**Energy Consumption, Trade Openness and Exchange Rate Impact on Foreign Direct Investment in Union State of Russia and Belarus**

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**Abstract**: In this paper we investigate the casual relationship between energy consumption, trade openness, exchange rate and foreign direct investment in Union State of Russia and Belarus for the period from 1997 to 2017. To test the hypothesis and explain the possible casual relations we use the error correction approach. Result of the conducted research show that in the short run trade openness and exchange rate affect foreign direct investment in positive and significant manner. In the long run, energy consumption, trade openness and exchange rate positively affect foreign direct investment.

**Keywords:** Foreign direct investment, energy consumption, trade openness, exchange rate, error correction model

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