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**“The survival of firms founded by foreign entrepreneurs”**

Abstract:

We study the survival of firms created by foreign entrepreneurs and reach the following findings. Survival of firms created by foreign entrepreneurs is significantly lower than that of comparable domestic ones. Previous experience in the host country significantly increases the prospect of survival of firms created by foreigners. Entrepreneurs originating from more developed countries confront significantly lower chances of exit than those coming from less developed countries. However, firms created by entrepreneurs coming from countries in which institutions are more different from those in the host country exhibit lower exit rates.