Online Appendix.

Table 1A. Descriptive Statistics†

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Variable | Obs. | Mean | Std. Dev. | Min | Max |
| Intrastate Conflict | 2875 | 0.131 | 0.338 | 0 | 1 |
| FDI\_1 (% of GDP) | 2875 | -0.097 | 2.347 | -12.575 | 12.440 |
| FDI\_(1+2) | 2801 | -0.181 | 3.779 | -22.593 | 12.810 |
| FDI\_(1+2+3) | 2712 | -0.242 | 5.090 | -22.493 | 16.286 |
| M&A\_1 (% of GDP) | 2875 | -0.666 | 1.875 | -9.426 | 12.293 |
| M&A\_(1+2) | 2801 | -1.321 | 2.831 | -13.253 | 12.293 |
| M&A\_(1+2+3) | 2712 | -1.976 | 3.654 | -16.541 | 12.790 |
| FDI Stock\_1 (% of GDP) | 2875 | 3.040 | 1.039 | -3.221 | 6.733 |
| Trade\_1 | 2875 | 83.367 | 48.819 | 0.511 | 441.604 |
| Democracy\_1 | 2875 | 14.262 | 6.438 | 0 | 20 |
| Democracy2\_1 | 2875 | 244.85 | 148.53 | 0 | 400 |
| Regime Change | 2875 | 0.092 | 0.288 | 0 | 1 |
| Population\_1 | 2875 | 9.416 | 1.551 | 5.884 | 14.135 |
| GDP Growth\_1 | 2875 | 3.833 | 4.856 | -41.008 | 82.809 |
| Ethnic Fractionalization | 2875 | 0.386 | 0.274 | 0.004 | 0.925 |
| Religious Fractionalization | 2875 | 0.376 | 0.216 | 0 | 0.778 |
| Mountains | 2875 | 2.002 | 1.406 | 0 | 4.421 |
| West | 2875 | 0.198 | 0.398 | 0 | 1 |
| East Europe | 2875 | 0.168 | 0.374 | 0 | 1 |
| Latin America | 2875 | 0.181 | 0.385 | 0 | 1 |
| Africa | 2875 | 0.205 | 0.404 | 0 | 1 |
| Asia | 2875 | 0.128 | 0.334 | 0 | 1 |
| Time | 2875 | 17.69 | 10.27 | 1 | 68 |
| Time2 | 2875 | 418.20 | 468.17 | 1 | 4624 |
| Time3 | 2875 | 11862.3 | 22818.5 | 1 | 314432 |

† Log-transformed values are reported for the variables of FDI, cross-border M&A, Population, and Mountainous Terrain.

Table 2A. FDI and the Onset of Intrastate Conflict (with 2SLS)†

|  |  |  |  |
| --- | --- | --- | --- |
| Dep. Var.:  Intrastate Conflict | Model 7  Estimates (S.E.) | Model 8  Estimates (S.E.) | Model 9  Estimates (S.E.) |
| FDI\_1 | -3.999\*\*\*(1.014) |  |  |
| FDI\_(1+2) |  | -2.065\*\*\*(0.562) |  |
| FDI\_(1+2+3) |  |  | -1.387\*\*\*(0.042) |
| FDI Stock\_1 | -0.091 (0.265) | -0.066 (0.302) | -0.832 (3.604) |
| Trade\_1 | 0.004 (0.010) | -0.007 (0.011) | 0.004 (0.012) |
| Democracy\_1 | 0.846\*\*\*(0.224) | 0.994\*\*\*(0.254) | 0.981\*\*\*(0.282) |
| Democracy2\_1 | -0.038\*\*\*(0.010) | -0.044\*\*\*(0.011) | -0.045\*\*\*(0.011) |
| Regime Change | -0.213 (0.480) | -0.293 (0.510) | -0.206 (0.559) |
| Population\_1 | 1.941\*\*\*(0.544) | 2.127\*\*\*(0.552) | 2.139\*\*\*(0.612) |
| GDP Growth\_1 | 0.019 (0.031) | 0.022 (0.034) | 0.029 (0.040) |
| Ethnic Fractionalization | 4.403\*\*\*(1.396) | 4.142\*\*\*(1.413) | 3.962\*\*\*(1.496) |
| Religious Fractionalization | -1.529 (2.163) | -0.656 (2.314) | -0.132 (2.483) |
| Mountains | 0.425\*\* (0.320) | 0.468\*\* (0.342) | 0.424\*\* (0.374) |
| West | -4.948\*\*\*(2.080) | -6.160\*\*\*(2.314) | -6.249\*\*\*(2.761) |
| East Europe | -1.165 (1.281) | -1.754 (1.451) | -1.789 (1.466) |
| Latin America | -4.717\*\*\*(1.826) | -5.694\*\*\*(1.799) | -6.495\*\*\*(1.886) |
| Africa | -2.311\* (1.466) | -2.453 (1.746) | -2.806 (1.739) |
| Asia | -3.690\*\*(1.411) | -4.588\*\*\*(1.603) | -4.823\*\*\*(1.656) |
| Time | 0.689\*\*\*(0.162) | 0.718\*\*\*(0.171) | 0.688\*\*\*(0.180) |
| Time2 | -0.037\*\*\*(0.012) | -0.039\*\*\*(0.013) | -0.038\*\*\*(0.014) |
| Time3 | 0.001\*\*\*(0.000) | 0.001\*\*\*(0.000) | 0.001\*\*\*(0.000) |
| Constant | -34.14\*\*\*(7.184) | -37.36\*\*\*(7.28) | -37.28\*\*\*(8.24) |
| N | 2757 | 2621 | 2480 |
| -2lnL | 779.47 | 710.57 | 659.14 |
| χ2-statistic | 75.04\*\*\* | 65.65 | 55.71\*\*\* |

† Random effect logistic regression models with 2SLS; two-tailed tests; Bootstrap standard errors in parentheses; Percentile-based confidence intervals,\*\*\*p ≤ 0.01, \*\*p ≤ 0.05, \*p ≤ 0.10

Table 3A. Cross-Border M&A, Green-field FDI, and the Onset of Intrastate Conflict†

|  |  |  |  |
| --- | --- | --- | --- |
| Dep. Var.:  Intrastate Conflict | Model 10  Estimates (S.E.) | Model 11  Estimates (S.E.) | Model 12  Estimates (S.E.) |
| MA\_1 | 12.845\*\* (7.158) |  |  |
| Greenfield FDI\_1 | -3.536\*\*\*(0.925) |  |  |
| MA\_(1+2) |  | 9.147\*\* (4.394) |  |
| Greenfield FDI\_(1+2) |  | -1.792\*\*\*(0.531) |  |
| MA\_(1+2+3) |  |  | 5.415\*\* (3.163) |
| Greenfield FDI\_(1+2+3) |  |  | -1.231\*\*\*(0.385) |
| FDI Stock\_1 | -0.070 (0.284) | -0.028 (0.307) | -0.049 (0.372) |
| Trade\_1 | 0.005 (0.010) | 0.009 (0.011) | 0.005 (0.012) |
| Democracy\_1 | 0.842\*\*\*(0.225) | 0.998\*\*\*(0.248) | 0.991\*\*\*(0.277) |
| Democracy2\_1 | -0.039\*\*\*(0.010) | -0.045\*\*\*(0.011) | -0.046\*\*\*(0.012) |
| Regime Change | -0.179 (0.471) | -0.252 (0.495) | -0.170 (0.537) |
| Population\_1 | 1.996\*\*\*(0.534) | 2.238\*\*\*(0.535) | 2.218\*\*\*(0.612) |
| GDP Growth\_1 | 0.013 (0.033) | 0.014 (0.034) | 0.024 (0.040) |
| Ethnic Fractionalization | 4.463\*\*\*(1.323) | 4.147\*\*\*(1.321) | 3.989\*\*\*(1.359) |
| Religious Fractionalization | -2.841\*\* (2.036) | -2.412\* (2.167) | -1.661 (2.423) |
| Mountains | 0.639\*\*\*(0.309) | 0.740\*\*\*(0.349) | 0.644\*\*\*(0.373) |
| West | -5.819\*\*\*(2.065) | -7.474\*\*\*(2.359) | -7.309\*\*\*(2.499) |
| East Europe | -0.464 (1.365) | -0.929 (1.422) | -1.014 (1.590) |
| Latin America | -3.714\*\*\*(1.762) | -4.361\*\*\*(1.710) | -5.150\*\*\*(1.832) |
| Africa | -0.713 (1.686) | -0.300 (1.887) | -0.904 (2.030) |
| Asia | -2.175\* (1.624) | -2.545\* (1.696) | -2.944\* (1.945) |
| Time | 0.720\*\*\*(0.165) | 0.778\*\*\*(0.173) | 0.743\*\*\*(0.180) |
| Time2 | -0.039\*\*\*(0.013) | -0.044\*\*\*(0.013) | -0.043\*\*\*(0.014) |
| Time3 | 0.001\*\*\*(0.000) | 0.001\*\*\*(0.000) | 0.001\*\*\*(0.000) |
| Constant | -24.40\*\*\*(7.51) | -24.89\*\*\*(8.16) | -25.57\*\*\*(9.25) |
| N | 2757 | 2621 | 2480 |
| -2lnL | 773.77 | 702.53 | 653.68 |
| χ2-statistic | 82.76\*\*\* | 66.42\*\*\* | 57.76\*\*\* |

† Random effect logistic regression models with 2SLS; two-tailed tests; Bootstrap standard errors in parentheses; Percentile-based confidence intervals, \*\*\*p ≤ 0.01, \*\*p ≤ 0.05, \*p ≤ 0.10