GLOBALIZATION AND THE QUALITY OF FOREIGN DIRECT INVESTMENT

NAGESH KUMAR

Nagesh Kumar is Deputy Director-General, Research and Information System for Developing Countries, New Delhi. He is co-editor of the *South Asia Economic Journal*. He was previously Research Fellow with the United Nations University Institute for New Technologies, Maastricht, The Netherlands, and has been the First recipient of the Exim Bank of India's International Trade Research Award.

With globalization, in recent years, FDI has received considerable attention in the policy analysis circles. Developing countries have striven hard to attract more of it to fill the resource gaps that constrain development. Consequently, governments have often overlooked the quality of these inflows in terms of developmental impact and favourable externalities generated such as spillovers of knowledge.

This book makes an early attempt to define the parameters of quality of FDI from a development perspective. It evolves analytic models with structural, geopolitical, and policy factors as determinants to explain the patterns of quantity and quality of inflows across countries, broad sectors of industry and over time.

The findings of the volume enable countries to assess their comparative advantage for specific types of inflows.

Analysing implications of the emerging WTO regime in the light of findings, the author draws policy lessons for the ongoing multilateral trade negotiations on investment.

This is an invaluable resource for researchers across the globe, policy makers and development experts.
For policy makers, this book is rich in guidance on how to strengthen the attractiveness of developing countries for quality foreign investments and how to design the kinds of foreign investment policies that would do so.

Professor Lynn K. Mytelka, Director, UNU/INTECH, Maastricht, The Netherlands

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