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Human development, corruption control, and foreign direct investment revisited: the case of sub-Saharan Africa

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ABSTRACT

Purpose — *This paper mainly studies how human development (value-added per worker) and control of corruption (CRPT) impact FDI inflows in sub-Saharan Africa. It also highlights the contributions of gross domestic product (GDP), inflation, population growth, natural resources, and political stability to foreign direct investment (FDI) inflows into sub-Saharan Africa (SSA).*

Method — *The study employs the dynamic panel GMM model to estimate the factors that influence the region's foreign direct investment (FDI). The data span for the research was 33 years (1984 - 2016).*

Result — *The survey shows a strong connection between FDI inflow, human development, and corruption control. While human development has a beneficial influence, controlling corruption has an uncomplimentary impact on the growth of FDI in SSA.*

Contribution — *There is a gap concerning human development and corruption control in SSA and how they impact FDI inflows. Researchers have attempted to establish this relationship, but they have mostly opted for individual countries and not predominantly in the Sub-Saharan region. This study contributes to the literature by concentrating on these variables (value added per worker and control of corruption) and how they interact with FDI inflows in the Sub-Saharan region.*

Keywords: *foreign direct investment, human development, value-added per worker, control of corruption*

INTRODUCTION

Foreign Direct Investment (FDI) refers to net inflows of funds used to purchase a long-term ownership stake in a business operating in a country other than the investor's own (Garces, Adriatico & Timbal, 2019). FDIs thrive better in an open economy than in a closed one because a closed economy puts more restrictions on FDIs' operations or even, in some cases, stops their operations. Particularly in the tertiary sector, FDI can stimulate growth, generate jobs, and increase GDP (Kannen, 2020). With the right attitude and mindset, local producers could partner with FDI for knowledge sharing and growing the local market (Darkwah, Coffie, & Antwi, 2021). Such an experience can be a tool that can help bridge the gap between developed and developing countries.

The world is now witnessing a drop in foreign direct investment in the developed countries whilst the developing countries remain constant. According to the UNCTAD (2020), total foreign direct investment into world economies was cut from US$1.41 trillion in 2018 to $1.39 trillion in 2019. Despite this, foreign investment inflows to developing economies, including the SSA region, remained unaffected in 2019 at a projected amount of $695 billion, meaning that economies in SSA continued to engross a little more than half of global FDI. This confirms that developing countries are becoming more attractive to receive FDI than developed ones. It is assumed that if MNCs make more profits in a region, there is a tendency that they will increase or maintain that investment venture. However, post-COVID-19 data depict a drop in FDI as FDI inflows to the Sub-Saharan region fell by 12% to $30 billion, with investment increasing in only a few of the region's economies (UNCTAD, 2021).

For one reason or the other, sub-Saharan Africa has not been the favourite of most investors in the world of foreign investment. One of these reasons could be that the sub-Saharan African region has seen a lot of civil unrest, corruption, and political instability, corporate governance issues in the past decade (Evans et al., 2018; Odusola, 2019; Agbokah et al., 2022). Although other research on these factors is inconclusive, they stand a great chance as a reason enough. For instance, the region has seven coupes d'état between 2011 and 2020 (Carbone & Pellegata, 2020). The region also records very low rates of value added per worker (de la Escosura, 2013). The value added per worker and political stability haven't received the necessary attention to the factors influencing the inflow of FDI in the Sub-Saharan region. The reason for researchers not interested in these variables may vary from the unavailability of data to the fact that, in developed countries, control of corruption or even human development might not be a problem to consider as factors that affect the inflow of foreign investment because of favorable institutions compared to those in the sub-Saharan region.

Corruption in Africa is believed to be fueled by development assistance from the developed economies and major international financial agencies (Asongu, 2012). Hakimi & Hamdi (2017) argue that corruption is said to undermine the progress of government institutions and policies; this therefore calls for measures to control corruption, commonly known as anti-corruption (Hakimi & Hamdi, 2017). Government institutions' inaction to protect the environment in which these FDIs operate is another form of corruption on its own, as Boohene & Darkwah (2023) note that FDI contributes significantly to carbon emissions and energy consumption in the region. When laws are established and are not being instituted, it only means someone is been paid to turn a blind eye. For this reason, anti-corruption has become a common slogan recently following the various policies implemented to keep corruption in check. It must however be emphasized that, the anti-corruption measures do not eradicate corruption, although they reduce it to a large extent (Efobi, 2015).

Most scholars have argued on this same line and endeavored to create and analyses the relationship between control of corruption and FDI. It is a long argument with relatively less research on the SSA region. Most scholars assert that a good governance policy amidst a good rule of law and control of corruption will attract FDI (Anokhin & Schulze, 2009). Anokhin & Schulze assert that increased creativity and company operations will result from better corruption management using longitudinal data from 64 countries. They contend that an economy's general business climate suffers when no laws prevent corruption. Considering this, Zangina & Hassan (2020) investigated the association between corruption and FDI using the non-linear autoregressive distributed lag (NARDL) bounds test technique for the time-series analysis encompassing the period 1984–2017 in Nigeria. The study draws the sobering conclusion that corruption prevents FDI from entering Nigeria and those efforts to combat it has been futile. This implies that increased efforts to combat corruption encourage FDI to enter the nation, whereas diminished efforts have no impact. To this end, this paper seeks to add to the on-going arguments on the subject matter by broadening the research area. Choosing the whole region of Sub-Saharan may cause the outcome to be conclusive enough, adding to the fact that most previous researchers concentrated on single countries in the region. Therefore, projections may only apply to the case area.

Human development is defined as improving competencies and skill sets to make them more effective (Boohene & Maxwell, 2017a, b, c). For that matter, human development remains rife, despite the actions of world leaders to reduce extreme deprivations in most regions, especially in Africa, with a goal set for education termed Agenda 2063 (Union et al., 2015). Most countries in the region,

including Ghana and Nigeria, have resorted to free and compulsory education from kindergarten to senior high. But the illiteracy rate among the workforce in the Sub-Saharan region stands at 34%, the highest among all the regions in the world (Cammack, 2017). Another target is the quality of education students receive in the region (Mitchell et al., 2020). Primarily, the problems start with universal primary enrolment and low-quality education. When a child is not enrolled in school at a younger age, it becomes difficult for them to enroll when they are of age (Ampiah & AduYeboah, 2011). This negatively impacts the quantity and quality of labour Africa produces.

The literature suggests that human development is perhaps the most vital component of FDI uptake (Dunning, 1988; Markusen & Venables, 1999; Mulliqi et al., 2018). Additionally, academics have established a connection between FDI and the human development index, or the value added per worker, by examining how placement decisions for FDI are impacted. In this context, Srivastava & Talwar (2020) investigate the relationship between the gross domestic product, foreign direct investment, and the human development index. According to annual data, the researchers picked 30 economies because their HDI rankings increased from 2012 to 2017. The nations were then ranked according to their HDI scores: very high, high, medium, and low. The cointegrating regression panel dynamic least square model (DOLS) and panel fully modified least square model (FMOLS) were used to analyze the data. The results showed that FDI and HDI have statistically significant relationships and recommend that governments and policymakers focus on improving the three pillars of HDI (life expectancy, adult literacy, and education enrolment) to increase FDI and boost economic growth.

Owing to these, this study aims at probing how control of corruption and human development index (value added per worker) affect the inflow of FDI into the sub-Saharan region.

METHOD

The study used the Generalized Method of Moment (GMM) estimators proposed by Arellano & Bond (1991) and Holtz-Eakin et al. (1988) for dynamic panel data models, which have been widely used for economic models in recent years, in order to evaluate the factors that affect foreign direct investment (FDI) in Southern African countries. Recent studies in this field have used dynamic panel GMM model to identify the determinants affecting FDI placement choices in SSA and worldwide (Saini & Singhania 2018; Balaban et al. 2019; Canh et al. 2019; Mtiraoui 2021). Similarly, the authors use the dynamic panel GMM model to help identify the variables influencing MNC location choices and foreign direct

investment in the SSA region. The authors explore a suggested linear dynamic panel data model for a given dataset with cross-section dimension n and time series dimension T given by:

$$Y_{i,t} = \alpha Y_{i,t-1} + \beta X'_{i,t} + \mu_i + \varepsilon_{i,t} i = 1, \ldots, \eta;\ t = 2, \ldots, T \qquad (1)$$

Where $Y_{i,t}$ and $Y_{i,t-1}$denotes the dependent variable and its first lag, (i) and (t) denotes the country and periods respectively. (α) and $X_{i,t}$ is a vector of core explanatory variables with corresponding slope coefficient ; and denotes the unobserved individual-specific effect and an idiosyncratic error component respectively. There are numerous advantages of employing GMM panel estimators over cross-country estimators. Thus, GMM panel estimation can control the time series and cross-sectional variability in the data; it also eliminates the country-specific effect problem by differentiating the regression Eq. 1 as:

$$Y_i,t - Y_i,t-1 = {}_{\alpha}(Y_i,t-1 - Y_i,t-2) + {}_{\beta'}(X_i,t - X_i,t-1) + (\varepsilon i,t - \varepsilon i,t-1) \qquad (2)$$

The above Eq. 2 introduce a correlation between the error term, ($\varepsilon_{i,t} - \varepsilon_{i,t-1}$) and a lagged dependent variable ($Y_{i,t} - Y_{i,t-1}$)

From Eq. (1), we can write our linear dynamic panel GMM model as:

$$FDI_i,t = \alpha FDI_i,t-1 + \beta 1 GDP_i,t + \beta 2 GDP_i,t-1 + \beta 3 INFL_i,t + \beta 4 INFL_i,t-1 + \beta 5 PGG_i,t + \beta 6 PGG_i,t-1 + \beta 7 NATRL_i,t + \beta 8 NATRL_i,t-1 + \beta 9 VAPW_i,t + \beta 10 VAPW_i,t-1 + \beta 11 CRPT_i,t + \beta 12 CRPT_i,t-1 + \beta 13 PSTB_i,t + \beta 14 PSTB_i,t-1 + y_2 d_2 + \cdots + y_T d_T + \mu i + \varepsilon i,t = 1 \ (3)\ i = 1, \ldots, n;\ t = 2, \ldots T$$

Where (i) denotes the country, and (t) denotes the time period. FDI represent the natural logarithm of foreign direct investment inflow explained by its first lag and the further covariates such as gross domestic product (GDP), inflation (INFL), population growth (PGG), natural resources (NATRL), value added per worker (VAPW), corruption (CRPT), political stability (PSTB), and their lags of order one. $d_2, \ldots, d_T$ are the time dummy variables with corresponding coefficients $y_2, \ldots, y_T$. All the variables are in the natural logarithm form.

Table 1. Source and description of data

Variables	Description	Measurement	Source
FDI	Foreign direct investment	Foreign direct investment, net inflows (BoP, current US$)	WDI
CRPT	Control of corruption	Annual Corruption index	ICRG
GDP	Gross domestic product	GDP (current US$)	WDI
INFL	Inflation	Inflation, consumer prices (annual %)	WDI
NATRL	Natural resources	Total natural resources rents (% of GDP)	ICRG
PPG	Population growth	Population growth, the annual change of population	ICRG
PSTB	Political stability	International country risk guide	ICRG
VAPW	Value added per worker (HDI)	Services, value added per worker (constant 2010 US$)	WDI

Source: data processed (2022)

To estimate the relationship between FDI and the key determinants, 23 sub-Saharan African countries based on complete data availability are considered. The data is collated for the years 1984 to 2016. The collection was based on availability both country-wise and the number of years. The dependent variable is linked to the explanatory variables of corruption control, population growth, natural resources, GDP, political stability, human development index (value added per worker) and inflation. Primarily, data was sourced from the World Bank's WIR and WDI and compared with country information agencies. The remainder of the data was also collected from the International Country Risk Guide (ICRG). Data is collected yearly, and the sampled number of countries and the variables were dictated by data availability. All the variables are in the natural logarithm. The summary of the data set is reported in Table 1. It must be emphasized, however, that value added per worker is used to measure human development.

RESULT AND DISCUSSION

Table 2 below presents the descriptive summary for all the variables for a panel of 23 countries from 1984 to 2016. The table reports the mean, median, maximum, and minimum values, standard deviation, skewness, kurtosis, and Jarque-Bera test of normality. The result shows that the mean value for inflation, FDI inflow, population growth, natural resources, GDP, value added per worker,

corruption, and political stability were 0.882, 0.126, 0.435, 0.882, 9.886, 3.655, 0.357, and 0.835 respectively. The positive sign for the mean of all the variables indicates an increasing trend in these variables over the study period across the panel of countries. The standard deviation for all variables is positive and values less than one. The study found a positive skewness for inflation, GDP, and value-added per worker, besides a negative skewness for the other remaining variables. Regarding Jarque-Bera test, all the variables followed normal distribution at 1% significance level.

Table 2. Descriptive statistics

	INFL	FDI	PGG	NATRL	GDP	VAPW	CRPT	PSTB
Mean	0.882	0.126	0.435	0.882	9.886	3.655	0.357	0.835
Median	0.913	0.236	0.442	0.870	9.887	3.575	0.301	0.856
Min	-1.436	-2.000	-0.602	-2.000	8.115	2.786	-.301	0.000
Max	4.376	1.628	0.779	1.768	11.738	4.510	0.778	1.064
Std.Dev	0.627	0.600	0.107	0.428	0.645	0.332	0.178	0.160
Kurtosis	6.113	3.617	22.170	12.948	3.575	3.281	4.063	6.824
Skewness	0.133	-0.784	-2.671	-1.764	0.174	0.616	-0.671	-1.468
Jarque-Bera	271.73*	77.64*	12524.02*	3472.49*	14.18*	35.78*	90.96*	725.32*
Observs	668	656	759	748	755	537	745	749

Note: * denotes 0.01 significance level. All the variables are in natural logarithm form

Source: data processed (2022)

Table 3. Panel unit root test at level and first difference

Variables	Unit root test at level			Unit root test at first difference		
	ADF	PP	Decision	ADF	PP	Decision
INFL	144.021***	138.762***	Stationary			
FDI	167.940***	198.362***	Stationary			
PGG	133.752***	36.509	Stationary			
NATRL	83.669	82.713	Non-stationary	515.309***	525.126***	Stationary
GDP	13.523	11.100	Non-stationary	389.542***	398.353***	Stationary
VAWP	84.595	68.189	Non-stationary	256.127***	264.475***	Stationary
CRPT	74.912	42.425	Non-stationary	305.766***	294.627***	Stationary
PSTB	87.795	47.558	Non-stationary	311.756***	311.391***	Stationary

Note: *** denote p-value < 0.01 Significance level. All the variables are in natural logarithm form.

Source: data processed (2022)

To determine whether the variables under study are stationary, the Augmented Dickey-Fuller (ADF) and Philips-Perron (PP) unit root tests were employed. The unit root test results for each variable at level and first differenced is shown in Table 3. As per the result, we reject the null hypothesis of unit root for inflation, FDI-inflow, and population growth, suggesting that they have no unit root and stationery at levels since their respective ADF and PP test values were greater than the absolute critical values at 1% significance level. However, we reject the null hypothesis of unit root for the remaining variables (such as natural resources, GDP, value added per worker, corruption, and political stability) at % significance level after first differencing. This suggests that, all the variables are stationery and unity at 1% significance level after first differencing and integrated of order one except for inflation, FDI inflow, and population growth.

On the other hand, a robustness test was performed to check for the individual association of the control variables (independent variables) on the response variable (see Table 4). The Hansen test of over-identifying restriction revealed to be valid and support all the models. The Wald test also confirmed that all the parameters of all the coefficients included in the models are jointly not zero. The Arellano & Bond (1991) test suggests that the residual is not serially correlated at order 2 for all the Models except for Model II, Model IV, and Model V. For each model, the estimated coefficients for the lagged FDI-Inflow variable (FDI_{t-1}) are dynamic and statistically significant at 1% and 5% significance level. All the individual explanatory variables have proven to be statistically related to the response variable and significant at 1% and 5% significance level except for inflation ($INFL_{t-0}$ *and* $INFL_{t-1}$), and political stability ($PSTB_{t-1}$) which have proven to be statistically insignificant.

Table 4. Robust two-step dynamic linear panel GMM estimation on SSA (1984-2016)

Dependent variable: FDI INFLOW			
Independent Variables	**1-Step GMM Model 1**	**2-Step GMM Model 2**	**Iteration =10 Model 3**
FDI_{t-1}	1.050* (0.068)	0.613** (0.276)	0.995* (0.111)
GDP_{t-0}	-0.615 (0.426)	-0.453* (0.058)	-0.562* (0.013)
GDP_{t-1}	0.667 (0.424)	0.591* (0.052)	0.628* (0.018)
$INFL_{t-0}$	0.006 (0.053)	-0.174 (0.120)	-0.198** (0.086)
$INFL_{t-1}$	-0.049 (0.066)	0.041 (0.109)	0.154** (0.077)
PGG_{t-0}	1.230* (0.352)	1.205* (0.109)	1.270* (0.164)
PGG_{t-1}	-0.325	-0.358**	-0.224

	(0.231)	(0.121)	(0.178)
$NATRL_{t-0}$	-0.160** (0.065)	-0.146* (0.025)	0.167* (0.044)
$NATRL_{t-1}$	0.076 (0.074)	0.064 (0.050)	-0.212* (0.039)
$VAPW_{t-0}$	6.215* (0.013)	6.155* (0.046)	6.277* (0.106)
$VAPW_{t-1}$	-6.023* (0.028)	-6.096* (0.034)	-6.056* (0.106)
$CRPT_{t-0}$	0.628** (0.315)	0.603* (0.055)	0.864* (0.112)
$CRPT_{t-1}$	-0.375 (0.262)	-0.455* (0.077)	-0.012 (0.111)
$PSTB_{t-0}$	0.128 (0.485)	0.045 (0.032)	-0.215* (0.053)
$PSTB_{t-1}$	-6.627** (0.260)	-0.699* (0.035)	-0.869* (0.062)
Year Dummies	Yes	Yes	Yes
No. of Obs	759	759	759
F-Statistics	43009519.64*	5468520.38*	6515565.76*
Instruments	107	107	107
AR (2)	2.00*	-3.00	3.00**
Hansen Statistics	245*	-1e-15	-1e-15
Wald Test	35907*	2e+05*	30806*

Statistically significance at 1%, and 5% level respectively

Source: data processed (2022)

The summary results for the robust dynamic linear panel GMM estimations are shown in Table 4. We observed a dynamic result for the estimated regression parameters of the generalized moment method for all the respective independent variables at diverse models. The Hansen test of overidentifying restriction was valid and supported the model except for Model 1 (1-step GMM). The Wald test also confirmed that all the parameters of all the coefficients included in the model are jointly not zero. Also, the Arellano & Bond (1991) test reveals that the residual is not serially correlated at order 2 except for Model 1 (1-step GMM) and Model 3 (Iteration =10) which shows otherwise. It must be noted that the coefficients shown in Table 6 signifies individual short-run impact of the observed variable. Assuming the long-run equilibrium, the long-run elasticity can be obtained via dividing the estimated coefficients b $(1-\beta)^{\check{}}1$, where β is the coefficient of the lagged response variable. For instance, it is found that the coefficient of the lagged FDI-Inflow variable ($FDI_{t\check{}1}$) is positive and statistically significant at 5% level of significance confirming to the dynamic nature of the FDI inflow among the sub-Sahara African countries. Concerning Model 2 (2-step GMM) all the remaining explanatory variables are statistically related to the response variable and significant at 1% and 5% significance level except for inflation ($INFL_{t\check{}0}$ *and* $INFL_{t\check{}1}$), natural resources ($NATRL_{t\check{}1}$) and

political stability ($PSTB_{t\check{}0}$) which are shown to be statistically insignificant. For instance, lagged ($GDP_{t\check{}0}$ and $GDP_{t\check{}1}$) significant and are negatively and positively related to FDI-inflow respectively; therefore, a 1% increase in this variable will reduce and increase FDI-inflow by 0.453% and 0.591% respectively. Correspondingly, lagged ($PGG_{t\check{}0}$ and $PGG_{t\check{}1}$) are statistically significant at 1% and 5% level, hence, a 1% increase will increase and reduce FDI-inflow by 1.205% and 0.358% respectively. Again, lagged (CRPTt˘0 and CRPTt˘1) are statistically significant at 1% and 5% level, hence, a 1% increase will raise and reduce FDI-inflow by 0.603% and 0.455% respectively. Lastly, natural resources (NATRLt˘0), value added per worker (VAPWt˘0 and VAPWt˘1) and political stability PSTBt˘1) give diverse results but statically significant at 1% level. However, for Model 3 (Iteration = 10), it was found that all the explanatory variables are statistically related to the response variable and significant at 1% and 5% significance level except for political stability PSTBt˘1) and control of corruption CRPTt˘1) which are shown to be statistically insignificant.

Discussion

The research was aimed at looking at the variables that impacts the inflow of FDI in the Sub-Saharan Region. The results show that GDP, population growth, control of corruption and human development (value added per worker) are significant determinants of FDI uptake in Sub-Saharan Region. Inflation, political stability in current state and natural resources in the long run were however not significant as per the data gathered, contrary to early research done by Liang et al. (2021) and Younsi et al. (2021), whose work highlights factors like political stability being an important factor that influences FDI in developing countries.

The value added per worker variable was employed to measure the quality of the labour force in the region. Value added per worker tries to measure the unit of output increase as an additional unit increases labour. The study found a strong relationship between value added per worker and FDI inflow into the Sub Region. Data analysed depicts that in the Sub-Saharan Region, value added per worker is significant in the location decision of FDI. It reveals that a unit increase in the value of workers in the region brings about a 6% increment in FDI in the current lag. This finding is in line with previous literature which reveals that human development influences the location decision of FDI (Dunning, 1988; Markusen & Venables, 1999; Mulliqi et al., 2018; Srivastava & Talwar, 2020). This is problematic a finding knowing that the labour quality or the human development index in SSA is quite low and the illiteracy rate recording almost 35% of the total population in the region (Cammack, 2017). As already stated in

literature, the continent is struggling to educate the large population with most governments resorting to free education to remove the financial burden which seem to be the major hindrance for the populace access to education and training (Duflo et al., 2021).

In addition, as discussed in literature, the issue of girl-child education adds to the low rate of human development in African; being part of the top continents with the least girl education by population (Offorma, 2007). African labour force lacks the requisite skills needed for the opportunities on the continent, it might be related to the education systems built by their colonial masters which have received quite a few or no improvements at all. Simply put, the school-to-work transition is rarely seen but if it exits, it is invisible (Morsy & Mukasa, 2020). Adding to this, findings from research on the continent suggest that there is a lot of skill shortage on the continent and a skill mis-match which throws more light on the training of students at school (Mtawa et al., 2021). This highlights the fact that students are immature and signifies the lack of work readiness owing to little or no practical work experience; this exposes the quality of education system on the continent (Oviawe et al., 2017; Yeboah & Jayne 2018). MNCs to a large extent must bring from abroad expertise required for various jobs on their relocation decisions to the African continent, at other time they spend more man hours in training local labour force, a cost that could be avoided if the continent had the requisite skills set and experience required by these corporation (Nyantakyi et al., 2021).

Data gathered for the study revealed quite an interesting finding in the previous lag period concerning control of corruption in the Sub-Saharan region. Data analyzed depicts that an attempt to increase the control of corruption in the previous lag reduces FDI inflow into the Sub-Saharan region. This means that in SSA, any attempt to increase measures to reduce corruption resulted in a reduction of the inflow of FDI. This is becoming bizarre, which might mean that corruption cuts the bureaucracy associated with business in the region. A procedure that through formal way will take a day or more might be done in some few minutes if the "palm of those in influential positions are greased". It might also imply that, corruption eases the operations of the FDI by cutting corners with respect to regulations regarding business activities in the region, be it taxes or breaking the companies code to the detriment of the host. In line with this finding, signals depicts that in addition to failing to augment an economy, FDI worsened its problems; South Sudan's high corruption levels have partially been ascribed to FDI (Renzi, 2021). The problem of corruption sterns from government agencies to even political parties and the ruling government itself. However, current lag periods suggest that measures to control corruption

positively impact the inflow of FDI to the African sub region. To a large extent, several scholars have documented that control of corruption positively influences FDI inflow (Anokhin & Schulze, 2009; Zangina & Hassan, 2020; Kasasbeh et al., 2018). Other scholars also have stated emphatically that control of corruption or corruption itself as a variable does not influence FDI uptake in any way (Mudambi et al., 2013). However, these studies were not done in Sub-Saharan Africa. For instance, in a study analysing FDI inflows in 55 economies transversely from four different periods, the researchers established that "the level of economic regulation is a major determinant of the extent of FDI inflows as well as the level of corruption, but corruption does not have an independent influence on levels of FDI inflows" (Mudambi et al., 2013).

CONCLUSION

There is a wealth of information on the factors that influence FDI inflows, but most of it occurs in single economies. This study however, becomes important for two reasons; Firstly, because the business environment keeps changing so does the factors affecting FDI. Secondly there's very little work done in the Sub-Saharan region, even though different variables and models have been employed.

This survey document concludes that human development and control of corruption are determinants of FDI inflow into SSA. That is, there is a significant relationship between FDI inflow and human development and control of corruption. While human development impacts positively, control of corruption is negatively significant to the growth of FDI in Sub-Saharan Africa. Further, it is evident that GDP and population growth are significant determinants of FDI uptake in Sub-Saharan Region whiles inflation, political stability in current state and natural resources in the long run were relatively insignificant as per the data gathered contrary to early research in other sub-regions.

The study recommends that governments in Sub-Saharan Africa advance labour policies that ensure the human development of their citizens. This is because value added per worker indirectly creates the sustainable human development required for the development of budding economies.

To this end, future research could delve into sustainable human development and how it attracts sustainable FDI in Sub-Saharan Africa. Additionally, the dynamics of the influence of corruption control on FDI inflows among the economies in sub-Saharan Africa post-COVID-19 could also be investigated in future research using a more robust technique.

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