$FAID_t + \beta_2 DOM_t + \beta_3 HUM_t + \beta_4 NFP_t + \beta_5 GC_t + \beta_6 INF_t + \beta_5 GC_t$

Foreign Direct Investment (FDI) and the Cameroon Economy from 1970-2011

Abdulrazag Etelawi



Research Question

Why doesn't the current Cameroon economy encourage more FDI?

Hypothesis

The Cameroon government does not encourage foreign direct investment (FDI) as much as other African nations because it has comparatively fewer foreigners living within its borders, a more corrupt government, a less developed economy, and more domestic investment.

Methods

My methods are based on deductive methods and economic logic (economic theory) by using the following model:-

 $FDI_t = \beta_0 + \beta_1 Forighn AID_t + \beta_2 Domestic Investment_t + \beta_3 Education_t + \beta_4 No. of Forighn people_t + \beta_5 Gov. Corruption_t + \beta_6 No. of phones_t + \varepsilon_t$

Data

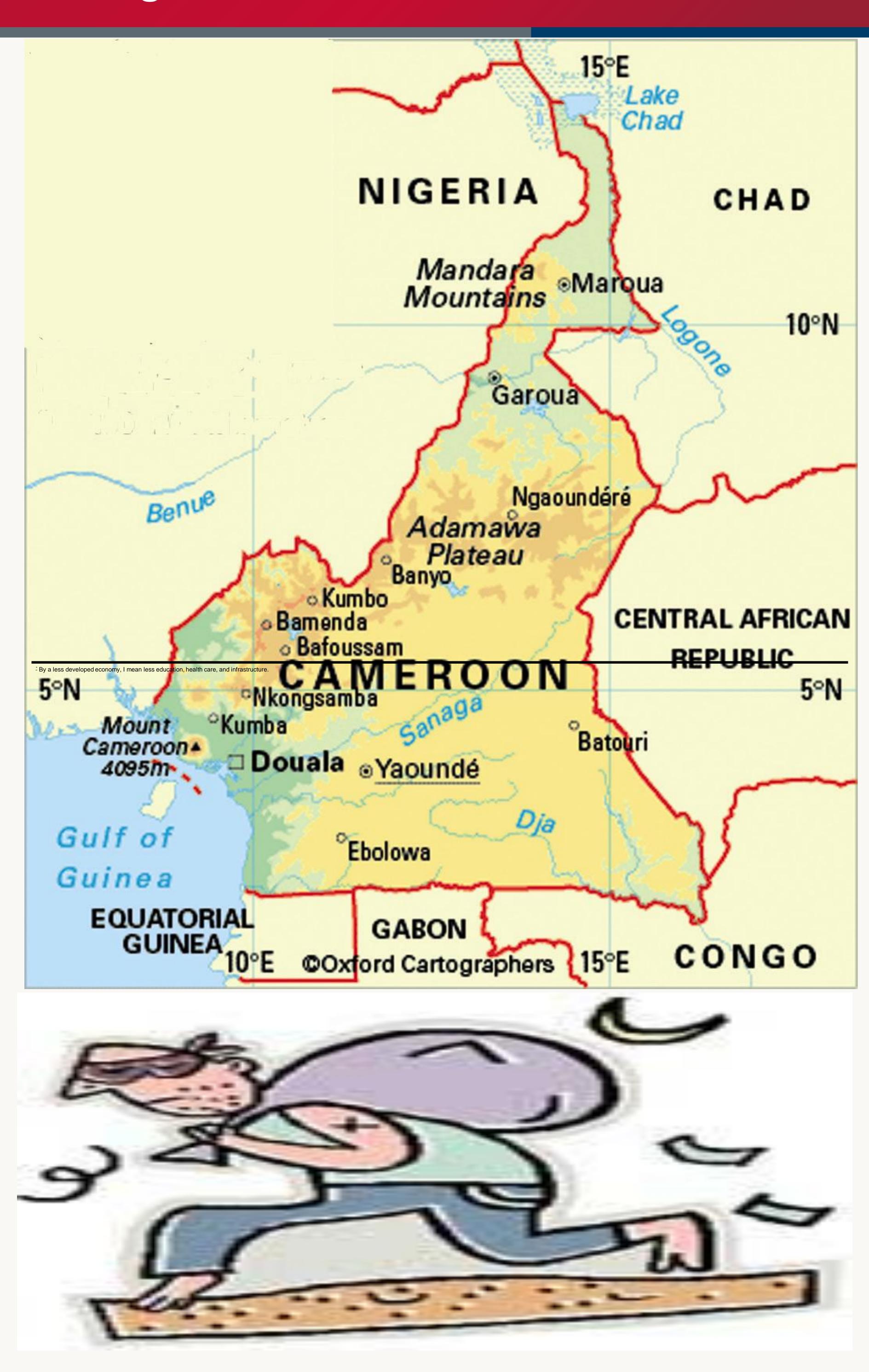
There are various sources of data, such as:

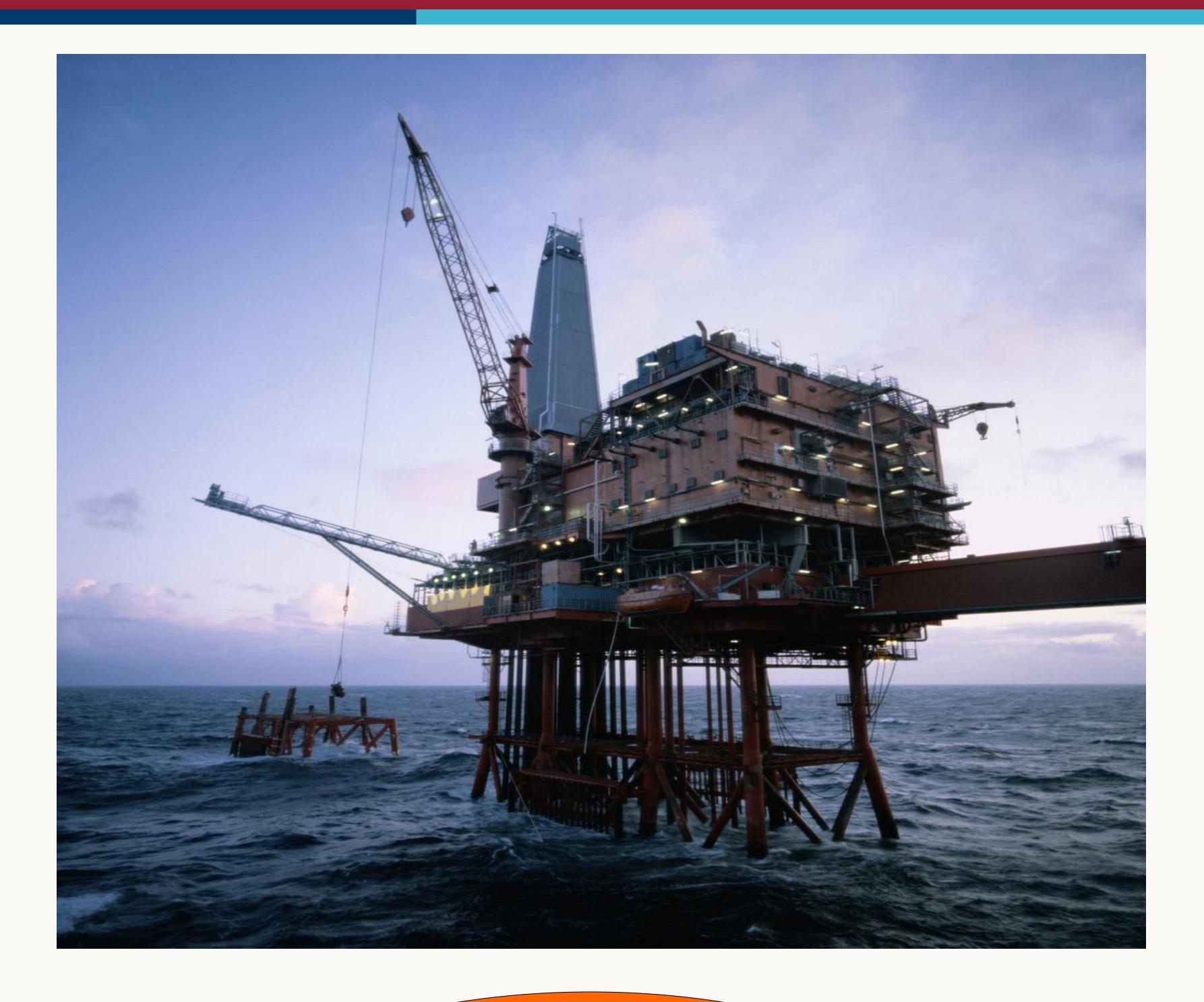
(www.unctad.org/sections/dite_fdistat/docs/wid_cp_cm_en.pdf)

(http://data.worldbank.org/), (wolframalpha.org), (http://comtrade.un.org/db/)

(https://www.cia.gov/library/publications/the-world-factbook/geos/cm.html)







Conclusion

The expected results, to be tested in my empirical model, are that foreign aid, human capital (education), number of foreign people living in Cameroon, and infrastructural (phone users) positively affect FDI, while government corruption and domestic investment negatively affect FDI.

Implications

This research can be applied to 40% poverty rate / 87% rural area/weak growth per capita. Unemployment rate 30%.