

## **IMPACT OF FOREIGN DIRECT INVESTMENT ON ECONOMIC DEVELOPMENT OF BANGLADESH ECONOMY: SOME POLICY IMPLICATIONS**

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### **ABSTRACT**

Bangladesh is a developing country so rapid industrialization is essential to keep pace with its development needs. But the low rate of Gross Domestic Savings and Investment as well as low level of technology base hamper the expected industrialization process. Foreign aids and grants had been serving to overpass the gap. As the developing countries are in the process of graduating from being aid dependent economy into a trading economy, therefore, Foreign Direct Investment (FDI) is viewed as a major motivation to economic growth in these countries. Despite some policies reforms, Bangladesh could not attract handsome flow of FDI as yet. Furthermore, the major share of FDI is being repatriated. The main focus of this paper is to make known some general features of FDI, to observe the problems associated with attracting FDI and to recommend remedial measures to overcome those problems. The paper analyses the trends of FDI inflow and repatriation as well as what Bangladesh is doing presently to attract handsome flow of FDI.

**KEYWORDS:** Impact of Foreign Direct Investment on Economic Development