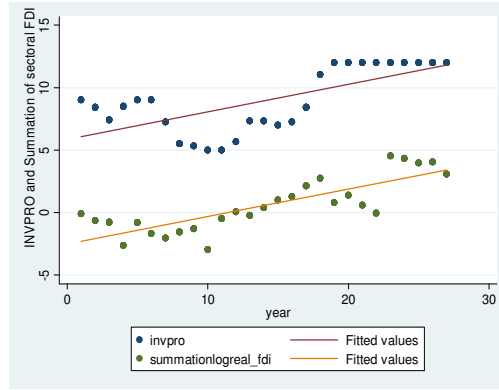


Figure 3S. U.S Outbound Direct Investment Positions on Historical Cost Basis, 1982-2013, percentage change from year to year

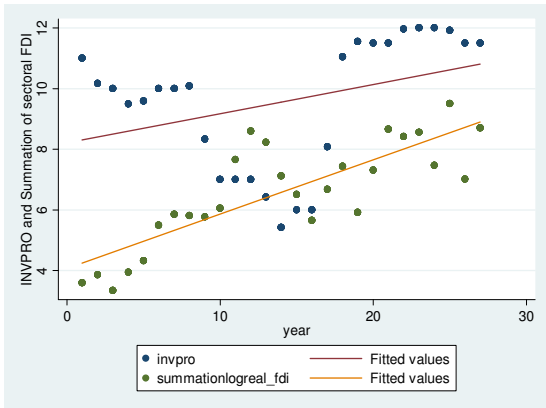
Source. U.S Bureau of Economic Analysis and Authors' calculation



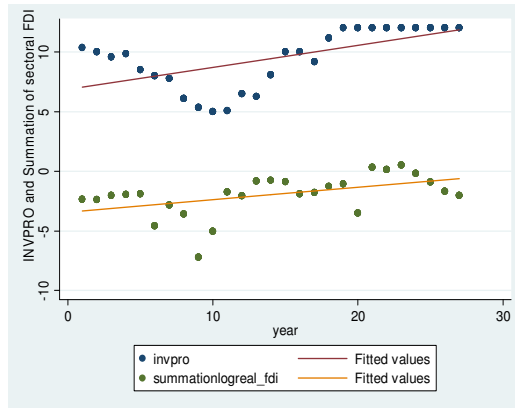
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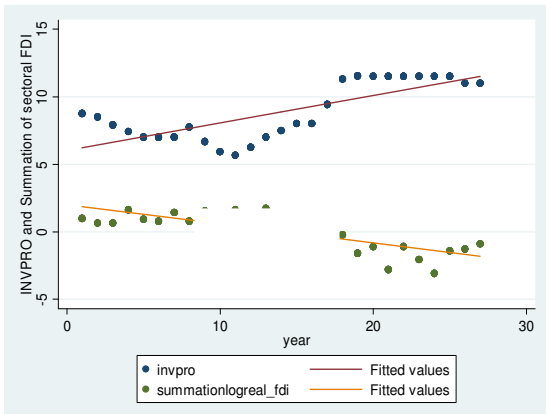
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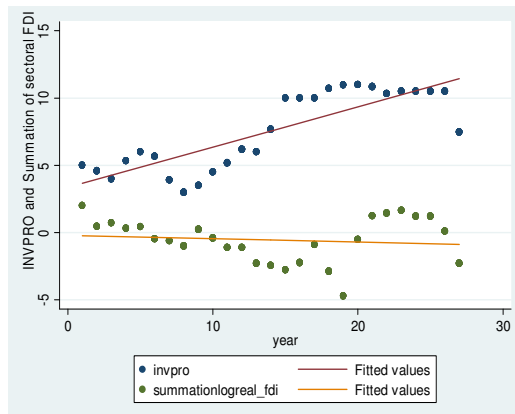
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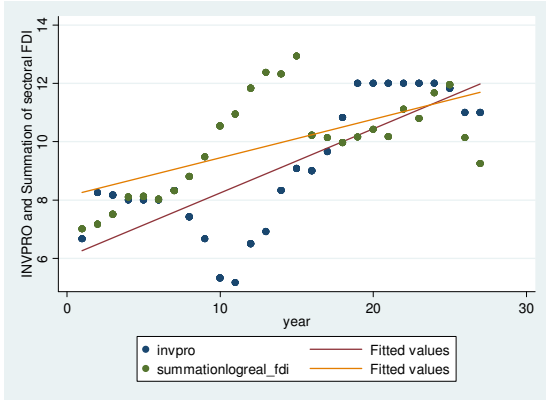
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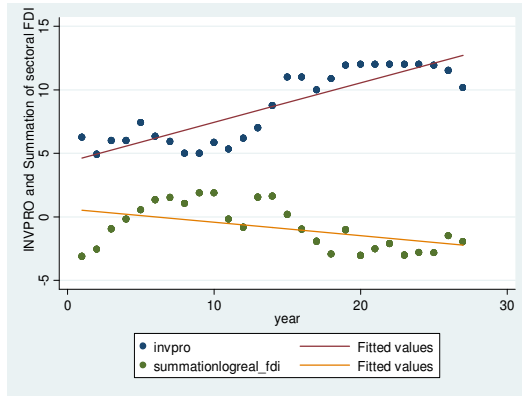
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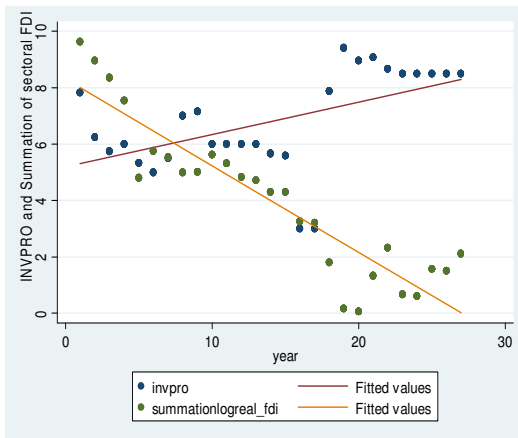
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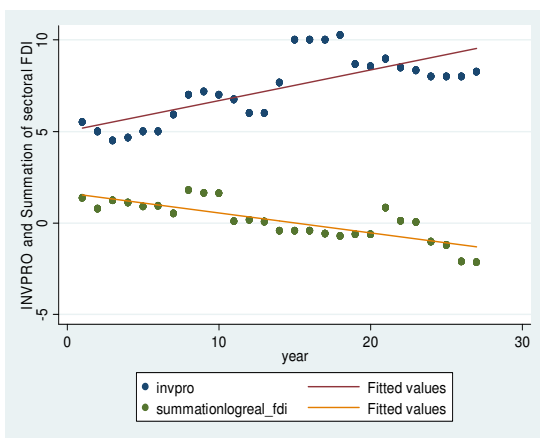
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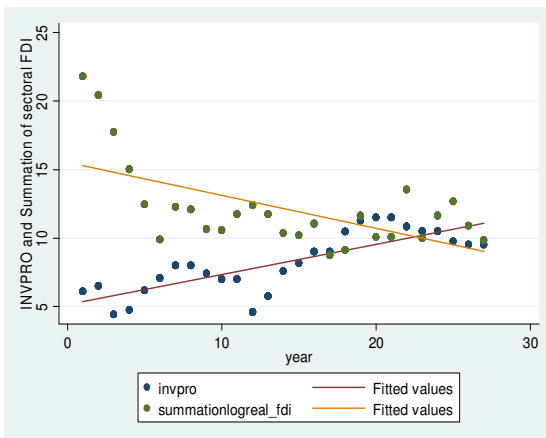
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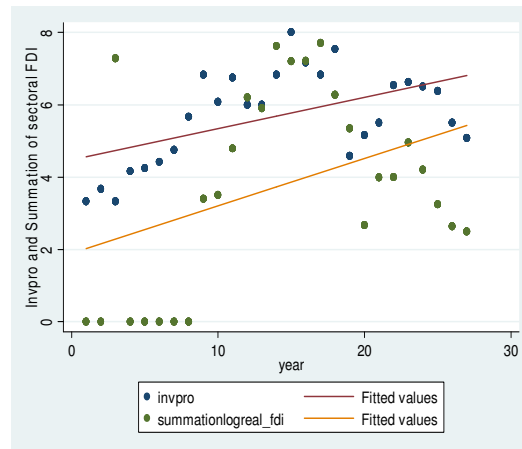
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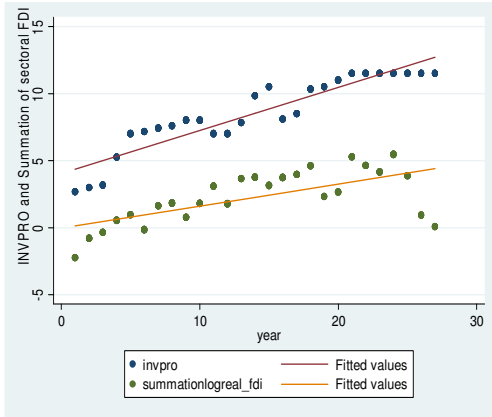
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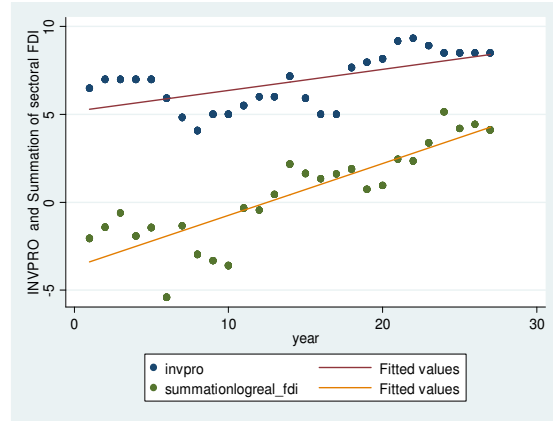
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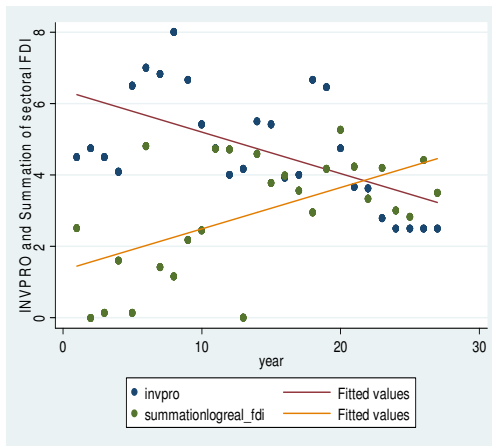
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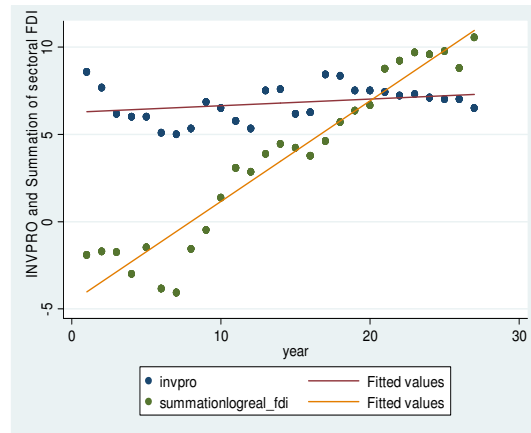
Chile



India



Venezuela



China

Figure 4S. Relationship between country specific INVPRO and aggregate FDI for different countries over 1984-2008

Source: Authors' calculations from US Bureau of Economic Analysis