IMPACT OF INFRASTRUCTURE ON FOREIGN DIRECT INVESTMENT INFLOW TO NIGERIA

ABDULRAHMAN BALA SANI
Department of Accounting Faculty of Management Science
Usmanu Danfodiyo University, Sokoto; Sonyaxle9@gmail.com,+2348034363250

AJAYI OLUWAFEMI EZEKIEL
Department of Accounting Faculty of Management Science
Usmanu Danfodiyo University, Sokoto; Femiajayi57@gmail.com, +2348031842273

ABSTRACT
The study investigated the impact of infrastructure on Foreign Direct Investment inflow to Nigeria for the period of 1995-to 2021. the study made use of Descriptive Statistics, Unit Root Test, Pairwise Correlation, and Multiple Regression were used in finding the result on the Effect independent variable on the dependent variable the result revealed that Exchange Rate has a p-value of 0.035, which is statistically significant at a 5% level of significance, this implies that the exchange rate has a substantial impact on the amount of foreign direct investment flowing into Nigeria. The p-value for Electricity Consumption is 0.176, which is statistically insignificant at the 5% level of significance, this suggests that Electricity Consumption has a negligible effect on Nigeria's Foreign Direct Investment inflow. Market Size has a p-value of 0.024, which is statistically significant at a 5% level of significance, this indicates that Market Size has a substantial impact on the inflow of foreign direct investment into Nigeria. The study recommended that Nigerian government may have a significant impact on multinational firms' investment decisions in the country by enacting policies that would strengthen the trade market, availability of power supply, to establish within the nations a more welcoming investment environment to attract foreign direct investment inflows

Key words: *Foreign Direct Investment, Infrastructure, Trade Openness*

1.1 INTRODUCTION
Analyzing the determinants of FDI flow into an economy is an important phenomenon that should be investigated if the much-needed growth and sustainable development of the economy are to be achieved. Revenues accruing from taxation of Foreign Direct Investment (FDI) activities will provide the government with additional revenues that will be used in providing infrastructural development, reducing poverty, and executing public projects that will in turn impact on the standard of living of the citizenry.

The desire to attract FDI has made government drive to make the investment climate in Nigeria competitive in terms of suitability for investment and low cost of doing business as well as high return on investment through charging of low tax rate, provision of basic infrastructure. Infrastructure availability in an economy has a special role to play in attracting FDI and promoting economic development through reduction of cost of doing business in an economy (Koyuncu & Mustafa, 2016).

According to Ogunleye (2014), the extent of growth and development of every society largely depends on the efficient use of available natural resources in that economy to develop the basic infrastructure necessarily to support other factors of production.

Regardless of the multiple researches undertaken to investigate the link between economic growth and FDI, no conclusion has been reached on the issue, despite the fact that it is widely accepted that FDI boosts economic growth, some studies claim that institutions are not a key role players in increasing FDI inflows, while others claim that power availability is a key predictor of FDI inflow, only a few studies have looked at the influence of energy supply on FDI in Nigeria's quest for economic progress. Economic uncertainty in the emerging economy, according to Erramilli, (2018), may be a substantial constraint on FDI inflows. They discovered that any amount of volatility produces uncertainty, which distorts investors' perceptions of the country's prospective profitability. Furthermore, according to Aggarwal (2020) By far the most commonly regarded key driver of foreign direct investment flows has been market size. The literature on foreign direct investment has a long history of emphasizing the significance of market size as the fundamentals of inward flows of foreign direct investment. The market size hypothesis, first proposed by Balassa (1966) and later developed by Scaperlanda & Mauer (1969), argues that "a large market is necessary for efficient resource utilization and exploitation of economies of scale: once the market reaches a critical size, foreign direct investment will begin to increase in response to the market's continued expansion" (Chakrabarti, 2001). Scaperlanda & Mauer (1969) concluded from their study of the drivers of US foreign direct investment in the European Economic Community from 1958 to 1968 that the size and development of the host country's market have a major impact in the choice to locate foreign direct investment. According to the market size hypothesis, foreign direct investment will not be made in any nation that does not fulfill the market criteria for the efficient adoption of production technology in terms of size. When a foreign investor expands production capacity in a particular nation, capital inflows rise in lockstep with rising demand. Demand growth is determined by the connection between total (aggregate) demand and the capital required to supply it the growth hypothesis implies the presence of a positive quantity.
Despite several attempts and new policies to improve Nigeria's electricity status, the government continues to struggle to maintain a stable power supply without interruption, making life difficult for local manufacturers and business owners, and scaring away a large number of foreign direct investors. Nigeria is viewed as being behind other oil-producing countries in terms of energy supply and accessibility. As a result, the research aims to look at the entry of foreign direct investment into Nigeria. The study aims at investigating electricity on FDI inflow to Nigeria and also to determine the impact of market size on FDI inflow to Nigeria.

2. 1 LITERATURE REVIEW

Foreign direct investment (FDI)

According to Ogunleye (2014), foreign direct investment is defined as a commercial or manufacturing investment made by a corporation in one or more nations. According to the report, FDI allows host nations to achieve economic development by outpacing domestic investment. It boosts host nations' capital creation, which results in long-term development in both the private and governmental sectors. Foreign direct investment often benefits host nations via the introduction of new technology, money, staff training, and other incentives brought by investors.

Exchange rate

One of the several factors affecting FDI activity is the exchange rate's movement. Exchange rates, defined as the price of a foreign currency in the home currency, are significant both in terms of their levels and volatility. Exchange rates may have an effect on both the overall amount of foreign direct investment that occurs and how this investment is allocated among a number of nations. When a currency depreciates, or when its value decreases in relation to the value of another currency, this exchange rate fluctuation might have two possible consequences for FDI (Basu, Calamitsis & Ghura, 2019). To begin, it lowers that country's labor and manufacturing costs in comparison to overseas competitors. Generally speaking, the country that experiences real currency depreciation has a greater "strategic location" or desirability as a destination for productive capacity investments.

Electricity consumption

The relationship between FDI and energy use is a point of contention in international economics.

It has been proven in the literature that foreign-based corporations prefer to invest in countries with low manufacturing costs. This results in a progressive degradation of the host economy's resources and environment over time (Bornschier, & Chase-Dunn, 2019). This has spawned an ongoing discussion over the environmental implications of increased FDI inflows into developing economies. However, the importance of a secure energy supply in ensuring a nation's economic development cannot be overstated. Economic development increases energy demand, and vice versa (Achour and Belloumi, 2016)

Market size

One of the primary motivations for market-oriented foreign direct investment is to circumvent tariff and non-tariff barriers in the nation where the investment is made and to avoid excessive transaction costs. However, they are generally taken in order to gain access to the host country's market and a favorable position within it, particularly in those with strong prospects for future growth, such that the host country's market size and growth play a significant role in determining inward foreign direct investment flows Cantwell, & Narula, (2021). The market size hypothesis as a predictor of inward foreign direct investment flows is supported by a number of empirical researches on the driver of inward foreign direct investment flows in industrialized and developing countries, using GDP per capita as a proxy for market size among the earlier studies, Bandera & White's (1968) was highlighted. They analyzed pooled data on US manufacturing foreign direct investment in seven European countries from 1958 to 1962 and found substantial support for the hypothesis that the amount of foreign direct investment is highly dependent on the level of national income and the host country.

Trade Openness

The typical definition of trade openness used in this research was the ratio of the total of exports and imports of goods and services to gross domestic product. Multinational corporations want to settle in countries with a more hospitable investment climate (Chakrabarti, 2021). Increased trade openness also results in increased economic ties between host nations and other foreign countries. Domestic nations get access to worldwide markets as a result of openness, and it also creates favorable circumstances for numerous countries to invest in such countries. For example, whereas Chowdhury, (2021) discovered a positive link between trade openness and FDI flows, De and Ghosh (2015) discovered an adverse association. Trade liberalization encourages export-oriented FDI, but trade restriction draws tariff-jumping FDI whose main objective is to exploit the local market (Onyeiwu, 2020). In this research, trade openness is projected to be either favorably or adversely associated to FDI.

2.2 Institutional FDI Fitness Theory

The phrase FDI fitness, coined by Wilhems and Witter (1998), refers to a country's capacity to attract, absorb, and retain FDI It is this capacity of nations to adapt, or to conform to the internal and external expectations of their investors, that provides them the upper hand in attracting FDI inflows. The theory itself makes an effort to account for the unequal distribution of FDI flows across nations. Wilhem's thesis of institutional FDI suitability is founded on four essential tenets.
Governmental, market, educational, and sociocultural fitness are all necessary components. At the base of the pyramid are sociocultural variables, which Wilhelms and Witter (1998) assert are the most ancient and complex of all institutions. Above all, the authors assert that education is crucial for creating an appealing environment for FDI since educated human capital improves R&D inventiveness and information processing skills. The actual degree of education seems to be irrelevant for FDI, since the criteria are determined by the different skill sets required for the projects being done. What is known is that basic education may have an effect on the productivity and efficiency of FDI activities, making formative education critical for attracting FDI.
Markets, the third pillar, are responsible for the economic and financial components of institutional FDI suitability, namely machinery (physical capital) and credit (financial capital). Financial markets that are developed and operate effectively are therefore a critical component of the MNC's investment decision-making process. According to Wilhelms, the fourth and last pillar is the government. The most important factor in the FDI game is a country's political power, which necessitates the implementation of protective legislation to control market fitness.

2.3 Empirical review

He, Gao, and Wang (2012) agreed in Shanghai that the granger causality relationship between real GDP and energy consumption, GDP and foreign direct investment is unidirectional, and that FDI reduces energy consumption and promotes energy efficiency in the short run by introducing improved technologies into the economy. During negative shocks, financial development has a considerable influence on economic growth. Ibrahim (2015) confirmed the cointegration of economic growth, renewable power consumption, and foreign direct investment in Egypt. The study found a direct correlation between economic development and foreign direct investment and renewable energy use.

Alege and Ogundipe (2014) used the system generalized method of moments (SGMM) econometric methodology to investigate the rate at which Nigeria's national framework effects economic growth in their study. Institutional variables such as political stability and the lack of violence, according to the study, have an impact on FDI inflow. Investors want a tranquil and practical setting. As a result, when there is a lack of peace, investors will have a tough time establishing firms.

Alvarado and Ponce (2017) Using panel data econometrics, evaluated the impact of FDI on economic development in 19 Latin American nations. The analysis discovered that FDI had no meaningful influence on economic growth in the aggregate. When the level of development achieved by the countries in the region was taken into account, a positive and statistically significant relationship between FDI and economic growth was found in high-income countries, but uneven and non-significant results were found in upper-middle-income countries, while the effect in lower-middle-income countries was negative and statistically significant.

Matthew et al. (2018) investigated the link between institutions and economic growth in Nigeria by examining the impact of human capital development, as well as the use of electricity power for optimal productivity, on growth. According to the study, human capital development has a negligible relationship with economic growth in Nigeria, however electricity consumption has a strong relationship with economic growth. They claimed that, while the institutional framework is beneficial in boosting FDI, international investors prefer to invest in a country with a steady supply of energy since the cost of generating power in developing nations is expensive. According to the findings, energy power supply is statistically significant in influencing how successful human capital development is in achieving Nigerian economic growth.

With the exception of Mozambique, the United Arab Emirates, Oman, India, Iceland, Panama, and Zambia, Yildirim (2020) found that energy usage and carbon emissions are neutral to foreign direct investment (FDI) inflows at the aggregate level. According to the study, an increase or reduction in energy consumption as a result of foreign direct investment inflow does not imply an increase or decrease in pollution levels. Sbia, Shahbaz, and Hamdi (2017) found that in the United Arab Emirates, foreign direct investment, trade openness, and large-scale commerce had a negative influence on energy consumption owing to the use of energy-saving technologies.

They also stated that foreign direct investment and energy consumption had a bi-causal connection. Shahbaz, Hoang, and Mahalik (2017) found that a negative shock in financial development and energy consumption has a detrimental influence on FDI-driven economic growth in India.

3.1 METHODOLOGY

All important issues may be specified by explicit assumptions and articulated in intelligible frameworks. As a consequence, this research employs an ex-post-facto approach in order to quantify and establish the association between variables. This study will use an ex-post facto design. The data is historical that existed prior to the researcher's intervention, and the researcher has no influence over their alteration. Ex-post-facto inquiry seeks to establish links between events by analyzing a present condition or state of affairs and then looking back in time for possible contributory elements.

Additionally, it attempts to establish a probable association by monitoring an existing state and looking for a feasible contributing component. Ex-post facto design is appropriate since the necessary data already exist and the study may begin without intervention from the researcher. The purpose of this study is to examine the effect of infrastructure on foreign direct investment in Nigeria from 1995 to 2021. The main variable of concern in this paper is the infrastructure which is proxied by electricity consumption. However other variables such as exchange rate (EXR), and market size (MRS), Openness to Trade (OPENT) were also incorporated into the model as they are thought to have some influence as location factors in attracting FDI to a given economy. Foreign Direct Investment (FDI) was used as the dependent variable. Descriptive Statistics, Unit Root Test, Pairwise Correlation, and Multiple Regression analysis were used in finding the result on the Effect of infrastructure on Foreign Direct Investments in Nigeria

$$FDI_{it} = X_{it}\beta + U_i + U_t + \varepsilon_{it} \quad (1)$$

where FDI_{it} is the FDI inflows in country i at time t,

X is a vector of explanatory variables including infrastructure,

β is a vector of coefficients to be estimated, $U_i$is an infrastructure dummy,

$U_t$is a time dummy, and

$\varepsilon_{it}$is an error term.
β is a vector of coefficients to be estimated, $U_i$is a country dummy,
$U_t$is a time dummy, and
$\varepsilon_{it}$is an error term.
Here, supposes the steady state of FDI inflows into country *i* at time *t* is FDI_{it}. Therefore, the relationship between the actual and the steady state of FDI_{it} may be specified as follows:
$(FDI_{it} - FDI_{it-1}) = \delta (FDI_{it} - FDI_{it-1})$…… 2
Where δ is an adjustment parameter. Therefore, one formulation assumes that FDI_{it} is determined by the level forms of the determinants of FDI in period *t*-1 as well as the difference forms (which incorporate changes in the long-run extent of FDI between period's *t*-1 and *t*). Thus, the equation for changes in FDI is
$(FDI_{it} - FDI_{it-1}) = -\delta FDI_{it-1} + X_{it-1}\lambda_1 + (X_{it} - X_{it-1})\lambda_2 + ui + ut + \varepsilon_{it}$……..…..... 3
This can be further rewritten as follows:
Model 1
$FDI = \beta_0 + \beta_1 FDI/GDP_{i,t-1} + \beta_2 EXR + \beta_3 ELECT_{i,t} + \beta_4 MRS_{i,t} + \beta_5 OPENT_{i,t} + \mu_i + \eta t + \varepsilon i$ ……...……
The above equation is to be approximated. We may analyze how differentially FDI flows are influenced by the initial level of country risk and by changes in the level of country risk by calculating equation (5). The inclusion of the lagged dependent variable (i.e., the use of a partial adjustment model) is justified in order to account for clustering effects That is, a larger existing stock of FDI or FDI inflows in the preceding period are regarded as indicators of a favorable business climate for foreign investors, and new foreign investors may benefit from the presence of external scale economies by imitating previous investment decisions made by other investors there is abundant evidence for these consequences (Walsh & Yu 2010).

4. RESULT AND DISCUSSIONS

Table 1: Descriptive Statistics of Variables Adopted in the Study

VAR	AVE	SD	MIN	MAX
EXR	-1.106906	8.699463	-38.94424	24.59396
ELECT	4.597494	5.921508	-12.40797	63.37988
MRS	3357.102	3918.146	258.471	22942.61
OPEN	10.47004	23.19639	1.704005	324.9969

Table 1 showed that exchange rate has a min value -38.94424 with a maximum value of 24.59396 and a standard deviation of 8.6994, electricity also showed a min of 12.40797 and a max of 63.3798 with a standard deviation of 5.9215 market size also has a min 258.471 and a max, with a standard deviation of 3918.146 and lastly trade openness has a min 1.704005 and a max, with a standard deviation of 324.9969

4.1 Unit Root Test

The unit root test result is shown in Table 4.2. It is based on enhanced Dickey-Fuller tests and uses the Fisher-type unit root test it calculates four test statistics: the inverse chi-

squared P, the inverse normal z, the inverse logit L*, and the modified inverse chi-squared Pm.

Table 2 Unit Root Test

VARIABLES	P	Z	L*	Pm	Order of Integration
FDI/GDP	84.1976	-4.9096	-5.4070	6.9969	I(0)
EXR	35.1539	1.0850	0.9716	0.6654*	I(0)
ELECT	43.8214	-1.3563	-1.3482	1.7843**	I(1)
MRS	151.4799	-4.9884	-9.4948	15.6830*	I(0)
OPEN	103.1767	-.3628	-6.4530	9.4471*	I(0)

Source: Author's calculation (2021) *using STATA 13*
Notes: (*) and (**) indicate stationarity at significance levels 1% and 5% respectively

According to Table 1, all variables included in the research were either stationary at the level or at the first difference The Fisher-type unit root test indicates that the variables are a mixture of I(0) and I(1), which is a necessary requirement for using dynamic panel data. As a result, none of the variables are I. (2). we may confidently begin the estimate of dynamic panel data after establishing that the variables are a mixture of I(0) and I. (1).

4.2 Pairwise Correlation

The linear regression model makes the assumption that there is no multicollinearity among the independent (explanatory) factors when the correlation between explanatory variables is strong, it is feasible to estimate the regression coefficients, but with significant standard errors, and hence the population values of the coefficients cannot be determined correctly. Thus, prior to estimating the model, the research performed a pairwise correlation analysis. This is to ascertain the bivariate connection between the model's variables.

Table 3: Pairwise Correlation

	EXR	ELECT	MRS	OPEN
EXR	**1.0000**			
ELECT	**0.6600**	**1.0000**		
MRS	**0.3217**	**0.6004**	**1.0000**	
OPEN	**0.1734**	**0.3344**	**0.3445**	**1.0000**

When the correlation is more than 0.70, which was not the case here, multicollinearity becomes a concern (See Table 3). The matrix demonstrates that, on average, there was little correlation between the determinants, implying that multicollinearity issues were either minor or non-existent.

Table 4: System Generalized Method of Moments Regression Result for Effect of infrastructure on Foreign Direct Investments in Nigeria

Model 1				
Variable	**Coefficient**	**Std. Error**	**Z-Statistic**	**Prob.**
Lag FDI/GDP$_{t-1}$	4.092057	1.613515	2.53	0.0000
EXR	-.0498770	.0166879	-2.92	0.035
ELECT	-.0390016	.0325147	-1.35	0.176
MRS	-.0430400	.0184507	2.02	0.024
OPEN	-.0691362	.0293457	-2.39	0.043
Diagnostics	**Coefficient**	**Prob.**		
Wald Chi^2	541.00*	0.000		
Hansen Test	0.000	1.000		
AR test (1)	-1.32	0.187		
AR test (2)	-0.70	0.482		
Diagnostics	**Coefficient**	**Prob.**		

Source: Authors' Computation, (2021)

The study examined the effect of Infrastructure on foreign direct investment in Nigeria from 1995-2021, the proxies used in measuring the independent variable which is Infrastructure are Exchange Rate (EXR), Electricity Consumption (ELECT), Market Size (MRS) while foreign direct inflow (FDI) was used as the dependent variable. Due to the model's dynamic nature, a substantial coefficient of (4.092057%). This suggests that the lag of foreign direct investment is significant at the 1% level of significance with a positive coefficient of (4.097057%).

This suggests that a rise in the historical value of foreign direct investment will result in an increase of 4.092057 percent in the current period's foreign direct investment as a percentage of GDP (FDI/GDP). The model indicates that infrastructure-proxied variables such as the Exchange Rate (EXR), Electricity Consumption (ELECT), and Market Size (MRS) all have negative significant coefficients of (-0.0498770%, -0. 0390016 %, -0. 0430400 %, and -0. 0691362%, respectively.

Additionally, the result indicates that the Exchange Rate (EXR) has a p-value of 0.035, which is statistically significant at a 5% level of significance, this implies that the exchange rate has a substantial impact on the amount of foreign direct investment flowing into Nigeria. The p-value for Electricity Consumption (ELECT) is 0.176, which is statistically insignificant at the 5% level of significance, this suggests that Electricity Consumption (ELECT) has a negligible effect on Nigeria's Foreign Direct Investment (FDI) inflow. Market Size (MRS) has a p-value of 0.024, which is statistically significant at a 5% level of significance, this indicates that Market Size has a substantial impact on the inflow of foreign direct investment into Nigeria.

Openness to Trade has a p-value of 0.043, which is statistically significant at a 5% level of significance, this indicates that Openness to Trade has a substantial impact on the inflow of foreign direct investment into Nigeria.

5.1 CONCLUSION

The study examined the effect of Infrastructure on foreign direct investment in Nigeria from 1995-2021, the proxies used in measuring the independent variable which is

Infrastructure are Exchange Rate (EXR), Electricity Consumption (ELECT), Market Size (MRS) while foreign direct inflow (FDI) was used as the dependent variable and concluded that on average, there was little correlation between the determinants, implying that multicollinearity issues were either minor or non-existent among variables and Table 1 showed that exchange rate has a min value -38.94424 with a maximum value of 24.59396 and a standard deviation of 8.6994, electricity also showed a min of 12.40797 and a max of 63.3798 with a standard deviation of 5.9215 market size also has a min 258.471 and a max, with a standard deviation of 3918.146 and lastly trade openness has a min 1.704005 and a max, with a standard deviation of 324.9969. Due to the model's dynamic nature, a substantial coefficient of (4.092057%). This suggests that the lag of foreign direct investment is significant at the 1% level of significance with a positive coefficient of (4.097057%).

This suggests that a rise in the historical value of foreign direct investment will result in an increase of 4.092057 percent in the current period's foreign direct investment as a percentage of GDP (FDI/GDP). The model indicates that infrastructure-proxied variables such as the Exchange Rate (EXR), Electricity Consumption (ELECT), and Market Size (MRS) all have negative significant coefficients of (-0.0498770%, -0. 0390016 %, -0. 0430400 %, and -0. 0691362%, respectively.

Additionally, the result indicates that the Exchange Rate (EXR) has a p-value of 0.035, which is statistically significant at a 5% level of significance, this implies that the exchange rate has a substantial impact on the amount of foreign direct investment flowing into Nigeria. The p-value for Electricity Consumption (ELECT) is 0.176, which is statistically insignificant at the 5% level of significance, this suggests that Electricity Consumption (ELECT) has a negligible effect on Nigeria's Foreign Direct Investment (FDI) inflow. Market Size (MRS) has a p-value of 0.024, which is statistically significant at a 5% level of significance, this indicates that Market Size has a substantial impact on the inflow of foreign direct investment into Nigeria. Openness to Trade has a p-value of 0.043, which is statistically significant at a 5% level of significance, this indicates that Openness to Trade has a substantial impact on the inflow of foreign direct investment into Nigeria.

5.2 RECOMMENDATION

The privatization of Nigeria's electricity holding business is a positive step forward. However, additional hands should be on deck to increase the available unit of power for consumption. the reliability and availability of power supply are critical to the success of enterprises. Multinational firms seek to establish in nations with a more welcoming investment environment, thus the government should attempt to increase trade openness as much as feasible. Increased commercial openness also means stronger economic relationships between host countries and other nations. As a consequence of openness, domestic countries gain access to global markets. Market size is one of the most important indicators of foreign direct investment inflows, and the Nigerian government may have a significant impact on multinational firms' investment decisions in the country by enacting policies that would strengthen the trade market. Attempts to increase the naira's value should concentrate on the interaction of demand and supply rather than utilizing measures that just exaggerate the currency's worth. To put it another way, rather than mindlessly supporting the naira's overvalued nominal value, some macroeconomic challenges including as import dependency, poor productivity, and non-oil exports should be addressed.

This will raise demand for the naira, allowing the exchange rate to reflect the actual worth of the country's economic performance and encouraging international investors to invest in Nigeria.

REFERENCES

Adeola, M., C and Aziakpono, S., (2017), "Governance Infrastructure and U.S. Foreign Direct Investment," *Journal of International Business Studies*, 34(1): 19-39.

Aggarwal, R. M. (2020). Globalization, local ecosystems, and the rural poor.World evelopment, 4(8): 1405–1418

Ahn, P. S., Gorman, M. E., & Werhane, P. H. (2018). Case study: Hindustan lever limited and marketing to the poorest of the poor. International Journal of Entrepreneurship and Innovation Management, 4(5): 495–511.

Alege and Ogundipe (2014). The effect of population health on foreign direct investment inflows to low- and middle-income countries. World Development, 34(4): 613–630.

Alvarado and Ponce (2017). In search of centre of excellence: Network embeddedness and subsidiary roles in multinational corporations. Management International Review, 40(4):329–350.

Asiedu, J., (2012). Acquisitions versus green field investments: International strategy and management of entry modes. *Strategic management journal*, *23*(3), 211-227.

Anyadike, B., A. (2012). Country risk components, the cost of capital, and returns in emerging markets. *Available at SSRN 620710*.

Barro, R. J. and Lee, J.-W. (2020), "International Data on Educational Attainment: Updates and Implications," CID Working Papers, n° 42.

Basu, M. A., Calamitsis, M. A. A., & Ghura, M. D. (2019). *Promoting growth in sub-Saharan Africa: learning what works*. International Monetary Fund.

Bornschier, V., & Chase-Dunn, C. (2019). *Transnational corporations and underdevelopment*. New York: Praeger.

Bouchet, M. H., Clark, E., & Groslambert, B. (2018). *Country risk assessment: A guide to global investment strategy*. John Wiley & Sons.

Boateng, E., Amponsah, M., & Annor Baah, C. (2019). Complementarity effect of financial development and FDI on investment in Sub-Saharan Africa: A panel data analysis. *African Development Review*, *29*(2), 305-318.

Cantwell, J., & Narula, R. (2021). The eclectic paradigm in the global economy. *International Journal of the Economics of Business*, *8*(2), 155-172.

Chowdhury, K. (2021). "A Structural Analysis of External Debt and Economic Growth: Some Evidence from Selected Countries in Asia and the Pacific", *Journal of Applied Economics* 26: 1121-31.

Clague, C., Keefer, S., Knack, S. and Olson, M. (2009), "Contract-Intensive Money: Contract Enforcement, Property Rights, and Economic Performance," Journal of Economic Growth, 4(2): 185-211.

Erramilli, P.R., (2018). Achieving the millennium development goals in sub-Saharan Africa: A macroeco- nomic monitoring framework. The World Economy, 29(11): 1519–1547.

Falk, M. (2008). *Determinants of the trade balance in industrialized countries* (No. 013). FIW Research Reports.

Fischer, S. (2019), "The Role of Macroeconomic Factors in Growth," *Journal of Monetary Economics*, 32(3): 485-512.

Fosu, A.K. (2016). "The Impact of External Debt on Economic Growth in Sub-Saharan African", *Journal of Economic Development* 21(1): 93-118.

He, Gao, and Wang (2012) Book review: Alan M. Rugman (2005), the regional multinationals MNEs and global strategic management, Cambridge university press.

Koyuncu, C. & Mustafa, U. (2016). The Impact of Infrastructure on FDI Inflows: A Panel Data Analysis. *https://www.researchgate.net/publication/309418675*.

Matthew. A.S, Belderbos, R., Capannelli (2018) The strategic impact of external networks: Subsidiary performance and competence development in the multinational corporation. Strategic Management Journal, 23(11): 979–996.

Ogunleye, O. (2014). The Effect of Foreign Direct Investment: Case Study Nigeria. Master'S Thesis Department of International Business. University of Oulu.

Uddin, (2019). Exploring poverty traps and social exclusion in South Africa using qualitative and quantitative data. Journal of Development Studies, 42(2): 226– 247.

Sbia, Shahbaz, and Hamdi (2017). Managing across borders: New strategic requirements. Sloan Management Review, 28(4): 7–17.

Shahbaz, Hoang, and Mahalik (2017). Globalization, poverty, and inequality: What is the Relationship? What can be done?. World Development, 34(8): 1361–1373.

Xiao.O, and Park. E, (2018). The costs of missing the millennium development goal on gender equity. World Development, 32(7): 1075–1107.

Yildirim (2020). Subsidiaries, knowledge development and MNE reinvestments. In A. T. Tavares & A. Teixeira (Eds.), Multinationals, clusters and innovation: Does public policy matter? (pp.160–178). Basingstoke, UK: Palgrave Macmillan.