

Accepted Manuscript

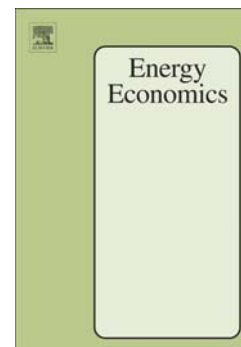
Trade openness–carbon emissions nexus: The importance of turning points of trade openness for country panels

Muhammad Shahbaz, Samia Nasreen, Khalid Ahmed, Shawkat Hammoudeh

PII: S0140-9883(16)30329-2
DOI: doi: [10.1016/j.eneco.2016.11.008](https://doi.org/10.1016/j.eneco.2016.11.008)
Reference: ENEECO 3491

To appear in: *Energy Economics*

Received date: 17 August 2016
Revised date: 2 November 2016
Accepted date: 8 November 2016



Please cite this article as: Shahbaz, Muhammad, Nasreen, Samia, Ahmed, Khalid, Hammoudeh, Shawkat, Trade openness–carbon emissions nexus: The importance of turning points of trade openness for country panels, *Energy Economics* (2016), doi: [10.1016/j.eneco.2016.11.008](https://doi.org/10.1016/j.eneco.2016.11.008)

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

Trade Openness-Carbon Emissions Nexus: The Importance of Turning Points of Trade Openness for Country Panels

Muhammad Shahbaz^{a, b}

^aEnergy and Sustainable Development (CESD)
Montpellier Business School, Montpellier, France

^bEnergy Research Centre

COMSATS Institute of Information Technology,
Lahore, Pakistan. Email: shahbazmohd@live.com

Samia Nasreen^c

^cGovernment College Women University Faisalabad,
Faisalabad, Pakistan. Email: sami_lcu@yahoo.com

Khalid Ahmed^d

^dSukkur Institute of Business Administration (IBA-Sukkur)
Sukkur, Pakistan Email: khalid.ahmed@iba-suk.edu.pk

Shawkat Hammoudeh^{e, f,*}

^eLebow College of Business, Drexel University, United States^e

^fCenter for Energy and Sustainable Development (CESD)^a
Montpellier Business School, Montpellier, France
Email: hammouism@drexel.edu

Abstract: This paper explores the relationship between trade openness and CO₂ emissions by incorporating economic growth as an additional and potential determinant of this relationship for three groups of 105 high, middle and low income countries. We apply the Pedroni (1999) and Westerlund (2007) panel cointegration tests and find that the three variables are cointegrated in the long run. Trade openness impedes environmental quality for the global, high income, middle and low income panels but the impact varies in these diverse groups of countries. The panel VECM causality results highlights a feedback effect between trade openness and carbon emissions at the global level and the middle income countries but trade openness Granger causes CO₂ emissions for the high income and low income countries. Policy implications are also provided.

JEL Classification: Q5

Keywords: Trade Openness, CO₂ Emissions, Causality

*Corresponding author: Email: shawkat.hammoudeh@gamil.com (S.Hammoudeh). Tel. 610-949-0133.

Download English Version:

<https://daneshyari.com/en/article/5063877>

Download Persian Version:

<https://daneshyari.com/article/5063877>

[Daneshyari.com](https://daneshyari.com)