

Sustainable Economic Development Assessment and FDI: An Indian Perspective

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Abstract

This paper aims to establish impact of Foreign Direct Investment on growth and vividly on development of India. Quantitative research design was used and secondary data collection method was utilized to collect the sample of SEDA score, Income, Economic Stability, Employment, health, Education, Infrastructure, Equality, Civil Society, Governance and Environment. GDP Growth(%), GDP in current US billion Dollars. Further, Linear Regression, maximum likelihood method and Auto regression model (VAR) followed by Granger causality Wald test (GC) was used to evaluate the causality between GDP and FDI and Sustainable Economic Development Assessment (SEDA). The primary findings portray impact of FDI on GDP to be positive but growth rate to be negative. Impact of FDI on overall development (SEDA) score is positive including some distinct variables as well but its impact on environment is negative. Three-way causality between FDI, SEDA and GDP Growth exist. Findings provide a comprehensive image of how FDI has impacted a developing country like India in terms of growth and development.

Keywords: Foreign Direct Investment, Growth, Development, Income, and Environment.

Introduction

Over the past three decades, the rise of globalization in India has seen a rapid spike in international investment and international investors have named India as one of the most promising foreign investment destinations. Foreign Direct Investment (FDI) and Foreign Portfolio Investment (FII) can be categorized as an overseas investment and may include purchasing or reinvesting gains or additional equities. The FDI is the movement of foreign funds or the inflow of capital to a corporation from abroad by the purchase of a local enterprise, or the construction of a new position in every region. In other terms, foreign direct investment is known as its direction of movement, "cross-border expenditure by a single investor in the residential and single parking companies of different countries" (IMF, 2002).

FDI plays a key role in the growth and prosperity of a nation expanding the global trade networks where an FDI inflow funds the direction of progress. Indian Foreign Direct Investment is a major source for the country's economic growth. India has long been seen as an ever-increasing goal for foreign investment, and investors are not hesitant to take advantage of the Indian market, reasonably low labor costs and all the special benefits of investing.

Foreign funds continue to flood into the country, largely because of the booming investment climate and successful government policy administration in India. Vibrant measures have been taken to ease conditions in specific sectors for foreign capital inflows, such as housing, telecommunications, public sector oil refineries and so on. We have attempted to assess the

effect of FDI on India's growth criteria explicitly defined by the Boston Consultancy Group (BCG) in their SEDA (Sustainable Economic Development Assessment) data assessments. The data envisages overall development score of more than 145 countries worldwide, which largely encompasses three key dimensions, namely demographic, finance, and sustainable. The measurements include very few elements, which are as follows. The economic metric has three dimensions, which have further components that are measured to determine the economic, investment and sustainability metrics. Economic metric involves income (GDP/Capita & Purchasing Power parity), Economic Stability (Inflation, GDP & Inflation Volatility) and Employment (Rate of Employment & unemployment). The second broad dimension investment includes Health (Access to health care & Health care outcome), Education (Access to education & education outcomes) and infrastructure (Water, Sanitation, Transport & ICT). The third dimension, sustainability includes equality (income distribution, equality in education & life expectancy), Civil Society (civil activism, intergroup cohesion, inter personal safety and trust, gender equality), governance (rule of law, corruption accountability, stability, property rights) and finally environment (air quality, Carbon dioxide intensity, protected areas renewable energy).

Literature review

Data say foreign buyers' presence has a positive impact on SDG scores. However, while FDI has a beneficial impact in areas such as essential facilities, safe water, sanitation, and renewable energy, host countries could have certain adverse environmental impacts (Aust, Morais, Pinto 2020). A research paper quantifies the FDI's impact on India's area of education. The results suggest that the increase in FDI will be directly related to job growth and improvement of the infrastructure (Kumar and Mehta 2015). Numerous reports have shown the effect of the FDI in recent years on economic development and prosperity in both emerging and industrialised countries (Basu & Azmat, 2004). There is a lot of study on the FDI's impact on a positive understanding of socio-economic development, such as human advancement (Sahoo & Sethi, 2017).

Over the past decades, the FDI's role, importance and effect has been extensively discussed in micro, macro and global economic literature. And a major problem is the FDI-Economic Growth Partnership. Theories and existing literature have contrasting results as reported by Wan (2010); on the one side, FDI is seen as leading to higher domestic production, generating employment and profits, fostering development and stimulating talent transfer through foreign technology and know-how, and boosting host count. However, factors and elements remain uncertain which may create a reliably positive partnership between FDI flows and sustainable growth. If we agree that FDI promotes economic development, higher wages, higher work rates, and technological transition, the reaction will be to the environmental and social consequences — flows of foreign direct investment (Zarkasy and Gallagher, 2003). Nonetheless, much of the research done in this regard has not provided proof of an omnipresent, structural impact on pollution; however, the likelihood that more strict regulation could, under some circumstances, alter the status of the FDI can not be entirely ruled out (Golub, Kauffmann and Yeres, 2011).

In other words, the role of FDI is to help local economic conditions and capacities, industrial, legislative, and administrative (Zarkasy and Gallagher, 2003). The effect of FDI, either positive or negative, depends on the balance of macro-micro-factor. At the macroeconomic scale, FDI's impact on the economy of developed countries is defined by the makeup of the sectors participating in FDI, as well as the degree to which it is based in pollution-intensive manufacturing, in addition to implementing environmental regulations. Environmental issues at the microeconomic stage rely on structural policies and growth frameworks employed in global affiliates (Witkowska, 2011). Some scholars address the FDI 's importance to sustainable growth, as expressed in literature and observational studies on European Union countries. The approach includes the study and replication, data description as well as data contrast. Considered within the constraints of the research methods and the absence of a shared understanding of FDI 's environmental-relevant concept and calculation process, the research findings illustrate the significance and usefulness of green FDI in EU countries, with the capacity to produce very positive effects that is regulated by a nation's micro and macro climate. Developed nations, growing markets and transition countries see FDI as a means of economic progress, modernization, income rise, and jobs (OECD 2002). The recipient countries accept and encourage these inflows to understand the potential role of FDI in economic growth and jobs opportunities (Blanco et al., 2011). However, as FDI inflows indicate a increasing pattern in this area, pollution emissions also do. With the growing pattern of FDI and emissions in Latin America, investigating the validity of PHH in this region seems intriguing and worth exploring.

Over the past few decades, foreign direct investment (FDI) has been seen as a factor that affects economic growth (EG) specifically and indirectly; A collection of study papers examined by two scholars on the FDI-EG relationships from 1994 to 2012, in particular the impact of FDI on EG.

Results reveal that the main outcome of the FDI-EG interaction is optimistic but also pessimistic or even nil. And the relationship has several contributing factors, such as appropriate human capital ratios, well-developed equity markets, complementarity between domestic and foreign investment and free trade regimes, etc. (Alamfraji Alamsafir 2014). In a panel data framework for a study of 18 Latin American countries for the period 1970-99, (Bengoa & Sanchez-Robles, 2003) believed the nation required a reasonable degree of economic development, liberalized capital markets, as well as human resources, to achieve a positive impact from FDI. In a panel analysis of data for 84 countries across the period 1970-99 (Li & Liu, 2005), it was found that FDI impacts growth expressly and implicitly through its human capital ties. Regarding the complementarity between domestic and foreign investment (Kentor, 1998), it assessed foreign capital dependence and found that countries with comparatively high foreign capital reliance experienced slower economic growth over the years 1940-1990 than less dependent countries. They concluded that foreign investment initially has a positive influence on production, but in the long run dependence on foreign investment has a negative effect on growth.

Objectives:

1. To establish impact of FDI on growth and sustainable economic development

2. To establish impact of FDI on ten sub dimensions of development.
3. To establish a three-way causality between Growth, FDI and SEDA

Methodology & Data Analysis

The study has broadly two facets. In the first one we shall see the impact of foreign Direct Investment on the development of the Indian Economy. Overall development score of a country (Sustainable Economic Development Assessment, SEDA). It also includes the initiation to find the impact of FDI on different facets of growth. Here GDP (current billion USD), GDP growth in percentage.

Further Linear Regression is used, heteroskedastic panels corrected standard errors and the method to compute autocorrelation is based on Durbin –Watson to regress Income, Economic Stability, Employment, health, Education, Infrastructure, Equality, Civil Society, Governance and Environment on FDI.

Model Specification I:

$$\begin{aligned} \text{DEV}_{it} &= \beta_0 + \beta_1 \text{FDI}_{it} + \mu \\ \text{Growth}_{it} &= \alpha_0 + \alpha_1 \text{FDI}_{it} + \xi_i \quad i=1,2,\dots,n \text{ and } t=1,2,\dots,n \end{aligned}$$

In the second part we shall establish three-way causality between the variables.

Linear regression using maximum likelihood method is used. Time Period considered is from 2008 to 2019 (12 years) for India. We have used Vector Autoregression model (VAR) followed by Granger causality Wald test (GC) to evaluate the causality between Growth, FDI and SEDA and how many years of lag is required to achieve both at a time.

This method involves regression where the independent variables include the lagged values of dependent variables and also the lagged values of independent variables.

Model Specification II:

Three Way Model:

$$\begin{aligned} Y_t &= \beta_0 + \beta_1 Y_{t-j} + \beta_2 X_{t-j} + \beta_3 Z_{t-j} + \mu \\ X_t &= \beta_0 + \beta_1 X_{t-j} + \beta_2 Y_{t-j} + \beta_3 Z_{t-j} + \mu \\ Z_t &= \beta_0 + \beta_1 Z_{t-j} + \beta_2 X_{t-j} + \beta_3 Y_{t-j} + \mu \end{aligned}$$

The standard model is elaborated with the obtained models after finding out the optimum lag. Here $t-j$ signifies the optimum lag number of years used in the independent variables.

Impact of FDI on Development and Growth:

To explain the relationship between the variables, we first performed a correlation test and noticed that there is a positive association between overall progress and FDI. However, when it comes to individual progress measurements, FDI is negatively correlated with jobs and climate. FDI is negative (percentage) correlated with GDP growth.

The impact of FDI on development and growth is found with the help of linear regression analysis with the help of maximum likelihood method. However, the results align with

simple linear regressions. The standard least square estimator maximizes the probability of a linear regression model. Sustainable Economic Development Assessment, SEDA is the dependent variables. Impact of FDI on two facets of growth is also estimated. Here GDP (current billion USD) and GDP growth in percentage are used as a proxy of growth.

The FDI has a major positive effect on the overall development score calculated by SEDA (Sustainable Economic Development Assessment), which reflects an overall national development score including income, economic stability, health, education, infrastructure, civil society, governance, environment, equality and employment. But, to explore this aspect we have identified causal relationships in the next part of the study between lagged values.

Exhibit 1: Correlation Between Growth (GDP%), FDI and Development

	<i>SEDA</i>	<i>Income</i>	<i>Economic</i>	<i>Employment</i>	<i>Health</i>	<i>Education</i>	<i>Infrastructure</i>	<i>Equality</i>	<i>Civil Society</i>	<i>Governance</i>	<i>Environment</i>	<i>FDI</i>	<i>Growth</i>
SEDA	1												
Income	0.9	1											
Economic	0.7	0.5	1										
Employment	-0.8	-0.8	-0.2	1									
Health	1.0	1.0	0.5	-0.8	1								
Education	0.9	0.8	0.6	-0.8	0.8	1							
Infrastructure	0.9	1.0	0.4	-0.9	1.0	0.9	1						
Equality	0.9	0.8	0.5	-0.9	0.8	1.0	0.9	1.0					
Civil Society	0.7	0.6	0.4	-0.5	0.6	0.5	0.6	0.5	1				
Governance	0.6	0.5	0.6	0.0	0.6	0.2	0.4	0.1	0.5	1			
Environment	-0.8	-0.8	-0.4	0.8	-0.8	-0.8	-0.8	-0.7	-0.6	-0.4	1		
FDI	0.6	0.5	0.6	-0.1	0.6	0.4	0.4	0.2	0.4	0.8	-0.4	1.0	
Growth	0.1	0.2	-0.2	-0.4	0.2	0.1	0.1	0.2	0.3	0.0	-0.5	-0.2	1

Source: Calculated by the Author

The impact of FDI on growth is also important. The impact of FDI on GDP expressed in billions of US dollars is significantly positive, however the impact on annual growth (GDP) percentage is negative. This result aligns with Alamraji Alamsafir, 2014 who proposed that FDI-EG relationship 's key result is positive, but also negative or even null.

Exhibit 2: Impact of FDI on Growth & Development

Independent Variable FDI		
Dependent Variables	Coefficient	Standard Error
SEDA (Overall DEV Score)	0.14*	0.06*
Growth Annual %	-0.04**	0.06**
GDP in billion USD	31.8**	16.5**

Source: Calculated by the Author

However, to explore this we have regressed each dimension of development on FDI and the model is controlled by GDP growth. Linear Regression is used, heteroskedastic panels corrected standard errors and the method to compute autocorrelation is based on Durbin – Watson.

We have also suppressed omitted collinear covariates. The results obtained are quite interesting. Here GDP is used as a control variable to estimate the impact of Fdi on indicators of development.

Model Extensions (Specification I):

- $Income_{it} = \beta_0 + \beta_1 FDI_{it} + \beta_2 GDP_{it} + \mu$
- $Economic\ Stability_{it} = \beta_0 + \beta_1 FDI_{it} + \beta_2 GDP_{it} + \mu$
- $Employment_{it} = \beta_0 + \beta_1 FDI_{it} + \beta_2 GDP_{it} + \mu$

Exhibit 3: Impact of FDI on Economic Development expressing Income, Economic Stability & Employment

R ² =.35	Income	Het-corrected				
		Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
	FDI	0.10	0.03	3.18	0.00	0.04 0.15
	GDP Growth	0.22	0.24	0.94	0.35	-0.24 0.69
	_cons	0.97	1.84	0.53	0.60	-2.64 4.58

R ² =.38	EcoStab	Het-corrected				
		Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
	FDI	0.48	0.15	3.30	0.00	0.20 0.77
	GDP Growth	-0.43	0.80	-0.54	0.59	-1.99 1.13
	_cons	62.74	8.66	7.25	0.00	45.77 79.71

R ² =.18	Emp	Het-corrected					Conf.
		Coef.	Std. Err.	z	P> z	[95%	

Interval]							
FDI		-0.04	0.05	-0.77	0.44	-0.13	0.06
GDP Growth		-0.43	0.36	-1.21	0.23	-1.14	0.27
_cons		65.09	2.63	24.76	0.00	59.94	70.24

Source: Calculated by the Author

The impact of foreign direct investment on Income (GDP/Capita & Purchasing Power parity) is significantly positive and so is true in case of economic stability (Inflation, GDP & Inflation Volatility) as well. The impact of FDI on employment (Rate of Employment & unemployment). is negative but the probability value being more than 20% we will declare this result to be insignificant.

Model Extensions (Specification I):

$$\text{Health}_{it} = \beta_0 + \beta_1 \text{FDI}_{it} + \beta_2 \text{GDP}_{it} + \mu$$

$$\text{Education}_{it} = \beta_0 + \beta_1 \text{FDI}_{it} + \beta_2 \text{GDP}_{it} + \mu$$

$$\text{Infrastructure}_{it} = \beta_0 + \beta_1 \text{FDI}_{it} + \beta_2 \text{GDP}_{it} + \mu$$

Exhibit 4: Impact of FDI on Investment Development expressing Health, Education & Infrastructure

Interval]						
R² =.37 Health		Het-corrected				
		Coef.	Std. Err.	z	P> z 	[95% Conf. Interval]
FDI		0.14	0.04	3.23	0.00	0.06 0.23
GDP Growth		0.31	0.32	0.95	0.34	-0.33 0.94
_cons		45.82	2.77	16.52	0.00	40.38 51.26

Interval]						
R² =.18 Edu		Het-corrected				
		Coef.	Std. Err.	z	P> z 	[95% Conf. Interval]
FDI		0.11	0.07	1.63	0.10	-0.02 0.24
GDP Growth		0.26	0.36	0.74	0.46	-0.43 0.96
_cons		11.33	3.90	2.90	0.00	3.68 18.98

Interval]						
R² =.24 Infra		Het-corrected				
		Coef.	Std. Err.	z	P> z 	[95% Conf. Interval]
FDI		0.32	0.13	2.53	0.01	0.07 0.57
GDP Growth		0.76	1.03	0.74	0.46	-1.26 2.77
_cons		29.04	7.84	3.70	0.00	13.67 44.42

The impact of foreign direct investment on health (Access to health care & Health care outcome) is significantly positive. The impact of FDI on education (Access to education &

education outcomes) is positive. The impact of FDI on infrastructure (Water, Sanitation, Transport & ICT) is positive as well.

Model Extensions (Specification I):

$$\begin{aligned} \text{Equality}_{it} &= \beta_0 + \beta_1 \text{FDI}_{it} + \beta_2 \text{GDP}_{it} + \mu \\ \text{Civil Society}_{it} &= \beta_0 + \beta_1 \text{FDI}_{it} + \beta_2 \text{GDP}_{it} + \mu \\ \text{Governance}_{it} &= \beta_0 + \beta_1 \text{FDI}_{it} + \beta_2 \text{GDP}_{it} + \mu \\ \text{Environment}_{it} &= \beta_0 + \beta_1 \text{FDI}_{it} + \beta_2 \text{GDP}_{it} + \mu \end{aligned}$$

The impact of foreign direct investment on equality (income distribution, equality in education & life expectancy), is insignificant so we cannot infer anything from the result. The impact of FDI on civil society (civil activism, intergroup cohesion, inter personal safety and trust, gender equality) significantly is positive. The impact of FDI on is governance (rule of law, corruption accountability, stability, property rights) is significantly positive as well. However, the impact of FDI on environment (air quality, Carbon dioxide intensity, protected areas renewable energy) is significantly negative.

Model Extensions (Specification II):

$$\begin{aligned} \text{SEDA}_{t} &= \beta_0 + \beta_1 \text{SEDA}_{t-j} + \beta_2 \text{FDI}_{t-j} + \beta_3 \text{GDP Growth}_{t-j} + \mu \\ \text{FDI}_{t} &= \beta_0 + \beta_1 \text{FDI}_{t-j} + \beta_2 \text{SEDA}_{t-j} + \beta_3 \text{GDP Growth}_{t-j} + \mu \\ \text{GDP Growth}_{t} &= \beta_0 + \beta_1 \text{GDP growth}_{t-j} + \beta_2 \text{FDI}_{t-j} + \beta_3 \text{SEDA}_{t-j} + \mu \end{aligned}$$

We did establish a three-way causality between FDI, Growth and also SEDA (Sustainable Economic Development Assessment) expressing overall development. The probability values are less than 5% expressing the validity of the results. The inference drawn from the above analysis is FDI & GDP (2 lag) causes SEDA, SEDA and GDP Growth (2 Lag) causes FDI and also SEDA and FDI (2 lag) causes GDP Growth.

Exhibit 5: Impact of FDI on Sustainable Development expressing Equality, Civil Society, Governance & Environment.

	R ²		Het-corrected				
	=.10	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	
Equality							
	+						
FDI		0.27	0.27	0.98	0.33	-0.27	0.81
GDP Growth		1.14	1.56	0.73	0.47	-1.93	4.20
_cons		25.99	15.56	1.67	0.09	-4.49	56.48

R² =.31		CvlSc	Coef.	Het-corrected	z	P> z 	[95% Conf. Interval]	
	FDI		0.09	Std. Err.	2.38	0.02		
		+		0.04			0.02	0.16
GDP	Growt		0.34	0.17	2.07	0.04	0.02	0.67
	h							
	_cons		33.52	2.29	14.67	0.00	29.04	38.00
R² =.65		Gover	Coef.	Het-corrected	z	P> z 	[95% Conf. Interval]	
	FDI		0.24	Std. Err.	6.61	0.00		
		+		0.04			0.17	0.31
GDP	Growt		0.18	0.16	1.14	0.25	-0.13	0.48
	h							
	_cons		35.17	1.84	19.13	0.00	31.57	38.78
R² =.48		Env	Coef.	Het-corrected	z	P> z 	[95% Conf. Interval]	
	FDI			Std. Err.		0.01		
		+	-0.07	0.03	-2.51		-0.12	-0.01
GDP	Growt	----- -----	-0.42	0.15	-2.77	0.01	-0.72	-0.12
	h	----- -----						
	_cons		17.32	1.36	12.69	0.00	14.64	19.99

Source: Calculated by the Author

Conclusion

Let us summaries the topic by analyzing growth metrics one by one. Overall progress (SEDA), the link developed with FDI is positive and FDI has a positive effect on the same. Income and FDI have a positive relationship and, FDI has a positive impact on income. Economic stability has a positive relationship with FDI and the influence of FDI is positive. The impact on health, education and infrastructure is also found positive in the country. The effect of FDI on civil society and governance has been found to be positive. The impact of FDI on the environment hasbeen found to be negative. During three way causality test we tested how the lagged values of independent variables impacted the dependent variables and whether three way causality existed. Well it does exist between GDP growth, FDI and SEDA, but the impact is worth takinga dig into. Impact of FDI and GDP (2 lag) on SEDA was found negative in the case of the former and positive in case of the latter. The impact of SEDA and GDP growth (2 lag) on FDI was positive (good development and growth attracts FDI) and the impact of SEDA and

FDI (2 lag) on GDP growth was found negative in case of both. Foreign Direct investment is extremely necessary for a country like India, and after liberalization(1991) FDI has risen in the Indian market and eventually impacted the market and helped it develop. Nevertheless, in our study we have taken twelve-year metrics (2008 to 2019) and found substantial results and built important relations. The three-way causality often shows that enhanced economic development metrics often attract FDI, and growth rate often encourages good foreign investment. India should concentrate on domestic, capital and inclusive development. In the long run too much reliance on international capital is not attractive. However, while FDI has a positive effect in areas such as critical services, clean water, sanitation, and green energy, certain adverse environmental effects may exist for host countries (Aust, Morais, Pinto 2020).

Exhibit 6: Three Way Causality between FDI, Development & Growth in Indian economy.

Equation	Parms	RMSE	R-sq	chi2	P>chi2
SEDA	7	.349852	0.9895	938.9375	0.0000
FDI	7	5.21231	0.8784	72.23642	0.0000
GDP Growth	7	.471792	0.9554	213.9916	0.0000

	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
SEDA					
SEDA					
L1.	1.08	0.10	10.62	0.00	0.88 1.28
L2.	-0.23	0.10	-2.23	0.03	-0.44 -0.03
FDI					
L1.	0.05	0.01	3.96	0.00	0.03 0.08
L2.	-0.07	0.01	-5.85	0.00	-0.09 -0.04
GDP Growth rate					
L1.	0.03	0.07	0.46	0.64	-0.10 0.16
L2.	0.22	0.04	5.05	0.00	0.13 0.30
_cons	4.59	1.49	3.09	0.00	1.68 7.50
FDI 					
SEDA 					
L1.	0.45	1.51	0.30	0.77	-2.51 3.41
L2.	4.26	1.55	2.75	0.01	1.23 7.30

	FDI					
L1.	-0.12	0.20	-0.64	0.52	-0.51	0.26
L2.	-0.35	0.17	-2.09	0.04	-0.68	-0.02
	GDP Growth rate					
L1.	2.79	0.99	2.82	0.00	0.85	4.73
L2.	0.29	0.64	0.46	0.65	-0.96	1.54
_cons	-129.39	22.13	-5.85	0.00	-172.77	-86.02

	GDP Growth					
	SEDA					
L1.	0.93	0.14	6.77	0.00	0.66	1.19
L2.	-0.94	0.14	-6.74	0.00	-1.22	-0.67
	FDI					
L1.	0.09	0.02	5.27	0.00	0.06	0.13
L2.	-0.11	0.02	-7.40	0.00	-0.14	-0.08
	GDP Growth rate					
L1.	0.74	0.09	8.27	0.00	0.57	0.92
L2.	-0.63	0.06	-10.87	0.00	-0.74	-0.51
_cons	6.65	2.00	3.32	0.00	2.72	10.57

Granger causality Wald tests

Equation	Excluded	chi2	df	Prob > chi2
SEDA	FDI	43.279	2	0.000

SEDA	GDP Growth	25.844	2	0.000
SEDA	ALL	107.79	4	0.000
+				
FDI	SEDA	42.334	2	0.000
FDI	GDP Growth	8.2037	2	0.017
FDI	ALL	47.718	4	0.000
+				
GDP Growth	SEDA	48.408	2	0.000
GDP Growth	FDI	71.349	2	0.000
GDP Growth	ALL	101.86	4	0.000
+				

Source: Calculated by the Author

Exhibit 6: Summary Table of FDI and Development in the Indian economy

References

Relationship with FDI	Correlation	Impact of FDI (Linear Regression, Het corrected Standard Error Model)
SEDA (Overall DEV)	Medium Positive	Significantly Positive
Income	Medium Positive	Significantly Positive
Economic Stability	Medium Positive	Significantly Positive
Employment	Low Negative	Insignificant (Negative)
Health	Medium Positive	Significantly Positive
Education	Medium Positive	Significantly Positive
Infrastructure	Medium Positive	Significantly Positive
Equality	Low Positive	Insignificant (Positive)
Civil Society	Medium Positive	Significantly Positive
Governance	High Positive	Significantly Positive
Environment	Medium Negative	Significantly Negative

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