

## THE SOCIAL IMPACT OF FOREIGN DIRECT INVESTMENTS IN THE HOST COUNTRIES: CHALLENGES AND OPPORTUNITIES

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**Abstract.** *The last years have experienced an increase in foreign direct investments, especially in developing countries, where the market is still at the beginning and the investment can grow faster than in developed countries. This is happening due to the liberalization of some economic policies in order to attract foreign direct investments inflows. Attracting foreign investors is not only influential for the economy; it has also a lot of consequences and effects on the social welfare of citizens in developing host countries. The purpose of this paper is to show if there is a social impact of foreign direct investments inflows to developing countries and to determine whether or not this investments contribute to the well-being of society. This paper also analyzes if the impact has a positive or negative effect and which are the current trends in the relation between investments flows and society.*

**Keywords:** *foreign direct investments, social development, social impact, life standards, developing country*

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