Comments on "Analysis of exchange-rate regime effect on growth: Theoretical channels and empirical evidence with panel data"

The paper provides an econometric exploration of the linkages between the exchange rate regime and economic growth. Using both a de facto and a de jure classification, and splitting the sample by country group and time, the paper finds that no statistical link between the exchange rate regime and growth.

## Comments

It would be useful to see an expanded discussion of:

- A. the distinction between exchange rate regime effects that
  - a. operate through the magnitude of variables that are included as explanatory variables in the regression
  - b. operate through the coefficients on variables included in the regression residual effects
  - c. in the context of the econometric framework.
- B. the use of detailed exchange rate regime measures in light of the typical use of a simple split into "fixed" and "flexible" rate regimes in the theoretical literature. How are intermediate regimes to be interpreted?
- C. the reasons for excluding observations. It is unclear why the observations for the eventual members of the Eurozone are excluded, and specifically why they are excluded from 1991 onward. What is the basis for asserting that they might exhibit different patterns? Should any such patterns not be captured by the theoretical framework? Also, if the exchange rate regime is linked to the likelihood of experiencing high inflation, and if high inflation in turn impacts growth, the exclusion of these observations would seem to potentially lose some valuable information bearing on the issue.