An Evaluation of The Affinity For Foreign Direct Investment (FDI) And Willingness To Dilute Shareholding Among Zimbabwean Companies; A Case Study Of Bulawayo-Based Companies

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ABSTRACT
This research seeks to evaluate the level of appetite for foreign direct investments or other forms of financial interventions among Zimbabwean (local) companies to revive industry operations, to evaluate the level of preparedness and willingness of local business owners to give up shareholding in lieu of working capital and capital expenditure investment by foreign investors, to evaluate the appreciation of the positive effects of creating synergies with foreign companies which have the requisite financial capacity for economic revival and sustainable growth, to explore the potential benefits to companies and the economy at large of the synergies that can be forged with foreign investors, and to identify possible interventions for attracting FDI as a measure to recapitalize the ailing local industry. Literature on foreign direct investment, the benefits of foreign direct investments and trends on foreign direct investment inflows into the Zimbabwean economy is reviewed with a view to forming a basis against which the research findings are analyzed. The researchers carried out a cross sectional survey that focused on the manufacturing, motoring, engineering, energy, hospitality and tourism companies in Bulawayo, Zimbabwe with a view to evaluating their appreciation of the concept of bringing in foreign investors who have the requisite capital they need for economic revival. The research findings were analyzed and conclusions were drawn, which formed the basis for making recommendations to both government and industry on policy direction for improving the attractiveness of the Zimbabwean economy for foreign direct investment. While respondents agreed that they have need for capital injection for working capital and capital expenditure, the bulk of them (70%) did not show willingness to give up shareholding in exchange for capital injection through foreign direct investment. Instead, they recommended other policy measures and changes to be implemented by government, which they envisaged to change their fortunes in economic turnaround. Some of these recommendations have been implemented before without yielding much positive results. Based on the trends in other developing countries, where foreign direct investment has yielded positive results towards sustainable economic growth as evidenced by the literature, the researchers recommend that the government through its various ministries and the business association educate the business community on the benefits of foreign direct investment to their organizations and to the economy in general. It is also the researchers’ recommendation that the government considers reviewing economic policies so that the economic environment is more conducive for foreign investors to bring in the capital required in Zimbabwe for sustainable economic growth and development.

Key Words: Foreign Direct Investment, shareholding, return on investment, return on capital employed, economic growth, economic development.

1.0 BACKGROUND
The Zimbabwean economy has experienced a myriad of changes which have had a significant detrimental and retrogressive impact on the performance of the economy from the year 2000 to date (2014). The political landscape changed from a predominantly one party state to a very turbulent climate ushered in by the emergence of vibrant opposition political parties. Agricultural reforms marred with farm invasions took centre stage, significantly disrupting the performance of the agricultural sector. Invasion of industry by liberation war veterans disrupted economic activity which had already started suffering from economic sanctions that the west imposed on Zimbabwe following the land reforms, which were largely targeted at repossessing farms from white commercial farmers. This was coupled with a number of changes in fiscal and monetary policies during this period, which saw the financial sector being seriously threatened with collapse, with a number of financial
Institutions closing shop. Hyperinflation characterized the economy coupled with shortage of basic commodities, deterioration of health service delivery, poor education standards and other key services, and the brain drain. There was also a significant ‘exodus’ of white commercial farmers who had been largely supporting the Zimbabwean agricultural sector. This dealt a big blow to the agricultural output these white farmers having been replaced by inexperienced indigenous farmers, who also lacked the requisite equipment to maximize land use. There were also negative downstream effects on secondary and tertiary sectors of the economy that depended on agricultural output as input into their production processes or operations. The introduction of the multicurrency system in February 2009 came as a welcome move to stabilize and grow the Zimbabwean economy. This was complemented by the ‘Look East Policy’ wherein the Zimbabwean government started soliciting trade partnerships with some Asian countries as measure to mitigate the impact of western sanctions on Zimbabwe. More recent developments designed to stimulate economic growth include reforms in the mining sector, the Indigenization and Economic Empowerment Act, the establishment of the Zimbabwe Investment Authority (ZIA), focus on beneficiation of mineral resources and various other incentives to attract foreign investors. These policy measures and incentives seem to have had more negative than positive effects on the operations of multinational corporations currently operating in Zimbabwe, and potential foreign investors who could have brought in FDI. Foreign remittances from those Zimbabweans based in foreign countries are very low and local banks are incapacitated to support significant economic revival. The government has very limited capacity to meaningfully support industry in economic reform. Programmes such as the Short Term Economic Recovery Plan (STERP), Distressed Industries and Marginalized Areas Fund (DIMAF) and other government interventions have also not yielded much on this score. While it can be appreciated that the economy has stabilized over the past five years, there has not been any significant economic growth. Foreign banks, including the “Britton Woods” have not shown much appetite for local investments, citing financial, political and structural risks as limiting factors. FDI is still very low, with some multinational corporations also being influenced by their home governments that implement sanctions on Zimbabwe to align and follow suit. It is against this background that the researchers have identified the need for evaluating appetite levels for FDI and willingness to give up shareholding in exchange for foreign investments in the form of working capital, capital expenditure or shareholding in foreign companies. In addition, there is also need to identify possible strategies to harness FDI in a more structured way that is attractive to both foreign investors and local business owners, also in compliance with government indigenization policy. Possible policy changes can also be accommodated, if need be to make, Zimbabwe more attractive as an investment destination. Researchers then make recommendations to companies, business associations, Zimbabwe Investment Authority (ZIA), Ministry of Finance and Economic Development. Ministry of Industry and Commerce, Ministry of Youth, Indigenization and Economic Empowerment, National Indigenization and Economic Empowerment Board (NIEEB), the Reserve Bank of Zimbabwe(RBZ), and other relevant authorities for supporting possible interventions for attracting foreign direct investment that the economy needs for sustainable economic growth and development.

2.0 RESEARCH OBJECTIVES

- To evaluate the affinity for foreign direct investments or other forms of financial interventions among Zimbabwean (local) companies to revive industry operations,
- To evaluate the level of preparedness and willingness of local business owners to give up shareholding in lieu of working capital and capital expenditure investment by foreign investors,
- To evaluate the appreciation of the positive effects of creating synergies with foreign companies which have the requisite financial capacity for economic revival and sustainable growth,
- To explore the potential benefits to companies and the economy at large of the synergies that can be forged with foreign investors, and
- To identify possible interventions for attracting FDI as a measure to recapitalize the ailing local industry.
3.0 LITERATURE REVIEW

3.1 Introduction

“Foreign Direct Investment (FDI) is an investment made by a company or entity based in one country, into a company or entity based in another country.” http://www.investopedia.com/terms/f/fdi.asp. The World Bank defines FDI thus “Foreign direct investment are the net inflows of investment to acquire a lasting management interest (10 percent or more of voting stock) in an enterprise operating in an economy other than that of the investor. It is the sum of equity capital, reinvestment of earnings, other long-term capital, and short-term capital as shown in the balance of payments.” (http://data.worldbank.org/indicator/BX.KLT.DINV.CD.WD).

According to Hossain, A and Hossain K. M. (2012), FDI is generally considered to be an instrument of cash and non-cash inflow into the host countries from overseas. They further assert that foreign direct investment plays a vital role in significantly contributing towards the economic growth of the developing countries. Borensztein et al. (1998) reinforce this point by alluding to the fact that the main role of FDI in the economic growth is that it creates more benefits for the host countries rather than just full filling the short-term capital deficiency problem. FDI goes beyond financial investment, and extends to transfer of technology, training, expertise, skills development and other relevant materials. According to the United Nations Commission on Trade and Development (UNCTAD) (2008), foreign direct investment has the potential to create employment, improve productivity, transfer technology and skills, enhance exports and improve the economic conditions of developing countries. In concurrence, Borensztein et al. (1998) intimate that the spillover effect of multinational companies (MNEs) is that they can provide high scope for training and labour management that leads to economic benefits for recipient countries. In addition, high standards of production and improvement of management standards can also be realized. This is the reason why FDI is included in the central economic policies of the developing countries/economies in transition. FDI has become a very critical economic growth component for economies in transition in light of the fact that internal savings and local investments in these economies are normally very minimal to make any meaningful contribution towards economic growth. Effective attraction of FDI has been identified as one of the ways through which developing countries can strike good relationships with the host countries of firms investing in their country and the rest of the world. It is therefore in the best interest of each and every country to portray itself as a lucrative destination for FDI.

3.2 Foreign Direct Investment versus Indirect Investment

Foreign direct investments differ substantially from indirect investments such as portfolio flows, wherein overseas institutions invest in equities listed on a nation's stock exchange. Entities making direct investments typically have a significant degree of influence and control over the company into which they are making an investment. “Open economies with skilled workforces and good growth prospects tend to attract larger amounts of foreign direct investment than closed, highly regulated economies.” http://www.investopedia.com/terms/f/fdi.asp. Foreign direct investment (FDI) is an instrument of international capital flow and it also shares some features of international trade flows as it is often associated with intra-firm trade by multinational corporations. (http://www.equityzw, 2012) A number of models can be explored and pursued independently of each other or jointly within an economy. A combination of the features of both 'growth-type' and 'gravity-type' models, reveals that democracy and economic reform in emerging economies/economies in transition have a joint positive impact on FDI inflows from advanced countries.

3.3 Trends of Foreign Direct Investment in Zimbabwe

According to a report published by http://www.equityzw on Wednesday, 18 January 2012, Zimbabwe is among the least attractive investment destinations for Foreign Direct Investment in Southern Africa. Statistics available from the Zimbabwe Ministry of Finance show that FDI, which averaged 14-20% of Gross Domestic Product (GDP) during the period 1980-2000, has declined remarkably in the last ten years to the current 1.1% of GDP. Foreign investment inflows were US$125
million for 2011 and this is less than 1% of the US$17 billion that was invested into the Southern African Development Community (SADC) region, leaving Zimbabwe among the least attractive investment destinations in the region. Below is an extract of the FDI figures for some of the Southern African countries, including Zimbabwe:


Zimbabwe’s foreign direct investment trends for the three decades since independence has been characterized by low inflows and accelerating disinvestment in agriculture, mining, and manufacturing among other key sectors of the economy. This has been at the backdrop of a growing concern by national governments, business entities and civic societies worldwide that the political and economic dispensation in the country is controversial and financially risky. Despite the fact that the country is endowed with vast natural resources, skilled labour, great potential and lucrative investment opportunities, the country has not successfully attracted foreign investors to an extent significant enough to turn the economic fortunes of the nation.

Zimbabwe’s economic policies, Indigenization and Economic Empowerment, being one of the most recent developments, have in recent years been blamed for contributing towards the country’s failure to attract foreign direct investment. While other economic policies have also been promulgated to attract foreign direct investment, FDI in Zimbabwe remains significantly low because the indigenization and empowerment regulations, which stipulate 51% ownership for locals in business ventures, still deters potential investors.

The unfavorable investment climate coupled with the slow pace of economic reforms has not made the challenge of attracting FDI for Zimbabwe any better. It has been argued that if Zimbabwe’s business environment would improve and align to the general SADC standards, it would attract an additional $500 million of FDI a year.

The Ministry of Finance and Economic Development has estimated that Zimbabwe requires a new injection or investment of between $45billion and $47billion for it to get back to its peak level of economic activity of 1997. Zimbabwe has vast deposits of natural resources, highly skilled human capital, a number of idle production factories and others operating below capacity, potential, making it

<table>
<thead>
<tr>
<th>Country Name</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angola</td>
<td>2,205,298,180</td>
<td>-3,227,211,182</td>
<td>-3,023,770,965</td>
</tr>
<tr>
<td>Botswana</td>
<td>128,840,736</td>
<td>-6,121,431</td>
<td>413,586,012</td>
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<td>Democratic Republic Congo</td>
<td>-278,000,000</td>
<td>2,728,800,000</td>
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<td>Kenya</td>
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<td>178,064,607</td>
<td>335,249,880</td>
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<td>132,128,979</td>
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<td>49,130,855</td>
<td>97,010,028</td>
<td>92,407,704</td>
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<td>Mauritius</td>
<td>256,680,712</td>
<td>429,958,031</td>
<td>273,392,322</td>
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<tr>
<td>Mozambique</td>
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<td>1,005,443,951</td>
<td>2,079,312,790</td>
</tr>
<tr>
<td>Namibia</td>
<td>549,806,151</td>
<td>686,289,139</td>
<td>968,867,335</td>
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<td>Seychelles</td>
<td>114,865,793</td>
<td>155,725,793</td>
<td>138,749,984</td>
</tr>
<tr>
<td>South Africa</td>
<td>5,353,688,723</td>
<td>1,224,280,433</td>
<td>5,889,306,981</td>
</tr>
<tr>
<td>Swaziland</td>
<td>65,705,860</td>
<td>135,660,414</td>
<td>94,751,092</td>
</tr>
<tr>
<td>Tanzania</td>
<td>952,630,000</td>
<td>1,022,809,294</td>
<td>1,095,401,491</td>
</tr>
<tr>
<td>Zambia</td>
<td>694,800,000</td>
<td>1,729,300,000</td>
<td>1,981,700,000</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>105,000,000</td>
<td>165,900,000</td>
<td>387,000,000</td>
</tr>
</tbody>
</table>
a potentially lucrative investment destination. The country’s challenge is therefore that of extensively reforming its economic and political climate to make it a more attractive location for investment, so that it would attract the levels of investment required for sustainable growth. This should be complimented by willingness on the part of the owners of the means of production within the Zimbabwean economy, to give up shareholding to potential investors, who can come in with the requisite capital to increase capacity utilization, replace obsolete equipment, buy new plant and equipment to increase production capacity and capitalize on economies of scale. Policy makers should also develop more accommodative policies especially for the mining, agriculture, tourism and hospitality, and manufacturing so as to attract foreign direct investment into these sectors, which are the mainstay of the Zimbabwean economy.

3.4 Benefits of Foreign Direct Investment

Foreign Direct Investment significantly contributes towards the economic growth and development of the receiving country. This positive impact is largely to the advantage of economies in transition, which ordinarily may have a lot of natural resources and other investment opportunities yet they will be lacking the financial resources to tap into these natural resources for value addition or capitalizing on the investment opportunities for economic growth. Kravtsova, et al. (2010) intimate that “Foreign direct investment is an important catalyst for the economic changes in transition economies offering host countries external resources, technology, management, and access to foreign markets.”

Some countries which have experienced economic decline and gone into recessions have in the past been assisted out of their economic quagmires through injection of foreign direct investment. Foreign direct investment has the potential for creating employment as production capacity increases in the different economic sectors wherein investment would have been made. There is also potential increase in job creation in the downstream industries, for example, suppliers of raw material to the sector where FDI has been injected would have scope to increase employment levels due to increase in demand from the upstream sector.

The injection of foreign direct investment is usually accompanied by transfer capital equipment and technological advancement as the new investors in some cases would come into the host economy with new plant and equipment, for the purposes of replacing obsolete technology or simply for the purposes of increasing production capacity and efficiencies. According to Javorcik (2004) “policy makers in many developing and transition economies place attracting foreign direct investment (FDI) high on their agenda, expecting FDI inflows to bring much-needed capital, new technologies, marketing techniques, and management skills.” Arnold and Javorcik (2009), using Indonesian plant-level data, confirm that changes from domestic to foreign ownership lead to improved performance. In their research, they find that the increase in plant productivity is quite significant, reaching about 13.5 percent in the third year of foreign ownership. Hoekman, Saggi, and Maskus (2005) assert that the main avenues through which technology transfer occurs are: trade in goods, direct investment and licensing, and movement of people.

Closely related to the advantage of the host country receiving technological advancement is also the creation of new and improvement of existing technical knowledge. According to Zimmermann, Wolfgang and Hervas (2013), foreign subsidiaries contribute to a local, national or supranational environment by deploying expertise that is new to the local market environment. Normally, the new plant and equipment would require the impartation of new technical knowledge and skills to the employees and management of the organization that would have received such an investment. This would come in the form of expatriates coming into the host country to train and impart the requisite technical expertise. Alternatively, the organization that would have received the new technology will send their employees to the country of origin (where technology is coming from) for training.

FDI has the advantage of creating economies of scale as production capacity for the receiving firm is significantly increased. This benefits both the investor and the host firm and its country. Closely associated with this is the reduction in cost of production, capacity to competitively price products and creation of competitive advantage in the receiving organization’s markets.
In certain instances, FDI has also been used for circumventing stringent market entry regulations, which ordinarily would preclude certain foreign investors who would have wanted to make direct investments.

4.0 RESEARCH METHODOLOGY

The research took the form of a cross-sectional survey that focused on the manufacturing, motoring, engineering, energy, hospitality and tourism companies in Bulawayo with a view to evaluating their appreciation of the concept of bringing in foreign investors who have the requisite capital they need for economic revival. A targeted approach was used in administering questionnaires to twenty (20) companies in Bulawayo from each of these economic sectors. This was done through distributing questionnaires that comprised questions designed to gather information on the current and target capacity utilization, working capital and capital expenditure needs and also how far companies were prepared to dilute shareholding in exchange for funding. Depth interviews were also conducted with business associations, Zimbabwe Investment Authority (ZIA), Ministry of Industry and International Trade, Ministry of Youth, Indigenization and Economic Empowerment, Ministry of Finance and Economic Development, and the Small to Medium Enterprise Development Corporation (SEDCO). Findings from various companies, ministries and industry bodies and associations were analyzed and conclusions drawn. Recommendations were also made to all concerned stakeholders on the basis of conclusions drawn.

5.0 RESEARCH FINDINGS

5.1 Data Analysis

The study made use of descriptive statistical analytical methods, tables and graphs to infer the meaning of data and come up with conclusions; more specifically the Statistical Package for Social Sciences (SPSS) was used in the analysis of data. The graph shows the distribution of companies by their nature of business.

![Chart showing distribution of companies by nature of business](chart.png)

20 companies were drawn from various disciplines of the economy among others are manufacturing, mining, engineering, energy, hospitality and tourism and many others. It was crucial to make an assessment of many sectors to note the variability in report coverage and quality by sector. This was also to have a view of the sectors that are in need of funding basing on their current capacity utilisation. Results from cross table below indicate that majority of the companies (11 have an average capacity utilisation range of 21% to 40%. Further analysis showed that even though most of the companies are operating below half of their capacity, they are also not willing to give up their shareholding for foreign funding. 70% of the companies indicated that they are not willing to dilute shareholding with
funding, and the balance 30% is willing to dilute it. Of those who indicated that they are not willing to dilute, 57% are operating below 50% capacity utilisation.

5.2 Current Capacity Utilization * Willingness to give up shareholding in exchange for funding.

<table>
<thead>
<tr>
<th>Willingness to give up shareholding in exchange for funding</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Current Capacity Utilization</td>
<td></td>
</tr>
<tr>
<td>1-20%</td>
<td>3</td>
</tr>
<tr>
<td>21-40%</td>
<td>11</td>
</tr>
<tr>
<td>41-60%</td>
<td>3</td>
</tr>
<tr>
<td>61-80%</td>
<td>4</td>
</tr>
<tr>
<td>81-100%</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
</tr>
</tbody>
</table>

The information was also in agreement with that obtained from the bodies responsible for industry, i.e. Ministry of Industry and International Trade and the Small Enterprise Development Corporation who indicated that the current utilisation is 1-21% and 21-40% respectively. This indicates that indeed companies need funding and assistance to operate above 50% utilisation. To increase the capacity, local strategies were mentioned by companies, among others were, integration, horizontally or vertically, market expansion through mass marketing and promotions, acquisitions of plant and machinery through regional sources of debt, pricing policies, cost cutting measures and increasing fast moving stocks.

5.3 Amount Required For Working Capital and Capital Expenditure

The figure below indicates the distribution of working capital and capital expenditure needs for companies if funding was to be availed to them.

On average companies require working capital in the range of $0.1million to $1million, and a capital expenditure range of $0.1million to $5million. This is a clear indication that companies in Bulawayo are really in need of funding and assistance by the government. To support this argument, 75% of the companies mentioned lack of funding for working capital as their main challenge. The Distressed Industries and Marginalized Areas Fund (DIMAF) scheme by the government was a good initiative which companies were recommending to be put in use as urgently as possible.

5.4 Challenges Experienced By Companies in Increasing Capacity Utilization

The table below indicates the various challenges mentioned by companies in meeting their capacity utilization. Competition from imports was the highest mentioned factor, followed by Funding for working capital and capital expenditure needs. Aligned to funding was the cost of accessing finance which was deemed to be so high in the country. All these factors are a clear indication of the need for
government intervention, in resuscitating the local industry especially through protectionism from imports.

| Funding For Working Capital/Capital Expenditure | 40%  |
| Government Legislation/Duty                  | 15%  |
| Liquidity Crisis                              | 30%  |
| Competition From Imports                      | 55%  |
| Cost Of Finance                               | 15%  |

The government was also blamed through its tax department of delaying to issue companies tax clearance certificates, which the companies indicated that it was compromising their operations especially when it comes to debtors payments. The Ministry of Industry and SEDCO also mentioned challenges which in their view are affecting companies, among others are lack of entrepreneurial and managerial skills, lack of funding, competition from cheap imports, high production costs caused by high utility charges, high minimum wage rates, and high cost of raw materials, erratic supply of water and power, liquidity crisis, and low local demand on products such as cars. However of late the government is considering granting tax breaks to foreign investors and awarding them duty-free import certificates for vital equipment as part of incentives meant to attract investment into the country. During a Confederation of Zimbabwe Industries (CZI) meeting in Bulawayo it was concluded that giving incentives to investors was in line with the establishment of special economic zones i.e. special package of incentives would lure investors and help revive the country’s ailing firms, which is at the heart of the new economic blue-print, the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (Zim-Asset).“Government plans to declare different parts of the country special economic zones and there is a need to introduce incentives such as exempting investors from paying tax, exempting them from paying duty and coming with a flexible labour legislation that will achieve good results,” Bima (2014).

6.0 RECOMMENDATIONS
Having these challenges in mind, companies, through their respective ministries highlighted some recommendations so as to change the fortunes of their organization. These include among others:

- reduction of duty for capital expenditure on imported plant and equipment and working capital;
- retail and wholesale distributorship commissions to be pegged;
- provide subsidies to access finance;
- revisit licenses as some are duplicative;
- liaise with landlords on rentals which are 85% higher than international standards;
- build more water reservoirs;
- protect local industries on imports;
- partnerships between public and private sector
- intervene ZIMRA classification and tariffs for energy saving

It is the researchers’ recommendation that the Government of Zimbabwe through its various ministry departments revises current policies and incentive structures for attracting foreign direct investment. The economic climate has to be more inviting and conducive to attract foreign direct investment, which the country desperately needs for sustainable economic growth and development. In addition, through the various ministries and business associations such as the Confederation of Zimbabwe Industries (CZI), Zimbabwe National Chamber of Commerce (ZNCC) and Association for Businesses in Zimbabwe (ABUZ), there is need to educate the business community on the benefits of foreign direct investment to their respective business organizations and to the nation at large.

The findings indicate that most business owners (70%) were not willing to give up shareholding in exchange for foreign direct investment, yet this is one of the means through which they can easily recapitalize, improve capacity utilization, access foreign markets and enjoy scale economies. The option of short term loans which local banks are currently extending to businesses to finance long term growth is not very viable considering the cost of funds, short loan tenures and the generally low levels
of liquidity within the financial services sector, which implies that banks can hardly meet the companies’ expectations in terms of both capital expenditure and working capital requirements. Some of the recommendations that the respondents made have been implemented already but their positive contribution towards economic growth has been very limited. For example, reduction of duty on imported capital equipment can only work if the money to fund equipment importation is available, otherwise it will become a redundant policy measure. The subsidy on cost of capital would hardly work considering that the government is failing to meet its own financial obligations, clearly indicating that there is limited if not, no scope for access to subsidized funding.

7.0 CONCLUSION

It is envisaged that the research will significantly contribute towards an improvement in economic revival and sustainable growth of the mining, agriculture and manufacturing sectors and the economy in general. The research assisted in identifying possible interventions that can significantly contribute towards the attraction of foreign direct investment into local companies, possibilities of joint ventures, partnerships, mergers and acquisitions, share swaps, and other interventions that can assist companies increase their capacity utilization but of cause without significantly diluting shareholding, consistent with the government’s policy on indigenization and economic empowerment of its citizens. It however, remains the researchers’ contention that there is need to educate the business community on the benefits of foreign direct investment and also for government to change its current position on the indigenization and economic empowerment policies, which are currently limiting the attraction of foreign direct investment to optimal levels for sustainable economic growth and development.

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