



جامعة قاصدي مرباح – ورقلة

Université Kasdi Merbah - Ouargla



Faculté des Sciences Economiques, Commerciales et Sciences de Gestion  
Laboratoire de l'Economie des Organisations et de l'Environnement Naturel – EcoNature –

## LE CERCLE DOCTORAL N°002/2014

*Plateforme d'échange et de coopération entre chercheurs universitaires pour aborder les problématiques de chacun, bénéficier des retours d'expérience, favoriser les connaissances mutuelles et échanges de bonnes pratiques pour améliorer la recherche.*

# Openness, Financial Development and Economic Growth in Algeria: An ARDL Bound Testing Approach

Presented by:

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**A 11H00 à la salle de la Maison d'entrepreneuriat**

### Abstract

This study examines the relationship between openness, financial development, and economic growth in Algeria using the autoregressive distributed lag (ARDL) cointegration framework. The results based on the bounds testing procedure confirm that a long-run relationship between openness, financial development, and economic growth exist. Data were obtained from the World Bank Development Indicators for the period of 1980 to 2010. Importantly, our results reveal that, openness has a significantly positive effect on economic growth. Broad money which is a proxy for financial development in this study is positive but insignificantly related to economic growth. Also, both labor force and gross capital formation are insignificant. These findings suggest a dire need for financial reforms in Algeria in order to improve efficiency in the financial sector so as to stimulate saving/investment and thus, long-term economic growth.

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