Economic Openness and Growth in MENA: Evidence from Dynamic Heterogenous Panel Models

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ABSTRACT

This paper explores the impact of openness on economic growth in MENA countries using a heterogeneous panel data approach over the period 1979-2019. We have found higher domestic capital stock and school enrollments to attribute to the region's economic growth. However, the empirical results support a weak indirect association between economic performance and openness of MENA countries using different globalization measures. Our findings support that MENA countries have limited economic growth gains from globalization.

Keywords: Openness, economic growth, cross-country growth regression, MENA, globalization

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