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*Iwona Świeczewska**

FOREIGN DIRECT INVESTMENTS AND LABOUR PRODUCTIVITY. ANALYSIS FOR SELECTED COUNTRIES OF THE EUROPEAN UNION

The primary aim of the paper is the analysis of volume and structure of foreign direct investments (FDI) taking into consideration both global (world capital flows) and local (countries of the EU, placing special emphasis on its new members) approach. The author focuses also on distinguishing global and local factors determining inflow of capital in the form of FDI. Additionally, the paper makes an attempt at verifying an empirical background of the positive impact of FDI on increase in labour productivity in countries of the EU.

1. INTRODUCTION

Foreign direct investments are one of the form of international capital flow. These are "capital investments made with a view to getting a direct influence on activity of a company in which we invest or providing the company, in which an investor has already a significant share, with new means" (Witkowska 1996, p. 12). Investor's direct influence on activity of the company in which they intend to invest (or have already invested) their money is a vital characteristic of foreign direct investments. They are often considered the most favourable and safe form of capital flow between particular countries as opposed to short-term foreign financial investment (portfolio investment) often treated as risk capital that can be the source of many developmental threats. FDI comprise, among others, financial capital flows. They are also one of the sources of various forms of gaining knowledge as well as real and human capital. It is essential particularly for less developed countries as, at the same time, they are the most effec-

* Ph. D., Chair of Theory and Analysis of Economic Systems, University of Łódź.

tive way of direct access to new technologies in the sphere of both production and management. In the sphere of international exchange, they can be the factor facilitating access to new outlets (Mączyńska 1999).

Foreign direct investments can be divided into two basic groups (Wysokińska, Witkowska 1997):

- demand-oriented FDI – investments made on foreign markets in order to sell ready-made products of the parent company;
- supply-oriented FDI, among which we can distinguish:
  - FDI oriented toward natural reserves made in order to get direct access to natural resources;
  - FDI oriented towards technologies made in order to get direct access to modern technologies;
  - FDI, aiming mainly at providing intermediate and final goods.

Moreover, literature indicates trade-oriented and remaining investments but it corresponds with the above division. It is also necessary to mention export investments as well as ones directed towards inward markets. We have to do with the first of them when investors direct prevailing part of production towards markets of other countries or their own parent one. In this case, investors are interested in bigger liberalization of trade flows by, for example, abolishing customs barriers in import. In case of investments directed toward inward markets, investors are rather interested in maintaining or even increasing existing customs protection which can unfavourably affect economy of the recipient country since, particularly in case of big investments, in the specific branch the risk of monopolization can occur (Mączyńska 1999).

FDI can also occur in various forms (Gelder 1986), namely:

- as green field investments, which take place when an investor builds a company;
- as joint-venture, if an investor invests his/her capital in already existing domestic company becoming, at the same time, a partner of the domestic investor;
- an investor redeems all shares of already existing domestic company becoming its rightful owner.

The inflow of foreign direct investments is usually associated with high expectations. In general, they are considered one of the most important factors positively influencing economic development of the recipient country, especially if the inflow is strictly related to direct access to modern technologies. Research of Romer (1993) confirms this thesis. Results of his research confirm phenomenon of positive relation between FDI and economic growth of developing countries if treated as one of the factors facilitating reduction in distance with relation to developed countries. Results of research of Borensztein, Gregorio and Lee (1998) concerning flows of capital between developed and developing countries also confirm a close relation between inflow of capital in the form of

FDI and economic growth. These results suggest that foreign capital is a factor affecting economic growth of recipient country more than domestic investments, which confirms the thesis that foreign investments are carriers of new technologies. They also indicated the fact that the bigger resources of human capital in recipient country, the bigger productivity of foreign investments in comparison with domestic ones.[1] Similar conclusions were also presented by Xu (2000), who suggests that foreign capital shows bigger productivity and, at the same time, affects economic growth of more developed countries to a larger extend than less developed ones as they do not have an appropriate resource of human capital.

Nevertheless, positive influence depends not only on the volume of inflowing capital but also its internal structure which determines the standard of accompanied technology. Therefore, investments oriented towards fields essential to development of modern technologies grow in importance (Karaszewski, Wiśniewski 2000).

2. DETERMINANTS OF FOREIGN DIRECT INVESTMENTS INFLOW

The volume and structure of foreign direct investments are determined by many factors. Among most important we can distinguish (Przybylska 1998; Karaszewski, Wiśniewski 2000):

- socio-economic policy of recipient country conductive to investors;
- comparative advantages being attributes of the particular FDI recipient country (i.e. rich deposits of natural resources, low costs of labour force, and so on) and
- civilisation and cultural conditions.

As it was mentioned above, inflow of FDI is considered a favourable phenomenon in economic development of the recipient country. Among many potential advantages resulting from the inflow of FDI, the following are mentioned most often (Mączyńska 1999; Knell, Radošević 2000):

- benefits of socio-economic character, among which the most important are ones connected with restocking shortage of domestic capital, strengthening domestic currency, easy access to foreign credits, development of information and financial infrastructure, increase in employment and/or labour productivity;

[1] Similar results were obtained earlier by Keller (1996) who proved that a common access to foreign technologies, taking into consideration limitations of human resources, does not have any impact on the growth rate in developing countries.

- benefits concerning balance of foreign trade, namely export growth, improvement in trade balance, increase in competitiveness of economy of the recipient country on international markets;
- benefits connected with development of domestic research and development sphere, easy transfer of scientific and technical knowledge, modern technologies, raising skills and qualifications of domestic personnel;
- benefits for domestic companies manifesting mainly in increasing outlets for domestic companies, limitation of activity of domestic monopolies, adopting modern models of style and work organization.

Functioning of companies with foreign capital in economy also brings about potential threats with reference to both economy as a whole and companies. Among them we can distinguish (Mączyńska 1999; Knell, Radošević 2000):

- general threats relating to limitations of sovereignty and effectiveness of economic policy of the recipient country, over-reduction of employment or inflow of outdated, "non-ecological" technologies;
- threats concerning foreign turnovers, among which we can mention increase in import and worsening of trade balance;
- threats connected with limitation of activity or liquidation of domestic research and development base as well as transfer of foreign skilled personnel;
- threats for companies which take the risk of applying unfair competition and squeezing domestic producers by companies with foreign capital or profits exportation.

To sum up, we can state that foreign direct investments can affect economy of the recipient country and potential benefits (or threats) depend mainly on the way of making use of inflowing capital. For less developed countries they can be a potential source of their development acceleration.

3. FOREIGN DIRECT INVESTMENTS – GLOBAL APPROACH

In the year 1980 global FDI stock ran at a level of less than 700 billion USD. Over the following years it was multiplied reaching, in 2003, over 8000 billion USD, while the most dynamic growth in the FDI stock took place mainly in the nineties.

In general, the biggest capital flow in the form of FDI occurs between developed countries (table 1). In the nineties these countries invested over 80% of the global FDI stock being, at the same time, recipients of about 70% of their total volume. Most of the investments in developed countries are made between countries of the European Union and the United States (about 70% of inflowing investments and almost 80% of outflowing investments). Developing countries

were recipients of almost 20% of FDI and their share in streams of inflowing investments reached about 10%. However, it is worth mentioning that in the last few years, the share of less developed countries in global flows of FDI has increased. The reason for this state of affairs is mainly progressing political and economic transition manifesting in trade liberalization.

Among developing countries, the biggest recipients of FDI were Asian countries (above all China) which took over almost 60% of investments directed towards developed countries (and over 11% of the stream of global investments). Taking into consideration countries of Central and Eastern Europe, until the year 2002, the value of the stream of FDI increased regularly reaching the volume of 31,2 billion USD (covering 4,5% of the total volume of FDI). In 2003 the volume of this stream of FDI dropped to the level of 21 billion USD (covering 3,8% of the stream of FDI in the global economy). From the other hand, these countries, as exporters of FDI, play marginal role in the global economy (in the year 2003 they invested a little more than 1,1% of global investments).

What is the reason for the fact that the capital transfer occurs actually only between developed countries? The answer to this question can be found in the paper of Lucas, 1990. He indicates two main reasons for this state of affairs namely, differences in levels of resources of human capital and its effectiveness between developed and developing countries as well as imperfections of capital markets of developing countries that increase the risk of investing in these economies.

In the nineties, consolidation of position of developing countries as recipients of FDI was due to many factors, among which we can mention (Witkowska 1996; *World Investment Report*, 2001):

– progressing economic recession of developed countries, especially within the first part of the nineties;

– development in initiating integration processes in the continent of America (NAFTA);

– political and economic stabilization, especially with reference to some Asian countries (China, Singapore) as well as Central and Eastern Europe;

– rapid development of economies of these countries together with the policy oriented towards trade liberalization and promotion of FDI as a source of gaining huge capital;

– dynamic processes of economic transition together with rapid privatisation, which were most significant for countries of Central and Eastern Europe.

Japan plays quite specific role in the distribution of capital in the form of FDI since, as a matter of fact, it is an exporter of investments receiving only an insignificant part of global flows. This fact can be explained by relatively high saving rates in relation to investment rates which Japanese economy is characterized by. The surplus of domestic savings is distributed to other countries also in the form of direct investments.

Table 1. Regional distribution of FDI inflows and outflows, in selected years of 1989–2003 (billions of dollars)

Region/Country	FDI inflows						FDI outflows					
	1989–94 (annual average)	1995	1997	1999	2001	2003	1989–94 (annual average)	1995	1997	1999	2001	2003
Developed countries	137.1	203.5	271.4	829.8	571.5	366.6	203.2	305.8	396.9	945.7	658.1	569.6
Western Europe	79.8	117.2	137.5	485.3	368.8	310.2	114.2	173.6	242.4	761.1	447.0	350.3
European Union	76.6	113.5	127.6	467.2	357.4	295.2	105.2	159.0	220.4	720.1	429.2	337.0
United States	42.5	58.8	103.4	295.0	159.5	29.7	49.0	92.1	95.8	142.6	124.9	151.9
Japan	1.0	–	3.2	12.7	6.2	6.3	29.6	22.5	26.1	22.7	32.3	28.8
Developing countries	59.4	112.9	185.7	219.3	219.7	172.0	24.9	48.9	65.5	57.9	59.9	35.6
Africa	4.0	4.7	7.2	9.0	19.6	15.0	0.9	0.5	1.7	0.6	–2.5	1.3
Latin America	17.5	32.3	71.2	110.3	88.1	49.7	3.7	7.3	14.4	21.8	12.0	10.7
Asia and the Pacific	37.9	75.9	107.3	100.0	112.0	107.3	20.3	41.1	49.4	35.5	50.4	23.6
Central and Eastern Europe	3.6	14.8	20.9	25.9	26.4	21.0	0.1	0.6	3.6	2.2	3.5	7.0
WORLD	200.1	331.2	478.0	1075.0	817.6	559.6	228.3	355.3	466.0	1005.8	721.5	612.2

Source: UNCTAD, *World Investment Report 2001*, p. 3 (for years 1989–1999), *World Investment Report 2004*, pp. 367–375 (for the last two years, 2001 and 2003).

However, not only is the volume of capital distributions significant. Its sectoral structure is also of great importance. Over the last few years in developed countries, increase in the share of FDI in service sectors and "technologically intensive" industries, which have strongly affected economic development, has been noticeable. Resource-absorptive branches of industry requiring huge amount of unqualified labour force, have been of less and less significance (although still important in developing countries).

4. FOREIGN DIRECT INVESTMENTS IN COUNTRIES OF THE EUROPEAN UNION

4.1. FDI in countries of Western Europe

In the seventies and eighties capital flows in the form of FDI occurred mainly between the United States and most developed countries of Western

Europe (countries of the then European Union). A leader among European economies was Great Britain which, in the years 1980–1984, had a share in global flows of FDI running at a level of 19.4% which in 1985–1989 increased to a level of 20.2% (*World Investmant Report [WIR] 1991, The Triad of foreign direct investment*, p. 10).[2] At the end of the eighties, the position of countries of Western Europe as foreign investors strengthened significantly reaching a level comparable with the United States (WIR, 1991, p. 38). Although Great Britain was still a leader among countries of the EU remaining the biggest direct investor in the area of the EU, disproportion between them dropped a little (see Fig. 1).

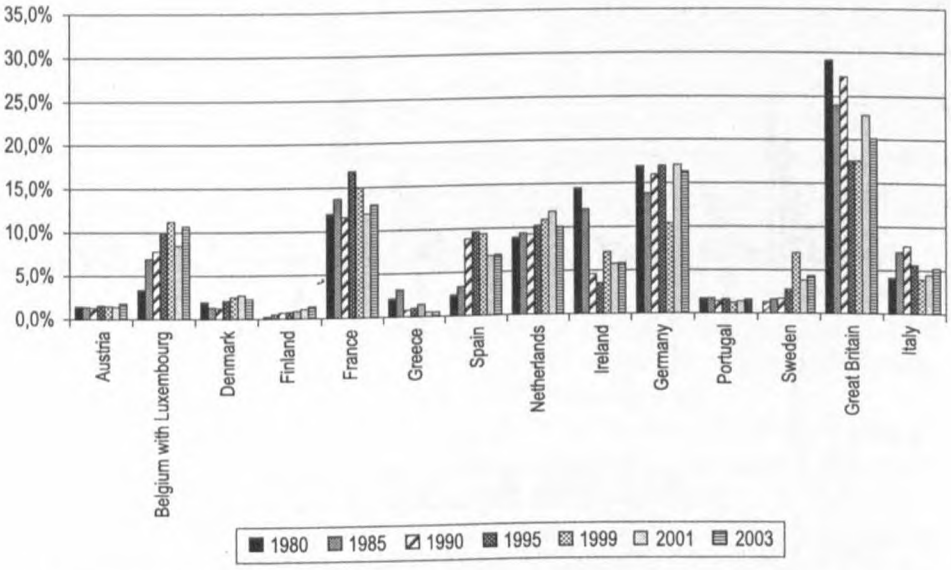

Fig. 1. Structure of FDI stock in countries of the EU (15 countries) in selected years of the period 1980–2003

S o u r c e: Own study on the basis of data of UNCTAD (WIR, 1991–2004; www.unctad.org)

Among the biggest foreign investors in countries of the European Union it is necessary to mention Germany (until the year 1990 only Western Germany), France, Belgium (together with Luxembourg) and Holland. The share of FDI of the countries listed above reaches about 80% of FDI for countries of the EU. In case of small economies (Denmark, Finland, Sweden, Austria or Greece), the share does not exceed 5%.

[2] Per contra, a similar share for the United States amounted to 28.1% (in the years 1980–1984) and 14.3% (1985–1989). In case of Japan, this share ran at a level of 8.9% (1980–1984) and 18.8 (1985–1989).

If we take into consideration FDI stock *per capita*, we can see that small developed economies are dominant. As an example, in Ireland FDI stock *per capita* increased from the level of 1.5 thousand dollars (data from the year 1993) to about 49 thousand dollars in 2003. Similarly, in Belgium FDI stock *per capita* increased from the level of 6.8 thousand dollars to 34 thousand dollars. In case of big economies, this level is far lower and does not exceed 15 thousand dollars (see Fig. 2). It means that small and dynamic economies are main European recipients of FDI and big countries whereas, above all, foreign investors.

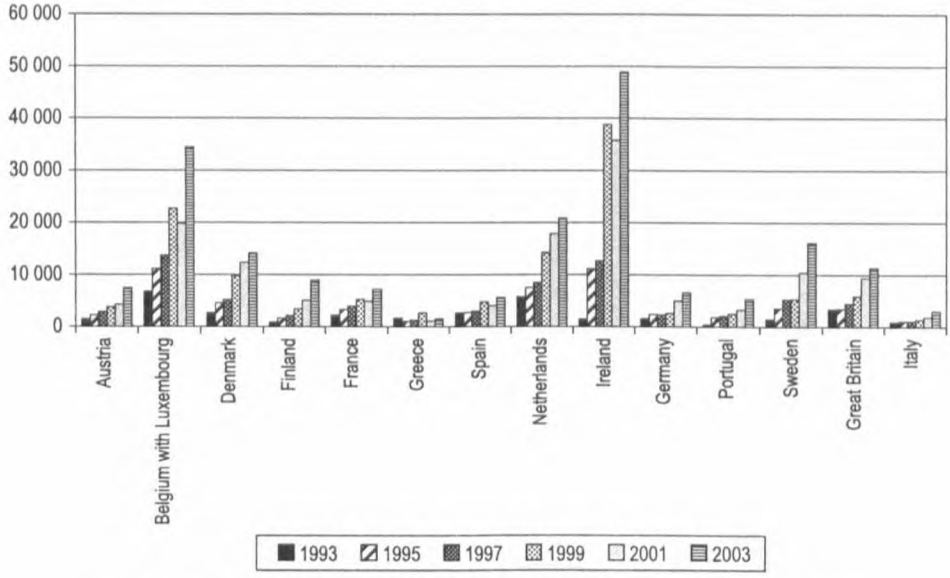

Fig. 2. FDI stock *per capita* (in dollars) in selected years of the period 1993–2003

S o u r c e: Own study on the basis of data of UNCTAD (WIR, 1994–2004; www.unctad.org)

The sectoral structure of FDI in countries of the European Union is a reflection of the sectoral structure of FDI in developed countries. Foreign investments are concentrated mainly on service sectors (telecommunication, trade, financial agency services) as well as technologically advanced branches of industry (electronic, chemical, pharmaceutical industry).

4.2. Foreign direct investments in selected countries of Central and Eastern Europe

Foreign direct investments appeared in Central and Eastern Europe in the seventies but at that time there were trace quantities of them. The transformation

of socio-economic system initiated at the end of the eighties of the 20th century, together with huge (at least in the initial period) absorbency of inward markets as well as low prices of production means brought about increase in the interest of foreign investors in investing their capital in these countries. At the same time, other factors were also of great importance for investors. They can be classified as follows (Resmini 2000, p. 666 and further):

- Volume and pace of privatization processes;
- Favourable changes on capital markets as well as the currency and money standard;
- Improvement in of economies competitiveness;
- Changes in economic policy with reference to foreign investors.

Various pace and course of transition in countries of Central and Eastern Europe revealed leaders among recipients of foreign capital in the form of FDI very quickly. In the first part of the nineties, Hungary was the biggest recipient in this region (see Fig. 3). Hungary was the first country from the former Eastern Block which started thorough economic transformations associated with dynamic privatization processes providing, at the same time, foreign investors with favourable conditions. All these factors caused the fact that in the first part of the nineties Hungarian economy became the recipient of almost 50% of the capital that flew into all the countries of Central and Eastern Europe included in research.[3] The remaining recipients of foreign capital over this period were Poland (about 25%) and Czech Republic (a little more than 20%). Significance of the remaining countries as recipients of FDI was marginal.

Attractiveness of these three economies in the context of inflow of foreign capital results, above all, from their volume and rapidity of bringing into effect structural changes leading to economic stabilization (Holland, Pain 1998, p. 4). It seems that proximity to countries of the European Union and quite strong, as for countries of the former Eastern Block, commercial connections with the West are also of great significance (Barrell, Holland 2000, p. 481).

In the middle of the nineties, the rapid growth in volume of FDI that flew into countries of Central and Eastern Europe, took place. Geographical location of FDI changed a little as well. Starting the year 1997, Poland (about 35% of total volume of FDI in analysed countries) ahead of Hungary (about 30%) and Czech Republic (about 25%) became the leader among countries being the biggest recipients of FDI in the region.

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[3] The paper considers only eight countries of the former Eastern Block. These are countries which entered the European Union in the year 2004. Investigations include Czech Republic, Estonia, Lithuania, Latvia, Poland, Slovakia, Slovenia and Hungary. Cyprus and Malta were not included mainly due to statistical data accessibility. What is more, they are so small economies that it does not have any significant impact on the change in the comprehensive picture of the situation that took place in countries being new members of the European Union.

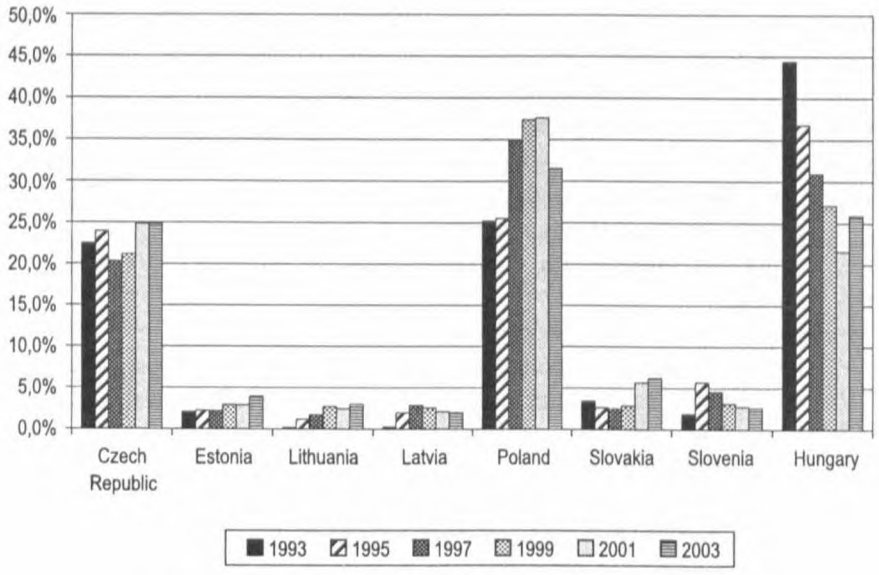

Fig. 3. Structure of FDI in selected countries of Central and Eastern Europe

S o u r c e: Own study on the basis of data of UNCTAD (WIR, 1994–2004; www.unctad.org).

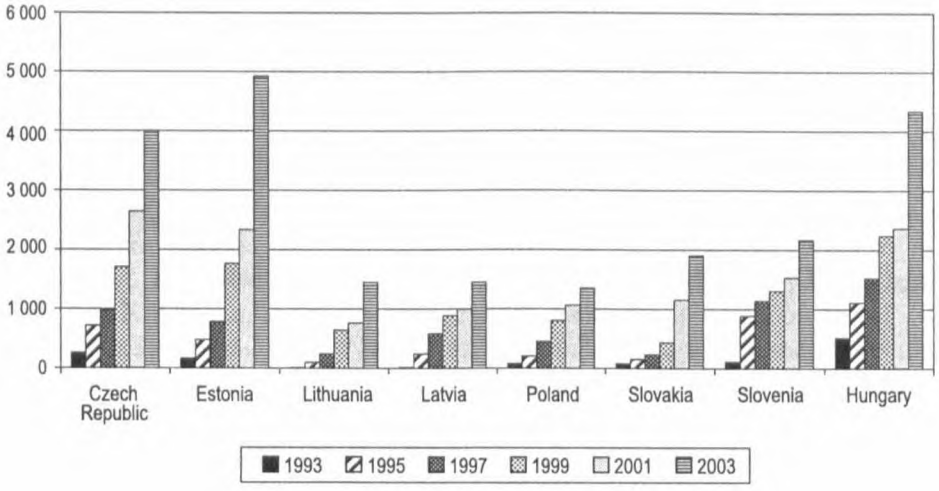

Fig. 4. FDI stock *per capita* in selected countries of Central and Eastern Europe (in dollars)

S o u r c e: Own study on the basis of data of UNCTAD (WIR, 1994–2004; www.unctad.org)

If we take into consideration FDI stock *per capita*, the situation seems to look completely different. Until the end of the nineties, Hungary had been an unquestionable leader (see Fig. 4). However, since the year 2000, Czech

Republic took the lead and in the following years Estonia (in the year 2003, FDI stock *per capita* ran at a level of about 5 000 dollars) did the same. Poland, as the biggest economy among investigated ones, takes one of the latest positions in this category (the level comparable with Lithuania and Latvia). It means that the inflow of foreign capital is not proportional to the volume of the particular economy and the crucial factor determining the position is the country's policy conductive to foreign investors as well as the pace of ownership transformations.

A vast majority of FDI in countries of Central and Eastern Europe come from countries of the European Union and the United States. It means that geographical proximity (in case of investors from Western Europe) is a significant factor determining the location of foreign capital (see Table 2). United States foreign affiliates are usually interested in the distribution of their own product, and less in building local production networks (WIR, Vol. VIII, Central and Eastern Europe 2003, p. 3–10).

Table 2. The biggest foreign investors in selected countries of Central and Eastern Europe

Country	Main investors (data from 2000)
Czech Republic	Netherlands (30.1%), Germany (25.5%), Austria (11.1%)
Estonia	Sweden (39.5%), Finland (25.4%), United States (9.5%)
Lithuania	Denmark (18.3%), Sweden (17.3%), United States (9.8%)
Latvia	Sweden (12.6%), Germany (11.1%), Estonia (11.2%)
Poland	Netherlands (26.1%), Germany (19%), France (12.5%)
Slovenia	Austria (45.6%), Germany (12.5%), France (10.7%)
Slovakia	Germany (28.7%), Netherlands (24.4%), Austria (14.5%)
Hungary	Germany (25.8%), Netherlands (22.5%), Austria (12.2%)

S o u r c e: WIR, Vol. VIII, Central and Eastern Europe 2003, p. 11–12.

Geographical proximity is not the only factor determining the location of foreign capital. The motivations of investors differ between countries and over time. In most CEE countries, FDI was first attracted by opening of formerly closed markets. Domestic market-oriented FDI was initially mainly in the form of the acquisition of privatized firms or of joint ventures with local firms. Later on, export-oriented efficiency-seeking investment appeared in some countries. Export oriented greenfield investment is almost exclusively confined to countries close to the EU: Hungary, Poland, Czech Republic and Slovakia. These are the areas that provide the best transport facilitates and lowest transaction cost for companies, while investors enjoy relatively low labour cost (*World Investment Directory*, vol. VIII, 2003, p. 10).

The factors mentioned above are of great importance for the sectoral structure of FDI in CEE countries. Initially, investments flew mainly into processing industry, however, in the following years its share decreased significantly in favour of service sectors (see Table 3). This state of affairs was unquestionably influenced by privatization of the banking sector and telecommunication services.

Table 3. FDI inflows in CEE, by industry (percentage shares in total)

Country	Main branches (data from 2000)
Czech Republic	Trade and repair (15%), financial intermediation (14.7%), transport, storage and communication (11.2%)
Estonia	Financial intermediation (24.2%), transport, storage and communication (22.7%), trade and repair (13.6%)
Lithuania	Trade and repair (22.7%), transport, storage and communication (18.8%), financial intermediation (16.2%)
Latvia	Financial intermediation (22.6%), trade and repair (20.4%), transport, storage and communication (19.1%)
Poland	Financial intermediation (20.3%), trade and repair (16.9%), transport, storage and communication (9.9%)
Slovenia	Financial intermediation (25.8%), trade and repair (14%), real estate, renting and business activities (13.3%)
Slovakia	Transport, storage and communication (16.8%), financial intermediation (12%), trade and repair (11.5%)
Hungary	Financial intermediation (27.1%), trade and repair (18.4%), transport, storage and communication (7.7%)

S o u r c e: World Investment Directory, Vol. VIII, Central and Eastern Europe 2003, p. 4–5.

4. FOREIGN DIRECT INVESTMENTS AND LABOUR PRODUCTIVITY. STATISTICAL APPROACH

As it was mentioned above (point 1), foreign direct investments comprise not only financial capital flow but they are also one of the sources of gaining various forms of knowledge and technology from abroad. The long-term nature of FDI motivates of foreign investors to take an active part in the decision-making process, and is likely to lead to some restructuring of the firm (Barrell, Holland 2000, p. 478). Therefore, they can be a significant factor increasing production processes efficiency.

Production processes efficiency is reflected most often in changes in volume and structure of production, primary production means as well as changes in their productivity (changes in labour and capital productivity). Research concerning an impact of FDI on changes in production processes efficiency, date back to the seventies of the former century and include mainly developed economies (Caves 1974; Globerman 1979; Blomström 1986; Kokko 1996). Results of the research seem to confirm the fact that increasing productivity of the economy is positively correlated with the inflow of foreign capital in the form of FDI.

Together with increased inflow of foreign capital into countries of Central and Eastern Europe, initial empirical investigations concerning an impact of FDI on increase in production processes efficiency in these countries, occurred. The pioneer in these investigations was Hunya (1997), whose results confirm positive influence of FDI on labour productivity. However, this influence is restricted only to companies in which this capital was invested. Holland and Pain (1998) considered the impact of FDI on total economy labour productivity in transition economies and found that the inflow of FDI has increased labour productivity in the economy overall. These investigations were continued by Holland Barrell in the year 2000 on the sector level[4] with reference to Poland, Czech Republic and Hungary. They also confirm positive impact of FDI on increase in labour productivity however, this impact differs in the particular sectors of industry.

In this paper, the author attempts to verify hypothesis about positive impact of FDI on the level of labour productivity on the basis of statistical methods. The analysis comprises all countries of the "old" European Union as well as seven countries of the former Eastern Block (incorporated in the European Union in May, 2004). Labour productivity for the particular countries was defined by the relation of GDP (in fixed prices) per employee. The measure of the volume of foreign capital invested in the particular economy was the index defining intensity of FDI in the particular economy, that is the volume of FDI stock per employee. On the basis of cross-sectional and time-series data sample comprising the years 1993–2003 the author calculated correlation coefficient between labour productivity and intensity of FDI for both all the countries in total and in division for countries of the "old" and "new" European Union. Assuming, at the same time, that this impact is not usually immediate, year-long, two-year and three-year lags were took into consideration. In order to include also the fact that increased inflow of foreign capital into countries of Central and Eastern Europe dates back to the middle of the nineties, the period of analyses was restricted to the years 1995–2003. Obtained results are presented in Table 4.

[4] These investigations include only processing industry disaggregated to 11 sectors.

Table 4. Correlation coefficients between labour productivity and intensity of FDI

Period	Countries	Current	One year lagged	Two year lagged	Three year lagged
1993–2003	All countries	0.473	0.481	0.476	0.483
	„Old" UE	0.298	0.284	0.267	0.279
	„New" UE*	0.168	0.202	0.218	0.286
1995–2003	All countries	0.494	0.519	0.539	0.540
	„Old" UE	0.304	0.324	0.377	0.375
	„New" UE*	0.229	0.322	0.394	0.450

* Countries of the "new" European Union included in the investigation: Czech Republic, Estonia, Lithuania, Latvia, Poland, Slovenia, Slovakia and Hungary.

S o u r c e: Own calculations.

Obtained results seem to confirm positive relation between labour productivity and intensity of FDI in the particular countries. If we take into consideration the whole analysed period (1993–2003), we can see that correlation coefficients for the entire group of countries are of the order of 0.47–0.48 while, we obtain somewhat bigger ones if we include time lags (a year or three years). In this period, we obtained somewhat bigger correlation coefficients for countries of Western Europe. We have to do with a little different situation if we take into consideration the years 1995–2003. In this period, correlation coefficients for all countries are of the order of 0.49–0.54 while, including two-year and three-year lags, we obtain the biggest ones. In this period we obtain far bigger coefficients, in comparison with the previous period (1993–2003), for countries of Central and Eastern Europe. Their values increase significantly if we take into consideration three-year lag. It can be due to the character of the foreign investments in these countries (green field type investments).

Obtained results confirm hypothesis that foreign direct investments in countries of the former Eastern Block are significant factors making an impact on increase in labour productivity. However, we must be chary about them as they are only a contributor to detailed investigations of the role of FDI in the process of economic growth of "new" members of the European Union.

5. FINAL REMARKS

Deliberations presented in the paper can be summed up as follows:

1) Foreign direct investments are one of the forms of the international capital flow. They are one of the basic sources of gaining financial capital as well as the most effective way of the access to new technologies and methods of production organization. All of these factors determine the fact that they are perceived one of the most important factors having positive impact on economic growth and development of the recipient country.

2) Flow of capital in the form of FDI occurs mainly between developed countries. However, starting the nineties of the former century, the share of developing countries, of which countries of Central and Eastern Europe, as recipients of this capital has increased considerably. Therefore, determining the role of this capital in the process of growth in these economies' productivity has become vital.

3) Statistical analysis concerning an impact of FDI on labour productivity, whose results are presented in the paper, seems to confirm hypothesis that FDI are significant contributors to increase in labour productivity. This effect, however, is observed with some lag (two or three-year). These conclusions refer to both developed countries (represented by countries of Western Europe) as well as less developed ones (represented by eight economies of Central and Eastern Europe incorporated in the European Union in May, 2004). However, these conclusions are of very general character and require conducting further and more detailed investigations.

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Iwona Świeczewska

BEZPOŚREDNIE INWESTYCJE ZAGRANICZNE A ZMIANY EFEKTYWNOŚCI PROCESÓW PRODUKCYJNYCH. ANALIZA DLA WYBRANYCH KRAJÓW UNII EUROPEJSKIEJ

Bezpośrednie inwestycje zagraniczne (BIZ) są jedną z form międzynarodowego przepływu kapitału. Obejmują one nie tylko przepływy kapitału finansowego, ale są również istotnym źródłem pozyskania nowych form wiedzy, kapitału rzeczowego i ludzkiego, i technologii z zagranicy. Są także jednym z najbardziej efektywnych sposobów bezpośredniego dostępu do nowych technologii oraz metod zarządzania i organizacji produkcji. Ich długookresowy charakter implikuje, iż są one postrzegane jako istotny czynnik wpływający na poziom i/lub tempo rozwoju gospodarczego kraju będącego ich odbiorcą.

Głównym celem autorki artykułu jest analiza wielkości i struktury bezpośrednich inwestycji zagranicznych (BIZ) zarówno w ujęciu globalnym (światowe przepływy kapitałowe), jak i lokalnym (w krajach Unii Europejskiej, ze szczególnym uwzględnieniem nowych jej członków). Uwagę skoncentrowano na wyodrębnieniu światowych i lokalnych czynników determinujących napływ kapitału w formie BIZ. W artykule podjęto również próbę weryfikacji hipotezy o dodatnim wpływie BIZ na wzrost wydajności pracy w krajach Unii Europejskiej.