# Literature Table

**Impact Of International Trade On Economic Growth for Developing countries**

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| **Name of the**  **Study** | **Year of Publication** | **Name of**  **Journal** | **Kind of**  **Research** | **Dependent**  **Variable** | | **Independent**  **Variable** | **Estimation Technique e** | **Time Dimension data specifically** | **Main**  **Results** |
| **Does trade promote growth in developing countries? Empirical evidence from Nigeria** | 2012 | International Journal of Development and Sustainability | Time Series,  Quantitative | GDP | | Foreign Trade, Foreign Direct Investment, Government Expenditure, Exchange Rates | Ordinary least square technique | 1980-2010 | Findings suggest that 84% variation in GDP is as a result of variation in trade, foreign direct investment, government expenditure and exchange rates. Foreign trade exerts a significant positive effect on economic growth in Nigeria. FDI, government expenditure and exchange rate also positively impact on economic growth in Nigeria. |
| **Trade and growth in developing countries: the role of export composition, import composition and export diversification** | 2020 | Economic Change and Restructuring | Panel data for 19 developing countries,  Quantitative,  Micro | GDP per capita | | Investment, Human Capital, Rule of law, Trade | DIF GMM estimator, Arellano–Bond test for autocorrelation, Sargan test for over-identifying restrictions | 1990–2016 | The economic growth process benefits from imports of capital goods. For exports to have a positive effect on economic growth, it is necessary to develop domestic industries of intermediate goods expanding potential spillover efects on the rest of the economy. |
| **Relationship between International Trade and Economic Growth: A Cointegration Analysis for Zimbabwe** | 2014 | Mediterranean Journal of Social Sciences | Time series,  Quantitative | GDP | | Inflation, trade openness, Investment, government expenditure, government budget deficit as a share of GDP | ADF test, OLS regression, Engle-Granger procedure | 2003-2009 | Cointegration exists showing that there is a long run relationship between GDP and its regressors. The results also demonstrated that a stable macroeconomic environment is also necessary to encourage growth in trade and ultimately economic growth. |
| **The Relationship between International Trade Openness and Economic Growth in the Developing Economies: Some New Dimensions**  **International trade and Economic growth: cross-country evidence** | 2015  2012 | Journal of Chinese Economic and Foreign Trade Studies  GRP International Journal of Business and Economics | Cross-sectional,  Qualitative  Cross Sectional Analysis, Micro | | Real per capita GDP  GDP per worker | Domestic capital formation, Trade openness, Ratio of industrial output to GDP, growth of labor force, inflation  Initial output, population growth, technological growth, depreciation, physical and human capital accumulation | Empirical analysis, estimating models, Hausman specification test  OLS technique | 1990-2009  1960-2000 | The relationship between trade-volume measure and economic growth is even negative but statistically insignificant. The results show that the impact of actual trade openness and instrumented trade openness on economic growth is positive and also statistically significant at standard level. Domestic investment has significantly influenced economic growth in the context of the developing countries  Overall trade openness has positive effect on economic growth, black market premium as a proxy for imbalance in macroeconomic policies has negative effect, in the presence of macroeconomic policies (government consumption and inflation) trade has statistically and economic significant positive influence on growth, and in an institutional environment trade lacks influencing growth, the coefficient on institutions is positive and statistically significant. |
| **EFFECT OF INTERNATIONAL TRADE ON NIGERIAN ECONOMIC GROWTH: THE 21STCENTURY EXPERIENCE** | 2014 | International Journal of Economics, Commerce and Management | Time series | | GDP | Imports, exports, and trade openness | Ordinary Least Square (OLS) | 2000-2012 | Evidenced that international trade has a significant positive impact on economic growth. Imports, Exports, and Trade Openness have significant effect on the economy. |
| Does International Trade Cause Economic Growth? | 2010 | The World Economy | Time-series, Qualitative | | Change in GDP | Labour force, Domestic investment and Foreign investment/ output. | Rank correlation, OLS, Production function. | 1970 to 2005 | The macroeconomic evidence provides dominant support for the positive and significant effects of trade on output and growth, while the microeconomic evidence lends larger support to the exogenous effects of productivity on trade, as compared to the effects of trade on productivity |
| **Growth and export expansion in developing countries: Some empirical evidence** | 1981 | Journal of developmentEconomics | cross-sectional analysis, 55 developing countries | | GNP | capital stock services, technological advancements, exports, labor force inputs | Cobb-Douglas production function | 1960-1977 | Countries which neglect their export sectors through discriminatory economic policies are likely to have to settle for lower rates of economic growth as a result. |
| **Impact of Foreign Direct Investment and International Trade on Economic Growth: Empirical Study in Vietnam**  **Financial Development, International Trade and Economic Growth: The Case of Sub-Saharan Africa** | 2020  2012 | [The Journal of Asian Finance, Economics and Business](https://koreascience.kr/journal/OTGHEU.page)  Ekonomista | Panel, Macro, Quantitative  Time series, Quantitative | | GDP  Real GDP | Foreign Direct Investment, Export, Import  domestic credit, exports, imports | Ordinary least-square method  Granger Causality Test | 2000-2018  1960-2007 | The statistical test results show that FDI and international trade are related to economic growth, however economic variables have different impacts. FDI and export have a positive and statistically significant effect on economic growth. Import also has a negative but not statistically significant impact on economic growth. Identification of the above-mentioned directions of impacts helps the government to have appropriate policies to improve the effect of FDI and international trade on Vietnam's economic growth.  Long‑run equilibrium relationship is confirmed between real income, exports, imports and financial development proxies as scaled by M2 and domestic credits in this region. Exports from this region is output‑driven. Imports are also money supply driven. There are feedback relationships between domestic credits and exports, and domestic credits and imports. Thus, it can be said that money supply and domestic credits (financial development) is a catalyst for international trade in this region |
| International Trade and Economic Growth: Evidences from The Brics | 2016 | Journal of Applied Economics and Business Research | Panel study, Micro | | GDP per capita | Export of goods and services, Import of goods and services | Granger causality test, FMOLS and DOLS | 1991-2013 | A long term relationship among export of goods and services, import of goods and services and economic growth. . Improved economies of scale through better utilization of the productive capacity along with better allocation of resources may lead BRICS to sustain its share of international trade and economic growth. |
| **Causality between Exports and Economic Growth: Investigating Suitable Trade Policy for Pakistan** | 2016 | Eurasian Journal of Business and Economics | Panel, Quantitative | | GDP | Export | Johansen test of Cointegration, Granger Causality | 1975-2010 | Existence of one cointegrating vector between GDP and economic growth. Unidirectional causality run from GDP to exports in both long run and short run. |
| **An Econometric Time-Series Analysis of the Dynamic Relationship between Foreign Trade and Economic Growth in a Developing Country: Evidence from Namibia** | 2016 | AUDOE | Time series, Quantitative | | GDP | Exports, FDI, EX | Augmented Dickey-Fuller (ADF) test, PP tests | 1990–2013 | Results showed the study found that economic growth responds stronger to changes in exports and foreign direct investment compared to changes in exchange rates. Exports indeed Granger-cause economic growth. |
| **Trade and industrialization in developing economies** | 2004 | International Monetary Fund | Panel of 92 developing countries | | real per capita GDP | world real value added over real GDP, real trade share of country | Hausman specification test | 1960-2000 | Developing economies that increased their openness to international trade during the period 1960 –2000 experienced an increase in the production share of the industrial sector, at the expense of agricultural production. |
| **Economic growth, inequality and trade in developing countries** | 2016 | International Journal of Development Issues | Panel data set on 65 developing economies | | per capita GDP | Control variables other than lagged income, Education, Investment, Inflation | OLS treatment, Gini coefficient | 1965-2010 | Some of developing countries are not able to absorb technology transfer from developed countries due to lack of human capital, financial development and skilled labor. Societies with high income inequalities coupled with socio-economic problems, such as social conflict, macroeconomic instability, low investment in human capital, unskilled labour and weak financial institutions, remain unable to benefit from the positive effects of trade even in the long run. |
| **Financial development, trade and growth triangle: the case of India** | 2007 | International Journal of Social Economics | Cross sectional, Quantitative | | GDP | Exports, imports, M2, DC | Granger causality tests | 1965-2004 | Results reveal that there is a long-run equilibrium relationship between financial development, international trade and real income growth in the case of India. Furthermore, unidirectional causality was investigated that runs from real income to exports and imports, from exports to imports, M2 and domestic credits, from M2 to imports, from imports to domestic credits. Bidirectional causality has also been obtained between real income and M2, and between real income and domestic credits. Finally, no direction of causality has been obtained between M2 and domestic credits |
| **FINANCIAL DEVELOPMENT, TRADE OPENNESS AND ECONOMIC GROWTH IN DEVELOPING COUNTRIES Recent Evidence from Panel Data** | 2014 | Pakistan Economic and Social Review | Panel (15 developing countries), Quantitative | | GDP | Financial development, Trade openness, Foreign direct investment, Human capital index, Real Interest rate | Panel cointegration tests, Panel causality tests | 1978-2012 | The results of the study point out low impact of financial development on economic growth. It may be due to the absence of well-developed and efficient financial system in these countries. Furthermore, the financial system in these countries is not backed by well-enforced financial institutions and weak financial institutions provide rooms for misallocation of resources which leads to poor economic growth. |
| **Trade Openness and Growth in Developing Countries: An Analysis of the Relationship after Comparing Trade Indicators** | 2015 | Asian Economicand Financial Review | Cross sectional, Quantitative | | GDP | Consumer price Index, exports and imports of goods and services, fixed assets of the economy | OLS (Least Square Dummy Variables) | 1997-2001 | Trade share ratio, used as variable of interest in our model, is less exposed to conceptual shortcomings faced by three influent trade openness indexes. Trade liberalization policies were largely motivated by the desire to obtain loans and aids from international organizations |
| **Trade and growth in SACU countries: A panel data analysis** | 2019 | Economic Analysis and Policy | Panel, Quantitative, Micro | | GDP per capita | Labour, Human Capital, Trade liberalization, Technology | OLS | 1980-2011 | A statistically significant relationship between trade liberalization and economic growth for our five SACU countries. Weak evidence that trade liberalization may exert a positive influence on economic growth. |
| **Trade and growth in Chile** | 1999 | Cepal Review | Time Series, Quantitative | | GDP | gross fixed investments, volume of exports of goods, capital stock | autoregressive vectors model, using Johansen’s estimation technique | 1960-1995 | Chile will have to abandon some policy instruments which have been very profitable in the past. Idle capacity in the 1970s: between 1973 and 1975 idle capacity rose from 8% to 46%. This added 8% to the annual growth rate of exports of manufactures, giving a total of 18% for the period as a whole. |