

## The effects of age structure on trade openness by geographic region

大阪経済大学 福本幸男

神戸大学 衣笠智子

Trade openness (i.e., the ratio of trade to GDP) varies significantly in different regions of the world. Generally, this is considered to be the result of intra-regional trade due to regional economic integration. This study focuses on age structure, which varies by region, as a determinant of trade openness. We examine the relationship between trade openness and age structure in terms of life cycle hypothesis for the following four regions in the world: Africa, Asia and Oceania, Europe, and North and South America as well as the whole world. Our empirical results show that age structure significantly affects trade openness in the whole world and in the three regions, except Africa. The absolute values of the coefficients are the largest for Asia and Oceania and second largest for Europe. In many African countries, goods and labor markets are not prepared enough, and non-tradable goods such as education and medical services may not be sufficiently supplied. Therefore, it is possible that age structure does not influence trade openness in Africa. To sum up our empirical results, it is possible that demographic change has influenced trade openness. Moreover, it is suggested that the similarity of trade openness among countries in the same region may occur not only because of regional economic integration but also because of similarity of age structure.