

()

Abstract

The government of Jordan had introduced intensive effort to stimulate direct foreign investments in Jordan. To encourage foreign investments, much legislation was issued. In addition, other procedures such as privatization, economic reforms, and current account transactions were facilitated.

Despite that, essential increases of foreign investments with in Jordanian firms were not observed. The reasons behind that were related to factors such as political and economic instability over the region, market limitation of Jordan, and the weakness of the GDP.

The results of the study show that among nine variables, the GDP had the main impact on the direct foreign investments, the flow of Arab and foreign finance over the period 1985-1999. Therefore, increasing foreign investments require political and economic stability conditions which are considered as external variables.

\ \

:

:

:

.1
.2
.3

:

:

.1
.2
.3

.4
.5
.6
.7

:

:

:

(1)

(2)

(3)

(4)

%25-20

(5)

:

.1

.2

.3

(6)

.4

(7)

.5

(8)

:

:

(9)

(10)

(11)

)

(12)

(

)

(13)

1993

(14)

%80

(15)

(16)

: :

"

(17)

() (18)

1990,1985,1980

%1

%1

%1

%1,5

(19)

%1

%0,6

%0,3

%1
%2,6 %1,2

%0,6

(20)
(21)

%3,5

%10

%10

%6

1995

(22)

(23)

(24)

1992-1972

%90

(25)

:

:

1999 63 1991 35
1999

131 140
1999 1998

(26)

1997
%50

%50

(27)%50

2001-1999

1998 20

1999

%30 %40

%10

%5

(28)

1985-1981 %9 %14 1999 %4 1985-1981
 (29) 1999 %0.6

(30)

1999

(31)

2000-1985 1985 10 (1) 1998 8.8 -1
 1994-1991

28 1999-1995 (32) 1998 219 1997

(33) 1998

2000-1985 40 1999 %0.004 %2.6
 (34) 1999 -2

1986 18.03 1987 0,367 1989-1985
 65

%12 2000

(35) 200-1985 %53

2000-1985 %18.3 %20.5
 %8

				%73		(36)2000-1985
2	1992 -1985			800	1985	20
1999	1995	3.5	1992	7.4	1998	12
	201	%3.6	2000		1988	
			(36)		200-1985	
			:			-3
3	1985	100	1990 -1985		1989	
1991						
			1999	58	1997	41
					%7.8	
					(38)2000-1985	
-1990		2.5	2000-1985	284		%56
	2.1		1989 - 1985			2000
				(39)		
	%54	200 -1985				
		%46				
		(40)				
29	1997,1999			59	42	
	15.9			2000		(41)
	28	65				
	(42)			%7.8	%9	1999-1985
				:		:
				:		.1
				:		.2
				:		.3
				:		:

$R_2 = 0.775$ $F = (3.101)$

(Stepwise)

$DF_1 = -93.852 + 0.111X_1 - 0.196X_2 - 0.31X_3 \dots (2)$

$(-1.395) (4.634)^{***} (-2.613)^{**} (-2.412)^*$

$R_2 = 0.79$ $D.W = 2.425$

$R_2 = 0.733$ $F = (13.782)$

(9)

(B₁)

(2)

%1

%1

%0.11

%1

%5

(t)

%0.2

%5

%80

(R₂)

(D.W)

()

(FDA)

.2

$DFD = -54.64 + 0.023X_1 + 0.057X_2 - 0.061X_3 - 0.064X_4 \dots (3)$

t : $(-0.499) (0.456) (0.844) (-0.647) (-0.986)$

$+ 0.44X_5 - 0.0007X_6 + 1.73X_7 - 0.534X_8 - 0.942X_9$

$(0.148) (-0.17) (.631) (-0.313) (-0.364)$

$R_2 = .885$

$D.W = 2.804$

$R_2 = 0.679$

$F = 4.292$

(3)

(Stepwise)

$DFD = -34.38 + 0.0196X_1 \dots (4)$

t: $(-3.301)^{***} (6.991)^{***}$

$R_2 = 0.79$

$D.W = 2.331$

$F = (48.88)^{***}$

$R_2 = 0.771$

(4)

%1

1999-1985

%1

(R₂)

%0.2

%80

(D.W)

(FDA) .3

$$\begin{aligned}
 \text{FDA} = & 25.255 + 0.0008X_1 + 0.037X_2 + 0.12X_3 + 0.009X_4 + \dots (5) \\
 & (0.274) \quad (0.018) \quad (0.668) \quad (1.525) \quad (0.124) \\
 & -1.738X_5 + 0.0013X_6 - 1.543X_7 - 0.01X_8 + 3.020X_9 \\
 & (-0.863) \quad (0.363) \quad (-0.669) \quad (-0.703) \quad (1.389)
 \end{aligned}$$

$$\begin{aligned}
 R_2 = & 0.708 & D.W = & 3.059 \\
 R_2 = & 0.183 & F = & (1.347)
 \end{aligned}$$

(FDF) .4

$$\begin{aligned}
 \text{FDF} = & -74.715 + 0.022X_1 + 0.019X_2 - 0.183X_3 - 0.093X_4 + \dots (6) \\
 t : & (-1.398) \quad (0.843) \quad (0.544) \quad (-3.704)^{++} \quad (-2.091)^{++} \\
 & -0.002X_6 + 3.276X_7 + 0.477X_8 - 3.965X_9 \\
 & (-0.914) \quad (2.291)^+ \quad (0.536) \quad (-2.942)^{**}
 \end{aligned}$$

$$\begin{aligned}
 R_2 = & .943 & D.W = & 2.7 & F = & (7.848) \\
 R_2 = & 0.815
 \end{aligned}$$

(Step Wise)

$$\begin{aligned}
 \text{FDF} = & -28.794 + 0.013X_1 + \dots (7) \\
 t : & (-3.606) \quad (6.050)^{***}
 \end{aligned}$$

$$\begin{aligned}
 R_2 = & 0.738 & D.W = & 2.746 \\
 R_2 = & 0.718^{**} & F = & (36.602)^*
 \end{aligned}$$

(7)

%1	(t)	%1
%0.13		%74
(D.W)		

.1999-1985

1999-1997

1996

1999-1985 %46 %54 .4
.5

.6

.7

.8

.9

.10

: :

: .1

: .2

.3
.4
.5
.6
.7
.8

(1)

*

2000-1985

()

4/5	() (5)	5+1 (4)		(3)		(2)		(1)	**	
3.6	2.6	72.3	6	0.853	45	1.75	4098	69.7	10.1	1985
24.3	18.2	74.9	1	0.205	104	18.03	4000	56.7	6.6	1986
0.007	0.47	70.8	1	0.103	58	0.367	4225	70.3	13	1987
13.1	8.18	62.5	11	3	92	5.18	4486	53.9	8.8	1988
2.5	2.61	102.1	5	0.618	74	1.99	4113	99.6	10.3-	1989
26.9	24.42	90.5	24	0.869	172	23.55	5217	65.7	45.8	1990
5.4	10.61	195.4	23	4.355	255	6.26	9946	184.1	17.4-	1991
16.6	52.58	315.7	25	35.44	167	17.14	11271	263.1	30	1992
23.4	61.5	262.3	41	7.808	198	53.66	11754	201.4	13.5	1993
12.3	40.15	326.6	55	24.018	274	16.14	11147	286.4	18.2	1994
14.6	56.4	386.3	47	23.568	286	32.85	11943	329.9	28.4	1995
16	53.16	331.3	42	31.87	151	21.29	9238	278.1	41.7	1996
17.9	57.4	320.2	83	41.915	413	15.5	9411	262.8	257.5	1997
15	44.4	296.3	71	22.57	233	21.8	8596	251.9	219.8	1998
23.3	87.4	374.2	61	58.032	270	29.4	6973	286.8	184	1999
27.8	93.33	335.7	128	28.11	502	65.42	8632	242.4		2000
0.1696	613.41	3617.1		283.334		330.327	113296	2716.4	877.4	

2001

() IMF, International Financial Statistics, 1990 -2000

**

(2)

2000-1985

()

4/5	4+1 (5)	((4)		(3)		(2)		(1)		
0.001	17.2	0.02			11	0.02	6103	17.1		1985
1.31	86.3	0.266			12	0.266	5460	16.1		1986
1-	19.6	0.187-			10	0.187-	6903	19.8		1987
1	33.45	0.351			12	0.351	6048	32.8		1988
0.003-	23.02	0.081-	1-	0.003-	16	0.078-	6068	23.1		1989
1.5	28.35	0.435	1	0.05	15	0.385	6684	27.7		1990
2	39.4	0.793	2	0.045	29	0.748	9439	38.6		1991
1.3	61.02	0.818			26	0.818	10411	60.2		1992
3.1	78.84	2.442	2	0.051	49	2.391	9512	76.4		1993
3.3	103.54	3.44	4	0.151	84	3.288	10308	100.1		1994
3.6	104	3.778	4	0.23	69	3.548	10731	100.2		1995
5.1	62.21	3.21	2	0.2	30	3.01	10592	59		1996
2.8	68.2	1.901	1	0.12	24	1.781	9356	66.3		1997
5.4	44.3	2.399	6	0.4	37	1.999	8392	41.9		1998
7	65.54	4.64	12	0.6	77	4.04	9743	60.9		1999
13.1	61.8	8.108	13	0.65	201	7.458	14100	53.7		2000
0.036354	896.77	32.601		2.497		30.103	121631	793.9		

(1)

(3)

2000-1985

()

	0.221-		13.335	0.639	0.876	0.215	1.098		1985
	0.808		0.049	0.0035-	1.760	0.208	2.076		1986
	0.631		0.001	0.075	0.331	0.030	0.645-		1987
	4.360		0.542	0.508	1.130	2.455	3.610		1988
	0.964		0.015	0.085	0.341	0.533	1.010		1989

	18.660			0.142	2.055	0.727	2.808		1990
	1.4-	0.050	1.600	2.032	2.440	2.320	2.430		1991
	1.590		0.060	0.813	2.050	34.580	11.880		1992
	3.660		0.337	1.887	5.450	6.468	44.470		1993
	1.220		0.025	7.060	5.150	16.960	9.400		1994
	14.970		8.000	5.790	4.271	17.770	13.580		1995
	2.5		0.089	19.740	8.740	12.350	2.060		1996
	3.370		3.100	32.570	3.800	9.340	8.230		1997
	4.271	0.100	0.007	10.660	7.550	11.905	6.790		1998
	1.930		0.005	26.844	10.530	31.088	16.940		1999
	3.505			15.350	11.670	12.760	49.850		2000
	62.439	0.150	27.165	124.195	68.14	159.71	176.23		
	0.1010	0.0002	0.0440	0.2010	0.1103	0.2584	0.2851		

.2001/3/19

(4)

2000-1985

()

			0.0015		0.0002		0.018		1985
			0.204		0.0085-		0.030		1986
			0.0005		0.185-		0.001-		1987
			0.026		0.260		0.065		1988
			0.007	0.003-	0.013-		0.069-		1989
			0.010		0.004	0.050	0.371		1990
			0.033	0.030	0.032	0.015	0.682		1991
			0.061		0.058		0.699		1992
		0.050	0.362	0.001	0.075		1.954		1993
	0.030	0.050	0.635	0.001	0.225	0.100	2.397		1994
			0.500	0.080	0.212	0.150	2.835		1995
			0.010		0.098	0.200	2.900		1996
			0.010-	0.020	0.0005	0.100	1.791		1997
			0.182	0.100	0.016	0.300	1.801		1998
	0.250		0.080	0.050	0.092	0.550	3.618		1999
	0.050		1.555	0.050	0.0476	0.600	5.376		2000
	0.330	0.100	3.667	0.332	1.12	2.07	24.54		
	0.0103	0.0031	0.1141	0.0103	0.0348	0.0642	0.7632		

(1)

²Michael R Czinkota and others, International Business, (George town university: (1) The Dryden press Ahar Court Brace Jovanovich college Publisher, 1992, p.360.
 Kiyoshi kojima, Direct foreign investment, (London: Billing and son, 1978), p.59 Cordon (2) Sara L and Francis Ailees, foreign multinational investment in the United States, (3) (U.S.A: Green wood press, INC. 1986.
 Pike Richard and bill Neale, corporate finance and investment (U.K: Prentice Hall (4) international (UK) LTD, 1993, p.474.
 J.A.Kregel, some risks and implications of financial globalization for national policy (5) Autonomy, uncted review, United nations, New yourk and Jeneva, 1993, p.58.
 .194 1985 (6)
 .73 1995 (7)
 J.A. Kergel, op. CIT, p.59. (8)
 Suk H. Kim and Seung H. Kim, Global corporate finance: Tex and cases, (U.S.A: Black (9) well publishers. Inc, 1996, p.368
 .363 (10)
 .71 1995 (11)
 Pike Richard and bill neale, op. CIT, p488. (12)David K. Eiteman and A.I.
 Stone bill, multinational BUSINESS finance, (New yourk: (13) Addison- Wesleg publishing company, 1989), p.412.
 Suk H. Kim and Seung H. Kim, Op. CIT, p.326 (14)Gray Hufbauer, Darius
 Lakdwalla and Anup malan, Determinants of direct (15) foreign investment and its connection to trade, Uncted Review, United nations, New yourk and Geneva, 1994, p.46.
 .13 1997 (16)
 (17)G. Hufbauer and other, Op. CIL, p.43.
 .6 1997 (18)
 G. Hufbauer, Op. CIL, p.43. (19)
 .13 (20)
 .13 (21)
 Peter H. Lindert, international economics, (University of California at Davis: (22) Rwin Home wood, 111 inois 60436, 1986, p.564.
 Eduardo Fernander - Arias and Peter J. Montiel, the surge in capital (23) inflows Developing countries: An Analytical overview, vol10, N.1 January 1996, p.58,70.
 World investment report, United nations, 2000, p.Xvil. (25) (24)
 .46 1997 ()1 13
 World investment Report 2000, p.6. (26)
 .57 1998 21 53 1996 (27)
 .58 50 1999 (28)
 .37 35 (29)
 128-127 1996 (30)
 .51 1999 (31)
 .59-58 1999 (32)
 .23 (32)
 .34 1999 (33)
 .world investment report 2000, p.52, 56. (1) (34)
 .(1) (35)
 .(3) (36)
 .(1) (37)
 .(1) (38)
 (4 2) (39)
 .(1) (40)
 .(1) (41)
 .(2) (1) (42)
 Pita. M. Rodrigue 2 and E Eugere carter, international finanagement, (New Jersey: (43)prentice- Hall, Inc. Englewood cliffs, 1984), p.433.