SPATIAL EFFECT ANALYSIS OF FOREIGN DIRECT INVESTMENT (FDI) ON CARBON INTENSITY IN CHINA

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Abstract

Because of the current researches ignoring the spatial spillover effects of Foreign Direct Investment (FDI), this study empirically analyses the spatial spillover effects of FDI on carbon emission intensity by using the spatial panel data model. Results show that the spatial autocorrelation between FDI and carbon emission intensity in China is evident, and that FDI is not only conducive to reducing of carbon emission intensity of the local region whose space spillover effects but also has a significant role in reducing that of the surrounding area.

Key words: carbon emission intensity, FDI, spatial panel data model

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