

THE FDI DRIVING EFFECTS ON THE EMPLOYMENT

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Abstract

Having in view the fact foreign direct investments represent a factor that stimulates host-country economic development, not only due to direct effects but also due to propagation effects, in this paper are revealed the factors determining the features of linkages between transnational corporates affiliates and indigenous firms. The respective linkages have a crucial role in propagation effects creation in economic activities and employment. Also there are presented the key – elements of governmental programmes for deeping the linkages between the indigenous firms and those owned by foreign capital.

Key words: backwards linkages, Lewis duality, labour force demand multiplier, employee skills level.

Jel Classification: J24, J21.

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