

Abstract

The main purpose of this thesis work is to analyze the role of FDI in Russian economy and to find out the degree of impact on the economic growth. The empirical research captures 2000-2013 years specifying by quarterly time-series, which investigates the topic based on two hypotheses. These hypotheses mainly revolve over the role of FDI in the economy as a whole and by major economic sectors (financial sector, heavy industry sector and trade sector). The evidence outcomes of the investigation makes it clear that FDI does not always induce the economic growth by sectors, since due to the spillover effect, there is not a warranty that each sector gets equivalent positive impact from the inflow of FDI.

Key words: Foreign Direct Investment, economic growth, transition economies, attractive sectors of economy.

JEL classification: F21 - International Investment • Long-Term Capital Movements.