

Abstract

Offshore activities of multinational enterprises challenged the traditional measures of foreign direct investment. One of the consequences is that productivity spillovers from foreign direct investment likely differ for offshore and onshore investors. This heterogeneity is; however, virtually unexplored in the existing literature on productivity spillovers. The analysis in this thesis sheds light on the onshore/offshore heterogeneity and finds compelling evidence that investments from offshore jurisdictions (commonly referred to as tax havens) are associated with fewer productivity spillovers to the supplier sectors.