

The Effect of Total Factor Productivity, Institution and Natural Resources Abundance on Economic Resilience

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Abstract

Economic and financial crises, hazards, natural disasters, and are an integral part of human life today, which affect the achievement of continuous and stable economic growth and development. The occurrence of joint shocks will be met with different reactions in different parts of the world. This is the difference between the resilience of different regions of the world in the face of common shocks. Therefore, filling the existing gaps between the economic resilience of developed countries and developing countries in order to achieve continuous and sustainable economic growth and development has a special place. In the present study, three productivity gaps of total factors of production, institution and abundance of natural resources are identified between the economic resilience of developed countries and developing countries. The present study seeks to investigate the effect of three variables of total factor productivity, institution and frequency of natural resources on economic resilience during the period 2007-2016 using panel data using generalized torque (GMM) method. The results indicate the positive effect of total factor productivity, institutional quality and the intersection of the natural resources abundance and the institution on economic resilience and the negative effect of resource abundance on economic resilience.

Keywords: Economic Resilience; Total Factor Productivity; Natural Resources Abundance; Institutions.

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