

THE IMPACT OF THE FOREIGN DIRECT INVESTMENTS ON THE ECONOMIC GROWTH

World countries are trying to attract foreign investors, because they will have a significant additional fund for the development of components such as managerial and organizational capability, technology and access to international markets.

Foreign investments are carried out in both developed and developing countries. That's why the policy of attracting FDI has become an integral part of economic policy in many countries, by means of which they seek to ensure economic growth. Inflows of foreign funds are a source for different advantages for foreign investors, as well as for the economies receiving investments. In our research we marked the next:

1. *The source of competitiveness.* Company's investments abroad should ensure the growth of competitiveness of their economic activity. So the companies making investments, are a source of competitiveness for the receiving countries. All countries including developing ones are trying to attract more investments in their national economy to ensure economic development.

2. *The priority of the country.* Each country, which receives foreign investment, is interested in realization of its own economic policies, the strategic aim of which is economic growth and raise of the living standards of the population. The main goal of economy is to assist foreign funds in generating productive resources, to increase the amount and the quality of resources, quality and competitiveness of their products and etc.

3. *Financial resources.* The main result achieved by countries receiving investments is coverage of significant part of the funds required for investment. With their activities investors provide significant financial resources, which are used as foreign investments in their own countries as well as in foreign countries.

4. *Investments stimulate growth.* Foreign investments also stimulate the growth of internal business investments. It is known that the activities of many foreign investors lead to cooperation between foreign investors and internal companies.

5. *Technology.* Huge investors are the main producers and users of advanced technologies. This explains the benefits of international competitiveness of large companies. The accumulated experience, owning the major markets of the world allow them to constantly develop new technologies, the use of which provides a steady revenue growth.