

**International Economics
2024**

Home assignment 1: Openness

The following questions are based on the Excel spreadsheet entitled “WorldBankData”. The data are from the World Bank. Countries with missing data have been omitted.

First, define the ‘*openness*’ of a country as the sum of its imports and exports divided by its GDP.

(1) What has happened to the average level of openness in the world over the years in question?

(2) How many countries experienced an increase in openness between 2011 and 2021?

(3) Compare the average openness of the 20 largest countries (measured in terms of population) and the 20 smallest countries in 2011. Which is more open?

(4) Now compare the average openness of the 20 richest countries (measured in terms of per capita GDP) and the 20 poorest countries in 2011. Which is more open?

(5) Now, the most important part of your empirical analysis! Based on your results, what kind of countries tend to be more open and what kind tend to be less open.