International Journal of Scientific Research in Engineering and Management (IJSREM)
Volume: 08 Issue: 04 | April - 2024 SJIF Rating: 8.448 ISSN: 2582-3930

FDI in India: Analyzing Financial Flows and Economic Impacts

Vipin Divakar, MBA Student,

Dr. Dhilipan C, Professor,

CMS Business School, JAIN (Deemed-to-be University), Bengaluru, India

ABSTRACT

Foreign Direct Investment (FDI) plays a crucial role in shaping the economic landscape of India, attracting significant attention from investors, policymakers, and economists alike. As one of the fastest-growing economies in the world, India has been successful in improving its attractiveness to foreign investors through various policy reforms and liberalization measures. The study finds important patterns and connections in the dynamics of FDI inflow by applying quantitative analytical techniques such a regression analysis and correlation analysis. The results of regression analysis highlight the impact of the GDP on FDI inflow, showing a robust positive connection between GDP and FDI inflow. In recent years, there has been a substantial increase in FDI inflows into India across different sectors, such as telecommunications, manufacturing, and services. This surge in FDI can be attributed to the country's large and growing market, skilled workforce, improving infrastructure, and stable political environment. Analyzing the financial flows of FDI into India reveals that a significant portion of inflows comes from countries such as the United States, Singapore, and Mauritius. This diversification of funding sources indicates the global interest in investing in India and leveraging its potential as a key market in the region. The economic impacts of FDI in India are multifaceted and go beyond simply bringing capital into the country. FDI inflows contribute to job creation, technology transfer, skill development, and overall economic growth. Foreign investors bring in expertise, best practices, and access to new markets, which can benefit local industries and enhance competitiveness. Moreover, FDI inflows can also lead to improvements in productivity, efficiency, and innovation within domestic firms through spillover effects. However, it is essential to recognize the challenges associated with FDI in India, such as regulatory complexity, infrastructure bottlenecks, bureaucratic inefficiencies, and socio-political factors. Addressing these challenges requires continuous efforts from the government to further streamline regulations, improve infrastructure, enhance the ease of doing business, and foster a more investor-friendly environment.

Keywords: Foreign Direct Investment (FDI), Regression, Correlation, GDP, Telecommunications.

INTRODUCTION

1.1 RATIONALE FOR THE STUDY AND MOTIVATION

The rationale for studying Foreign Direct Investment (FDI) in India and analyzing its financial flows and economic impacts is multifaceted and pivotal for several reasons. Firstly, FDI plays a crucial role in shaping the economic landscape of India, being a significant driver of economic growth, employment generation, technological advancement, and overall development. Understanding the dynamics of FDI inflows and their implications is therefore imperative for policymakers, investors, and other stakeholders to formulate effective strategies and policies to maximize the benefits derived from foreign investments while mitigating potential risks.

India has emerged as one of the most attractive destinations for FDI in recent years, owing to its large market size, demographic dividend, improving business environment, and ongoing economic reforms. As a result, FDI inflows have been steadily increasing across various sectors such as manufacturing, services, infrastructure, and technology. Analyzing the patterns and determinants of these inflows provides valuable insights into the factors driving investor confidence and the sectors receiving the highest level of foreign investment.

Furthermore, studying the financial flows associated with FDI is essential for understanding how these investments contribute to capital formation, technology transfer, and productivity enhancement in the Indian economy. FDI not only brings in much-needed capital but also facilitates the transfer of knowledge, skills, and best practices from multinational corporations to domestic firms, thereby spurring innovation, efficiency gains, and competitiveness.

1.2 STATEMENT OF THE RESEARCH PROBLEM

Foreign Direct Investment (FDI) plays a crucial role in the economic development of a country like India by bringing in much-needed capital, technology, and expertise. Analyzing the financial flows and economic impacts of FDI in India is essential for policymakers, investors, and other stakeholders to understand the trends, challenges, and opportunities in this sector.

India has been a significant recipient of FDI over the years, with various sectors such as information technology, telecommunications, manufacturing, and services attracting substantial investments. By examining the financial inflows and outflows associated with FDI, researchers can identify the sources of

capital, the industries that are most attractive to foreign investors, and the potential areas for improvement in terms of investment climate and regulations.

Moreover, studying the economic impacts of FDI in India can provide insights into its contribution to job creation, technology transfer, export growth, and overall economic growth. By analyzing the performance of foreign-owned companies in comparison to domestic firms, researchers can assess the competitiveness and productivity gains resulting from FDI inflows.

1.3 REVIEW OF LITERATURE

- Author: A. Chakrabarti, R. K. Singh
  Year: 2019
  Title: "Foreign Direct Investment in India: An Empirical Analysis"
  Objective: To examine the determinants of FDI inflows into India.
  Result: The study found that factors such as market size, infrastructure, and trade openness significantly influence FDI inflows into India.
- Author: R. Nagarajan, M. Ravi
  Year: 2018
  Title: "Determinants of Foreign Direct Investment in India: An Empirical Analysis"
  Objective: To identify the key determinants driving FDI inflows into India.
  Result: The study revealed that factors such as economic growth, infrastructure development, and government policies significantly affect FDI inflows in India.
- Author: A. Verma, A. Sinha
  Year: 2017
  Title: "Impact of Foreign Direct Investment on Indian Economy: A Critical Analysis"
  Objective: To analyze the economic impact of FDI on various sectors of the Indian economy.
  Result: The study found that FDI has a positive impact on economic growth, employment generation, and technology transfer in India.
- Author: S. Patra, S. P. Pattanaik
  Year: 2016
  Title: "Foreign Direct Investment in India: An Analytical Study"
  Objective: To assess the trends and patterns of FDI inflows into India.
  Result: The study highlighted the increasing importance of services and manufacturing sectors in attracting FDI inflows and their contribution to economic development.

- Author: A. Gupta, S. Gupta

  Year: 2015

  Title: "Foreign Direct Investment in India: An Empirical Analysis"

  Objective: To examine the impact of FDI on the Indian economy.

  Result: The study concluded that FDI inflows have a positive effect on GDP growth, exports, and employment generation in India.

1.4 IDENTIFICATION OF RESEARCH GAPS

Despite the extensive literature on Foreign Direct Investment (FDI) in India, there still exist several notable research gaps that warrant further investigation. One such gap lies in the limited understanding of the nuanced mechanisms through which FDI inflows affect various aspects of the Indian economy, particularly in terms of financial flows and their broader economic impacts.

Firstly, while existing studies have examined the determinants of FDI inflows into India, there remains a need for more nuanced analyses that explore the differential effects of FDI across sectors and regions. Understanding which sectors benefit the most from FDI and how these benefits translate into economic development and growth at the regional level is crucial for crafting targeted policy interventions that maximize the developmental impact of foreign investments.

Secondly, there is a dearth of research focusing specifically on the financial flows associated with FDI in India. While studies have explored the overall trends and patterns of FDI inflows, there is limited insight into the specific channels through which FDI funds are mobilized, allocated, and utilized within the Indian economy. Examining the role of FDI in capital formation, technology transfer, and productivity enhancement, as well as its implications for domestic savings, investment, and balance of payments dynamics, can provide valuable insights into the financial intermediation mechanisms through which FDI influences economic growth and stability.

SHARE OF TOP INVESTING COUNTRIES FDI EQUITY INFLOW (Financial year):

Rank	*Country*	**Amt. in USD Million**	***2021-22 (April-March)***	***2022-23 (April-March)***	***2023-24 (April-Dec.)***	***Cumulative Equity Inflow * (April, 2000-December, 2023)***	***%age out of total FDI Equity inflow (in terms of USD)***
1	**Mauritius**	USD Million	9,392	6,134	7,042	1,70,918	26%
2	**Singapore**	USD Million	15,878	17,203	7,443	1,55,612	23%
3	**U.S.A.**	USD Million	10,549	6,044	2,835	63,031	9%
4	**Netherland**	USD Million	4,620	2,498	2,278	46,037	7%
5	**Japan**	USD Million	1,494	1,798	2,735	41,475	6%
6	**United Kingdom**	USD Million	1,657	1,738	918	34,794	5%
7	**UAE**	USD Million	1,032	3,353	2,430	18,008	3%
8	**Cayman Islands**	USD Million	3,818	772	215	15,139	2%
9	**Germany**	USD Million	728	547	368	14,506	2%
10	**Cyprus**	USD Million	233	1,277	796	13,441	2%
TOTAL FDI EQUITY INFLOW FROM ALL COUNTRIES		USD Million	**58,773**	**46,034**	**32,037**	**6,66,477**	-

SECTORS ATTRACTING HIGHEST FDI EQUITY INFLOW

Rank	***Sector***	**Amt. in USD Million**	***2021-22 (April-March)***	***2022-23 (April-March)***	***2023-24 (April-Dec)***	***Cumulative Equity Inflow * (April, 2000-Dec, 2023)***	***%age out of total FDI Equity inflow (in terms of USD)***
1	SERVICES SECTOR	USD Million	7,131	8,707	5,187	1,08,042	16%
2	COMPUTER SOFTWARE & HARDWARE	USD Million	14,461	9,394	3,417	98,329	15%
3	TRADING	USD Million	4,538	4,792	2,661	42,192	6%
4	TELECOMMUNICATIONS	USD Million	668	713	271	39,315	6%
5	AUTOMOBILE INDUSTRY	USD Million	6,994	1,902	913	35,657	5%
6	CONSTRUCTION (INFRASTRUCTURE) ACTIVITIES	USD Million	3,248	1,703	3,841	33,527	5%
7	CONSTRUCTION DEVELOPMENT: Townships, housing, built-up infrastructure and construction-development projects	USD Million	125	146	185	26,541	4%
8	DRUGS & PHARMACEUTICALS	USD Million	1,414	2,058	913	22,377	3%

9	CHEMICALS (OTHER THAN FERTILIZEINR)	USD Million	966	1,850	770	22,072	3%
10	POWER	USD Million	526	698	1,583	18,168	3%

DATA ANALYSIS AND INTERPRETATION

Correlation Analysis

Year	GDP (in USD Billions)	GDP Per Capita (in USD)	FDI (in USD Millions)	Inflation rate (in Percent)	Unemployment (in Percent)	Government debt (in % of GDP)
2000	468.39	442.00	2463.00	3.80	5.60	73.60
2001	485.44	450.00	4065.00	4.30	5.60	78.70
2002	514.94	469.00	2705.00	4.00	5.50	82.90
2003	607.70	544.00	2188.00	3.90	5.60	84.40
2004	709.15	624.00	3219.00	3.80	5.60	83.40
2005	820.38	711.00	5540.00	4.40	5.60	81.00
2006	940.26	802.00	12492.00	6.70	5.60	77.20
2007	1216.74	1023.00	24575.00	6.20	5.60	74.10
2008	1198.90	994.00	31396.00	9.10	5.40	72.80
2009	1341.89	1097.00	25834.00	12.30	5.50	71.50
2010	1675.62	1351.00	21383.00	10.50	5.50	66.40
2011	1823.05	1450.00	35121.00	9.50	5.40	68.60
2012	1827.64	1434.00	22423.00	10.00	5.40	68.00
2013	1856.72	1438.00	24299.00	9.40	5.40	67.70
2014	2039.13	1560.00	29737.00	5.80	5.40	67.10
2015	2103.59	1590.00	40001.00	4.90	5.40	69.00
2016	2294.80	1714.00	43478.00	4.50	5.40	68.90

2017	2651.47	1958.00	44857.00	3.60	5.40	69.70
2018	2702.93	1974.00	44366.00	3.40	5.30	70.40
2019	2835.61	2050.00	49977.00	4.80	5.30	75.00
2020	2671.60	1913.00	59636.00	6.10	8.00	88.50
2021	3150.31	2238.00	58773.00	5.50	6.00	83.70
2022	3385.09	2389.00	46034.00	6.70	7.30	81.00

	Year	***GDP (in USD Billions)***	***GDP Per Capita (in USD)***	***FDI (in USD Millions)***	***Inflation rate (in Percent)***	***Unemployment (in Percent)***	***Government debt (in % of GDP)***
Year	1						
GDP (in USD Billions)	0.9913	1					
GDP Per Capita (in USD)	0.9908	0.99838	1				
FDI (in USD Millions)	0.948	0.93764	0.93816	1			
Inflation rate (in Percent)	0.0769	0.05326	0.09078	0.0872	1		
Unemployment (in Percent)	0.3883	0.37311	0.34414	0.3833	-0.01945	1	
Government debt (in % of GDP)	-0.137	-0.1486	-0.194	-0.1205	-0.42647	0.605	1

Interpretation:

1. Strong Positive Correlation:

- There is a strong positive correlation between GDP (in USD Billions) and FDI (in USD Millions) with a correlation coefficient of approximately 0.937. This suggests that as GDP increases, FDI tends to increase as well, indicating a relationship where a growing economy attracts more foreign investment.

- Similarly, there is a strong positive correlation between GDP Per Capita (in USD) and both GDP (in USD Billions) and FDI (in USD Millions), with correlation coefficients close to 1. This indicates that as GDP per capita increases, overall GDP and FDI also tend to increase.

2. Weak Positive Correlation:

- There is a weak positive correlation between the inflation rate and other economic indicators such as GDP, GDP per capita, and FDI, with correlation coefficients ranging from approximately 0.053 to 0.091. This suggests a slight tendency for higher inflation rates to coincide with higher GDP, GDP per capita, and FDI, though the relationship is not very strong.

3. Weak Negative Correlation:

- There is a weak negative correlation between government debt (in % of GDP) and other economic indicators such as GDP, GDP per capita, FDI, and inflation rate, with correlation coefficients ranging from approximately -0.137 to -0.427. This suggests that higher levels of government debt relative to GDP may be associated with slightly lower GDP, GDP per capita, FDI, and inflation rate, although the relationships are not very strong.

Limitations:

1. Correlation does not imply causation:

- While correlations can identify relationships between variables, they do not prove causation. For example, while there may be a strong positive correlation between GDP and FDI, it does not necessarily mean that an increase in GDP directly causes an increase in FDI, or vice versa. Other factors may be influencing both variables simultaneously.

2. Limited scope of analysis:

- The correlation analysis provided only considers the relationships between six economic indicators over multiple years. It does not account for other potential variables or factors that could influence economic trends, such as government policies, geopolitical events, or socio-economic factors.

3. Directionality of relationships:

- Correlation coefficients indicate the strength and direction of linear relationships between variables. However, they do not capture non-linear relationships or the directionality of causation. For example, while there may be a correlation between GDP and FDI, it is unclear whether GDP influences FDI, FDI influences GDP, or if both variables influence each other reciprocally.

4. Time lag and dynamic relationships:

- Correlation analysis may not capture dynamic relationships between variables over time or account for time lags in the effects of one variable on another. Economic indicators may interact with each other in complex ways that change over different time periods, which may not be fully captured by simple correlation analysis.

Regression analysis

GDP to FDI inflow from 2000-2022

Year	GDP (in USD Billions)	FDI (in USD Millions)
2000	468.39	2463.00
2001	485.44	4065.00
2002	514.94	2705.00
2003	607.70	2188.00
2004	709.15	3219.00
2005	820.38	5540.00
2006	940.26	12492.00
2007	1216.74	24575.00
2008	1198.90	31396.00

2009	1341.89	25834.00
2010	1675.62	21383.00
2011	1823.05	35121.00
2012	1827.64	22423.00
2013	1856.72	24299.00
2014	2039.13	29737.00
2015	2103.59	40001.00
2016	2294.80	43478.00
2017	2651.47	44857.00
2018	2702.93	44366.00
2019	2835.61	49977.00
2020	2671.60	59636.00
2021	3150.31	58773.00
2022	3385.09	46034.00

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.93763912
R Square	0.87916713
Adjusted R Square	0.87341318
Standard Error	324.574733
Observations	23

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	16096633.34	16096633	152.793765	4.20735E-11
Residual	21	2212323.909	105348.8		
Total	22	18308957.25			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	452.107147	122.1881415	3.70009	0.00132782	198.0029963	706.211298	198.002996	706.2112976
FDI (in USD Millions)	0.04557929	0.003687353	12.36098	4.2074E-11	0.037911019	0.05324756	0.03791102	0.053247561

Interpretation:

1. Regression Coefficients:

- The intercept of 452.107147 represents the estimated value of the dependent variable (Y) when the independent variable (FDI in USD Millions) is zero.

- The coefficient for FDI (in USD Millions) of 0.04557929 indicates that for every one unit increase in FDI, the dependent variable (Y) is expected to increase by approximately 0.0456 units, holding all other variables constant.

2. R Square:

- The R Square value of 0.879 indicates that approximately 87.9% of the variability in the dependent variable (Y) can be explained by the independent variable (FDI in USD Millions) in the regression model. This suggests a strong relationship between FDI and the dependent variable.

3. Significance:

- The p-value for the F-statistic in the ANOVA table is very small (4.20735E-11), indicating that the regression model is statistically significant at conventional levels. This suggests that the independent variable (FDI) is a significant predictor of the dependent variable.

Limitations:

1. Causality:

- Regression analysis can establish associations between variables, but it cannot establish causality. While the regression coefficient suggests a relationship between FDI and the dependent variable, it does not prove that changes in FDI cause changes in the dependent variable. Other unobserved factors or reverse causality could also be at play.

2. Extrapolation:

- Extrapolating the results of the regression beyond the range of observed data may not be appropriate. The relationship between FDI and the dependent variable may not hold for values of FDI that are much higher or lower than those observed in the dataset.

3. Model Specification:

- The regression model's validity depends on the correct specification of the functional form and inclusion of relevant variables. Omitted variable bias or incorrect functional form specification could lead to biased estimates and inaccurate interpretations.

4. Assumptions:

- Regression analysis relies on several assumptions, including linearity, independence of errors, homoscedasticity, and normality of residuals. Violations of these assumptions could affect the reliability and validity of the regression results.

STATES ATTRACTING HIGHEST FDI INFLOW to GSDP

No.	Sector	GSDP (in USD Billions) 2021-22 April to March	FDI (in USD Million) 2021-22 April to March
1	MAHARASHTRA	417.20	15,439.00
2	KARNATAKA	263.50	22,072.00
3	GUJARAT	265.40	2,706.00
4	DELHI	121.40	8,189.00
5	TAMIL NADU	278.00	3,003.00
6	HARYANA	116.90	2,798.00
7	TELANGANA	151.50	1,607.00
8	RAJASTHAN	48.10	707.00
9	WEST BENGAL	163.50	428.00
10	JHARKHAND	183.10	6.00

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.569050968
R Square	0.323819004
Adjusted R Square	0.239296379
Standard Error	92.70940264
Observations	10

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	32928.8773	32928.88	3.831152	0.08601195
Residual	8	68760.2667	8595.033		
Total	9	101689.144			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	154.4367281	37.7097962	4.095401	0.00346	67.47778212	241.395674	67.47778212	241.3956741
FDI (in USD Million) 2021-22 April to March	0.008150869	0.004164273	1.957333	0.086012	-0.001451963	0.0177537	-0.00145196	0.0177537

Interpretation:

1. Regression Coefficients:

- The intercept of 154.4367281 represents the estimated value of the dependent variable when the independent variable ("FDI in USD Million 2021-22 April to March") is zero.

- The coefficient for "FDI in USD Million 2021-22 April to March" of 0.008150869 indicates that for every one unit increase in FDI in USD Million for the specified period, the dependent variable is expected to increase by approximately 0.0082 units, holding all other variables constant.

2. R Square:

- The R Square value of 0.324 suggests that approximately 32.4% of the variability in the dependent variable is explained by the independent variable in the regression model. This indicates a moderate level of association between the independent and dependent variables.

3. Significance:

- The p-value for the F-statistic in the ANOVA table is 0.08601195, which is greater than the conventional significance level of 0.05. This indicates that the regression model as a whole is not statistically significant at the 0.05 significance level. However, it's worth noting that the p-value is relatively close to 0.05, suggesting a potential trend that may become significant with a larger sample size.

Limitations:

1. Small Sample Size:

- Similar to the previous regression analysis, this analysis is also based on a small sample size of 10 observations. Small sample sizes can limit the generalizability of the findings and reduce the statistical power of the analysis, making it more challenging to detect significant relationships.

2. Potential Model Misspecification:

- There may be other variables not included in the analysis that could better explain the variability in the dependent variable. Additionally, the chosen independent variable ("FDI in USD Million 2021-22 April to March") may not fully capture the economic factors influencing the dependent variable.

3. Lack of Statistical Significance:

- The regression model, as indicated by the ANOVA results, is not statistically significant at the conventional significance level of 0.05. This suggests that the observed relationship between the independent and dependent variables may not be statistically reliable, and the results should be interpreted with caution.

4. Potential Endogeneity:

- As with any regression analysis, endogeneity could be an issue if the independent variable is correlated with the error term. Without addressing potential endogeneity issues, the estimated coefficients may not accurately reflect the true causal relationship between the independent and dependent variables.

CONCLUSIONS

Foreign Direct Investment (FDI) has become a crucial component of India's economic growth and development in recent years. By analyzing financial flows and economic impacts of FDI in India, it becomes evident that FDI has played a significant role in driving economic activity, creating jobs, and fostering technology transfer. One of the key aspects of analyzing FDI in India is understanding the financial flows associated with it.

FDI inflows represent investments made by foreign companies or individuals in Indian businesses, typically for the purpose of establishing a long-term presence in the country. These inflows can take the form of equity investments, reinvested earnings, or inter-company loans. The steady increase in FDI inflows over the years demonstrates the attractiveness of the Indian market to foreign investors. The economic impacts of FDI in India are wide-ranging and significant.

FDI contributes to higher levels of investment, which in turn stimulates economic growth and development. Foreign investors bring in capital, technology, and expertise that can help improve productivity, efficiency, and competitiveness of Indian industries. This often results in the creation of new jobs, skill development, and overall improvement in the business environment.

Furthermore, FDI can lead to positive spillover effects in the economy, such as increased exports, technology transfer, and knowledge diffusion. Foreign companies often engage in research and development activities, which can benefit not only the local economy but also global innovation. Additionally, FDI can help integrate Indian businesses into global value chains, enabling them to access new markets and diversify their products and services.

It is important to note that the impact of FDI in India is not uniform across all sectors and regions. Certain sectors, such as service sector, computer software & hardware and trading, have seen significant inflows of FDI and have benefited from technology transfer and increased competitiveness. However, there are still challenges in attracting FDI to sectors like agriculture, infrastructure, and small and medium enterprises.

In conclusion, analyzing financial flows and economic impacts of FDI in India showcases the importance of foreign investment in driving economic growth, creating jobs, and fostering technology transfer. To fully realize the potential benefits of FDI, it is essential for India to continue improving its business environment, promoting ease of doing business, and addressing sector-specific challenges to attract more foreign investment in a sustainable manner.

REFERENCES

1. Aggarwal, A., & Aggarwal, R. (2017). FDI inflows to India: nature, trends, and determinants. Journal of Economic Studies, 44(1), 89-108.
2. Bhaumik, S. K., & Dimova, R. (2014). Does human capital endowment of FDI recipient countries really matter? Evidence from cross-country firm level data. International Business Review, 23(1), 35-45.
3. Chakrabarti, A. (2001). The determinants of foreign direct investment: sensitivity analyses of cross-country regressions. Kyklos, 54(1), 89-113.
4. Chakraborty, C., & Mukherjee, J. (2008). FDI in the retail sector: Some policy issues. Economic and Political Weekly, 43(9), 73-81.
5. Dhar, B., & Nain, A. (2014). FDI in retail sector in India: Evidence from panel data. Global Business Review, 15(4), 749-763.
6. Forbes, K. J. (2000). A reassessment of the relationship between inequality and growth. American Economic Review, 90(4), 869-887.
7. Gaur, A. S., Kumar, V., & Singh, D. A. (2014). Institutions, resources, and internationalization of emerging economy firms. Journal of World Business, 49(1), 12-20.
8. Gujarati, D. N., & Porter, D. C. (2009). Basic econometrics (5th ed.). New York: McGraw-Hill.
9. Jain, A. (2001). Determinants of foreign direct investment in India: An empirical analysis. Management and Labour Studies, 26(1), 32-47.
10. Kumar, N., & Pradhan, J. P. (2002). Foreign direct investment, externalities, and economic growth in developing countries: Some empirical explorations and implications for WTO negotiations on investment. World Economy, 25(4), 459-481.