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**MULTINATIONALS AND LOCAL INDIGENOUS
DEVELOPMENT**

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Abstract

We investigate in how far foreign multinationals have fostered local indigenous development in Ireland. Specifically, we examine whether foreign presence has induced indigenous net plant entry within the same regions and in bordering regions. To this end we employ an entry rate model on an exhaustive panel level data set for Irish manufacturing plants. Our results show that multinationals can foster local development both within and in surrounding regions, although the extent of these effects varies between policy preferential and non-preferential regions.

Keywords: local development, multinationals, manufacturing industry, Ireland.

JEL Classification: F23, R11, R12.

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