



## **ABSTRACT WORKING PAPER 2.5**

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

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#### **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.