The relationship between middle market firms’ access to finance and internationalization intentions

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This article examines the relationship between middle market firms’ access to finance and their exporting intentions. We hypothesise that this relationship is positive but moderated by a firm’s age. We test our hypotheses using a novel dataset of middle market firms across four large EU economies. Our analysis demonstrates that the relationship between middle market firms’ access to finance and their exporting intentions is different for younger and older firms. When younger firms have ready access to finance they are less likely to enter new geographic markets, while when older firms have ready access to finance they are actually more likely to enter new geographic markets.