

## ABSTRACT

Structural reform and accelerated multinationalization of developing-country firms.  
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We analyze the impact of structural reform on the multinationalization of developing-country firms. Structural reform is a form of institutional change whereby the institutional framework is realigned to reduce transaction costs, improve governance, and facilitate market functioning. Building on institutional economics, we argue that structural reform helps firms become multinationals by establishing institutions that support their international competitiveness. Moreover, we propose that, contrary to the views of critics of globalization, the positive impact of structural reform on the multinationalization of firms is greater for developing-country firms. The reason is that structural reform in these countries reduces location disadvantages that limit the firms' international competitiveness, accelerating their multinationalization

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