

At the first stage of econometric analysis, unit root tests were applied to determine the integration grades of variables. Test results determine that growth series is stationary at level and trade openness is stationary at first differences. At the second stage, VAR model was estimated with the optimal delay count and Toda-Yamamoto causality test was made with this model. The results of causality tests show that economic growth is a Granger cause of trade openness. At the third stage, impulse response analysis was made to reach new findings that would support the direction of causality. The results of this analysis confirmed that there is a causality relationship, obtained from economic growth to trade openness.

Empirical findings, obtained in this study, supported the bidirectional causality which is frequently emphasized in the related literature, and provided evidence that the economic growth increased the rate of foreign trade and trade openness during the 1995 and 2014 period Iran economy, which economic crises were also considered.

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