ABSTRACT WORKING PAPER 2.5

Location choices of multinational companies in transition economies: A literature review

January 2013

ABSTRACT

This paper explains the location choices of multinational companies (MNCs) in a transition economy by institutional quality, proximity, and traditional economic factors. Based on a thorough theoretical framework the paper contributes to the literature on MNCs and location choices by introducing an analysis of institutional determinants at the regional level within a transition economy perspective which has not gained sufficient attention in existing research. The paper also introduces a set of hypotheses for testing empirically the location choices of MNCs in Ukraine on the basis of the results of the enterprise survey held in the three regions of Ukraine.