

Investigating the Effects of Political Globalization on Economic Development in Iran

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Abstract

The purpose of this study is to examine the effect of political globalization on economic development in Iran during the 1979-2016. Political globalization by undermining the role of the nation-states and the transformation of political relations that promotes global cooperation affects the development of trade, the expansion of investment, income distribution, human development and, in general, the economic development issues of countries. In this regard, political globalization index of KOF and three indexes of economic development such as economic growth, income inequality and human development have been used. Therefore, using time-series data, ARDL and bounds test method has been used in this research. The results show that in the short and long run, the effect of political globalization on economic growth and human development is positive and significant, but political globalization does not have a significant effect on income inequality.

Key words: political globalization, economic development, human development, income inequality, economic growth

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