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Factors Affecting Government Effectiveness Among OECD Countries

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ABSTRACT

Socio-economic development level of the countries and government effectiveness are interrelated. Particularly economic and social variables such as the rule of law, inflation, unemployment, terrorism, and the absence of violence are changing the welfare of the society by influencing government policy. In this study in order to identify factors that determine the efficiency levels of government Panel Generalized Method method will be applied on OECD countries. As a consequence of the econometric analysis, identification of the statistically significant variables affecting government effectiveness which is used as the dependent variable will contribute to the planning of economic and social life.

KEYWORDS Government Effectiveness; Panel GMM; OECD

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