



FDIs for catching up: what's the effect on targets?

Alberto Maria Radici, PhD Candidate in Economic Geography, Department of Method and Models for Economics and Finance, Università La Sapienza di Roma.

Roadmap



5
Preliminary
tendencies

4
What is
strategic?

3
Methodology
and Data

2
State of the
art

1
Motivation and
research
questions

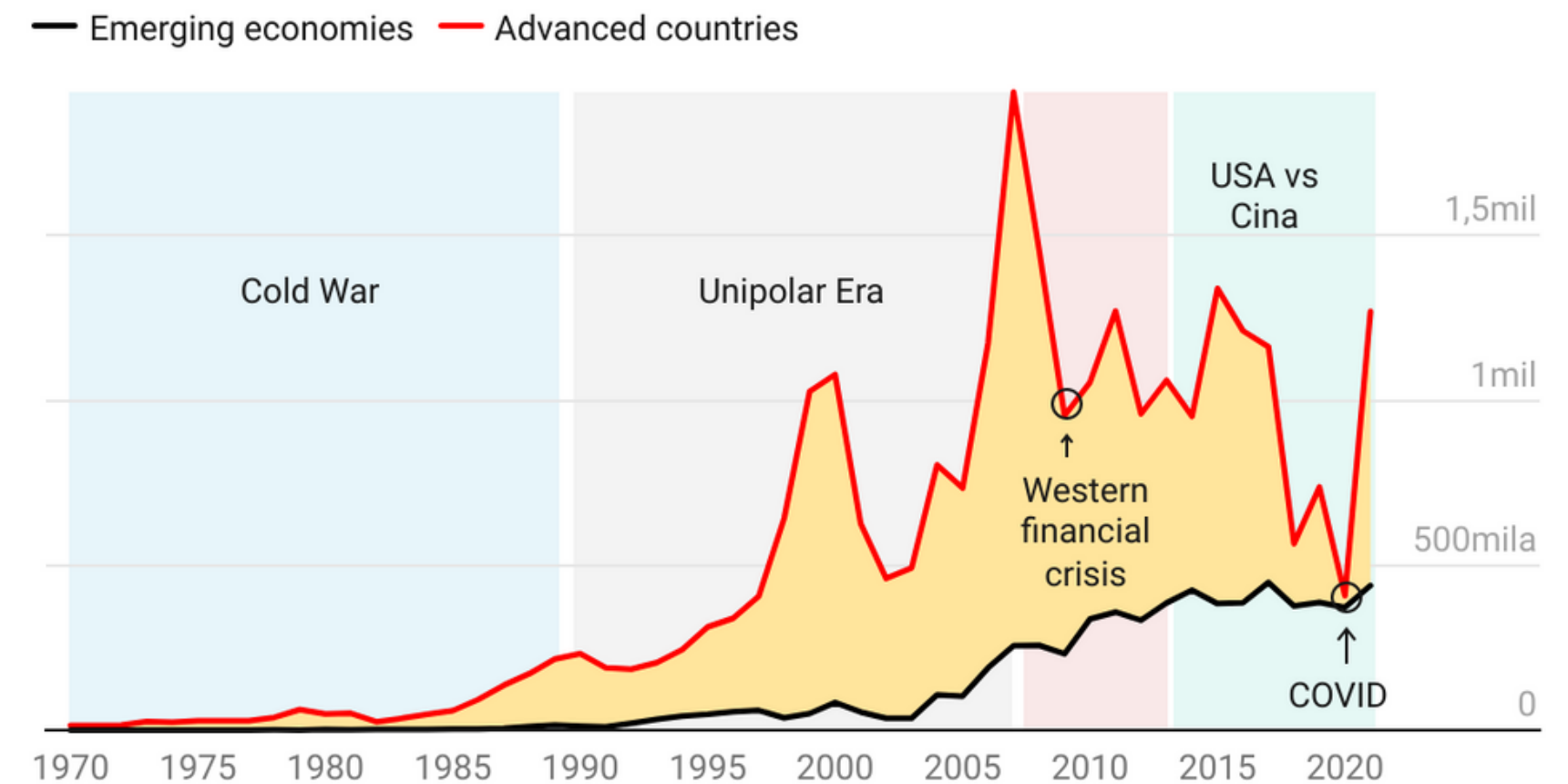


<<The post-Cold War era is over and there is now an intense competition underway to shape what comes next, with *technology* playing a major role.

Governments want to ensure they can monitor *investments that may target strategic industries and firms* and make decisions about whether to accept them or not.>>

Antony J. Blinken, 17 October 2022, Stanford University

Outward Foreign Direct Investments (mln of \$)



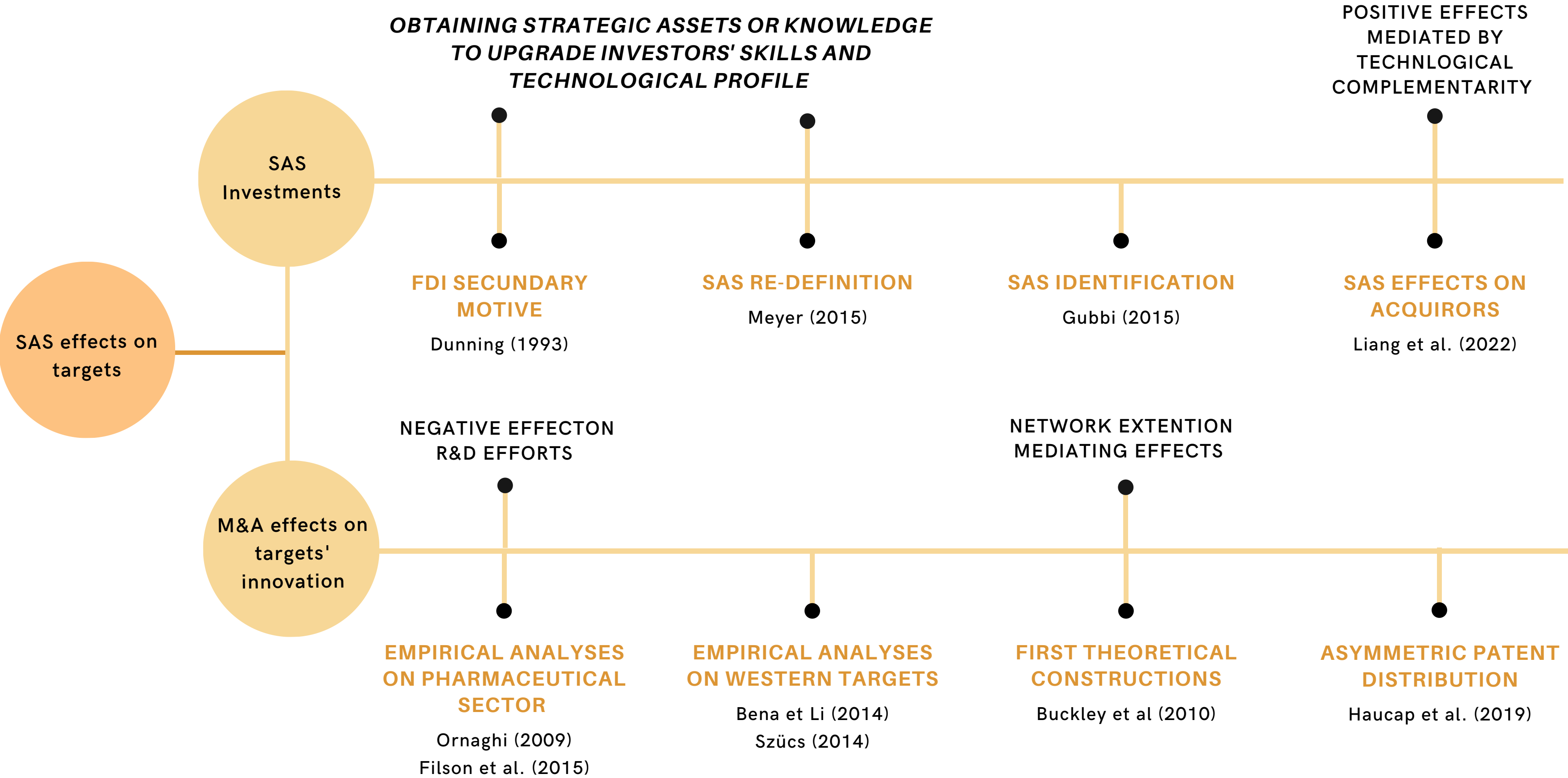
Developing economies broadly include Africa, Latin America and the Caribbean, Asia excluding Israel, Japan and the Republic of Korea, and Oceania excluding Australia and New Zealand.

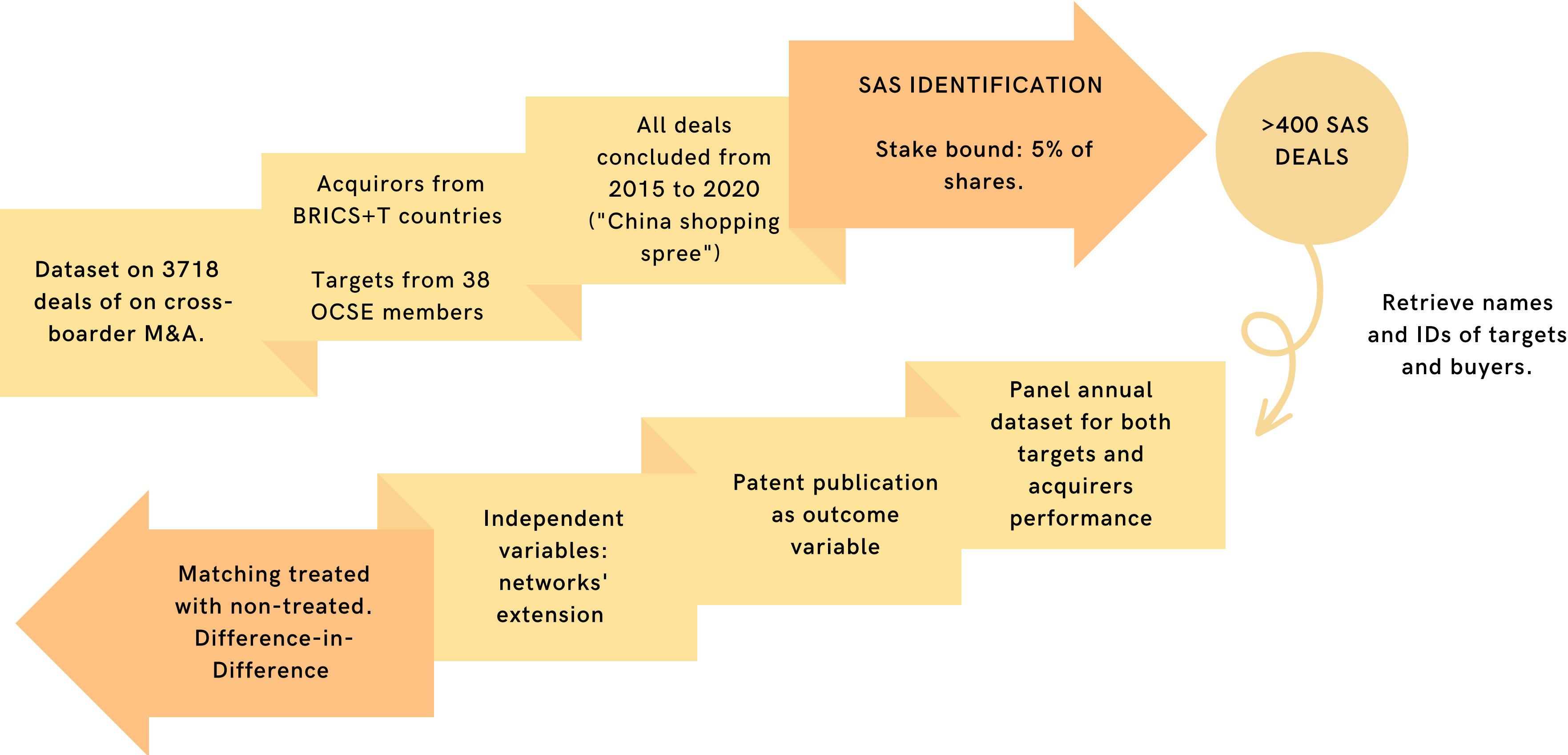
Grafico: Alberto Maria Radici • Fonte: Nazioni Unite • Creato con Datawrapper

How can be Strategic Asset Seeking (SAS) identified?

What's their effect on targets' innovation performance?

Is the distribution of patents geographically asymmetric after an acquisition?







SAS M&A in our sample tend to be concentrated in

- Chinese MNEs toward the USA (113/408);
- State-owned enterprises as acquirors (89/408);
- Manufacturing sector targets (201/408).

Descriptive statistics:

- 74,2% of patents published within the sample have inventors from BRICS+T countries;
- Acquirors outperform targets in patent publication performances and financial results.

Next steps

- Matching treated with non treated;
- Difference-in-difference.

THANK YOU!

