

Does FDI Inflow Accelerate Export Performance in Countries in Transition? An empirical analysis of European Countries in Transition

Besnik Fetai

*South East European University,
Dervish Cara, 28/11, 1200 Tetovo, Republic of Macedonia
E-mail: b.fetai@seeu.edu.mk*

Fisnik Morina

*University "HaxhiZeka",
UÇK, bb, 30000, Pejë Republika e Kosovës
E-mail: fisnik.morina@unhz.eu*

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Abstract

The main objective of this study is to examine whether inflows of foreign direct investment (FDI) enhanced export performance in European transition countries during the period 2000 to 2015. For this purpose, we employ different econometric techniques including models of fixed effects, random effect, the Hausman-Taylor instrumental IV, and the generalized method of moment system (GMM). The findings show that FDI inflows had a positive effect on export performance in European countries in transition. Other factors that show positive effects on the level of export are investments (gross capital formation as a percent of GDP) and the trade liberalization index (TLI). The factors that show a negative effect regarding exports are real GDP and the real exchange rate (RER). The study suggests that European countries in transition develop strategies that improve the level of infrastructure, human resources, governance and the business environment. Since FDI inflows have a positive effect on the level of export, the results suggest that government policymakers should pursue a course of action that leads to institutional improvements, provides more incentives for foreign companies, and implements new and appropriate reforms to attract more FDI inflows, which in turn lead to higher export growth.

Keywords: FDI, trade, transition countries, dynamic panel data

JEL Classification: E2, F1, F2

1. Introduction

Numerous empirical studies have examined the relationship between FDI inflows and export performance. Most previous studies have found that FDI inflows have a positive effect on export growth in the host countries (Ahmadi & Ghanbarzadeh, 2011; Aizeman & Noy, 2005; Beugeldijk, Smeets & Zwinkels, 2008; Bevan & Estrin, 2000; Brainard, 1997; Dauti, 2016; Fugazza, 2004; Golberg & Klein, 1999; Gu, Awokuse & Yuan, 2008; Kuban & Vuksic, 2007; Markusen, 1996, 1998; Markusen et al., 2002; Popovici, 2018; Zhang & Song, 2000; Yin, Ye & Xu, 2014). In addition, FDI inflow-promoting policies have often been justified, since they have in turn led to a considerable increase in export growth. If empirical evidence shows that FDI raises export growth only by raising export supply, then it is not important for governments or policymakers to increase export growth by promoting domestic investment, instead they would be better served by promoting FDI inflows. On the other hand, if export growth is increased by direct FDI inflows through foreign capital inflows, then policymakers would be committed to attract further FDI inflows.

Surprisingly, only a few studies have investigated the relationship between FDI inflows and export performance in transition countries, particularly in the Western Balkans. Because many countries in transition have been plagued by several problems including war, political instability and hyperinflation, their financial sector has collapsed. In transition, these countries now provide interesting cases for study, particularly with regard to whether FDI inflows have improved export performance in Central, Eastern and South-eastern European countries in transition. The research question we establish in this paper is whether FDI inflows have been significant determinants of export performance in 23 transition countries in Europe between 2000 and 2015. Hence, the primary objective of the study is to determine whether FDI inflows have positive effects on export performance in European countries in transition. The study includes 23 transition economies from Central, Eastern and South-eastern Europe for the period 2000 to 2015 (inclusive). For this purpose, we employ different techniques, including the model of fixed effects, the model of random effect, Hausman-Taylor Instrumental IV, and the generalized method of moment (GMM).

The contribution of this study is twofold: first, only a few studies have analysed the effect of FDI inflows on export performance in transition countries and whether these inflows have a positive influence on the development of export performance. Second, it attempts to fill a gap in the literature concerning the impact of FDI inflows on export performance in countries in transition, including the Western Balkan countries. Furthermore, the study includes control variables such as the real exchange rate, real GDP, domestic investment and the trade liberalization index. Most of the previous studies have examined only the relationship between FDI inflows and exports of these countries without taking domestic investment into consideration.

To summarize, the empirical results show that FDI inflows have a significant effect on export growth in European countries in transition. Domestic investment and the trade liberalization index (TLI) also have a positive effect on export growth. The real exchange rate (RER) and real GDP have a negative effect on export growth.

The paper is organized in four sections. The first section presents a literature review, the second section presents the econometric methodology and data, and the third section discusses the empirical models and findings of the study.

2. Literature Review

The relevant theories can be classified into two important streams; standard international trade theory or international factor movements, and multinational enterprise theory (MNE). Based on the literature on international trade and multinational theory, trade could be a complement and a substitute simultaneously. Hence, the impact of FDI inflows on export growth is complex as we will attempt to explain through the motivation behind FDI inflows in the host country. In this context, FDI inflows could affect the volume of trade in both countries; that is, in the host country and the home country. Consequently, the impact of FDI inflows on export growth depends on the motivation behind FDI inflows. In general, the literature shows four types of FDI inflow motivation – resource seeking, market seeking, efficiency seeking and strategic asset seeking.

The impact of FDI inflows in terms of resource seeking is the investment of a multinational enterprise in order to use the cheap cost of resources or labour to produce products for export to the home countries. As a result, exports increase for the host country. In a market-seeking economy, the multinational enterprise will produce for the host countries and have little or no effect on export growth. However, this depends on whether the country is a transition or developed country, where the most widespread FDI inflows are resource seeking. Consequently, this will increase export growth if the country is in transition. In developed countries, FDI inflows will seek more efficiency and strategic assets for producing output which will be exported to the same developed countries or other similar countries. In addition, the theory also distinguishes between vertical and horizontal FDI inflows for a better understanding of the effect of FDI inflows on export growth. Vertical FDI inflow provides international markets with a lower cost of goods in a variety of host countries and exports these goods (Damijan, Rojec & Ferjančič, 2008; Gu et al., 2008; Kutun & Vuksic, 2007). Horizontal FDI inflows seek to obtain market shares by replicating activities in the home country, which are considered substitutes for trade (Gu et al., 2008).

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In addition, most empirical results show that there is no single theory that can explain FDI, and thus far, no unique theory has emerged. Since there is no single theory to explain the effects of FDI inflows on trade, we attempt to analyse the most important empirical evidence relating to the relationships between FDI inflows and trade. Concerning the relationships between FDI and trade, the empirical evidence does not provide a conclusive and unique answer; however, in recent years the relationship between FDI inflows and exports has received wide attention in empirical studies. The lack of consensus can be due to the different periods that have been covered by previous studies, and the different countries and econometric methods applied. Brainard (1997) investigates industry level data for 27 countries, applying a 2SLS and finds a strong confirmation of the “proxy-concentration trade off”. He suggests that when income per capita in the partner country catches up to the US level, FDI tends to substitute exports. Goldberg and Klein (1999) analyse the link between FDI and trade in the US and Latin America. In their study, they find that FDI from the US may lead to significant and varied shifts in the composition of activities in many Latin American countries and across many manufacturing industries. Fontage and Pajot (1997) analyse country level data for 21 countries by applying panel data fixed effects and find that FDI inflows have a positive effect on exports of different magnitude for the various countries. The study by Aizeman and Noy (2005) also indicates that there is a positive relationship between FDI inflows and freight trade. However, according to the authors, it is difficult to

identify whether FDI inflows and outflows refer to different types of goods. In a different study, Kutun and Vuksic (2007) analyse the effects of FDI inflows on exports in 12 Central and Eastern European economies, using regression analysis in the period from 1996 to 2004. They find that FDI has increased domestic supply capacity and export growth. The supply capacity effects take place when FDI inflows increase the host country's production capacity, which in turn leads to an increase in export growth. Nath (2009) applied a panel data approach to investigate the effects of FDI and trade in 13 transition economies of Central and Eastern Europe and the Baltic region from 1991 to 2005. He shows that there is a significant positive effect of trade on growth, but FDI has had no significant impact on growth and on export growth in these transition economies.

A study by Choong and Lam (2010), on the other hand, applied a panel data method for 70 developed and developing countries and find that the FDI inflow has a strong negative effect on economic growth in developing countries due to weak legal regulations and shallow financial intermediaries, which in turn led to the misallocation of private capital, thereby decreasing economic performance and exports. Kersan-Skabic and Zubin (2009) find that FDI inflow has a negative effect on employment. However, FDI inflow does not have any effect on GDP growth and exports in the Croatian economy. Consequently, the positive effect has failed because of the low share of greenfield investments. Bevan and Estrin (2000) show that FDI inflow has a positive impact on export growth in countries in transition. Hence, FDI inflow also has an impact on the process of these countries integrating into the EU. The result showed a positive correlation between FDI and the process of integration in countries in transition. Damijan et al. (2008) analyse the relationship between FDI and export performance in CEE countries in transition. In their study, they were interested in identifying the motives behind the export performance in these countries. Therefore, the authors divided the CEE countries into two groups; first the group that joined the EU in 2004 and, second the group that become members several years after 2004. They find that supply capacity improvements were the main factors of export growth in the first part of the analysed period in both groups of countries, followed by easier access after becoming EU members. Furthermore, they show that FDI has a positive influence on export growth in those countries due to their involvement in restructuring and manufacturing sectors. Gu et al. (2008) investigate manufacturing sectors in China from the period 1995 to 2005. They conclude that FDI inflow is a significant factor and important tool for fuelling export growth in thirteen out of fourteen manufacturing sectors examined. The study by Popovici (2018) examine export capacity in EU countries based on FDI and domestic investment, using a dynamic panel data GMM approach for the period 1999 to 2012 in EU member states. The author finds that the FDI inflows have a significant effect on export performance in the new EU members due to the fact these countries benefited from FDI-specific effects such as the transfer of technology and know-how. Alternatively, domestic investment in the old EU member states is the main instrument for increasing export performance. Dauti (2016) finds evidence that the mixed nature of FDI inflows into the host SEE-5 and EU-NMS-10 countries support both the complementary and substituting relationship between trade and FDI in the host countries. Vural and Zortuk (2011) investigate the relationship between FDI and exports over the period 1982 to 2009 in Turkey. Applying a three-stage least squares (3OLS) method, they find that FDI has a significant impact on export volume, and the exchange rate or appreciation of the Turkish lira has a negative effect.

To summarize, a number of studies have examined the various factors that affect exports in developed and developing countries. However, only a few studies have developed an

empirical model in countries in transition, particularly the Western Balkans. To better understand the FDI inflow process and its impact on export growth and thus economic growth, this study sets up an empirical model in order to investigate the effect of FDI inflows on export performance in countries in transition including the Western Balkans, and how policies can manage FDI inflows.

3. Econometrics Methodology and Data

3.1. Econometric methodology

The empirical analysis contains panel data for the period from 2000 to 2015 for 23 countries in transition in Central and Eastern Europe. These countries are Albania, Armenia, Azerbaijan, Belarus, Bosnia & Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Georgia, Hungary, Kosovo, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, and Ukraine. The sources of datasets are from the World Bank's Development Indicators, International Financial Statistics, UNCTAD and the Heritage Foundation.

The dynamic panel model (GMM system) is employed to test the relationships between FDI inflows and export and other independent variables in Central and Eastern Europe. We apply the Arellano and Bond (1991), Blundell and Bond (1998b), Blundell, Bond and Windmeijer (2000) GMM estimator as it is a proper estimator. The GMM procedure also allows us to control for the problem of endogeneity bias caused by reverse causality running from exports to FDI inflows and other explanatory variables. For comparison purposes, we apply a fixed effects model, random effects model and Hausman-Taylor IV.

The reliability of the GMM estimator depends on the validity of its instrument sets. To address this issue, we consider two specification tests suggested by Arellano and Bond (1991), Arellano and Bover (1995), and Blundell and Bond (1998a). The first test is the Sargan test that tests whether the null hypothesis of over-identification restrictions apply or the instruments as a group are exogenous. This test proves or rejects the overall validity of instruments by analysing the sample analogue of moment conditions used in the estimation process.

The second test examines the null hypothesis that autocorrelation does not exist, which means that the error terms are not serially correlated. In the difference regression, we test whether the differenced error term is first-order or second-order serially uncorrelated.

The specification of the dynamic panel model (GMM) for testing the impact of FDI inflows and exports in countries in transition is as follows:

$$EXPORT_{it} = \mu + B_1 EXPORT_{i(t-1)} + B_2 FDI_{it} + B_3 RER^{it} + B_4 INV_{it} + B_5 TLI_{it} + \delta_i + \gamma_i + \varepsilon_{it} \quad (1)$$

The dependant variable $EXPORT_{it}$ stands for exports from each country i , t represents years, μ is the constant term (as in Sun, 2001 and Zhang and Song, 2000); explanatory variables include $EXPORT_{i(t-1)}$ first lag of the dependant variable, and FDI_{it} inflows is the accumulated stock. This variable is chosen based on FDI inflows and the relative importance of foreign investors. The accumulated stock is a good predictor of overall effects on exports, which is a source of indirect effects on the economy. The third independent variable in this study is real

exchange rates (RER). The RER reflects the internal and external pricing conditions, with an increase in its value indicating real appreciation. In his study, Sun (2001) uses the nominal ER, but this does not fully identify differences in price levels. There are many factors influencing price changes, so the real effective exchange rate is the best option. Authors Goldberg and Klein (1999) use real exchange rates. The other independent variable is real GDP. The growth rate of GDP for the economies that cooperate in the field of trade are to be found in the Goldberg and Klein (1999) model, but not in the models by Sun (2001) and Zhang and Song (2000).

Based on macroeconomic theory, to analyse the impact of FDI on the exports of transition countries, another factor to be considered is the change in capital formation in order to contribute to the effects of domestic investment (INV). In this econometric model one should be careful because there can be a causal link between FDI and gross fixed capital formation, particularly in the case of greenfield investments. Krksoka (2002) finds that many of the transition countries have more FDI inflows caused due to the fusion of local firms in the privatization process. Therefore, these flows are considered an important source of funding for capital formation. An index has been added as a proxy for trade liberalization (TLI).¹ This can take values between 1 and 4.3, where the lower value stands for a less liberalized regime. The term δ_i is the country fixed effect that enables us to control for time-invariant unobservable factors that may affect economic growth, which otherwise may lead to bias coefficients. The term γ_t is the common time effect that covers the business cycle effect, which otherwise may lead to spurious regression between the dependent variable and the explanatory variables. The term ε_{it} is the usual standard error. For the empirical model, we apply the natural logarithm form of EX, FDI inflows, RER, INV and real GDP due to stationary requirements.

3.2 Data description

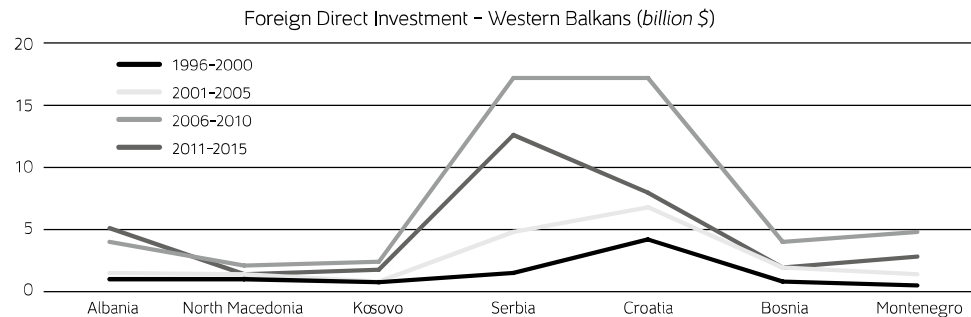
The export data on the 23 countries in transition for the period 2007 to 2015 are presented in Appendix 1. The United States of America is ranked as the leading market for attracting FDI, with 22 percent of the world stock of FDI in 2014. Meanwhile, if regional markets are taken into account, the EU is the region that has absorbed the highest level of global FDI, with 32 percent of the world stock by 2014. Within the EU, almost half of these investments are attracted by Great Britain, Germany, Spain, and the Netherlands. On the other hand, EU countries are also the main investors in the global economy, with 37 percent of the global stock of global investment.

The region of southeast Europe (*Albania, Bosnia and Herzegovina, Montenegro, Macedonia, Serbia, Bulgaria and Romania*) absorbed less than 1 percent (exactly 0.9 percent) of the global FDI stock by 2014, according to UNCTAD data. Even worse, if Bulgaria and Romania are excluded, which have attracted higher amounts of foreign investment since accession to the EU, the figure reaches the very low level of only 0.4 percent of global FDI stock. According to the Central Bank of Kosovo, FDI received in Kosovo by September 2015 marked the value of 270.4 million euros, or 148.6 million euros more than in the same period in 2014. The FDI growth is the result of higher FDI inflows, while the year-on-year difference is due to the fact that 2014 was characterized by super-dividend distribution. FDI in Kosovo

¹ The index was constructed by EBRD and it is called: "Index of forex and trade liberalization" (see EBRD 2003).

is mainly concentrated in sectors of the economy such as real estate with 54.2 percent of total FDI realized by September 2015, construction with 18.7 percent, financial services with 15.7 percent, transport and communication with 7.7 percent, energy with 4.2 percent, etc. (Central Bank of Kosovo, 2016). Figure 1 presents some data for FDI inflows in southeast Europe between 1990 and 2015.

Figure 1. FDI inflows, by region and economy in southeast Europe between 1990 and 2015

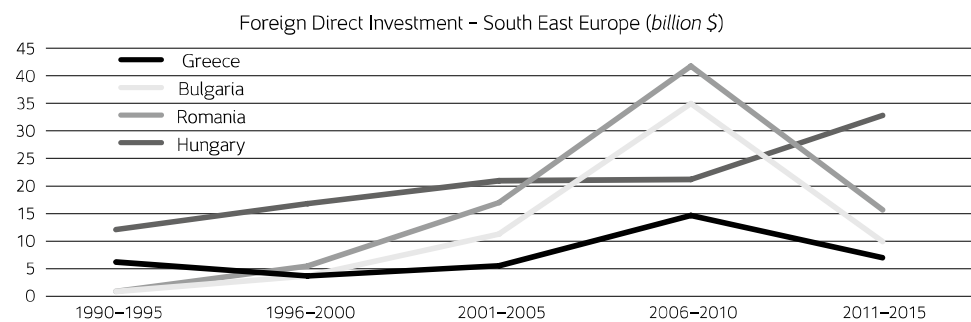


Source: Author's calculation

The FDI inflow in Albania has maintained a positive growth trend over the years. For 2016, referring to data from the Bank of Albania, it has attracted more FDI than previous years, maintaining this trend. Specifically, from EUR 890 million in 2015, the FDI inflow in 2016 amounted to EUR 983 million (Bank of Albania, 2016). Foreign companies invested in the Albanian economy 10.5 percent more than a year earlier. According to recent data from the National Bank of Macedonia, FDI has fallen by 12.4 million euros. In February 2017 alone, foreign investments decreased to 19.1 million euros, compared to January, when it was 31.9 million euros – a loss of 12.8 million. The same can be said of March 2017, when compared to March 2016, there was a reduction in FDI of nearly 17 million euros.

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Figure 2. FDI inflows by region and economy in southeast Europe, 1990 to 2015



Source: Author's calculation

4. Empirical Result

Table 1 shows the estimation results from equation (1). The results show that all calculated dynamic panel models are well modelled, as the coefficient for lagged EXPORT is statistically significant. Furthermore, the Sargan test for identifying restrictions in the presence of heteroscedasticity with the associated p-value, which examines the validity of the instrumental variables, is accepted (obtained in the second step result) as a healthy instrument for all estimated equations. Therefore, the results from the GMM estimator proves the hypothesis that instrumental variables are not correlated with the set of residuals. As a result, the Arellano – Bond tests AR(1) and AR(2) with associated p-values are rejected in the first order, while being accepted in the second order, which confirms that there is no autocorrelation in the second order between the errors term (by construction, the differenced error term is first-order serially correlated even if the original error term is not).

Table 1. Regression result

	Fixed-Effect Model (1)	Random-Effect Model (2)	Hausman-Taylor Model (3)	GMM Model (4)
Ln(Export_first_lag)	-	-	-	0.0791** (0.007)
Ln(FDI inflow)	0.115*** (0.001)	0.1180*** (0.000)	0.1155*** (0.001)	0.0574*** (0.078)
Ln(RER)	0.0133** (0.034)	0.0110** (0.067)	0.0117** (0.017)	-0.0813** (-0.0078)
Ln(Real_GDP)	-0.1025** (0.011)	-0.1020** (0.010)	-0.1029** (0.010)	-0.1681** (0.000)
TLI index	0.4531** (0.000)	0.4541** (0.000)	0.4546** (0.000)	0.4923** (0.000)
Ln(INV)	0.3687** (0.000)	0.3622** (0.000)	0.3657** (0.000)	0.4444** (0.000)
Arellano – Bond test for AR (1)	-	-	-	(0.000)
Arellano – Bond test for AR (2)	-	-	-	(0.363)
Sargan Test	-	-	-	(13.851)

Note: Exports is a dependant variable. The results are from the first step of the GMM estimator. Two lags of all variables are utilized as instruments for the GMM method. All the GMM coefficients are estimated applying a robust standard error. The robust standard error is in parentheses, *, **, ***, denote significance at 10%, 5% and 1% respectively. The Sargan test shows the p-value for the null hypothesis of the validity of instruments. The AR (1) and AR (2) tests are p-values for the first and second order of the auto correlated error term. That is, no autocorrelation exists between the residuals. Author's calculation.

As seen from the Table 2 all econometric results show almost the same results, which confirm the robustness of the results. We interpret only the results obtained by the GMM estimator as to whether it is an appropriate estimator and allows us to control for the problem

of the endogeneity bias caused by reverse causality running from exports to FDI inflows and other explanatory variables. The results of the fourth column (GMM system) indicate that FDI inflows have a positive impact on export growth in countries in transition. The coefficient is statistically significant at the 10% level of significance. The result is consistent with most of the previous studies mentioned above. An increase of FDI inflows of 1% will generate 0.057% of export growth. As seen from Table 2, the real exchange rate negatively affects the export of countries in transition. The coefficient is statistically significant at the 5% level. This result is in line to most of the previous studies mentioned above.

Based on this analysis, we can see that real GDP has a negative impact on the export in these 23 transition countries. If real GDP rises to 1%, this would result in a 0.16% reduction in export growth. These two variables are significant at the 5% significance level (0.000). The TLI index positively affects export growth in countries in transition. Based on the GMM results, we can see that there is a significant relationship between domestic investment and exports in the countries in transition examined in this study. If domestic investment increases by 1%, it would increase the export growth of these countries by 0.44%.

Based on the empirical results, there is a positive impact from FDI inflows on the exports of transition countries. The development of exports as part of international trade exhibits consistency regarding FDI inflows. The results of the paper show that FDI inflows have a very important effect on export promotion. FDI inflows in countries in transition are the main indicator of export growth because the choice of other export promotion instruments is being reduced as a consequence of international trade agreements or because of direct export subsidies in specific industries, which were ineffective in many cases. FDI inflows and their positive impact on exports are particularly important for those countries in Central and Eastern Europe whose aim is to integrate into the European Union. Since the governments of transition countries are aware of the potential benefits of FDI inflows in the economy of the host countries, there is strong international competition for FDI inflows. The results presented in the empirical analyses proved the hypothesis that FDI inflows have an important effect on the export growth of the 23 countries in transition examined in this study.

4. Conclusion

The study examined whether internal FDI inflows have a positive effect on export growth in countries in transition over the period 2000 to 2015. Consequently, the aim of this paper is to investigate whether foreign direct investment inflows in Central and Eastern European countries have affected the export performance of the host economies. Attracting foreign direct investment inflows in countries in transition can contribute not only to the export growth of these countries by increasing supply capacity, but also through the specific effects of FDI inflow, since multinational companies have a better knowledge of international foreign markets, advanced technology, lower production costs and better connectivity with the supply chain. Based on the literature review and the empirical results of our study, we can conclude that FDI inflows have a significant positive impact on the export growth of these countries as well as the countries that are new EU members. This positive impact is the result of the fact that all the countries involved in this research through 2000–2015 attracted more foreign direct investment inflows oriented toward exports as an important indicator of the economic development of these countries.

The empirical results of this study may have important implications for the government policies in these countries, which should develop policies that encourage FDI inflow by providing more incentives for foreign companies and implementing new appropriate reforms to attract foreign investors. It is recommended that the countries involved in this study should develop strategies that will improve the level of infrastructure, human resources, governance, business environment etc. These strategies will have a positive impact on business transactions, production costs, and overall economic competition. Policymakers should value export promotion more, regardless of the various facts presented by the empirical evidence. Therefore, FDI inflows could potentially have boosted the economic growth of countries in transition, through export growth.

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Appendix 1. Exports in millions of dollars in transitions countries (2007 – 2015)

No.	States	2007	2008	2009	2010	2011	2012	2013	2014	2015
1	Albania	28.1	29.6	29.6	32.4	34.0	33.4	35.4	28.1	27.1
2	Armenia	19.2	15.0	15.5	20.8	23.8	27.6	28.4	28.5	29.7
3	Azerbaijan	68.1	65.8	51.6	54.3	56.4	53.7	48.7	43.3	37.8
4	Belarus	60.9	60.9	50.5	53.2	81.1	81.3	60.3	56.9	60.1
5	Bosnia & Herzegovina	27.1	26.9	25.0	29.7	32.1	32.2	33.6	33.9	..
6	Bulgaria	52.0	52.3	42.4	53.7	62.3	63.4	67.0	65.1	66.5
7	Croatia	39.0	38.5	34.5	37.7	40.4	41.6	43.0	46.3	49.4
8	Czech Rep.	66.6	63.4	58.8	66.2	71.6	76.6	77.3	83.8	84.5
9	Estonia	63.2	66.8	60.8	75.1	86.5	86.6	86.8	83.9	79.8
10	Georgia	31.2	28.6	29.7	35.0	36.2	38.2	44.7	42.9	45.0
11	Hungary	78.3	79.7	74.8	82.3	87.2	86.8	88.0	89.3	..
12	Kosovo	15.5	15.7	17.1	19.8	19.6	18.3	17.3	19.6	19.1
13	Latvia	38.5	39.6	42.6	53.7	58.0	61.5	60.4	59.5	58.8
14	Lithuania	50.4	57.1	51.9	65.3	75.0	81.7	84.1	81.2	77.3
15	Macedonia	44.1	43.2	32.8	39.8	47.1	45.4	43.4	47.8	48.5
16	Moldova	47.5	40.8	36.9	39.2	45.0	43.5	43.3	41.5	43.4
17	Montenegro	44.4	39.5	32.1	37.0	42.3	43.7	41.3	40.1	43.3
18	Poland	38.8	38.3	37.6	40.0	42.5	44.4	46.3	47.5	49.4
19	Romania	29.1	26.9	27.4	32.3	36.8	37.5	39.7	41.2	41.1
20	Russia	30.2	31.3	27.9	29.2	28.3	27.4	26.6	27.5	29.5
21	Serbia	28.4	29.1	26.8	32.9	34.0	36.9	41.2	43.4	47.7
22	Slovakia	83.5	80.2	67.8	76.6	85.3	91.8	93.8	91.9	93.8
23	Ukraine	44.8	46.9	46.4	50.7	49.8	47.7	43.4	49.2	52.8

Source: World Bank and UNCTAD