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Abstract

Globalization has been making countries more and more interdependent and companies shift their investments abroad. China has been hugely compelling option for firms to invest in for many years. In 2014 China was the most popular destination for foreign direct investments in the world. This research aims to express how attractive China's current situation in international business is.

Research seizes the subject with literature research and data analysis. The study concentrates on China's country profile, laws & regulations, political situation and economic situation to find out how big of a relationship they have on the nation's abilities to perform in international business. Literature research includes resent information on how things have evolved to get better understanding on China's current status, whereas data analysis samples opinions together from 100 people about the same four topics and China's attractiveness.

Data analysis starts with group's general data to identify participants' life situation. Further analysis moves on to the main area of this study to find out how important and relevant previously mentioned four independent variables are with China's attractiveness. Analysis goes through mean, standard deviation and level of agreement statistics, ending up to correlation coefficient and Pearson's two-tailed significance calculations to determine the validity of research hypotheses'.

Results indicate that China is still a compelling location for investors, but many resent issues have raised some concerns. Chinese population is aging fast despite the newly announced two-child policy and labour is becoming more expensive. Government holds a significant power and many experts doubt their economic statistics. Environment protection and citizen wellbeing is compromised due to high pollution in many cities. Data analysis shows that all factors except political situation share a positive relationship with China's attractiveness in international business. Overall participants felt research related topics were mostly very important in case of future investments.