

An Empirical Analysis of Economic Determinants of Chinese Outward FDI

Niu Zhaozhao

E-commerce Officer, Zhengzhou Airport Economy Zone, Bureau of Commerce, Henan, China.

Received 27 November 2017, Revised 11 December 2017; Accepted 22 December 2017

Abstract

The increase of China's outward foreign direct investment (OFDI) has led to a growing number of research and studies. A variety of firm, industry and institution-related factors have been examined from the perspective of home country in prior studies. This research bases on the perspective of host country and focus on the country-level economic, political, institutional and cultural factors affecting the determinants and location choices of China's outward FDI. This research offers an empirical analysis using panel data regressions on the determinants of China's OFDI in 23 host countries during the period from 2008 to 2013. This research suggests that the determinants of location choices of China's OFDI change following its global strategies.

Keyword : Foreign Direct Investment, China's OFDI, Determinants of China's OFDI, Location Choice of China's OFDI

1. Introduction

With the development of globalization, foreign direct investment (FDI) has strongly promoted the world economic growth. The growing FDI has provided foreign capitals for developing economies to keep their sustainable economic growth. However, in recent years the globalization has been featured with rapid and significant increase of FDI from emerging economies, for example, China (UNCTAD¹, 2014). While many researchers have been focused on Chinese domestic factors affecting China's outward FDI (OFDI), this research focuses on the determinants of host countries.

China's OFDI has grown dramatically after entering WTO. According to The World Investment Report 2014 from UNCTAD, China's OFDI flows and stock in 2013 accounted for a share of 7.6% and 2.5% of all OFDI in the world. China ranked 3rd among all countries (regions) in terms of OFDI flows, with an increase of 1.3 percentage points,

* Corresponding Author: Z. Niu (syqswjdsb@126.com)

This paper complies with the ethical codes set by NRA and AJBC.

1) UNCTAD -- United National Conference on Trade and Development.

and 11th terms of stock until the end of 2013 (China Ministry of Commerce, 2014).

What actually determines location choices of China's OFDI? Some researchers suggest that China's OFDI strategic decisions are affected by different determinants in home country, including firm-level and industry-level factors (Buckley et al., 2007, Lu et al., 2011, Yamakawa et al., 2008). Some researchers indicate that Chinese investors tend to obtain technological knowledge to catch up western economies through their OFDIs (Deng, 2009; Luo and Tung, 2007; Mathew, 2013). Some theoretical frameworks show that how country institutions are essential in the location choice of OFDI; especially China's OFDI is strongly supported by Chinese government policies (Luo et al., 2010; Voss et al., 2008). What is more, a lot of studies have examined that how China's OFDI are jointly affected by firm-level competitive advantages and home country institutional environments (Lu et al., 2011; Wang et al., 2012; Yamakawa et al., 2008).

Because of the China's historical, social and economic development and its growing power of OFDI in the world economy, China has been a suitable research setting to examine and contribute to the applicability of existing conventional theories. Prior research has mainly examined China's OFDI from the views of home country. However, this research focuses on host country factors. This research aims to contribute to the ongoing debate on China's OFDI by providing empirical analysis on the determinants of location choice of China's OFDI.

The growing speed of China's economy has showed that it is possible for a country to grow from poverty to an economic power extremely fast, and this could make China a role model for countries striving for economic growth, at least China may offer a unique opportunity and provide good experiences for countries trapped in poverty to economically rise.

Through this research the departments of economic management and economic policies makers in China's government may acknowledge more reasons of Chinese investors go abroad, and the different location factors attracting China's OFDI in different investment destinations, and then follow the facts and activities of FDI to make more reasonable economic and FDI policies, hence based on the local actual situations in host countries make more effective OFDI. And another inspiration is to help Chinese investors to make win-win investment strategies and policies with the local economies. This research may help both China's and the host countries' government officers and policy makers to improve the FDI policies, and then make full use of benefits brought by China's OFDI.

2. Literature Review and Hypothesis

Market-seeking

When it comes to determinants of foreign investment traditional theories concern market size (generally measured in terms of GDP) or economic growth as important variables. Buckley et al. (2007) in their studies on OFDI has found that market size has a positive impact and it is an important determinant for investment. The larger the host market the more FDI will be attracted to that market. The large host markets provide opportunities for foreign investors; therefore the GDP of host country is virtually seen as a significant factor affecting FDI flows (Cheung & Qian, 2009). According to the regional advantage theory which is from Dunning's eclectic paradigm, there must be special regional advantages in overseas market that can provide more profits than in domestic and other foreign markets (Asiedu, 2006). According to the new trade theory, external scale economies and internal economy drive trade and investment in an imperfect competition market. And the external scale economies are depending on the market sizes. Chinese outward investments are also significantly attracted by market (Kolstad & Wiig, 2012).

Hypothesis 1: Host market size has a positive influence on China's OFDI.

Resource-seeking

Previous empirical studies indicate that an important reason for Chinese MNEs investing abroad is China's increasing needs of primary resources, including ores and metals, fuels, and others (Lin, 2010). Deng (2010) also suggest that Chinese investors in foreign countries seek sustainable supply of natural resources, which China has domestic insufficient, in order to support the rapid economic growth at home. Even though China possesses abundant natural resources, there are still vast requirements it cannot satisfy alone, such as iron ore, petroleum, copper, aluminum and timber. Not only for China, but also for other countries lacking these key raw materials, it is necessary to acquire these resources to sustain domestic economic consumption. Therefore investing on important raw materials is seen as an important and effective way to obtain certain resources which have volatile prices in the world market (Stucchi, 2012). According to the World Bank, China spent amounted to 169.109 million dollars to import fuels and energy in 2008, and this amount is estimated to grow over two times between 2000 and 2020 (World Bank, 2013).

According to above studies, Chinese investors are supposed to choose to invest in the countries with an existence of natural resource advantages. Based on the internalization theory, which indicates the importance of control of the exploitation of scarce

resources, China's OFDI is expected positively related to natural resources.

Hypothesis 2: Natural resources in host countries are positively correlated with the level of China's OFDI.

Host country infrastructure

Most investors prefer to invest in a country with better infrastructures. Especially when such FDI can reduce the cost of producing their goods, it is important for them. Meanwhile it can keep away from the trade barriers and can also make a lower transporting cost, and then level up their competitions. And better infrastructure facilities support the companies to transfer more raw materials and products to their final destination. And the proxy infrastructure was also used by Helpman et.al. (2004) standing for transportation costs and communication systems in their studies, and it hold a positive relationship with FDI.

Hypothesis 3: Infrastructure in the host countries is positively related to China's OFDI.

Host country economic openness

Chinese market-seeking FDI is related to the economic openness of a host country. International business theory suggests that a host country is more attractive for FDI if its economic orientation captures more features of international trade (Wei et al., 2014). Because of the growing trade barriers and other 'anti-dumping' measures, some Chinese firms have started to set up overseas manufacturing plants to enter foreign markets (Lu et al., 2011). Economic openness reflects the competitiveness and trade orientation of an economy. For a host economy, the level of openness reflects its attractiveness for FDI (Lucian, 2013). Therefore we suggest that the openness of the host economy to be an independent variable which have a positive relationship with China's OFDI.

Hypothesis 4: Economic openness is positively associated with China's OFDI.

Efficiency seeking

Unemployment level was proved to be an important determinant for the location choice of FDI at country level. Lucian (2013) comments that unemployment rate is positively related with FDI. Because unemployment rate can provide available workforce information for companies, it has been an important variable in some studies. It is believed that a market with higher unemployment levels can be more attractive than a market with the number of available jobs, because unemployed people are supposed to create

more value to a job and it is not easy for the employer to keep the employees. Zhang and Daly (2011) indicated that there is a positive relationship between the influence of labor unions and the FDI. But it is not necessarily true in China, because the labor unions are not a characteristic in Chinese society.

Hypothesis 5: Higher unemployment levels have positive influences on China's OFDI.

3. Data and Methodology

3.1. Variables

Dependent variable

Stocks of OFDI from China to host countries are used as our dependent variable. Data for the dependent variable was obtained from MOFCOM (China's Ministry of Commerce), which has data over 6 years from 2008 to 2013 for the main 23 host countries² (because the global financial crisis started from 2008 has been witnessing the emergence of China as one of the leading sources of FDI outflows in the World).

Independent variables

In order to test above hypothesis provided in last section proxies will be used. Gross Domestic Production (GDP) captures the market size of a host economy. It is assumed that higher levels of FDIs tend to flow into rich countries because of their local increasing demand in the markets. Buckley et al. (2007) found a positive relationship between OFDI and market size measured in terms of GDP.

China's economic development has leveled up its requirement of natural resources. This section intends to examine whether Chinese firms' growing demand for natural resources is reflected in their OFDI. Followed by prior studies, the resource endowments rate (the ratio of fuels, ores and metals to total merchandise exports), which is calculated from WBI, is seen a proxy (OMF-ores, metals, fuels) of resource-seeking motivation. It is expected to be positive.

Infrastructure is an important factor for Chinese companies. Chinese investments are commonly misunderstood that they are mostly interested in natural resources in developing countries, but in fact the investments are primarily channeled into transport, manufacturing, construction and real estate. Chinese companies are hoping to benefit from a rising consumer class in these countries (Mhlanga et al., 2010). Cleeve (2008)

2) 23 countries (regions): Algeria, Australia, Canada, China: Hong Kong SAR, China: Macao SAR, France, Germany, Guinea, Indonesia, Japan, Madagascar, Mexico, New Zealand, Nigeria, Republic of Korea, Russian Federation, Singapore, South Africa, Sudan, Thailand, United Kingdom, United States, Viet Nam.

and Mhlanga et al. (2010) suggested that the number of phone landlines or mobile subscribers would be a proxy for infrastructure, but we concern the growing importance of internet in the business environment, the increasing number of internet users would be more suitable as a proxy for infrastructure, so we use the number of internet users per 100 people as the proxy (INTER) for communication and technology infrastructure (World Bank, 2013).

Even though the relationship between trade and development is complex, both of them are important to provide job opportunities and economic prosperity in developing countries (OECD, 2012). The ratio of the foreign trade value (sum of exports and imports) to the gross domestic product (GDP) is always used to show the degree of world economy integration for a country. And this is also used to present the ratio of trade openness in a country. In this paper we shall use the ratio $\text{TRADE openness} = (\text{Exports} + \text{Imports})/\text{GDP}$ as the measure for openness of the economy (World Bank, 2013).

As far as unemployment (UNEM) level, it is used as a proxy for available workforce as percentage of the total labor force in the host country. It's true that the levels of unemployment can be used to measure the available workforces on a market and an unemployed person is supposed to create more value to a job compared to workers on a job-abundant market. Deng (2012) and Duanmu (2012) also researched the relationship between unemployment and FDI and they found a positive relation between them. Nevertheless, the lack of this variable is we cannot measure the workers' skills and their efficiency.

Control variables

When concerning foreign investment, Macroeconomic stability of the host country is an important factor. A stable economic environment will provide more certainty regarding future investments and making a country more attractive in the end (Buchnan et al., 2012). For the purpose of this paper, we will use inflation (INF) as a control variable and a negative influence is expected. Exchange rate of the local currency to US Dollar (XRATE) is another control variable for economic stability in our study. It is expected that appreciation of the host currency should lead to more gains for Chinese investors in the host country.

Table 1 presents a summary of the variables included in the model, the sources of data and the expected signs of variables.

3.2. Model specification

Consistent with the theory and hypotheses formulated, we build up the following

econometrical model Specification:

Table 1 Variables summary for full samples (13 developed countries (regions) and 10 developing countries)

	Variable	Proxy	Unit of measure	Source	Theoretical justification	Expected sign
OFDI	OFDI stocks (dependent variable)		Million USD	MOFCOM		
GDP	Market size	GDP	Constant 2005 USD	WDI	Market seeking (Independent variable)	+
TRADE	Economic openness	Trade share of GDP	Trade (% of GDP)	WDI	Independent variable	+
OMF	Natural resources	Ores and metals, fuels	% of merchandise exports	WDI	Natural resources seeking	+
IU	Infrastructure	Internet Users	Number of users per 100 people	WDI	Independent variable	+
XRATE	Macroeconomic stability	Exchange rate	LCU per US\$	WDI	Control variable	+
INF	Macroeconomic stability	Inflation	Annual %	WDI	Control variable	-
UNEM	Available work force	Unemployment	% of total labor force	WDI	Efficiency	-

$$LnOFDI = \alpha + \beta LnGDP + \beta LnTRADE + \beta LnXRATE + \beta LnINF + \beta_5 LnUNSEM_{it} + \beta_6 LnINTER_{it} + \beta_7 LnOMF_{it} + \epsilon_{it}$$

where the subscript *i* stands for the number of observations and indicator of cross-sectional data, and the subscript *t* is an indicator of time-series; β represents the variable coefficient.

3.3. Method

For the purpose of our research a panel data regression will be used which is the most appropriate for the data set used in this paper. The panel data consists of 23 cross-sections data over a period of six years, starting from 2008 to 2013. And we made a regression by using the Pooled EGLS (Cross-section weights) method. Some tests were done for choosing the appropriate model. The Hausman test was performed to pick up the

model that best fits the regression analysis between fixed-effective model (FEM) and random-effective model (REM). The value of Chi-sq. equal to 36.759, and with a p-value of 0.0000 indicated strong evidence that FEM model is more fitted.

Table 2 presents the descriptive statistics and correlation matrix between OFDI and all variables used in our model.

4. Results

Table 3 presents the main results from our regression. The results indicate that the host country market size measured by the value of GDP has the most positive and significant association with China's OFDI. In other words, China's OFDI is attracted to countries with large markets (supporting hypothesis 1).

The relationship between the host countries' resource endowments rate and China's OFDI is found positive and statistically significant (supporting hypothesis 2). This result shows that Chinese investments outflows are significantly affected by resource-seeking motivations in both developed and developing countries from 2008 to 2013. Chinese investors invest in some developed countries to gain sustainable supply of certain natural resources. For instance, in 2010 most of China's OFDI in Australia flowed to mining industry. However, Buckley et al. (2007) suggest a negative and insignificant relationship between China's OFDI and resource endowment in the developed economies.

The result suggests that infrastructure is an important and positive determinant in taking the decision of investment (supporting hypothesis 3). As Chinese companies has invested a lot in infrastructure industries in developing countries in recent years, Chinese investments are commonly misunderstood that they are mostly interested in natural resources in developing countries, but actually the investments are primarily divided into transport, manufacturing, construction and real estate, indicated by Heritage Institute³, which also suggested that Chinese companies are hoping to benefit from a rising consumer class in these countries. Chinese companies are not only interested

3) Institute for Policy Studies (HIPS) is a think tank based in Mogadishu, Somalia. The Heritage Institute for Policy Studies an independent, nonprofit, nonpartisan research center which aims to inform and influence public policy and practice through field-based research, informed analysis and innovative solutions in the form of reports, policy briefs and public debates.

Table 2 Descriptive statistics and correlation matrix for full sample (13 developed countries (regions) and 10 developing countries)

	Mean	S.D.	LNOFDI	LNGDP	LNTRADE	LNXRATE	LNINF	LNINTER	LNUNEM	LNOMF
LNOFDI	12.040	1.638	1							
LNGDP	26.794	1.950	0.336	1						
LNTRADE	4.314	0.691	0.381	-0.347	1					
LNXRATE	3.161	3.246.	-0.333	-0.461	0.070	1				
LNINF	2.466	1.615	0.086	-0.168	-0.024	0.091	1			
LNINTER	3.513.	1.180	0.489	0.731	0.072	-0.637	-0.113	1		
LNUNEM	4.074.	0.183	-0.164	-0.308	0.314	0.347	-0.186	-0.201	1	
LNOMF	2.973	1.099	-0.0004	-0.165	-0.299	0.152	0.327	-0.397	-0.381	1

Table 3 Regression Results (Determinants of China's OFDI)

Variables	1	2	3	4
LnGDP	2.097*** (13.91)	2.031*** (8.46)	1.906*** (9.25)	2.515*** (16.88)
LnTRADE	0.644** (2.44)	0.759** (2.50)	0.690** (2.47)	0.800*** (2.73)
LnXRATE	0.999*** (3.91)	0.790** (2.44)	0.854*** (2.85)	1.224*** (4.33)
LnINF	-0.077*** (-3.062)	-0.058** (-2.33)	-0.071*** (-3.21)	-0.079*** (-3.77)
LnINTER	-	0.329 (1.71)	0.395** (2.37)	
LnUNEM	-	-6.426** (0.01)	-	-8.297*** (-3.79)
LnOMF	-		0.384*** (3.95)	0.463*** (4.88)
N	138	138	138	138
R-squared	0.982	0.988	0.989	0.994
Adjusted R-squared	0.978	0.985	0.986	0.992
Prob>F	0.000	0.000	0.000	0.000

Note: t-Statistic in parentheses, *** p<0.01, ** p<0.05, * p<0.1 indicate the significance of coefficients at 1%, 5% and 10% levels

natural resources in the low-income countries, but also concern their enormous potential infrastructure increasing that Chinese investors energetically take an active part in (Abadie, 2013).

The variable of trade openness shows a positive and significant coefficient in our results (supporting hypothesis 4), which means with 1% increasing in this variable levels up China's OFDI by 0.46%. A more openness to trade and economy creates a favorable environment for investment, and hence Chinese investors will provide more job opportunities and will gain more resources, market shares or technologies and management skills in the host countries. The proxy unemployment showed a negative sign, it is opposite with the expectation (not supporting hypothesis 5). The negative affection indicates that unemployment stands for instability more than the measurement of available workforce.

Both of the control variables, exchange rate and inflation, are significantly associated with China's OFDI, therefore macroeconomic stability is likely to influence the level of Chinese investments on long run. As expected, exchange rate has a positive impact on China's OFDI, and inflation shows a negative coefficient.

5. Conclusion, Limitations, and Future Research

After the Chinese economic reform and opening up in 1978, China has tremendously integrated itself into the world economy. China has not only been a large destination of FDI, but also has become an important power of FDI outflows. China has experienced different economic development stages during this transformation process. This research shows the main stages that Chinese OFDI has experienced, and analyzed the motivations for Chinese OFDI in host countries.

This paper researched host country determinants of China's OFDI and more specifically what significant host country economic factors to be attractive for Chinese investors. The most significant variable is GDP, indicating that Chinese investors are attracted to countries with bigger market size. And the endowment of natural resource is also an important factor determining China's OFDI location choice in the selected host countries.

The findings also support strong evidence on the importance of both economic openness and macroeconomic stability of host countries, which play important roles in determining the amount of investments. Even though there are differences among hosts countries, considering the perspective of operational risk the Chinese investors prefer to invest in a business environment that offers security and a strong institutional framework and legal system (Rodriguez & Bustillo, 2011). Therefore macroeconomic factors do have a significant impact on the amount of Chinese OFDI, especially after the financial crisis of 2008.

Infrastructure is also important in determining the level of investments in the host country as it attracts a lot of Chinese resource-seeking and labor-incentive industry investments, and it can also help to provide the means to get access to end-users (Hanemann & Rosen, 2012). Even though China takes the comparative advantage of labor cost, the role of this factor cannot be ignored as it shows a significant impact on China's OFDI; therefore the hypothesis that Chinese investments are oriented towards efficiency seeking is supported.

Another conjecture from the regression result is that if China's OFDI is found to be a driver of income or development of host countries, the Chinese investors will be attracted to invest more in these countries; and if the Chinese investors can benefit from the improving of business environment or the development in host countries, it will attract a greater proportion of FDI in these countries.

There are some implications for international business and policy makers in host countries: it is important to stress that trade protectionist measures are not desirable, conversely keep and improve the level of trade and economic openness would benefit

themselves. Better attracting investment policies are necessary, allowing Chinese FDI inflow, especially in transition countries. As far as developed countries, better competition policies should be adopted, allowing imports from China, as well as exports to China, which will attract greater Chinese investments inflows and lead to creation of jobs and tax spillovers.

There are some limitations in this research, such as the short period analyzed and limited variables; future study can add more independent variables, such as industrial variables and more technological variables in host countries; and the OLS estimator is still a controversial estimator, it may lead to bias and inconsistent, for future research, the model can be extended to add more variables and more countries and longer time period can be contained to the dataset.

References

- Abadie, R. (2013). Separating fact from fiction in the China-Africa relationship. Price-waterhouseCoopers (Public sector research center).
- Asiedu, E. (2006). Foreign direct investment in Africa: The role of natural resources, market size, government policy, institutions and political instability. *World Economy*, 29 (1), 63-77.
- Buchanan, B. G., Le, Q. V., & Rishi, M. (2012). Foreign direct investment and institutional quality: Some empirical evidence. *International Review of Financial Analysis*, 21, 81-89.
- Buckley, P. J., Adam R. C., Xin, L., Hinrich, V., & Zheng, P. (2007). The Determinants of Chinese Outward Foreign Direct Investment. *Journal of International Business Studies*, 38, 499-518.
- Cheung, Y. W., & Qian, X. (2009). The Empirics of China's Outward Direct Investment (Cesifo Working Paper No. 2621).
- China Ministry of Commerce. (2014). 2013 statistical bulletin of China's outward foreign direct investment. China Statistics Press.
- Cleeve, E. (2008). How effective are fiscal incentives to attract FDI to Sub-Saharan Africa? *The Journal of Developing Areas*, 42 (1), 135-153.
- Deng, P. (2009). Why do Chinese firms tend to acquire strategic assets in international expansion? *Journal of World Business*, 44, 74-84.
- Deng, P. (2010). What determines performance of cross-border M&As by Chinese companies? An absorptive capacity perspective. *Thunderbird International Business Review*, 52, 509-524.
- Deng, P. (2012). The internationalization of Chinese firms: A critical review and future

- research. *International Journal of Management Reviews*, 14, 408–427.
- Duanmu, J. L. (2012). Firm heterogeneity and location choice of Chinese multinational enterprises. *Journal of World Business*, 47, 64–72.
- Hanemann, T., & Rosen, D. H. (2012). China Invests in Europe. Rhodium Group.
- Helpman, E., Melitz, M. J., & Yeaple, S. R. (2004). Export versus FDI with Heterogeneous Firms. *The American Economic Review*, 94, 300-316.
- Kolstad, I., & Wiig, A. (2012). What determines Chinese outward FDI? *Journal of World Business*, 47, 26-34.
- Lin, X. (2010). State versus private MNCs from China: Initial conceptualizations. *International Marketing Review*, 27, 366–380.
- Lu, J., Liu, X., & Wang, H. (2011). Motives for outward FDI of Chinese private firms: Firm resources, industry dynamics, and government policies. *Management and Organization Review*, 7, 223–248.
- Lucian, I. P. (2013). Determinants of Chinese OFDI in European Union: An empirical study on location factors (Master thesis). Lund University.
- Luo, Y., & Tung, R. L. (2007). International Expansion of Emerging Market Enterprises: A Springboard Perspective. *Journal of International Business Studies*, 38, 481-498.
- Luo, Y., Xue, Q., & Han, B. (2010). How emerging market governments promote outward FDI: Experience from China. *Journal of World Business*, 45(1), 68-79.
- Mathew, J. (2013). China Steps Up Farmland, Oil and Mining Assets Acquisitions Abroad. *International Business Times*. October 2, 2013.
- Mhlanga, N., Blalock, G., & Christy, R. (2010). Understanding foreign direct investment in the southern African development community: an analysis based on project-level data. *Agricultural Economics*, 41 (3-4), 337-347.
- OECD. (2012). Towards a More Open Trading System and Jobs Rich Growth.
- Rodríguez, C., & Bustillo, R. (2011). A Critical Revision of the Empirical Literature on Chinese Outward Investment: A New Proposal. *PANOECONOMICUS* 5, Special Issue, 715-733.
- Stucchi, T. (2012). Emerging Market Firms' Acquisitions in Advanced Markets: Matching Strategy with Resource-, Institution-and Industry-Based Antecedents. *European Management Journal*, 30, 278-289.
- UNCTAD. (2014). World Investment Report 2014.
- Voss, H., Buckley, P. J., & Cross, A. R. (2008). Thirty Years of Chinese Outward Foreign Direct Investment. CEA (UK) conference. Cambridge University, Cambridge (UK), 1-2 April 2008.
- Wang, C. Q., Hong, J. J., Kafouros, M., & Boateng, A. (2012). What drives outward FDI

- of Chinese firms? Testing the explanatory power of three theoretical frameworks. *International Business Review*, 21, 425-438.
- Wei, Y. Q., Zheng, N., Liu, X. H., & Lu, J. Y. (2014). Expanding to outward foreign direct investment or not? A multi-dimensional analysis of entry mode transformation of Chinese private exporting firms. *International Business Review*, 23, 356-370.
- World Bank. (2013). Worldwide Development Indicators (WDI). www.data.worldbank.org.
- Yamakawa, Y., Peng, M. W., & Deeds, D. L. (2008). What drives new ventures to internationalize from emerging to developed economies? *Entrepreneurship: Theory and Practice*, 32, 59-82.
- Zhang, X., & Daly, K. (2011). The determinants of China's outward foreign direct investment. *Emerging Markets Review*, 12, 389-398.