## Contents

	t of contributors face	viii
РО	LICY CHALLENGES OF FDI	
	e changing landscape of FDI in Europe	3
FD	nus Liebscher  OI: a driver for and a result of private sector development  unfred Schepers	8
The	e contribution of taxation to European competitiveness, growth d employment	12
Wh	szló Kovács no bears the risks of FDI financing? Selected views of the EIB n Pilip	19
Fin	Finance in transition: banks at the vanguard of foreign direct investors	
Eco	k Berglöf and Samuel Fankhauser onomic and monetary challenges of euro area enlargement gen Stark	29
A S	SPECIAL ACADEMIC PERSPECTIVE ON FDI	
	easuring the impacts of FDI in Central and Eastern Europe bert E. Lipsey	37
PA	RT I HOME AND HOST COUNTRY EFFECTS OF FDI	
1	The role of FDI in transition  Josef Christl	53
2	Foreign direct investment spillovers in emerging market economies	58
3	Yuriy Gorodnichenko, Jan Svejnar and Katherine Terrell The role of FDI in Eastern Europe and New Independent	
	States: new channels for the spillover effect  Irina Tytell and Ksenia Yudaeva	76

vi Contents

4	Blessing or curse? An industry-level analysis of FDI effects on productivity and wages in CEECs	87
	Jesús Crespo Cuaresma, Carmen Fillat Castejón,	
	Maria Antoinette Silgoner and Julia Woerz	
5	How do FDI inflows affect the productivity of domestic firms? The role of horizontal and vertical spillovers, absorptive	
	capacity and competition  Marcin Kolasa	101
6	Home country spillovers of FDI: some results and discussion	
	of estimation issues	106
	Priit Vahter and Jaan Masso	
7	Effects of FDI on industry structure: a host country	
	perspective	119
	Katja Zajc Kejžar	
DA 1	RT II WHERE IS FDI GOING? GLOBAL TRENDS AND	
PA	PATTERNS	
	TATTERNS	
8	Why FDI? Re-inventing economic geography in times of	
	globalization	127
	Peter Mooslechner	
9	Recent FDI trends: implications for investment policy	144
	Blanka Kalinova	
10	Trends in FDI: the Austrian perspective	153
	René Dell'mour	
11	Is China's FDI coming at the expense of other countries?	164
	Barry Eichengreen and Hui Tong	
12	FDI in services: recent developments and prospects in Europe	175
12	Arjan Lejour	100
13	Outward FDI from new European Union member states  Marjan Svetličič and Andreja Jaklič	190
	Marjan Svetticic ana Anareja Jaktic	
РΔ1	RT III HOW TO ATTRACT SUSTAINABLE INVESTMENT:	
171	THEORY AND PRACTICE	
	THEORY THE TRANSPICE	
14	The determinants of FDI in Central, Eastern and	
	South-Eastern Europe: lessons from the past and prospects	
	for the future	207
	Laura Resmini	
15	How to make FDI in Central and Eastern European	
	countries sustainable	226
	Christian Bellak and Markus Leibrecht	

V1

16	Does FDI help development? The good, the bad, the surprising and the mistaken. Policy issues for developed countries, developing countries and multilateral lending	
	institutions	237
	Theodore H. Moran	
17	The most FDI-intensive economy in Europe: analysis of	
	the Irish experience and current policy issues	247
	Frank Barry	
18	Attracting sustainable FDI and building a knowledge-based	250
	economy: the case of CzechInvest	258
	Jakub Mikulasek	
Ind	Index	
	TIMON	