

# Tanzania - Examining the link between FDI and economic growth in Tanzania through financial development, capital formation and labor inputs 1991-2021

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## Identification

### SURVEY ID NUMBER

tza-bm-fdit-1991-2021-v1

### TITLE

Examining the link between FDI and economic growth in Tanzania through financial development, capital formation and labor inputs 1991-2021

### COUNTRY

Name	Country code
Tanzania	tza

### STUDY TYPE

Replication/Reproducibility Data

### ABSTRACT

This paper examines the short and long-run impact of FDI, financial development, capital formation and labor force on economic growth of Tanzania. The topic is of great policy interest in developing economies. However, the state of concrete knowledge on the subject is not sufficient. The paper explores the nexus among the variables simultaneously during 1991 - 2021 using time series methods of co-integration and Granger causality, within the autoregressive distributed lag (ARDL) model. The finding reveals long-run relationship among the variables under study. The impact of FDI and labor force on economic growth is positive and statistically significant in the long run. From causality tests, FDI, labor force and economic growth unveils bidirectional causality in short and long-run. The rest of explanatory variables are positive but not significant. Thus, we conclude that Tanzania should formulate policies that promote FDI inflows and labor force growth to boost economic growth of the country.

### KIND OF DATA

Time-Series

## Version

### VERSION DESCRIPTION

v1

### VERSION DATE

2023-06-01

### VERSION NOTES

Version 1 covered data from 1991-2021.

## Scope

### NOTES

Data used for the research includes GDP growth (Annual %), Net FDI inflows (% of GDP), Financial Development (% of GDP), Labour force participation rate (annual change %) and Gross Capital formation (% of GDP).

## Producers and sponsors

### PRIMARY INVESTIGATORS

Name	Affiliation
Benedict Huruma Peter Mwakabungu	College of Business Education, Dodoma, Tanzania
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## Data Collection

### DATES OF DATA COLLECTION

Start	End	Cycle
1991	2021	Time-Series

### DATA COLLECTION MODE

Other

### DATA COLLECTION NOTES

The dataset was created from economic time-series data publicly available from the websites of the World Bank and OECD National Accounts.

## Access policy

### CONTACTS

Name	Affiliation	Email	URL
DataFirst Support	University of Cape Town	support@data1st.org	www.support.data1st.org

### ACCESS CONDITIONS

Public access data for use under a Creative Commons CC-BY (Attribution-only) License

### CITATION REQUIREMENTS

Mwakabungu, B.H.P and Kauangal, J. 2023. Examining the link between FDI and economic growth in Tanzania through financial development, capital formation and labor inputs [dataset]. Version 1. Dodoma and Ahmedabad: Mwakabungu and Kauangal [producers], 2023. Cape Town: DataFirst [distributor], 2023. DOI: <https://doi.org/10.25828/m4bp-1y94>

### ACCESS AUTHORITY

Name	Affiliation	Email	URL
DataFirst	University of Cape Town	support@data1st.org	support.data1st.org

## Metadata production

### PRODUCERS

Name	Affiliation	Role
DataFirst	University of Cape Town	Metadata producer

### DATE OF METADATA PRODUCTION

2023-06-02

### DDI DOCUMENT VERSION

Version 2

## Data Description

Data file	Cases	Variables
fdit-1991-2021-v1	31	6



**Data file: fdit-1991-2021-v1**

Cases: 31

Variables: 6

**Variables**

ID	Name	Label	Question
V1	Years	Years	
V2	FDIofGDP	FDI (% of GDP)	
V3	FDofGDP	FD (% of GDP)	
V4	LAnnualchange	L (Annual change %)	
V5	GCFofGDP	GCF (% of GDP)	
V6	GDPAnnual	GDP ( Annual %)	

Total: 6



## YEARS: Years

Data file: fdit-1991-2021-v1

### Overview

Valid: 31 Invalid: 0 Minimum: 1991 Maximum: 2021 Mean: 2006 Standard deviation: 9.092  
Type: Continuous Decimal: 0 Width: 10 Range: 1991 - 2021 Format: Numeric

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## FDIOFGDP: FDI (% of GDP)

Data file: fdit-1991-2021-v1

### Overview

Valid: 31 Invalid: 0 Minimum: 0.000202 Maximum: 5.664 Mean: 2.62 Standard deviation: 1.449  
Type: Continuous Decimal: 0 Width: 10 Range: 0.0002017516775249 - 5.66372789923805 Format: Numeric

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## FDOFGDP: FD (% of GDP)

Data file: fdit-1991-2021-v1

### Overview

Valid: 31 Invalid: 0 Minimum: 2.941 Maximum: 14.614 Mean: 9.547 Standard deviation: 3.898  
Type: Continuous Decimal: 0 Width: 10 Range: 2.94098178373874 - 14.6135380844541 Format: Numeric

---

## LANNUALCHANGE: L (Annual change %)

Data file: fdit-1991-2021-v1

### Overview

Valid: 31 Invalid: 0 Minimum: -1.17 Maximum: 0.77 Mean: -0.235 Standard deviation: 0.518  
Type: Continuous Decimal: 0 Width: 10 Range: -1.17 - 0.77 Format: Numeric

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## GCFOFGDP: GCF (% of GDP)

Data file: fdit-1991-2021-v1

### Overview

Valid: 31 Invalid: 0 Minimum: 14.9 Maximum: 43.218 Mean: 28.804 Standard deviation: 8.28  
Type: Continuous Decimal: 0 Width: 10 Range: 14.899736555586 - 43.2176990980371 Format: Numeric

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## GDPANNUAL: GDP (Annual %)

Data file: fdit-1991-2021-v1

### Overview

Valid: 31 Invalid: 0 Minimum: 0.584 Maximum: 7.672 Mean: 5.116 Standard deviation: 2.006  
Type: Continuous Decimal: 0 Width: 10 Range: 0.584322134083266 - 7.67215543499384 Format: Numeric

