

# Does External Financing Drive Growth?

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Focus on Research

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Evidence for the growth impact of external financing remains open. This article revisits the question for a large sample of developing economies. Financial inflows can directly support economic growth by relaxing constraints on domestic resources, but can also indirectly weaken growth by hampering competitiveness through a real appreciation of the exchange rate.

[Read in French](#)(/toutes-les-actualites/zoom-sur-la-recherche/le-financement-exterieur-influe-t-il-sur-la-croissance--171229.kjsp?RH=1505391225734)

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## Reference

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