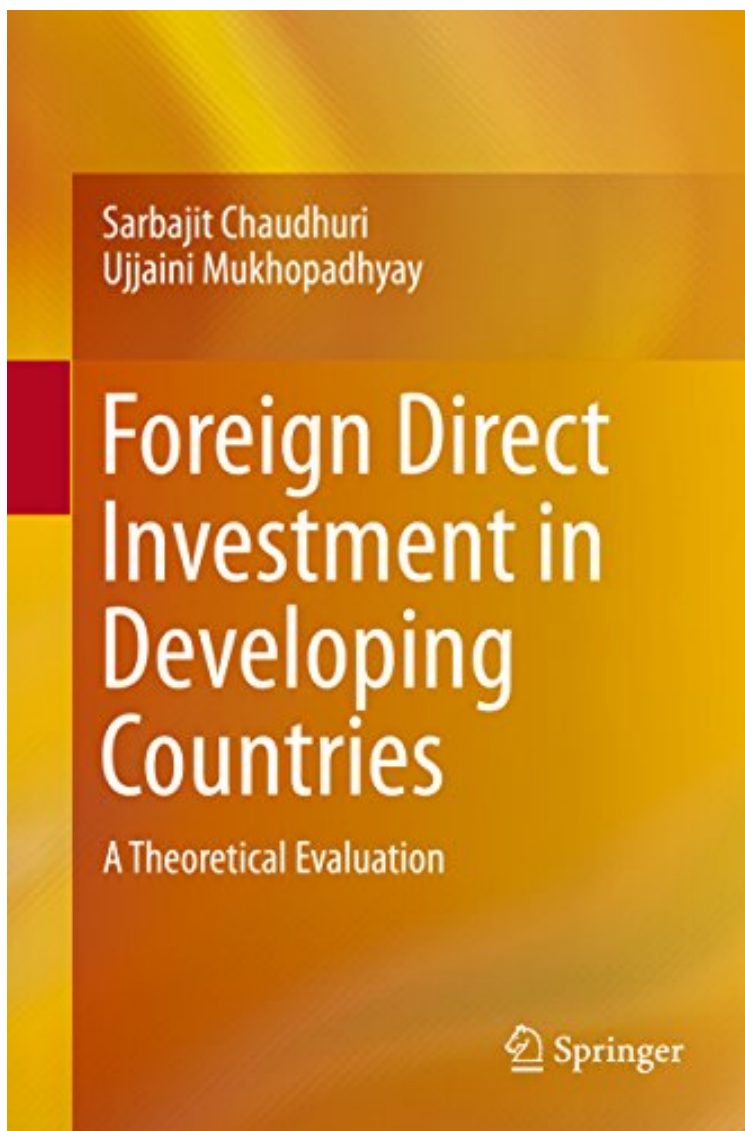



# Foreign Direct Investment in Developing Countries: A Theoretical Evaluation

*Sarbajit Chaudhuri, Ujjaini Mukhopadhyay*  
*ePub | \*DOC | audiobook | ebooks | Download PDF*



 Download

 Read Online

#3814340 in eBooks 2014-07-08 2014-07-08 File Name: B00RZGV484 | File size: 48.Mb

**Sarbajit Chaudhuri, Ujjaini Mukhopadhyay : Foreign Direct Investment in Developing Countries: A Theoretical Evaluation** before purchasing it in order to gage whether or not it would be worth my time, and all praised Foreign Direct Investment in Developing Countries: A Theoretical Evaluation:

In development literature Foreign Direct Investment (FDI) is traditionally considered to be instrumental for the

economic growth of all countries, particularly the developing ones. It acts as a panacea for breaking out of the vicious circle of low savings/low income and facilitates the import of capital goods and advanced technical knowhow. This book delves into the complex interaction of FDI with diverse factors. While FDI affects the efficiency of domestic producers through technological diffusion and spill-over effects, it also impinges on the labor market, affecting unemployment levels, human capital formation, wages (and wage inequality) and poverty; furthermore, it has important implications for socio-economic issues such as child labor, agricultural disputes over Special Economic Zones (SEZ) and environmental pollution. The empirical evidence with regard to most of the effects of FDI is highly mixed and reflects the fact that there are a number of mechanisms involved that interact with each other to produce opposing results. The book highlights the theoretical underpinnings behind the inherent contradictions and shows that the final outcome depends on a number of country-specific factors such as the nature of non-traded goods, factor endowments, technological and institutional factors. Thus, though not exhaustive, the book integrates FDI within most of the existing economic systems in order to define its much-debated role in developing economies. A theoretical analysis of the different facets of FDI as proposed in the book is thus indispensable, especially for the formulation of appropriate policies for foreign capital.

From the Back Cover In development literature Foreign Direct Investment (FDI) is traditionally considered to be instrumental for the economic growth of all countries, particularly the developing ones. It acts as a panacea for breaking out of the vicious circle of low savings/low income and facilitates the import of capital goods and advanced technical knowhow. This book delves into the complex interaction of FDI with diverse factors. While FDI affects the efficiency of domestic producers through technological diffusion and spill-over effects, it also impinges on the labor market, affecting unemployment levels, human capital formation, wages (and wage inequality) and poverty; furthermore, it has important implications for socio-economic issues such as child labor, agricultural disputes over Special Economic Zones (SEZ) and environmental pollution. The empirical evidence with regard to most of the effects of FDI is highly mixed and reflects the fact that there are a number of mechanisms involved that interact with each other to produce opposing results. The book highlights the theoretical underpinnings behind the inherent contradictions and shows that the final outcome depends on a number of country-specific factors such as the nature of non-traded goods, factor endowments, technological and institutional factors. Thus, though not exhaustive, the book integrates FDI within most of the existing economic systems in order to define its much-debated role in developing economies. A theoretical analysis of the different facets of FDI as proposed in the book is thus indispensable, especially for the formulation of appropriate policies for foreign capital.

About the Author Sarbajit Chaudhuri is a professor with the Department of Economics, Calcutta University, Kolkata, India. He received his PhD in 1995 from the Jadavpur University, Kolkata working under the supervision of Professor Manash Ranjan Gupta. Ranked among the top 3% authors of India and the top 6% authors of Asia as per RePEc/IDEAS ranking (as of January 2014), he has published more than 65 research papers in journals of international repute, such as, *Journal of Development Economics*, *Economica*, *International Journal of Economics and Finance*, *Journal of International Economics*, *Journal of Development Economics*, *Economic Modelling*, *Research in Economics*, *Japan and the World Economy*, *Pacific Economic Review*, *The Japanese Economic Review*, *The Manchester School*, *Bulletin of Economic Research*, *Journal of International Trade and Economic Development*, *Journal of Urban and Regional Development Studies*, *The Economics of Transition*, among others. He has also authored books titled *Revisiting the Informal Sector: A General Equilibrium Approach* (Springer, New York) and *Some Aspects of Agricultural Credit in a Developing Economy* (Serials Publications, New Delhi). Prof. Chaudhuri has served on the Editorial Boards of many journals. For his work, he was made an honorary member of the Canadian Economic Association, in 2006. His areas of interest include development economics, international economics, environmental economics, health economics, labour economics, agricultural economics and micro-economics.

Ujjaini Mukhopadhyay is an assistant professor with the Department of Economics at Behala College, Kolkata, India. She obtained her PhD from Calcutta University, India in 2005, working under the supervision of Professor Sarbajit Chaudhuri. Her papers have been published in reputed journals such as *Journal of International Trade and Economic Development*, *Energy Policy*, *The Environmentalist*, *Journal of Urban and Regional Development Studies*, to name a few. She has also co-authored a book titled *Revisiting the Informal Sector: A General Equilibrium Approach* (Springer, New York). Her current research interests include development economics, labour economics, and environment management.