

Foreign Direct Investments, Trade Flows and Economic Growth in Sub-Saharan Africa: Challenges and Opportunities



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Foreign direct investment (FDI) flows to developing country regions have been one of the most important aspects of globalization and a key source of growth-financing in many countries. However, over several decades, there have been disproportionate FDI flows to developing country regions with Sub-Saharan Africa receiving the least. Extant research has examined key determinants of FDI flows and the impact of such capital movements on the economic growth process of host nations. In this lecture, I will examine some of our recent research papers which employ space-time dynamic models on the growth-effects of FDI flows to Sub-Saharan African region by controlling for intermediary roles played by natural resource endowment, institutional quality, and trade openness. We develop several spatial mechanisms to assess whether intermediary roles played by institutional quality, severity of civil conflicts, democracy, trade openness and resource endowment are statistically different from zero in enhancing and/or attenuating the effect of FDI on growth in Sub-Saharan Africa. Lastly, in one of our most recent papers, I will discuss the mechanisms through which weather-related shocks mainly attributed to temperature rises and precipitation are contributing to the disruption of trade flows from key sectors of Sub-Saharan African countries. Key policy implications and calls to action will be discussed throughout my presentation.

Biography:

Dr. Andrew Ojede is an Associate Professor of Economics in the Department of Finance and Economics at Texas State University. Dr. Ojede teaches both graduate and undergraduate courses in macroeconomics, international economics, and monetary theory and policy. His research interests focus on: (1) the intersection between macroeconomics and international economics, (2) regional economic analysis and growth, and (3) productivity analysis and international development. Dr. Ojede is a well-accomplished scholar, whose work has been cited in a wide spectrum of the economics profession. He has published several research in highly regarded regional, national, and international peer-reviewed economics journals. Dr. Ojede also consults with international organizations, nonprofit organizations, and foundations in the United States.