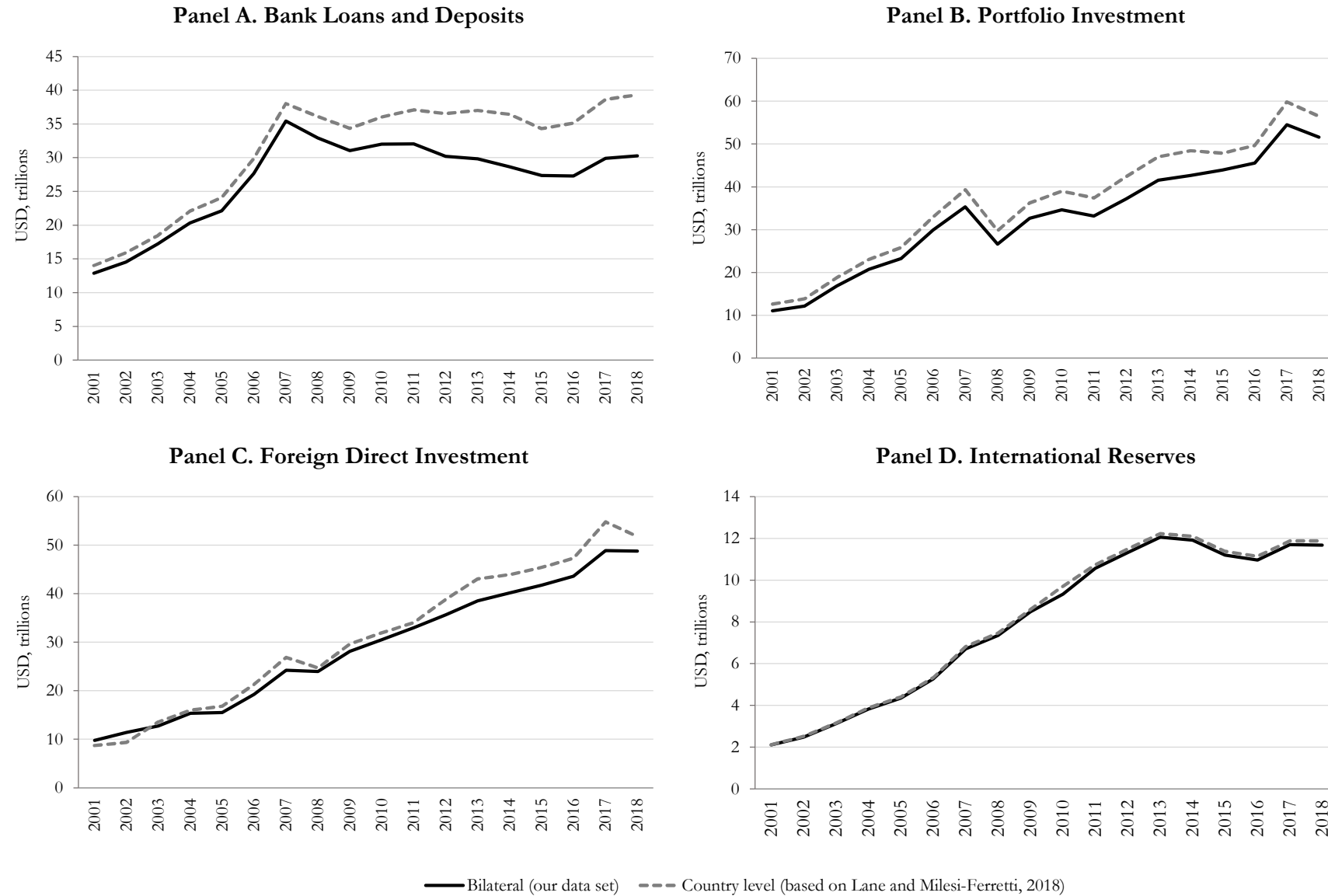
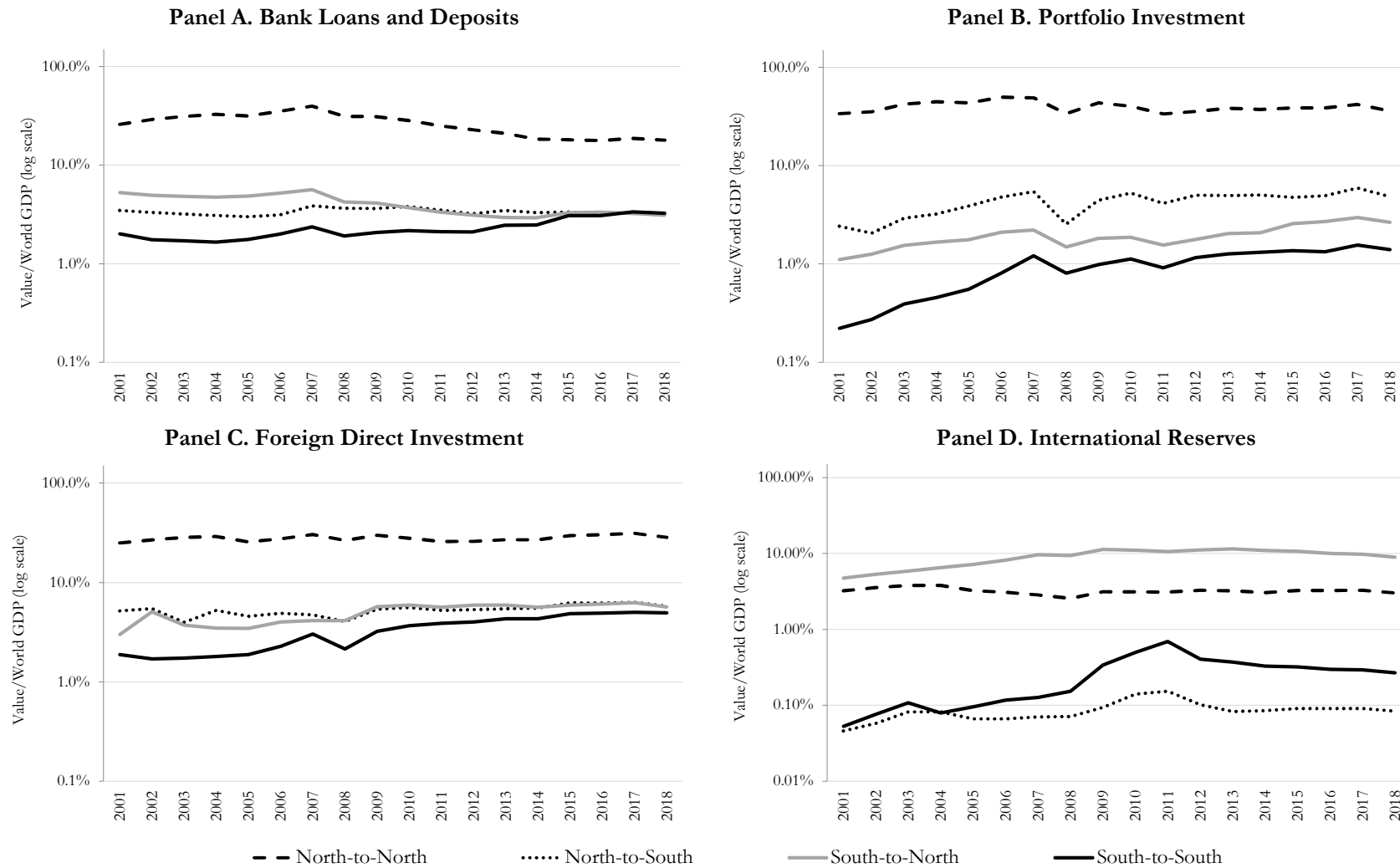


Figure 1. International Investment Positions: Bilateral vs. Country-Level Data



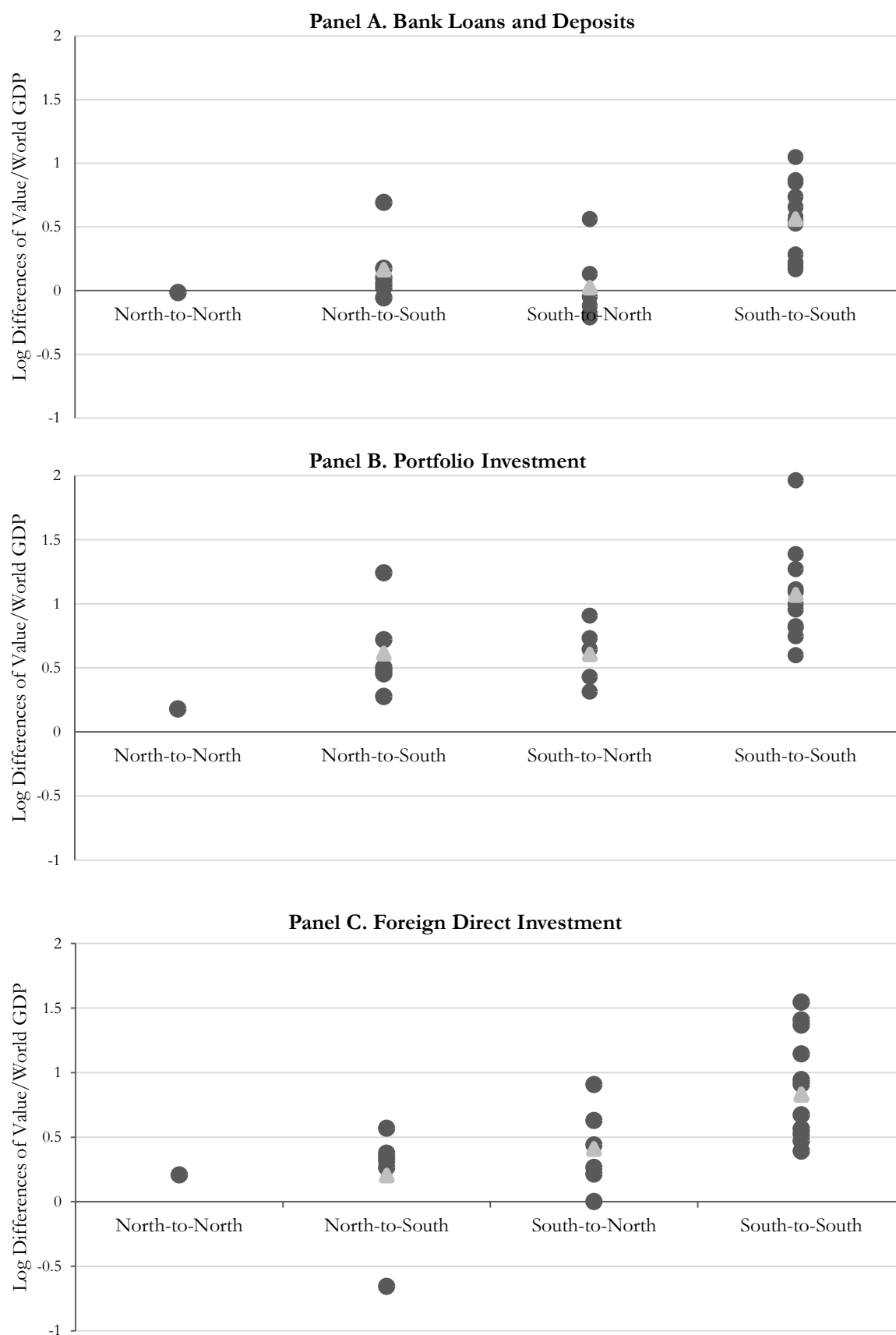
This figure compares the global totals of international investment positions for the bilateral data constructed in the paper with the country-level data constructed by Lane and Milesi-Ferretti (2018). Bilateral data are at the country-pair level, and we first obtain country-level data by aggregating values for each source country to all destination countries per year. We then aggregate the country-level data for those countries that appear in both samples, to obtain the global totals shown. For comparison purposes, we include OFCs. For the rest of our analysis, we exclude OFCs unless otherwise noted. Values are in trillions of 2011 U.S. dollars (USD).

Figure 2. Size of International Investment Positions, by Block



This figure shows, for each type of investment, the trends in the value of international investment positions by block as a ratio of world GDP. Bilateral data are aggregated for all countries within a source region to all countries within a destination region. For each investment type and year, world GDP includes the GDP of destination countries for which investment positions are available for that year (all source countries with data for a given year also have data as destination countries). Values are in millions of 2011 U.S. dollars (USD). We exclude OFCs.

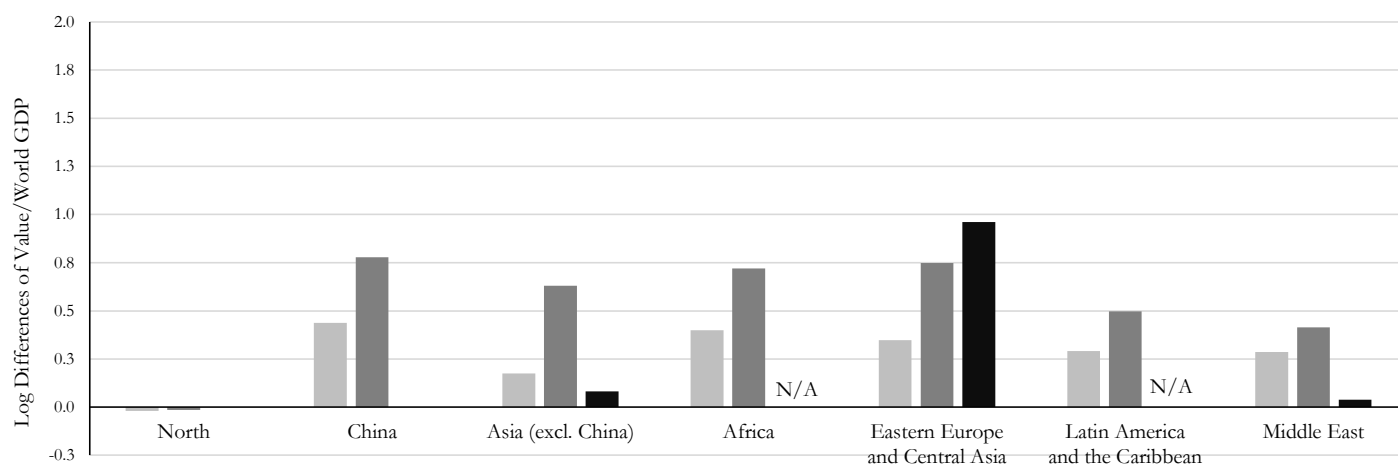
Figure 3. Growth of International Investment Positions, by South Region



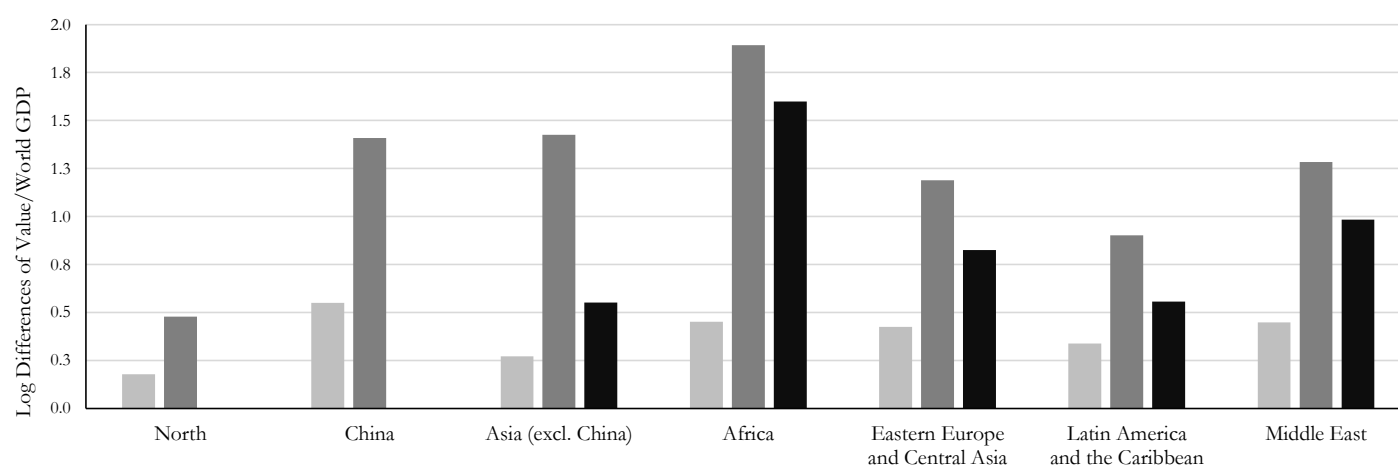
This figure compares the growth in values of international investment from 2001 to 2018. Each dark dot represents the log difference between 2001 and 2018 in value of investments from one region to another (as a ratio of world GDP), as described in Section 4. Light triangles represent mean differences across the respective dots. We exclude OFCs.

Figure 4. Growth of North and South, by South Region

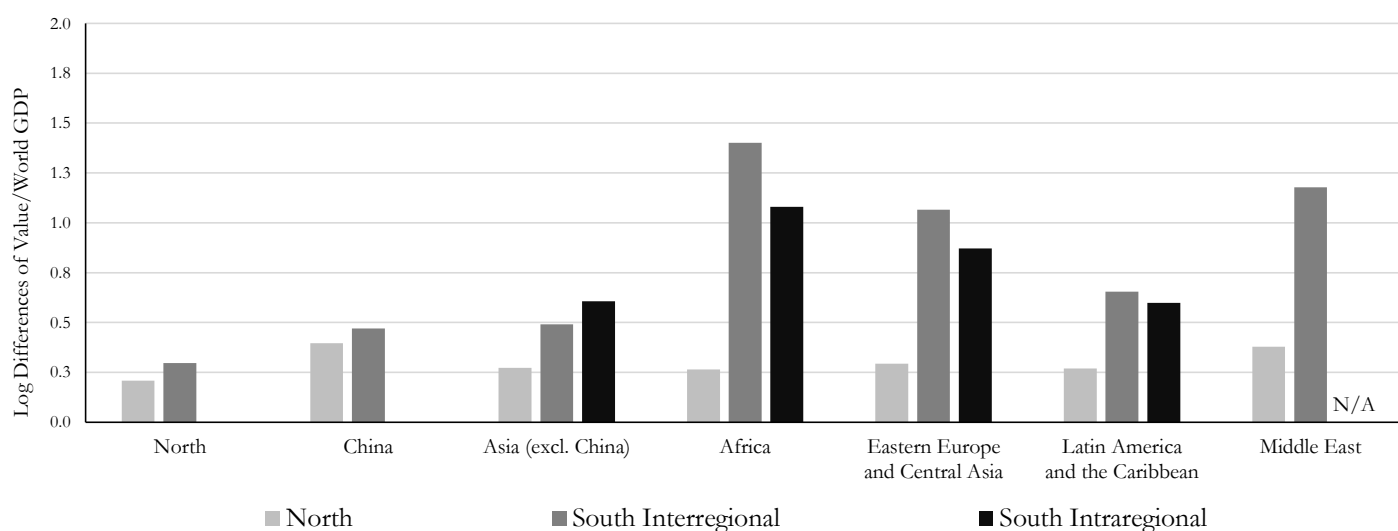
Panel A. Bank Loans and Deposits



Panel B. Portfolio Investment



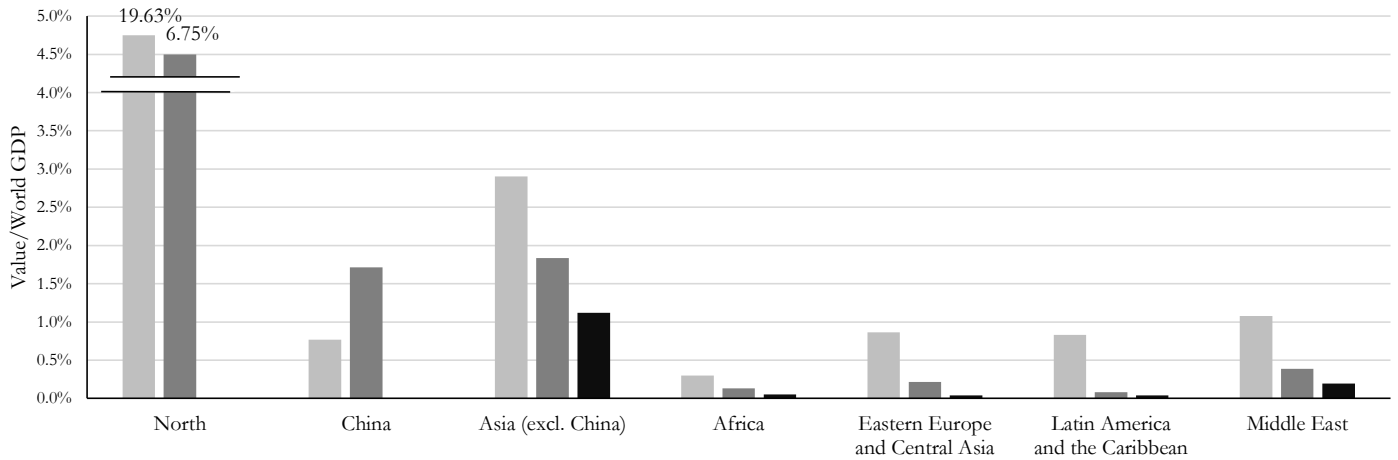
Panel C. Foreign Direct Investment



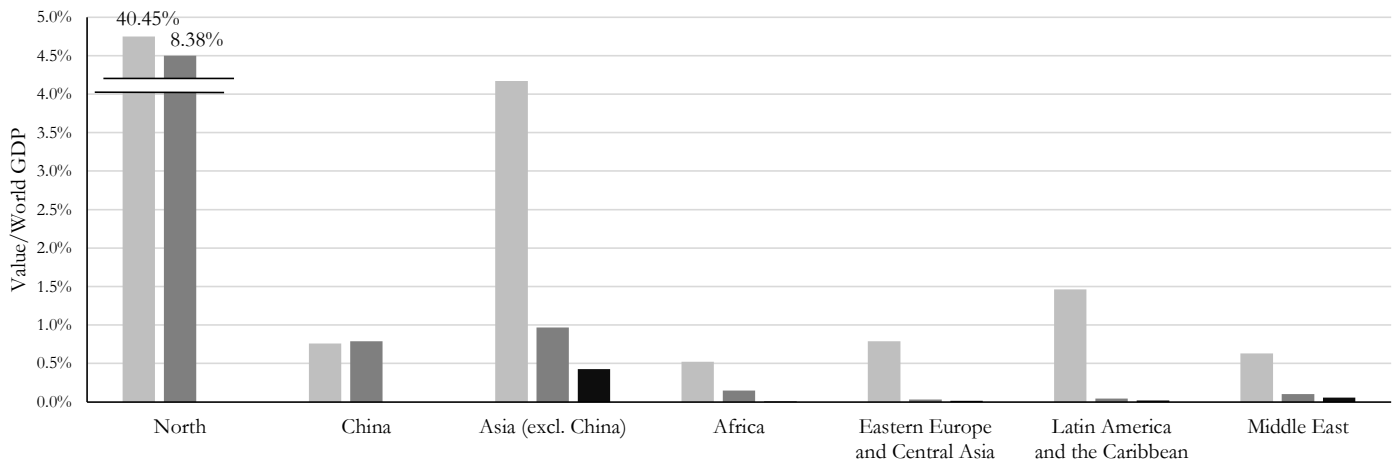
This figure contrasts growth in international investments within and across the regions of the South. Each bar represents the log difference between 2001 and 2018 in the value of investments as a ratio of world GDP. North bars represent changes from and to the North. South interregional bars represent changes from and to the other five regions of the South. South intraregional bars represent changes within the same region of the South. Regions with N/A in the South intraregional bar have zero within-region positions in 2001 due to incomplete reporting. We exclude OFCs.

Figure 5. International Investment Positions in 2018, by South Region

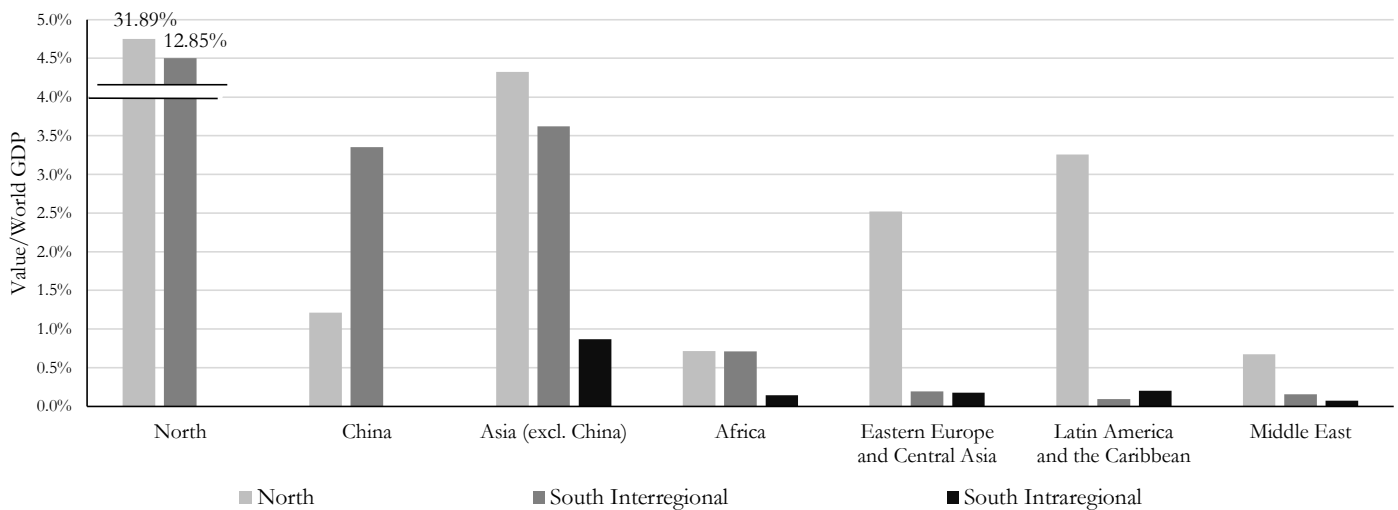
Panel A. Bank Loans and Deposits



Panel B. Portfolio Investment

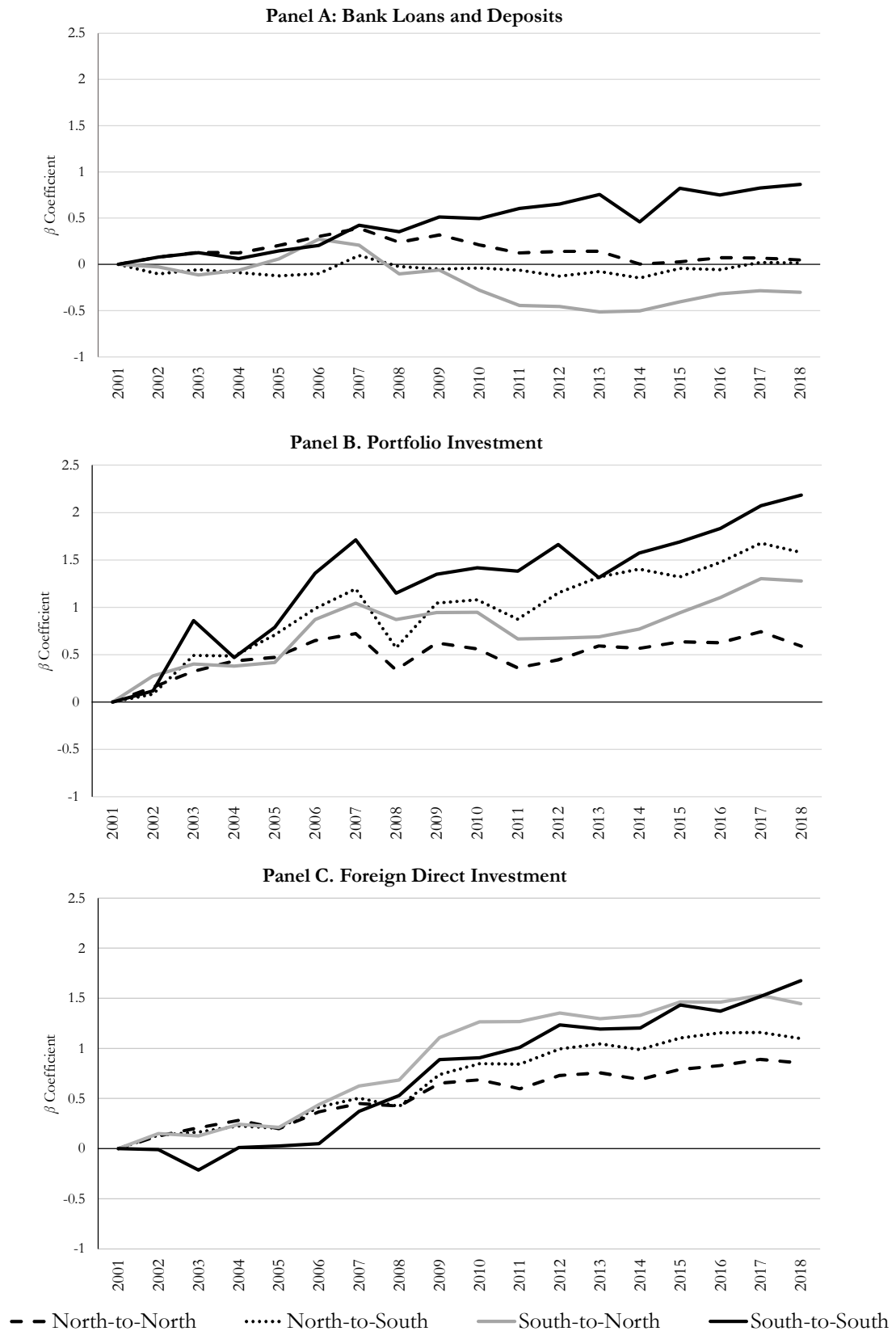


Panel C. Foreign Direct Investment



This figure contrasts the value in international investments within and across the regions of the South in 2018, using the same aggregations as Figure 4. Each bar represents the aggregate investment positions as a ratio of world GDP. North bars represent investments from and to the North. South interregional bars represent investments from and to the other five regions of the South. South intraregional bars represent investments within the same region of the South. We exclude OFCs.

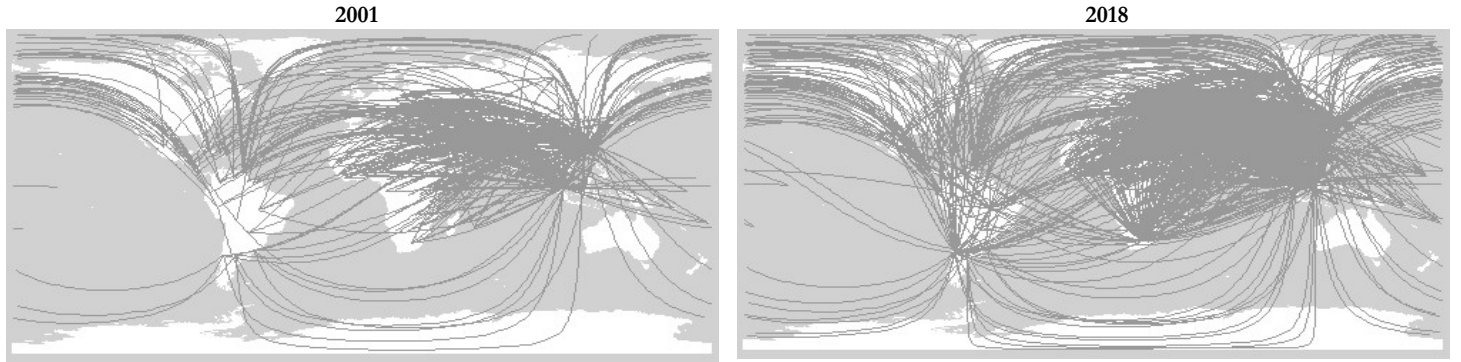
Figure 6. Growth in the Value of International Investment Positions over Regional GDPs



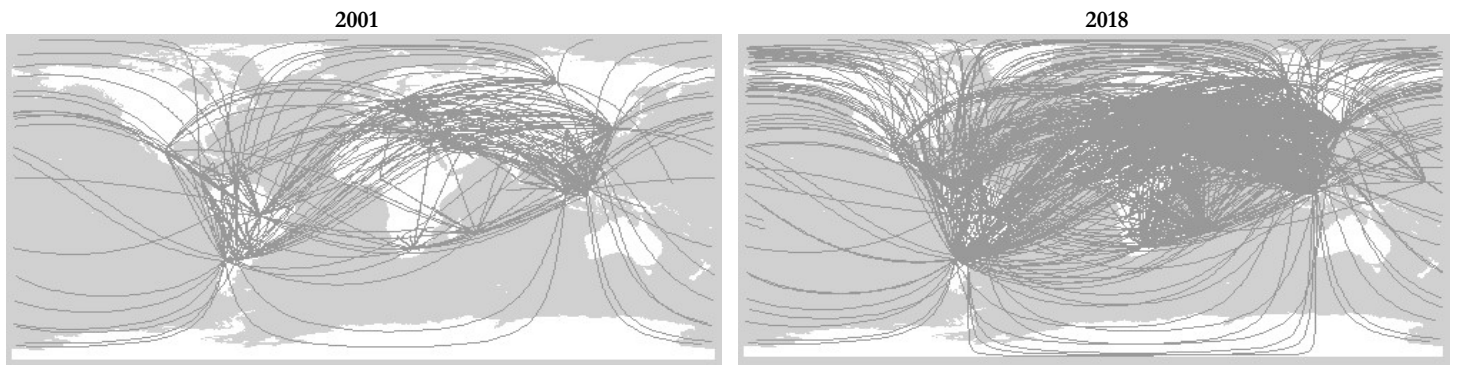
This figure compares year-end values of international investment positions for the top quintile of countries at the country-to-country level (excluding OFCs), estimated by ordinary least squares. We set the baseline at 2001, so that the time-varying fixed effects in subsequent years measure the extent to which investment positions exceed GDP (see Equation (3)). The dependent variable is defined as the aggregate investment position as a ratio of regional GDP (the square root of the product of the GDPs of the source and destination regions).

Figure 7. Proliferation of South-South Links

Panel A. Bank Loans and Deposits



Panel B. Portfolio Investment



Panel C. Foreign Direct Investment



The maps show the year-end active links between South countries. Every line in each map represents an active link (i.e. an investment position with positive value) from one South country to another.

Table 1. International Investment Positions/World GDP

Panel A. Bank Loans and Deposits					
Source	Destination	2001	2007	2008	2018
North	North	20.4%	36.5%	29.9%	19.6%
North	South	2.7%	3.6%	3.5%	3.4%
South	North	4.1%	5.2%	4.0%	3.4%
South	South	1.6%	2.2%	1.8%	3.6%
Total		28.9%	47.4%	39.3%	30.0%
Panel B. Portfolio Investment					
Source	Destination	2001	2007	2008	2018
North	North	26.7%	45.1%	32.4%	40.2%
North	South	1.9%	5.0%	2.4%	5.4%
South	North	0.9%	2.0%	1.4%	3.0%
South	South	0.2%	1.1%	0.8%	1.6%
Total		29.7%	53.3%	37.0%	50.1%
Panel C. Foreign Direct Investment					
Source	Destination	2001	2007	2008	2018
North	North	19.7%	27.9%	25.4%	31.7%
North	South	4.1%	4.4%	3.9%	6.4%
South	North	2.4%	3.8%	4.0%	6.3%
South	South	1.5%	2.8%	2.0%	5.5%
Total		27.6%	38.9%	35.3%	50.0%
This table					
Panel D. International Reserves					
Source	Destination	2001	2007	2008	2018
North	North	2.5%	2.6%	2.5%	3.4%
North	South	0.0%	0.1%	0.1%	0.1%
South	North	3.7%	8.9%	9.0%	10.0%
South	South	0.0%	0.1%	0.1%	0.3%
Total		6.4%	11.7%	11.7%	13.8%

This table shows, for each block, the year-end value of international investment positions as a ratio of world GDP. Bilateral investment positions are aggregated for all countries within a source region to all countries within a destination region. For each investment type and year, world GDP includes the GDP of destination countries for which investment data are available for that year (all source countries with data for a given year also have data as destination countries). Within each panel and year, world GDP is the same across blocks. Values in the “Total” rows are the sum across blocks for that year.

Table 2. Share of International Investment Positions

Panel A. Bank Loans and Deposits					
Source	Destination	2001	2007	2008	2018
North	North	70.72%	76.98%	76.17%	65.48%
North	South	9.46%	7.51%	8.88%	11.30%
South	North	14.33%	10.92%	10.29%	11.35%
South	South	5.49%	4.59%	4.65%	11.86%
Panel B. Portfolio Investment					
Source	Destination	2001	2007	2008	2018
North	North	90.05%	84.65%	87.49%	80.21%
North	South	6.43%	9.43%	6.58%	10.76%
South	North	2.94%	3.82%	3.85%	5.91%
South	South	0.59%	2.09%	2.08%	3.12%
Panel C. Foreign Direct Investment					
Source	Destination	2001	2007	2008	2018
North	North	71.34%	71.80%	72.00%	63.41%
North	South	14.75%	11.20%	10.99%	12.87%
South	North	8.55%	9.81%	11.22%	12.69%
South	South	5.36%	7.20%	5.79%	11.03%
Panel D. International Reserves					
Source	Destination	2001	2007	2008	2018
North	North	40.01%	22.50%	21.01%	24.42%
North	South	0.57%	0.55%	0.58%	0.68%
South	North	58.77%	75.94%	77.15%	72.73%
South	South	0.65%	1.00%	1.25%	2.17%
Panel E. Total					
Source	Destination	2001	2007	2008	2018
North	North	75.01%	74.18%	73.20%	66.01%
North	South	9.46%	8.60%	8.01%	10.65%
South	North	11.98%	13.11%	14.90%	15.73%
South	South	3.55%	4.11%	3.89%	7.61%

This table shows, for each block, the year-end share of international investment positions. For each investment type, the sum of North-to-North, North-to-South, South-to-North, and South-to-South shares in a given year equals 100%. Panel E shows, for each block, the share of international investment positions across all investments types. Bilateral investment positions are aggregated for all countries within a source region to all countries within a destination region.

Table 3. Growth in the Value of International Investment Positions

Panel A. Bank Loans and Deposits						
Level of Data Aggregation	Region-to-Region	Country-to-Region	Country-to-Country		Country-to-Country Top 20%	
Estimation Method	OLS	OLS	OLS	PPML	OLS	PPML
Dependent Variable	Log(Value)	Log(Value)	Log(Value)	Value	Log(Value)	Value
North-to-North Trend	0.014 (0.012)	0.031 *** (0.008)	0.007 ** (0.003)	0.010 ** (0.004)	0.009 ** (0.004)	0.011 ** (0.005)
North-to-South Trend	0.054 *** (0.006)	0.043 *** (0.006)	0.030 *** (0.003)	0.048 *** (0.004)	0.038 *** (0.006)	0.059 *** (0.005)
South-to-North Trend	0.017 *** (0.005)	0.028 *** (0.006)	0.002 (0.003)	0.015 *** (0.005)	0.005 (0.006)	0.025 *** (0.007)
South-to-South Trend	0.092 *** (0.004)	0.147 *** (0.008)	0.064 *** (0.004)	0.079 *** (0.014)	0.102 *** (0.011)	0.136 *** (0.015)
Wald Tests on Trend Coefficients:						
1. South-to-South — North-to-North	0.078 ***	0.116 ***	0.056 ***	0.070 ***	0.092 ***	0.124 ***
2. South Destination — North Destination	0.057 ***	0.065 ***	0.042 ***	0.051 ***	0.063 ***	0.079 ***
3. South Source — North Source	0.020 ***	0.050 ***	0.014 ***	0.018 **	0.029 ***	0.045 ***
Fixed Effects	R-R	C-R, R-C	C-C	C-C	C-C	C-C
Number of Observations	72	12,974	106,675	146,380	22,479	24,078

Panel B. Portfolio Investment						
Level of Data Aggregation	Region-to-Region	Country-to-Region	Country-to-Country		Country-to-Country Top 20%	
Estimation Method	OLS	OLS	OLS	PPML	OLS	PPML
Dependent Variable	Log(Value)	Log(Value)	Log(Value)	Value	Log(Value)	Value
North-to-North Trend	0.050 *** (0.009)	0.072 *** (0.011)	0.070 *** (0.004)	0.044 *** (0.003)	0.040 *** (0.004)	0.041 *** (0.003)
North-to-South Trend	0.098 *** (0.013)	0.166 *** (0.012)	0.130 *** (0.004)	0.081 *** (0.004)	0.120 *** (0.007)	0.079 *** (0.005)
South-to-North Trend	0.096 *** (0.008)	0.099 *** (0.012)	0.095 *** (0.007)	0.080 *** (0.010)	0.085 *** (0.012)	0.065 *** (0.014)
South-to-South Trend	0.154 *** (0.018)	0.160 *** (0.012)	0.112 *** (0.007)	0.103 *** (0.012)	0.143 *** (0.017)	0.119 *** (0.012)
Wald Tests on Trend Coefficients:						
1. South-to-South — North-to-North	0.104 ***	0.087 ***	0.042 ***	0.059 ***	0.103 ***	0.078 ***
2. South Destination — North Destination	0.053 ***	0.077 ***	0.038 ***	0.030 ***	0.069 ***	0.046 ***
3. South Source — North Source	0.051 ***	0.010	0.003	0.029 ***	0.034 ***	0.032 ***
Fixed Effects	R-R	C-R, R-C	C-C	C-C	C-C	C-C
Number of Observations	72	8,449	71,614	95,591	18,069	20,257

(cont.)

Table 3. Growth in the Value of International Investment Positions (continued)

Panel C. Foreign Direct Investment						
Level of Data Aggregation	Region-to-Region	Country-to-Region	Country-to-Country		Country-to-Country Top 20%	
Estimation Method	OLS	OLS	OLS	PPML	OLS	PPML
Dependent Variable	Log(Value)	Log(Value)	Log(Value)	Value	Log(Value)	Value
North-to-North Trend	0.059 *** (0.005)	0.068 *** (0.008)	0.076 *** (0.004)	0.055 *** (0.006)	0.064 *** (0.004)	0.046 *** (0.004)
North-to-South Trend	0.070 *** (0.005)	0.121 *** (0.009)	0.096 *** (0.005)	0.065 *** (0.009)	0.106 *** (0.007)	0.075 *** (0.005)
South-to-North Trend	0.089 *** (0.009)	0.162 *** (0.016)	0.109 *** (0.006)	0.070 *** (0.009)	0.128 *** (0.009)	0.078 *** (0.008)
South-to-South Trend	0.128 *** (0.008)	0.265 *** (0.012)	0.144 *** (0.005)	0.102 *** (0.006)	0.161 *** (0.013)	0.097 *** (0.008)
Wald Tests on Trend Coefficients:						
1. South-to-South — North-to-North	0.069 ***	0.196 ***	0.068 ***	0.047 ***	0.097 ***	0.051 ***
2. South Destination — North Destination	0.025 ***	0.078 ***	0.028 ***	0.021 ***	0.038 ***	0.024 ***
3. South Source — North Source	0.044 ***	0.118 ***	0.040 ***	0.026 ***	0.060 ***	0.027 ***
Fixed Effects	R-R	C-R, R-C	C-C	C-C	C-C	C-C
Number of Observations	72	9,959	86,410	125,180	17,522	20,470

Panel D. International Reserves		
Level of Data Aggregation	Region-to-Region	Country-to-Region
Estimation Method	OLS	OLS
Dependent Variable	Log(Value)	Log(Value)
North-to-North Trend	0.049 *** (0.005)	0.012 (0.015)
North-to-South Trend	0.083 *** (0.013)	0.046 *** (0.015)
South-to-North Trend	0.095 *** (0.014)	0.083 *** (0.005)
South-to-South Trend	0.164 *** (0.022)	0.152 *** (0.005)
Wald Tests on Trend Coefficients:		
1. South-to-South — North-to-North	0.115 ***	0.139 ***
2. South Destination — North Destination	0.051 ***	0.051 ***
3. South Source — North Source	0.063 ***	0.088 ***
Fixed Effects	R-R	C-R
Number of Observations	72	5,952

This table reports estimated trends in the value of international investment positions for 2001–18. The estimation methods are ordinary least squares (OLS) and Poisson pseudo maximum likelihood (PPML). There are three levels of data aggregation: region-to-region (R-R), country-to-region (C-R), and country-to-country (C-C). Country-to-region regressions include country-to-region (C-R) and region-to-country (R-C) investments (except for international reserves). Regressions include R-R, C-R and R-C, or C-C fixed effects. Country-to-Country Top 20% includes only source and destination countries that are in the top quintile in terms of average GDP. The Wald tests show whether the differences between sets of coefficients are significantly different from zero. For the C-R and C-C regressions, standard errors are clustered by C-R and C-C pairs, respectively. *, **, and *** represent statistical significance at 10%, 5%, and 1% level.

Table 4. International Investment Positions/World GDP: Role of Offshore Financial Centers

Panel A. OFCs as a Separate Block

Source	Destination	Bank Loans and Deposits		Portfolio Investment		Foreign Direct Investment		International Reserves	
		2001	2018	2001	2018	2001	2018	2001	2018
North	North	20.4%	19.6%	26.7%	40.1%	19.7%	31.6%	2.5%	3.4%
North	South	2.7%	3.4%	1.9%	5.4%	4.1%	6.4%	0.0%	0.1%
South	North	4.1%	3.4%	0.9%	3.0%	2.4%	6.3%	3.7%	10.0%
South	South	1.6%	3.5%	0.2%	1.6%	1.5%	5.5%	0.0%	0.3%
North	OFCs	4.2%	2.0%	2.0%	4.9%	0.7%	3.4%	N/A	N/A
OFCs	North	4.7%	2.1%	1.2%	3.7%	0.1%	0.2%	0.0%	0.0%
South	OFCs	0.4%	0.5%	0.2%	1.0%	0.9%	3.1%	N/A	N/A
OFCs	South	0.4%	0.6%	0.1%	0.4%	0.0%	0.2%	0.0%	0.0%
OFCs	OFCs	0.2%	0.2%	0.1%	0.1%	0.0%	0.1%	N/A	N/A
Total		38.7%	35.4%	33.1%	60.2%	29.2%	56.9%	6.4%	13.8%

Panel B. OFCs Included in the North and South

Source	Destination	Bank Loans and Deposits		Portfolio Investment		Foreign Direct Investment		International Reserves	
		2001	2018	2001	2018	2001	2018	2001	2018
North	North	27.8%	23.4%	29.8%	48.6%	20.3%	35.1%	2.5%	3.4%
North	South	3.8%	4.0%	2.1%	5.8%	4.1%	6.7%	0.0%	0.1%
South	North	5.3%	4.0%	1.1%	4.1%	3.3%	9.2%	3.7%	10.0%
South	South	1.8%	4.0%	0.2%	1.7%	1.5%	5.8%	0.0%	0.3%
Total		38.7%	35.4%	33.1%	60.2%	29.2%	56.9%	6.4%	13.8%

This table shows the year-end value of international investment positions as a ratio of world GDP. Panel A breaks out OFCs as a separate region, while Panel B incorporates each OFC in the North or the South. OFCs are listed in Appendix Table 1. Bilateral data are aggregated for all countries within a source region to all countries within a destination region. For each investment type and year, world GDP includes the GDP of destination countries for which investment positions are available for that year (all source countries with data for a given year also have data as destination countries). Within each investment type and year, world GDP is the same across blocks. Values in the “Total” rows are the sum across blocks for that year.

Table 5. International Investment Positions/Regional GDPs

Panel A. Bank Loans and Deposits					
Source	Destination	2001	2007	2008	2018
North	North	27.0%	53.9%	45.8%	35.3%
North	South	6.4%	7.6%	7.3%	6.8%
South	North	9.6%	11.1%	8.5%	6.8%
South	South	6.5%	6.7%	5.3%	8.0%

Panel B. Portfolio Investment					
Source	Destination	2001	2007	2008	2018
North	North	35.4%	66.9%	49.7%	72.5%
North	South	4.4%	10.8%	5.1%	10.9%
South	North	3.0%	5.6%	3.9%	6.4%
South	South	1.1%	4.4%	2.9%	3.8%

Panel C. Foreign Direct Investment					
Source	Destination	2001	2007	2008	2018
North	North	26.1%	41.4%	39.0%	57.2%
North	South	9.5%	9.3%	8.1%	12.9%
South	North	5.9%	8.8%	8.9%	13.8%
South	South	6.5%	9.3%	6.3%	13.4%

Panel D. International Reserves					
Source	Destination	2001	2007	2008	2018
North	North	3.3%	3.9%	3.7%	6.0%
North	South	0.1%	0.1%	0.1%	0.2%
South	North	8.8%	19.1%	19.0%	20.2%
South	South	0.2%	0.4%	0.4%	0.7%

This table shows, for each block, the year-end value of international investment positions as a ratio of regional GDPs. Bilateral data are aggregated for all countries within a source region to all countries within a destination region. Regional GDPs are defined as the square root of the product of the GDPs of the source and of the destination regions. For each investment type and year, regional GDPs include the GDP of the countries for which investment data are available for that year. For international reserves, because we have no information on the destination countries, we use as destination GDP the GDP of the countries in that region that report data as a source of international reserves.

Table 6. Growth in the Value of International Investment Positions over Regional GDPs

Panel A. Bank Loans and Deposits						
Level of Data Aggregation	Region-to-Region	Country-to-Region	Country-to-Country		Country-to-Country Top 20%	
Estimation Method	OLS	OLS	OLS	PPML	OLS	PPML
Dependent Variable	Log(Value)	Log(Value)	Log(Value)	Value	Log(Value)	Value
North-to-North Trend	0.004 (0.008)	0.012 ** (0.005)	-0.008 ** (0.003)	-0.013 *** (0.005)	-0.006 * (0.004)	-0.005 (0.005)
North-to-South Trend	0.011 *** (0.003)	0.008 (0.006)	-0.007 ** (0.003)	0.031 *** (0.008)	0.001 (0.006)	0.034 *** (0.005)
South-to-North Trend	-0.026 *** (0.004)	-0.007 (0.005)	-0.035 *** (0.002)	-0.018 *** (0.006)	-0.032 *** (0.006)	-0.019 *** (0.005)
South-to-South Trend	0.016 ** (0.006)	0.081 *** (0.008)	0.010 ** (0.004)	0.010 (0.008)	0.052 *** (0.010)	0.071 *** (0.010)
Wald Tests on Trend Coefficients:						
1. South-to-South — North-to-North	0.013	0.070 ***	0.018 ***	0.024 **	0.058 ***	0.076 ***
2. South Destination — North Destination	0.025 ***	0.043 ***	0.023 ***	0.036 ***	0.045 ***	0.065 ***
3. South Source — North Source	-0.012 **	0.027 ***	-0.005	-0.012 *	0.012 *	0.011 *
Fixed Effects	R-R	C-R, R-C	C-C	C-C	C-C	C-C
Number of Observations	72	12,485	103,519	140,963	22,194	23,432

Panel B. Portfolio Investment						
Level of Data Aggregation	Region-to-Region	Country-to-Region	Country-to-Country		Country-to-Country Top 20%	
Estimation Method	OLS	OLS	OLS	PPML	OLS	PPML
Dependent Variable	Log(Value)	Log(Value)	Log(Value)	Value	Log(Value)	Value
North-to-North Trend	0.039 *** (0.006)	0.050 *** (0.007)	0.051 *** (0.004)	0.037 *** (0.004)	0.025 *** (0.004)	0.031 *** (0.003)
North-to-South Trend	0.054 *** (0.009)	0.126 *** (0.012)	0.096 *** (0.004)	0.074 *** (0.005)	0.084 *** (0.006)	0.065 *** (0.004)
South-to-North Trend	0.038 *** (0.004)	0.054 *** (0.011)	0.061 *** (0.007)	0.055 *** (0.007)	0.052 *** (0.012)	0.027 ** (0.012)
South-to-South Trend	0.064 *** (0.013)	0.088 *** (0.012)	0.063 *** (0.007)	0.033 *** (0.007)	0.095 *** (0.017)	0.063 *** (0.013)
Wald Tests on Trend Coefficients:						
1. South-to-South — North-to-North	0.025 *	0.038 ***	0.012	-0.004	0.070 ***	0.032 **
2. South Destination — North Destination	0.021 **	0.055 ***	0.023 ***	0.007	0.051 ***	0.035 ***
3. South Source — North Source	0.004	-0.017	-0.011 **	-0.012 *	0.019 *	-0.003
Fixed Effects	R-R	C-R, R-C	C-C	C-C	C-C	C-C
Number of Observations	72	8,118	70,241	93,445	17,784	19,179

(cont.)

Table 6. Growth in the Value of International Investment Positions over Regional GDPs (continued)

Panel C. Foreign Direct Investment						
Level of Data Aggregation	Region-to-Region	Country-to-Region	Country-to-Country		Country-to-Country Top 20%	
Estimation Method	OLS	OLS	OLS	PPML	OLS	PPML
Dependent Variable	Log(Value)	Log(Value)	Log(Value)	Value	Log(Value)	Value
North-to-North Trend	0.048 *** (0.002)	0.050 *** (0.007)	0.058 *** (0.004)	0.062 *** (0.014)	0.050 *** (0.004)	0.041 *** (0.006)
North-to-South Trend	0.027 *** (0.005)	0.085 *** (0.009)	0.063 *** (0.004)	0.010 (0.029)	0.073 *** (0.007)	0.050 *** (0.008)
South-to-North Trend	0.045 *** (0.007)	0.123 *** (0.015)	0.084 *** (0.005)	0.026 (0.023)	0.096 *** (0.009)	0.048 *** (0.009)
South-to-South Trend	0.052 *** (0.003)	0.198 *** (0.012)	0.100 *** (0.005)	0.085 *** (0.010)	0.113 *** (0.013)	0.034 *** (0.011)
Wald Tests on Trend Coefficients:						
1. South-to-South — North-to-North	0.005	0.148 ***	0.042 ***	0.023	0.063 ***	-0.007
2. South Destination — North Destination	-0.007	0.055 ***	0.011 **	0.004	0.020 **	-0.003
3. South Source — North Source	0.012 **	0.093 ***	0.032 ***	0.019	0.043 ***	-0.005
Fixed Effects	R-R	C-R, R-C	C-C	C-C	C-C	C-C
Number of Observations	72	9,541	84,275	121,492	16,957	18,548

Panel D. International Reserves		
Level of Data Aggregation	Region-to-Region	Country-to-Region
Estimation Method	OLS	OLS
Dependent Variable	Log(Value)	Log(Value)
North-to-North Trend	0.037 *** (0.003)	-0.014 (0.014)
North-to-South Trend	0.039 *** (0.010)	-0.013 (0.014)
South-to-North Trend	0.051 *** (0.009)	0.035 *** (0.005)
South-to-South Trend	0.087 *** (0.017)	0.071 *** (0.005)
Wald Tests on Trend Coefficients:		
1. South-to-South — North-to-North	0.050 ***	0.086 ***
2. South Destination — North Destination	0.019 *	0.019 *
3. South Source — North Source	0.031 ***	0.067 ***
Fixed Effects	R-R	C-R
Number of Observations	72	5,950

This table reports the trends in the value of international investment positions for 2001–18. The estimation methods are ordinary least squares (OLS) and Poisson pseudo maximum likelihood (PPML). In contrast to Table 3, international investments are scaled by regional GDPs, defined as the square root of the product of the GDPs of the source and of the destination countries/regions. There are three levels of data aggregation: region-to-region (R-R), country-to-region (C-R), and country-to-country (C-C). Country-to-region regressions include country-to-region (C-R) and region-to-country (R-C) investments (except for international reserves). Regressions include R-R, C-R and R-C, or C-C fixed effects. Country-to-Country Top 20% includes only source and destination countries that are in the top quintile in terms of average GDP. The Wald tests show whether the differences between sets of coefficients are significantly different from zero. For the C-R and C-C regressions, standard errors are clustered by C-R and C-C pairs, respectively. *, **, and *** represent statistical significance at 10%, 5%, and 1% level.

Table 7. Share of Active Links in the Global Total, by Block

Panel A. Bank Loans and Deposits					
Source	Destination	2001	2007	2008	2018
North	North	15.4%	14.1%	14.3%	12.2%
North	South	31.1%	31.2%	30.7%	27.6%
South	North	37.6%	36.8%	36.8%	32.8%
South	South	15.9%	18.0%	18.2%	27.4%

Panel B. Portfolio Investment					
Source	Destination	2001	2007	2008	2018
North	North	25.0%	19.2%	19.4%	15.9%
North	South	42.3%	40.5%	39.9%	38.7%
South	North	17.7%	17.5%	17.8%	16.7%
South	South	15.0%	22.9%	22.9%	28.7%

Panel C. Foreign Direct Investment					
Source	Destination	2001	2007	2008	2018
North	North	26.4%	21.9%	21.7%	9.8%
North	South	36.3%	34.3%	34.3%	25.0%
South	North	15.4%	16.3%	17.0%	19.9%
South	South	21.9%	27.5%	27.0%	45.4%

This table shows, for each block, the share of active links in total active links per investment type. For each investment type shown in the different panels, the sum of North-to-North, North-to-South, South-to-North, and South-to-South shares in a given year equals 100 percent. Active links refer to investment positions with positive value from one country to another. Country pairs with a missing value are excluded from the count. Bilateral data are aggregated for all countries within a source region to all countries within a destination region.

Table 8. Growth of Active Links

Panel A. Bank Loans and Deposits					
Level of Data Aggregation Estimation Method [Dep. Variable]	Region-to-Region	Country-to-Region	Country-to-Country		
	Poisson [No. Links]	Poisson [No. Links]	Logit [Dummy=1 if Non-Zero Link]		
			Marginal Effect	Baseline Probability	Probability Growth
North-to-North Trend	0.005 *** (0.002)	0.005 *** (0.001)	0.003 *** (0.001)	68%	0.4%
North-to-South Trend	0.012 *** (0.001)	0.012 *** (0.002)	0.004 *** (0.000)	47%	0.8%
South-to-North Trend	0.011 *** (0.001)	0.011 *** (0.002)	0.004 *** (0.000)	56%	0.7%
South-to-South Trend	0.055 *** (0.001)	0.055 *** (0.007)	0.003 *** (0.001)	32%	1.0%
Wald Tests on Trend Coefficients:					
1. South-to-South — North-to-North	0.050 ***	0.050 ***			
2. South Destination — North Destination	0.025 ***	0.025 ***			
3. South Source — North Source	0.025 ***	0.025 ***			
Fixed Effects	R-R	C-R, R-C	R-R		
Number of Observations	72	13,752	211,556		
Panel B. Portfolio Investment					
Level of Data Aggregation Estimation Method [Dep. Variable]	Region-to-Region	Country-to-Region	Country-to-Country		
	Poisson [No. Links]	Poisson [No. Links]	Logit [Dummy=1 if Non-Zero Link]		
			Marginal Effect	Baseline Probability	Probability Growth
North-to-North Trend	0.019 *** (0.002)	0.013 *** (0.001)	0.000 (0.001)	82%	0.0%
North-to-South Trend	0.039 *** (0.001)	0.036 *** (0.003)	0.008 *** (0.001)	39%	1.8%
South-to-North Trend	0.037 *** (0.002)	0.027 *** (0.002)	-0.003 *** (0.001)	73%	-0.4%
South-to-South Trend	0.074 *** (0.002)	0.065 *** (0.003)	0.006 *** (0.001)	24%	2.2%
Wald Tests on Trend Coefficients:					
1. South-to-South — North-to-North	0.054 ***	0.053 ***			
2. South Destination — North Destination	0.028 ***	0.030 ***			
3. South Source — North Source	0.026 ***	0.022 ***			
Fixed Effects	R-R	C-R, R-C	R-R		
Number of Observations	72	9,971	154,014		
Panel C. Foreign Direct Investment					
Level of Data Aggregation Estimation Method [Dep. Variable]	Region-to-Region	Country-to-Region	Country-to-Country		
	Poisson [No. Links]	Poisson [No. Links]	Logit [Dummy=1 if Non-Zero Link]		
			Marginal Effect	Baseline Probability	Probability Growth
North-to-North Trend	0.025 *** (0.002)	0.025 *** (0.003)	0.015 *** (0.001)	59%	2.1%
North-to-South Trend	0.068 *** (0.001)	0.068 *** (0.005)	0.024 *** (0.000)	18%	7.3%
South-to-North Trend	0.106 *** (0.002)	0.107 *** (0.005)	0.036 *** (0.001)	15%	10.2%
South-to-South Trend	0.127 *** (0.001)	0.129 *** (0.005)	0.026 *** (0.000)	5%	14.9%
Wald Tests on Trend Coefficients:					
1. South-to-South — North-to-North	0.101 ***	0.104 ***			
2. South Destination — North Destination	0.032 ***	0.032 ***			
3. South Source — North Source	0.070 ***	0.072 ***			
Fixed Effects	R-R	C-R, R-C	R-R		
Number of Observations	72	11,673	291,604		

This table shows the trends in active links for 2001–18. The estimation methods are Poisson and logit. For the Poisson regressions, the dependent variable is the number of active links, counting the investment positions with positive value from one country/region to another. For the logit regressions, the dependent variable is an indicator variable that takes a value of one whenever bilateral investment is positive and zero if the value is zero. Country pairs with a missing value are excluded. For these regressions, we report the average marginal effect, the estimated probability for the first period of the sample (when trend=0), and the average annual percentage change in the predicted probabilities. There are three levels of data aggregation: region-to-region (R-R), country-to-region (C-R), and country-to-country (C-C). Country-to-region regressions include both country-to-region (C-R) and region-to-country (R-C) investments. Regressions include R-R, or C-R and R-C fixed effects. The Wald tests show whether the differences between sets of coefficients are significantly different from zero. For the C-R and the C-C regressions, standard errors are clustered by C-R and C-C pairs, respectively. *, **, and *** represent statistical significance at 10%, 5%, and 1% level.

**Table 9. International Investment Positions/World GDP:
Old versus New Links**

Panel A. Bank Loans and Deposits					
Source	Destination	2001	2018		
			Total	Old Links	New Links
North	North	20.4%	19.6%	19.6%	0.0%
North	South	2.7%	3.4%	3.3%	0.1%
South	North	4.1%	3.4%	3.3%	0.1%
South	South	1.6%	3.6%	2.9%	0.6%
Total		28.9%	30.0%	29.2%	0.8%

Panel B. Portfolio Investment					
Source	Destination	2001	2018		
			Total	Old Links	New Links
North	North	26.7%	40.2%	40.1%	0.1%
North	South	1.9%	5.4%	5.1%	0.2%
South	North	0.9%	3.0%	2.4%	0.5%
South	South	0.2%	1.6%	1.1%	0.4%
Total		29.7%	50.1%	48.8%	1.3%

Panel C. Foreign Direct Investment					
Source	Destination	2001	2018		
			Total	Old Links	New Links
North	North	19.7%	31.7%	30.4%	1.3%
North	South	4.1%	6.4%	5.5%	1.0%
South	North	2.4%	6.3%	4.5%	1.8%
South	South	1.5%	5.5%	4.2%	1.3%
Total		27.6%	50.0%	44.6%	5.4%

This table shows, for each block, the year-end value of international investment positions as a ratio of world GDP, distinguishing between the values associated with old and new links. Old links are country pairs that have a positive value in 2001. New links are country pairs that have a zero or missing value in 2001. Bilateral data are aggregated for all countries within a source region to all countries within a destination region. For each investment type and year, world GDP includes the GDP of destination countries for which we have data for that year (all source countries with data for a given year also have data as destination countries). Within each panel and year, world GDP is the same across blocks.

Appendix Table 1. List of Countries, by Region

North	South						OFCs
	Africa	Asia	Eastern Europe and Central Asia	Latin America and the Caribbean	Middle East	Others	
Australia*	Angola	Afghanistan	Albania	Antigua and Barbuda	Algeria	Christmas Islands	Andorra†
Austria*	Benin	American Samoa	Armenia	Argentina*	Bahrain	Cocos Islands	Anguilla†
Belgium*	Botswana	Bangladesh	Azerbaijan	Barbados	Egypt, Arab Rep.	French Guiana	Aruba†
Bonaire, Sint Eustatius, and Saba	Burkina Faso	Bhutan	Belarus	Bolivia	Iran, Islamic Rep.*	French Southern Territories	Bahamas, The‡
Canada*	Burundi	Brunei Darussalam	Bosnia and Herzegovina	Brazil*	Iraq	Guadeloupe	Belize‡
Curacao	Cabo Verde	Cambodia	Bulgaria	Chile	Israel	Guam	Bermuda†
Denmark*	Cameroon	China (Mainland)*	Croatia	Colombia*	Jordan	Marshall Islands	British Virgin Islands†
Estonia	Central African Republic	Fiji	Czech Republic	Costa Rica	Kuwait	Martinique	Cayman Islands†
Faeroe Islands	Chad	Hong Kong SAR, China*	Georgia	Cuba	Lebanon	Mayotte	Cook Islands‡
Falkland Islands	Comoros	India*	Hungary	Dominica	Libya	Micronesia, Fed. Sts.	Cyprus†
Finland	Congo, Dem. Rep.	Indonesia*	Kazakhstan	Dominican Republic	Morocco	Nauru	Gibraltar†
France*	Congo, Rep.	Kiribati	Kosovo, Rep.	Ecuador	Oman	Niue	Guernsey†
French Polynesia	Cote d'Ivoire	Korea, Dem. Rep.	Kyrgyz Republic	El Salvador	Qatar	Norfolk Island	Isle of Man†
Germany*	Djibouti	Korea, Rep.*	Macedonia, FYR	Grenada	Saudi Arabia*	Pitcairn	Jersey†
Greece*	Equatorial Guinea	LAO, PDR	Moldova	Guatemala	Syrian Arab Republic	Reunion	Liechtenstein†
Greenland	Eritrea	Malaysia	Mongolia	Guyana	Tunisia	St. Pierre and Miquelon	Macao SAR, China‡
Iceland	Ethiopia	Maldives	Montenegro	Haiti	United Arab Emirates*	Tokelau	Monaco†
Ireland*	Gabon	Myanmar	Poland*	Honduras	West Bank and Gaza	Western Sahara	Montserrat†
Italy*	Gambia, The	Nepal	Romania	Jamaica	Yemen, Rep.		Netherlands Antilles†
Japan*	Ghana	Pakistan	Russian Federation*	Mexico*			Palau‡
Latvia	Guinea	Papua New Guinea	Serbia	Nicaragua			Panama‡
Lithuania	Guinea-Bissau	Philippines	Tajikistan	Paraguay			Samoa‡
Luxembourg	Kenya	Singapore	Turkey*	Peru			Seychelles‡

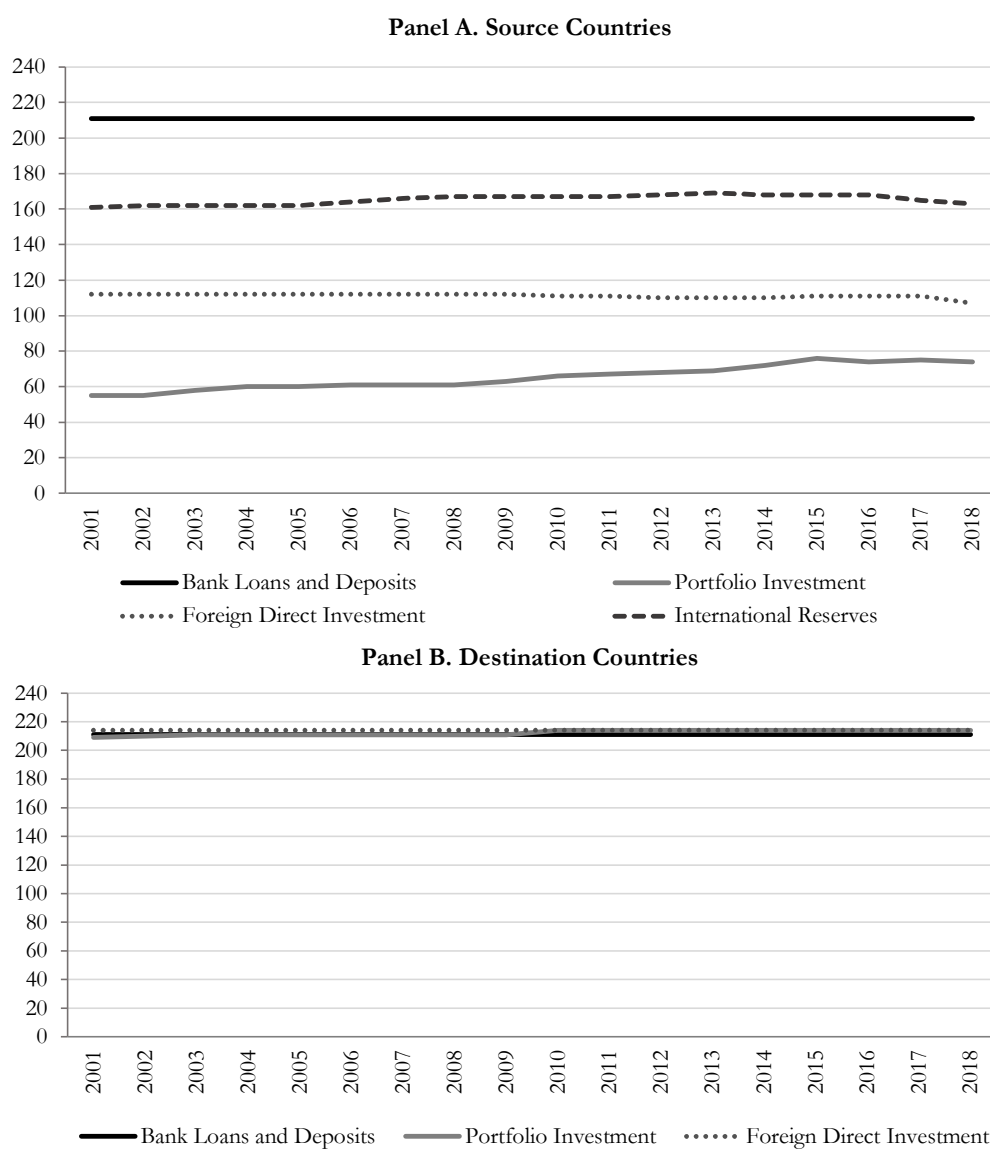
(cont.)

Appendix Table 1. List of Countries, by Region (continued)

North	South					OFCs
	Africa	Asia	Eastern Europe and Central Asia	Latin America and the Caribbean	Middle East	Others
Malta	Lesotho	Solomon Islands	Turkmenistan	Puerto Rico		Turks and Caicos†
Netherlands*	Liberia	Sri Lanka	Ukraine	St. Kitts and Nevis		Vanuatu‡
New Caledonia	Madagascar	Taiwan, China*	Uzbekistan	St. Lucia		
New Zealand	Malawi	Thailand*		St. Vincent and the Grenadines		
Norway*	Mali	Timor-Leste		Suriname		
Portugal	Mauritania	Tonga		Trinidad and Tobago		
San Marino	Mauritius	Tuvalu		Uruguay		
Sint Maarten	Mozambique	Vietnam		Venezuela. R.B.*		
Slovak Republic	Namibia			Virgin Islands, United States		
Slovenia	Niger					
Spain*	Nigeria*					
St. Helena	Rwanda					
Sweden*	Sao Tome and Principe					
Switzerland*	Senegal					
United Kingdom*	Sierra Leone					
United States*	Somalia					
Wallis and Futuna	South Africa*					
	South Sudan					
	Sudan					
	Swaziland					
	Tanzania					
	Togo					
	Uganda					
	Zambia					
	Zimbabwe					

This table indicates the classification of countries by region. For this table Asia includes China, but the figures in the paper report China (mainland) and Asia (excluding China) separately. The countries in the “others” category are included in the South region but are excluded in the figures that show different South regions. Countries with a * symbol are those that belong to the top quintile in terms of average GDP. OFCs with a † symbol are those that belong to the North and those with a ‡ symbol belong to the South in the BIS country classification. The list of OFCs is based on the list of countries included in the International Monetary Fund’s Staff Assessments on Offshore Financial Centers (IMF 2000).

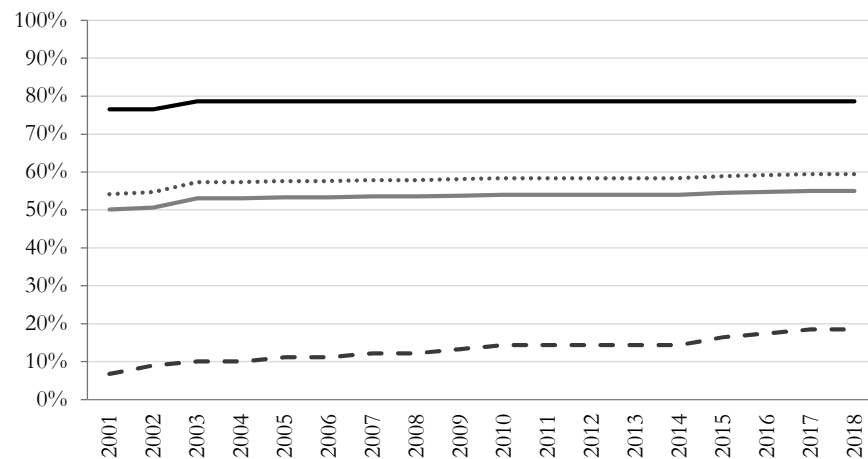
Online Appendix Figure 1. Number of Source and Destination Countries, by Year and Investment Type



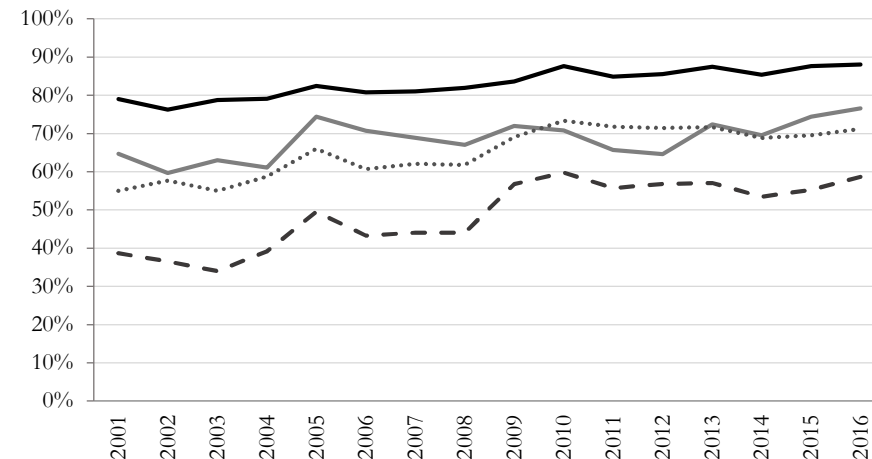
This figure shows, for each investment type, the total number of countries for which investment data are available in a given year. A country is considered to have data as a source (destination) in a specific year if any international investment position for which the country is a source (destination) is non-missing. For international reserves, there are no data disaggregated by destination countries. For bank loans and deposits and foreign direct investment, coverage has been enhanced through mirror data (Sections A.1 and A.3).

Online Appendix Figure 2. Average Share of Counterparty Countries,
by Source Country per Year and Block

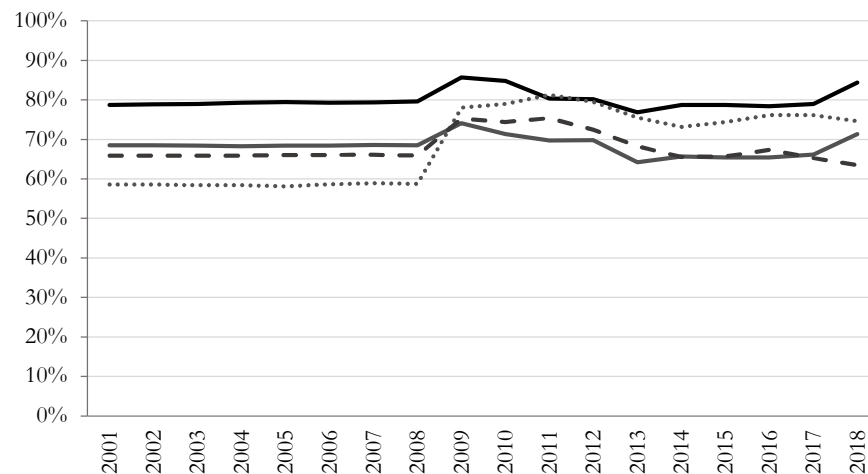
A. Bank Loans and Deposits



B. Portfolio Investment



C. Foreign Direct Investment

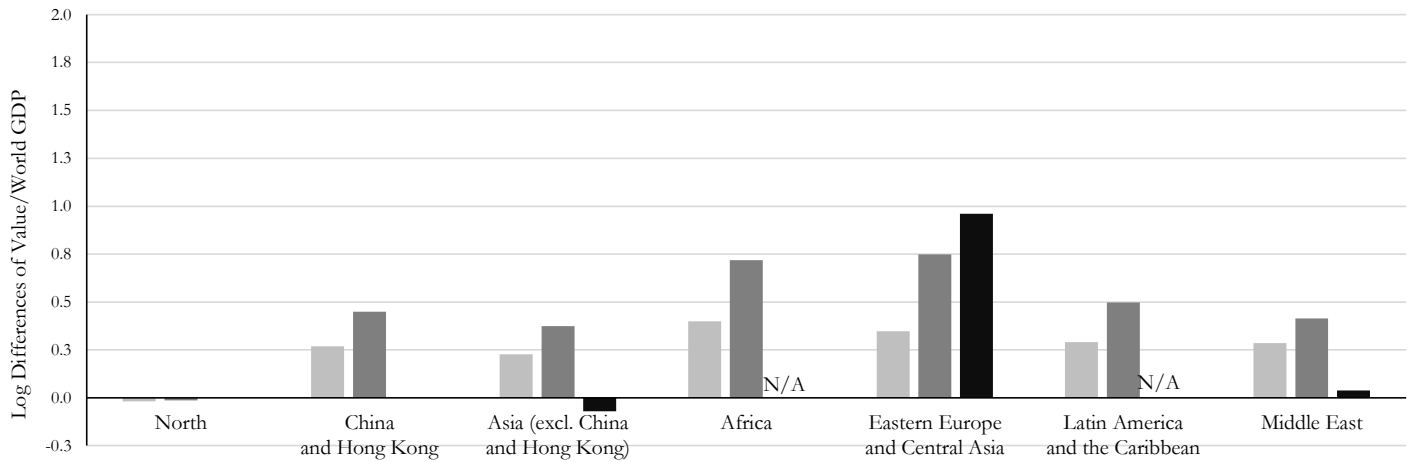


— North-to-North — North-to-South South-to-North - - South-to-South

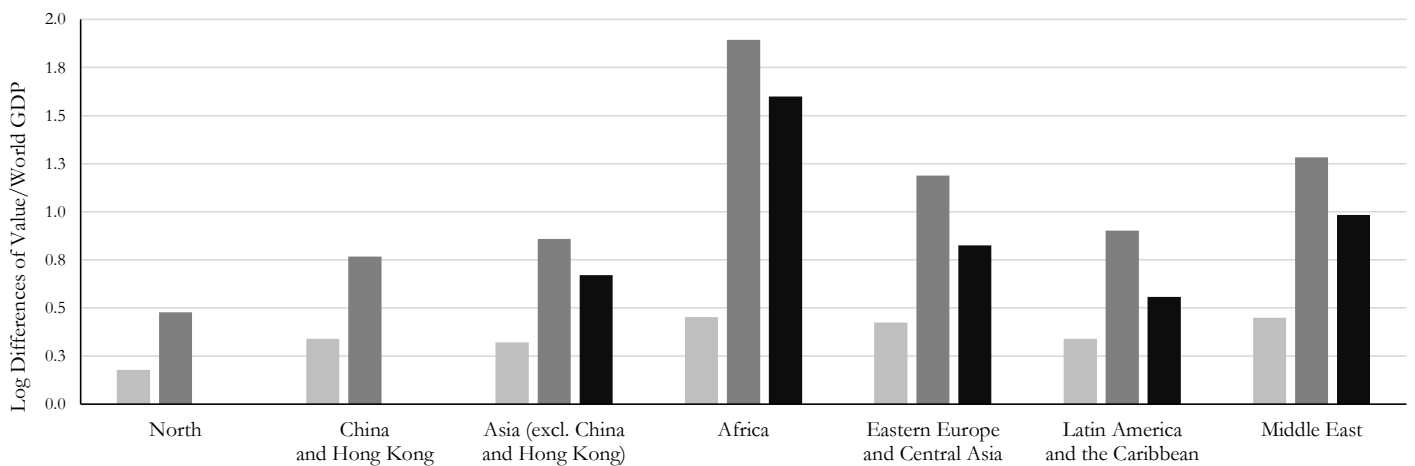
This figure shows, for each investment type and block, the average share of destination countries reported (i.e., non-missing) across all source countries per year.

**Online Appendix Figure 3. Growth of North and South, by South Region:
China and Hong Kong as a Region**

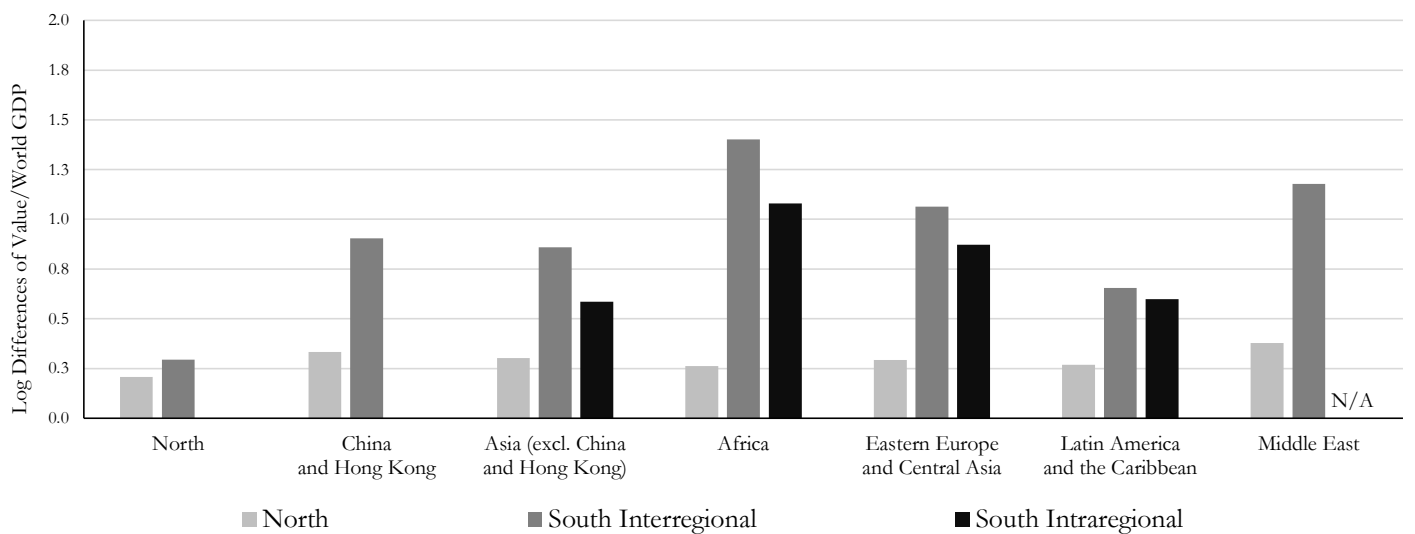
Panel A. Bank Loans and Deposits



Panel B. Portfolio Investment



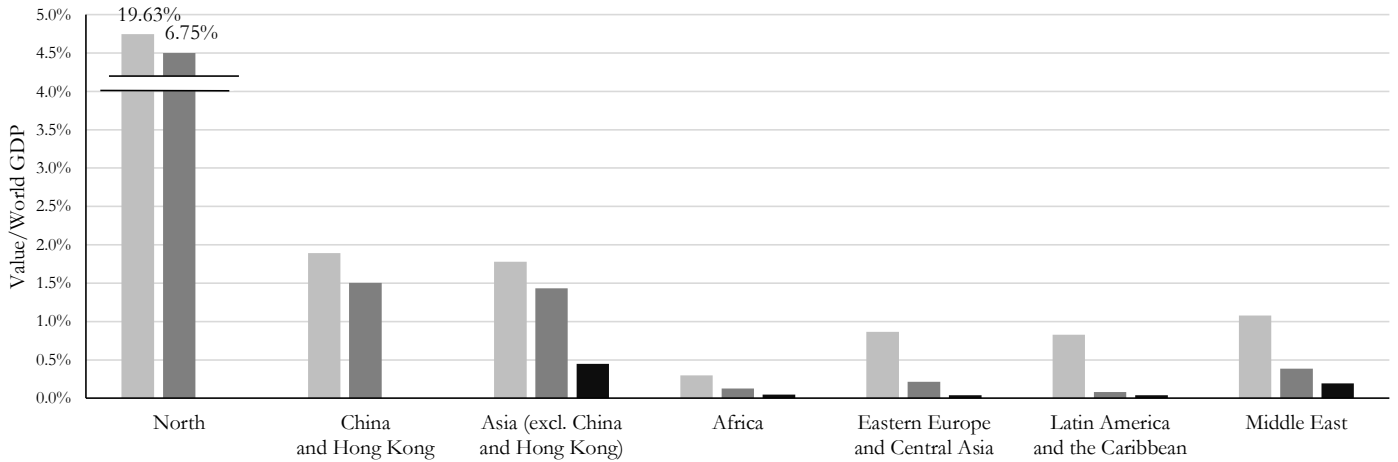
Panel C. Foreign Direct Investment



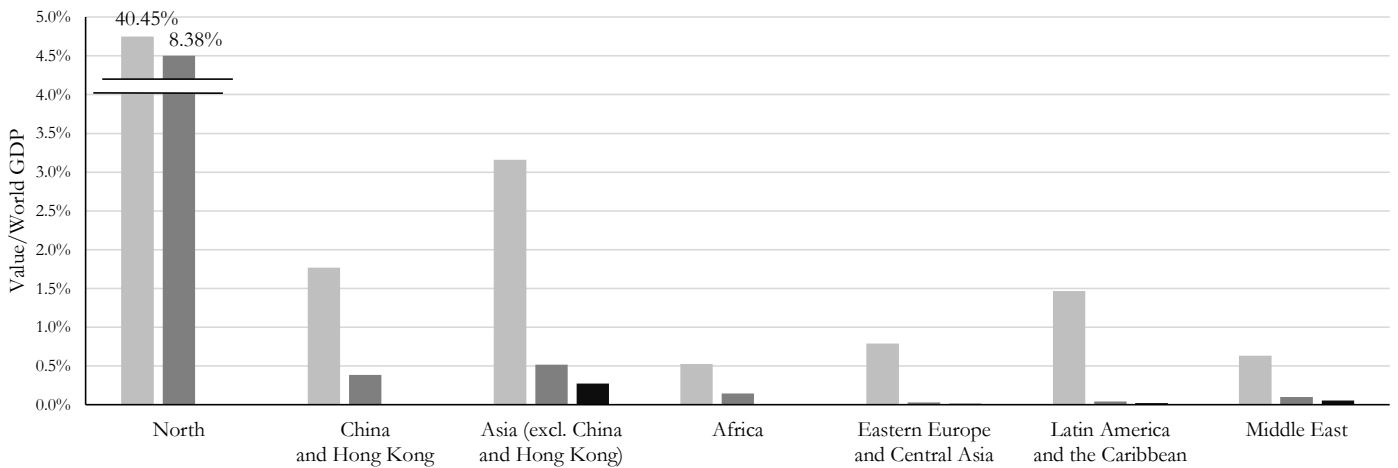
This figure contrasts growth in international investments within and across the regions of the South. Relative to Figure 4, in this figure China and Hong Kong are considered jointly; no intraregional values are reported between them. Each bar represents the log difference between 2001 and 2018 in the value of investments as a ratio of world GDP. North bars represent changes from and to the North. South interregional bars represent changes from and to the other five regions of the South. South intraregional bars represent changes within the same region of the South. Regions with N/A in the South intraregional bar have zero within-region positions in 2001 due to incomplete reporting. We exclude OFCs.

**Online Appendix Figure 4. International Investment Positions in 2018, by Region:
China and Hong Kong as a Region**

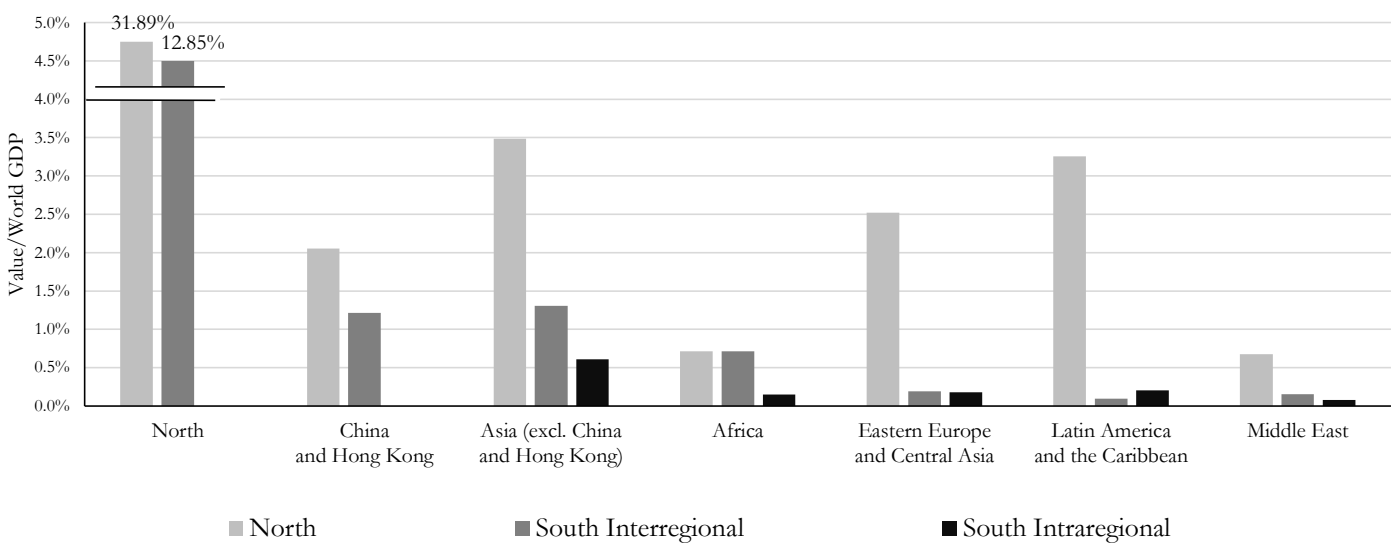
Panel A. Bank Loans and Deposits



Panel B. Portfolio Investment



Panel C. Foreign Direct Investment



■ North

■ South Interregional

■ South Intra-regional

This figure contrasts the value in international investments within and across the regions of the South in 2018, using the same aggregations as Figure 4. Relative to Figure 5, in this figure China and Hong Kong are considered jointly; no intra-regional values are reported between them. Each bar represents the aggregate investment positions involving that region in 2018 as a ratio of world GDP. North bars represent investments from and to the North. South interregional bars represent investments from and to the other five regions of the South. South intra-regional bars represent investments within the same region of the South. We exclude OFCs.

Online Appendix Table 1. List of Economies and Data Availability, by Region

	Economy	Bank Loans and Deposits		Portfolio Investment		Foreign Direct Investment		International Reserves
		Source	Destination	Source	Destination	Source	Destination	Source
North	Australia*	•	•	•	•	•	•	•
	Austria*	•	•	•	•	•	•	•
	Belgium*	•	•	•	•	•	•	•
	Bonaire, Sint Eustatius, and Saba				2010	2009	•	
	Canada*	•	•	•	•	•	•	
	Curacao			2010	2010	•	•	2010
	Denmark*	•	•	•	•	•	•	•
	Estonia	•	•	•	•		•	•
	Faeroe Islands	•	•		•	2009	•	
	Falkland Islands	•	•			2009	•	
	Finland	•	•	•	•	•	•	•
	France*	•	•	•	•	•	•	•
	French Polynesia	•	•		•	•	•	
	Germany*	•	•	•	•	•	•	•
	Greece*	•	•	•	•	•	•	•
	Greenland	•	•		•	2009	•	
	Iceland	•	•	•	•	•	•	•
	Ireland*	•	•	•	•	•	•	•
	Italy*	•	•	•	•	•	•	•
	Japan*	•	•	•	•	•	•	•
	Latvia	•	•	2006		•	•	•
	Lithuania	•	•	2009	•	•	•	•
	Luxembourg	•	•	•	•	•	•	•
	Malta	•	•	•	•	•	•	•
	Netherlands*	•	•	•	•	•	•	•
	New Caledonia	•	•		•	•	•	
	New Zealand	•	•	•	•	•	•	•
	Norway*	•	•	•	•	•	•	•
	Portugal	•	•	•	•	•	•	•
	San Marino	•	•			2009	•	•
	Sint Maarten				2010	2011	•	
	Slovak Republic	•	•	•	•	•	•	•
	Slovenia	•	•	2009	•	•	•	•
	Spain*	•	•	•	•	•	•	•
	St. Helena	•	•		•	•	•	
	Sweden*	•	•	•	•	•	•	•
	Switzerland*	•	•	•	•	•	•	•
	United Kingdom*			•	•	•	•	•
	United States*	•	•	•	•	•	•	•
	Wallis and Futuna	•	•		•	2009	•	
Africa	Angola	•	•		•	•	•	•
	Benin	•	•		•	•	•	
	Botswana	•	•		•	•	•	•
	Burkina Faso	•	•		•	•	•	
	Burundi	•	•		•	•	•	•
	Cabo Verde	•	•		•	•	•	•
	Cameroon	•	•		•	•	•	•
	Central African Republic	•	•		•	•	•	•
	Chad	•	•		•	•	•	•
	Comoros	•	•		•	•	•	•
	Congo, Dem. Rep.	•	•		•	•	•	•
	Congo, Rep.	•	•		•	•	•	•
	Cote d'Ivoire	•	•		•	•	•	
	Djibouti	•	•		•	•	•	•
	Equatorial Guinea	•	•		•	•	•	•
	Eritrea	•	•		•	•	•	•
	Ethiopia	•	•		•	•	•	•
	Gabon	•	•		•	•	•	•
	Gambia, The	•	•		•	•	•	•
	Ghana	•	•		•	•	•	•
	Guinea	•	•		•	•	•	•
	Guinea-Bissau	•	•		•	•	•	
	Kenya	•	•		•	•	•	•
	Lesotho	•	•		•	2007	•	•
	Liberia	•	•	2012	•	•	•	•
	Madagascar	•	•		•	2002	•	•
	Malawi	•	•		•	•	•	•
	Mali	•	•		•	•	•	
	Mauritania	•	•		•	•	•	•
	Mauritius	•	•	•	•	•	•	•
	Mozambique	•	•		•	•	•	•
	Namibia	•	•		•	2015	•	•

(cont.)

Online Appendix Table 1. List of Economies and Data Availability by Region (continued)

	Economy	Bank Loans and Deposits		Portfolio Investment		Foreign Direct Investment		Int. Reserves
		Source	Destination	Source	Destination	Source	Destination	Source
Africa	Niger	•	•		•	•	•	
	Nigeria*	•	•		•	•	•	•
	Rwanda	•	•		•	•	•	•
	Sao Tome and Principe	•	•		•	•	•	•
	Senegal	•	•		•	•	•	
	Sierra Leone	•	•		•	•	•	•
	Somalia	•	•		•	•	•	
	South Africa*	•	•	•	•	•	•	•
	South Sudan	•	•		2003	2009	•	2012
	Sudan	•	•		•	•	•	
	Swaziland	•	•		•	•	•	•
	Tanzania	•	•		•	•	•	•
	Togo	•	•		•	•	•	
	Uganda	•	•		•	•	•	•
	Zambia	•	•		•	•	•	•
Asia	Zimbabwe	•	•		•	•	•	•
	Afghanistan	•	•		•	•	•	2008
	American Samoa				•	•	•	
	Bangladesh	•	•	2014	•	•	•	•
	Bhutan	•	•		•	•	•	•
	Brunei Darussalam	•	•		•	•	•	•
	Cambodia	•	•		•	•	•	•
	China (Mainland)*	•	•	2015	•	•	•	•
	Fiji	•	•		•	•	•	•
	Hong Kong SAR, China*	•	•	•	•	•	•	•
	India*	•	•	2004	•	•	•	•
	Indonesia*	•	•	•	•	•	•	•
	Kiribati	•	•		•	2009	•	
	Korea, Dem. Rep.	•	•		•	•	•	
	Korea, Rep.*	•	•	•	•	•	•	•
	LAO, PDR	•	•		•	•	•	•
	Malaysia	•	•	•	•	•	•	•
	Maldives	•	•		•	•	•	•
	Myanmar	•	•		•	2015	•	•
	Nepal	•	•		•	•	•	•
	Pakistan	•	•	2002	•	•	•	•
	Papua New Guinea	•	•		•	•	•	•
	Philippines	•	•	•	•	•	•	•
	Singapore	•	•	•	•	•	•	•
	Solomon Islands	•	•		•	2014	•	•
	Sri Lanka	•	•		•	•	•	•
	Taiwan, China*	•	•		•	•	•	•
	Thailand*	•	•	•	•	•	•	•
	Timor-Leste	•	•		•	•	•	2002
	Tonga	•	•		•	•	•	•
	Tuvalu	•	•		•	•	•	
	Vietnam	•	•		•	•	•	•
Eastern Europe and Central Asia	Albania	•	•	2015	•	•	•	•
	Armenia	•	•		•	•	•	•
	Azerbaijan	•	•		•	•	•	•
	Belarus	•	•	2014	•	•	•	•
	Bosnia and Herzegovina	•	•		•	•	•	•
	Bulgaria	•	•	•	•	•	•	•
	Croatia	•	•		•	•	•	•
	Czech Republic	•	•	•	•	•	•	•
	Georgia	•	•		•	•	•	•
	Hungary	•	•	•	•	•	•	•
	Kazakhstan	•	•	•	•	•	•	•
	Kosovo, Rep.			2010	2002	•	•	2007
	Kyrgyz Republic	•	•		•	•	•	•
	Macedonia, FYR			2016	•	•	•	•
	Moldova	•	•		•	•	•	•
	Mongolia			2010	•	•	•	•
	Montenegro	•	•		•	•	•	2007
	Poland*	•	•	•	•	•	•	•
	Romania	•	•	•	•	•	•	•
	Russian Federation*			•	•	•	•	•
	Serbia	•	•		•	•	•	2006
	Tajikistan	•	•		•	•	•	•
	Turkey*	•	•	•	•	•	•	•
	Turkmenistan	•	•		•	2009	•	
	Ukraine	•	•	•	•	•	•	•
	Uzbekistan	•	•		•	2009	•	2013

(cont.)

Online Appendix Table 1. List of Economies and Data Availability by Region (continued)

Economy		Bank Loans and Deposits		Portfolio Investment		Foreign Direct Investment		Int. Reserves
		Source	Destination	Source	Destination	Source	Destination	Source
Latin America and the Caribbean	Antigua and Barbuda							
	Argentina*	•	•	•		•		•
	Barbados	•	•	2003	•	•	•	•
	Bolivia	•	•	2011	•	•	•	•
	Brazil*	•	•	•	•	•	•	•
	Chile	•	•	•	•	•	•	•
	Colombia*	•	•	•	•	•	•	•
	Costa Rica	•	•	•				•
	Cuba	•	•		•	2009	•	
	Dominica	•	•		•	•	•	•
	Dominican Republic	•	•		•	•	•	•
	Ecuador	•	•		•	•	•	•
	El Salvador	•	•	2018	•	•	•	•
	Grenada	•	•		•	2009	•	•
	Guatemala	•	•		•	•	•	•
	Guyana	•	•		•	2009	•	•
	Haiti	•	•		•	•	•	•
	Honduras	•	•	2014	•	•	•	•
	Jamaica	•	•		•	•	•	•
	Mexico*	•	•	2003	•	•	•	•
	Nicaragua	•	•		•	•	•	•
	Paraguay	•	•		•	•	•	•
	Peru	•	•	2015	•	•	•	•
	Puerto Rico				•	•		
	St. Kitts and Nevis				•	•	•	•
	St. Lucia	•	•		•	•	•	•
	St. Vincent and the Grenadines	•	•		•	•	•	•
	Suriname	•	•		•	•	•	•
	Trinidad and Tobago	•	•		•	2005	•	•
	Uruguay	•		•		•		•
	Venezuela. R.B.*	•	•	•	•	•	•	•
	Virgin Islands, United States				•	•	•	
Middle East	Algeria	•	•		•	•	•	•
	Bahrain			•	•	•	•	•
	Egypt, Arab Rep.	•	•	•	•	•	•	•
	Iran, Islamic Rep.*	•	•		•	•	•	
	Iraq	•	•		•	•	•	•
	Israel	•	•	•	•	•	•	•
	Jordan	•	•		•	•	•	•
	Kuwait	•	•	2003	•	•	•	•
	Lebanon	•	•	•	•	•	•	•
	Libya	•	•		•	•	•	•
	Morocco	•	•		•	•	•	•
	Oman	•	•		•	2005	•	•
	Qatar	•	•		•	2008	•	•
	Saudi Arabia*	•	•	2013	•	•	•	•
	Syrian Arab Republic	•	•		•	•	•	•
	Tunisia	•	•		•	•	•	•
	United Arab Emirates*	•	•		•	•	•	•
	West Bank and Gaza	•	•	2015	•	•		2006
	Yemen, Rep.	•	•		•	•	•	•
Others	Christmas Islands				•	2009	•	
	Cocos Islands				•	2009	•	
	French Guiana				•	2009	•	
	French Southern Territories				•	2009	•	
	Guadeloupe				•	2009	•	
	Guam				•	2009	•	
	Marshall Islands	•	•		•	•	•	
	Martinique				•	2009	•	
	Mayotte				•	2009	•	
	Micronesia, Fed. Sts.	•	•		•	•	•	•
	Nauru	•	•		•	•	•	
	Niue				•	•	•	
	Norfolk Island				•	2009	•	
	Pitcairn				•	2009	•	
	Reunion				•	2009	•	
	St. Pierre and Miquelon				•	2009	•	
	Tokelau				•	•	•	
	Western Sahara				•	2009	•	

(cont.)

Online Appendix Table 1. List of Economies and Data Availability by Region (continued)

Economy		Bank Loans and Deposits		Portfolio Investment		Foreign Direct Investment		Int. Reserves
		Source	Destination	Source	Destination	Source	Destination	Source
Offshore Financial Centers	Andorra†	•	•		•	2009	•	
	Anguilla†				•	•	•	•
	Aruba‡	•	•	•	•	•	•	•
	Bahamas, The‡	•	•	•	•	•	•	•
	Belize†	•	•		•	•	•	•
	Bermuda†	•	•	•	•	•	•	
	British Virgin Islands†	•	•		•	•	•	
	Cayman Islands‡	•	•	•	•	•	•	
	Cook Islands†				•	•	•	
	Cyprus†	•	•		•	•	•	•
	Gibraltar†	•	•	2004	•	2009	•	
	Guernsey†	•	•	•	•	2009	•	
	Isle of Man†	•	•	•	•	2009	•	
	Jersey†	•	•	•	•	2009	•	
	Liechtenstein‡	•	•		•	2009	•	
	Macao SAR, China†	•	•	•	•	•	•	•
	Monaco†				•	2009	•	
	Montserrat†				•	2009	•	•
	Netherlands Antilles‡			•	•	•	•	•
	Palau‡	•	•	2014	•	2014	•	
	Panama‡	•	•	•	•	•	•	•
	Samoa‡	•	•		•	2009	•	•
	Seychelles†	•	•		•	•	•	•
	Turks and Caicos‡	•	•		•	•	•	
	Vanuatu‡	•	•	•	•	•	•	•
Number of countries in North		38	38	30	40	40	40	31
Number of countries in Africa		48	48	3	48	48	48	39
Number of countries in Asia		30	30	11	31	31	31	27
Number of countries in Eastern Europe and Central Asia		25	25	14	26	26	26	25
Number of countries in Latin America and the Caribbean		28	28	13	32	32	32	29
Number of countries in the Middle East		19	19	7	19	19	19	18
Number of countries in Other		3	3	0	18	18	18	1
Number of countries in Offshore Financial Centers		20	20	14	25	25	25	12

This table indicates, for each country in the sample, whether we have data on that country as a source and as a destination. A country is considered a source (destination) of international investments if any international investment position for which the country is a source (destination) is non-missing. For international reserves, only country-to-region (source) data are available. The countries in the “others” category are included in the South region but are excluded from the totals for individual regions of the South. Countries with a * symbol are those that belong to the top quintile in terms of average GDP. OFCs with a † symbol are those that belong to North, and those with a ‡ symbol are those that belong to South. Each dot indicates that data are available throughout; blanks indicate missing data throughout, years indicate where data become available after 2001. The coverage of bank loans and deposits and foreign direct investment has been extended by using mirror data (see appendix). The list of OFCs is based on the list of countries included in the International Monetary Fund’s Staff Assessments on Offshore Financial Centers (IMF 2000).

Online Appendix Table 2.
Portfolio Investment International Positions: Equity vs. Debt

Panel A. International Investment/World GDP					
Portfolio Equity					
Source	Destination	2001	2007	2008	2018
North	North	12.6%	20.4%	10.8%	20.3%
North	South	1.1%	3.8%	1.5%	3.3%
South	North	0.3%	0.9%	0.5%	1.6%
South	South	0.1%	0.8%	0.6%	0.9%

Portfolio Debt					
Source	Destination	2001	2007	2008	2018
North	North	14.1%	24.7%	21.5%	19.8%
North	South	0.8%	1.2%	0.8%	2.0%
South	North	0.6%	1.1%	0.9%	1.4%
South	South	0.1%	0.3%	0.2%	0.7%

This table shows, for each block, the year-end value of international portfolio investment positions distinguishing between equity and debt. Panel A shows the value of international investment positions as a ratio of world GDP. Bilateral investment positions are aggregated for all countries within a source region to all countries within a destination region. For each investment type and year, world GDP includes the GDP of destination countries for which investment position are available for that year (all source countries with information for a given year also have information as destination countries). Within each investment type and year, world GDP is the same across blocks.

Online Appendix Table 3. Foreign Direct Investment, Growth in the Value of International Investment Positions: Robustness

Level of Data Aggregation	Region-to-Region	Country-to-Region	Country-to-Country		Country-to-Country Top 20%	
Estimation Method	OLS	OLS	OLS	PPML	OLS	PPML
Dependent Variable	Log(Value)	Log(Value)	Log(Value)	Value	Log(Value)	Value
North-to-North Trend	0.061 *** (0.011)	0.071 *** (0.013)	0.073 *** (0.005)	0.053 *** (0.004)	0.064 *** (0.004)	0.046 *** (0.004)
North-to-South Trend	0.055 *** (0.006)	0.100 *** (0.012)	0.074 *** (0.005)	0.050 *** (0.008)	0.106 *** (0.007)	0.075 *** (0.005)
South-to-North Trend	0.058 *** (0.016)	0.074 *** (0.012)	0.083 *** (0.006)	0.043 *** (0.008)	0.128 *** (0.009)	0.078 *** (0.008)
South-to-South Trend	0.101 *** (0.014)	0.145 *** (0.010)	0.126 *** (0.005)	0.082 *** (0.004)	0.161 *** (0.013)	0.097 *** (0.008)
Wald Tests on Trend Coefficients:						
1. South-to-South — North-to-North	0.040 **	0.074 ***	0.054 ***	0.030 ***	0.097 ***	0.051 ***
2. South Destination — North Destination	0.019	0.050 ***	0.022 ***	0.018 ***	0.038 ***	0.024 ***
3. South Source — North Source	0.022 *	0.024 **	0.031 ***	0.012 *	0.060 ***	0.027 ***
Fixed Effects	R-R	C-R, R-C	C-C	C-C	C-C	C-C
R-R Fixed Effects x Post-2008 Dummy	Yes	Yes	Yes	Yes	Yes	Yes
Number of Observations	72	9,959	86,410	125,180	17,522	20,470

This table reports results for Table 3 when controlling for the change in FDI coverage when CDIS data replaces UNCTAD data. The estimation methods are ordinary least squares (OLS) and Poisson pseudo maximum likelihood (PPML). There are three levels of data aggregation: region-to-region (R-R), country-to-region (C-R), and country-to-country (C-C). Country-to-region regressions include country-to-region (C-R) and region-to-country (R-C) investments. Regressions include R-R, C-R and R-C, or C-C fixed effects. Country-to-Country Top 20% includes only source and destination countries that are in the top quintile in terms of average GDP. Regressions also include the interaction between R-R dummies and a dummy that equals one after 2008. The Wald tests show whether the differences between sets of coefficients are significantly different from zero. For the C-R and the C-C regressions, standard errors are clustered by C-R and C-C pairs, respectively. *, **, and *** represent statistical significance at 10%, 5%, and 1% level.

Online Appendix Table 4. Foreign Direct Investment, Growth of Active Links: Robustness

Level of Data Aggregation	Region-to-Region	Country-to-Region	Country-to-Country		
Estimation Method [Dep. Variable]	Poisson [No. Links]	Poisson [No. Links]	Logit [Dummy=1 if Non-Zero Link]		
			Marginal Effect	Baseline Probability	Probability Growth
North-to-North Trend	0.014 *** (0.003)	0.014 *** (0.001)	0.011 *** (0.001)	63%	1.6%
North-to-South Trend	0.046 *** (0.002)	0.046 *** (0.004)	0.019 *** (0.001)	20%	5.9%
South-to-North Trend	0.032 *** (0.003)	0.034 *** (0.003)	0.018 *** (0.001)	27%	4.9%
South-to-South Trend	0.052 *** (0.002)	0.054 *** (0.003)	0.015 *** (0.000)	9%	8.5%
Wald Tests on Trend Coefficients:					
1. South-to-South — North-to-North	0.038 ***	0.041 ***			
2. South Destination — North Destination	0.026 ***	0.026 ***			
3. South Source — North Source	0.012 ***	0.014 ***			
Fixed Effects	R-R	C-R, R-C	R-R		
R-R Fixed Effects x Post-2008 Dummy	Yes	Yes	Yes		
Number of Observations	72	11,673	291,604		

This table reports results for Table 8 when controlling for the change in FDI coverage when CDIS data replaces UNCTAD data. The estimation methods are Poisson and logit. For the Poisson regressions, the dependent variable is the number of active links counting the investment positions with positive value from one country/region to another. For the logit regressions, the dependent variable is an indicator variable that takes the value one whenever bilateral investment is positive and zero if the value is zero. Country pairs with a missing value are not considered. For these regressions, we report the average marginal effect, the estimated probability for the first period of the sample (when trend=0), and the average annual percentage change in the predicted probabilities. There are three levels of data aggregation: region-to-region (R-R), country-to-region (C-R), and country-to-country (C-C). Country-to-region regressions include both country-to-region (C-R) and region-to-country (R-C) investments. Regressions include R-R or, C-R and R-C fixed effects. Regressions also include the interaction between R-R dummies and a dummy that equals one after 2008. The Wald tests show whether the differences between sets of coefficients are significantly different from zero. For the C-R and C-C regressions, standard errors are clustered by C-R and C-C pairs, respectively. *, **, and *** represent statistical significance at 10%, 5%, and 1% level.

Online Appendix Table 5. International Investment Positions/World GDP, by Region

Source	Destination	Bank Loans and Deposits			Portfolio Investment			Foreign Direct Investment		
		2001	2018	Log Changes	2001	2018	Log Changes	2001	2018	Log Changes
North	North	20.4%	19.6%	-0.02	26.8%	40.5%	0.18	19.8%	31.9%	0.21
North	South	2.7%	3.4%	0.09	1.9%	5.4%	0.45	4.1%	6.5%	0.20
North	China	0.1%	0.3%	0.69	0.03%	0.5%	1.24	0.26%	0.6%	0.38
North	Asia (excl. China)	1.4%	1.5%	0.06	0.86%	2.5%	0.45	0.9%	2.1%	0.34
North	Latin America and the Caribbean	0.5%	0.4%	-0.06	0.61%	1.2%	0.28	0.92%	1.7%	0.26
North	Eastern Europe and Central Asia	0.3%	0.4%	0.17	0.20%	0.59%	0.47	0.31%	1.1%	0.57
North	Africa	0.1%	0.1%	0.02	0.07%	0.35%	0.72	1.25%	0.3%	-0.66
North	Middle East	0.3%	0.4%	0.10	0.10%	0.32%	0.50	0.2%	0.5%	0.32
South	North	4.1%	3.4%	-0.09	0.88%	2.98%	0.53	2.42%	6.38%	0.42
China	North	0.1%	0.4%	0.56	N/A	0.26%	N/A	0.07%	0.6%	0.91
Asia (excl. China)	North	2.1%	1.4%	-0.18	0.64%	1.7%	0.43	0.5%	2.2%	0.63
Latin America and the Caribbean	North	0.6%	0.4%	-0.21	0.07%	0.31%	0.65	0.57%	1.6%	0.44
Eastern Europe and Central Asia	North	0.3%	0.4%	0.13	0.02%	0.20%	0.91	0.84%	1.4%	0.21
Africa	North	0.2%	0.2%	-0.05	0.08%	0.17%	0.32	0.24%	0.4%	0.26
Middle East	North	0.9%	0.6%	-0.12	0.06%	0.31%	0.73	0.17%	0.2%	0.00
South	South	1.6%	3.5%	0.35	0.18%	1.57%	0.95	1.50%	5.55%	0.57
South	China	0.1%	0.8%	1.05	0.03%	0.57%	1.27	0.52%	1.27%	0.39
South	Asia (excl. China)	1.2%	2.0%	0.22	0.12%	0.80%	0.82	0.85%	3.14%	0.57
South	Latin America and the Caribbean	0.02%	0.1%	0.52	0.01%	0.06%	0.75	0.05%	0.26%	0.67
South	Eastern Europe and Central Asia	0.02%	0.2%	0.87	0.003%	0.03%	1.00	0.03%	0.24%	0.91
South	Africa	0.02%	0.1%	0.85	0.001%	0.02%	1.39	0.03%	0.42%	1.14
South	Middle East	0.2%	0.3%	0.17	0.006%	0.08%	1.11	0.01%	0.20%	1.55
China	South	0.2%	0.9%	0.62	N/A	0.22%	N/A	0.62%	2.08%	0.53
Asia (excl. China)	South	1.1%	2.0%	0.28	0.15%	1.02%	0.82	0.75%	2.22%	0.47
Latin America and the Caribbean	South	0.01%	0.03%	0.55	0.01%	0.03%	0.60	0.07%	0.24%	0.55
Eastern Europe and Central Asia	South	0.0%	0.1%	0.66	0.00%	0.03%	0.95	0.04%	0.31%	0.95
Africa	South	0.01%	0.05%	0.74	0.00%	0.15%	1.96	0.02%	0.59%	1.41
Middle East	South	0.3%	0.4%	0.20	0.01%	0.14%	1.09	0.00%	0.11%	1.37

This table shows the year-end value of international investment positions as a ratio of world GDP for alternative groupings of countries (see Appendix Table 1 for countries in each South region). Bilateral investment positions are aggregated for all countries within a source region to all countries within a destination region. For each investment type and year, world GDP includes the GDP of destination countries for which investment data are available for that year (all source countries with data for a given year also have data as destination countries). We exclude OFCs.