
Foreign Aid, Foreign Investment, Remittances and Economic Growth: a Bootstrap Panel Granger Causality Analysis for Sub-Saharan Countries

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Résumé

This paper investigates the potential Granger causality among the economic growth, remittances, foreign direct investment and official development aid in Sub-Saharan countries during the period 1990-2012. We adapt, to our problematic, the bootstrap panel Granger causality approach developed by Konya (2006), which is based on SUR system and Wald test with country specific bootstrap critical values. Our results show a robust Granger causality between economic growth and foreign investment in seven of the fourteen countries of our survey. Granger causality is also significant between economic growth and remittances but only for four countries whereas there is no Granger causality between economic growth and foreign aid, except for Mali. We also bring significant evidences from the interactions between remittances, foreign investment and foreign aid.

Mots-Clés: Remittances, Foreign direct investment, Official development assistance, Economic growth, Bootstrap panel Granger causality analysis, Heterogeneity, Cross, section dependence, Franc zone.

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