

## Impact of Foreign Trade on Economic Growth: A Panel Data Analysis for OECD Countries

**Authors :** Burcu Guvenek, Duygu Baysal Kurt

**Abstract :** The impact of foreign trade on economic growth has been discussed since the Classical Economists. Today, foreign trade has become more important for the country's economy with the increasing globalization. When it comes to foreign trade, policies which may vary from country to country and from time to time as protectionism or free trade are implemented. In general, the positive effect of foreign trade on economic growth is alleged. However, as studies supporting this general acceptance take place in the economics literature, there are also studies in the opposite direction. In this paper, the impact of foreign trade on economic growth will be investigated with the help of panel data analysis. For this research, 24 OECD countries' GDP and foreign trade data, including the period of 1990 and 2010, will be used.

**Keywords :** foreign trade, economic growth, OECD countries, panel data analysis

**Conference Title :** ICEM 2014 : International Conference on Economics and Marketing

**Conference Location :** Lisbon, Portugal

**Conference Dates :** April 17-18, 2014