

## ABSTRACT

*The linkages surrounded by the trade openness, structural change and economic growth are a most imperative matter of study. There are numerous theories that aimed to explain how growth is achieved and the role of international trade and structural change in that process whiles the empirical literature is not conclusive. The intention of this research is to confirm the linkages within trade openness, structural change and economic growth of the SAARC states cover the time period from 1991-2021. We particular the SAARC geographically distributed nation states have deviations with their GDP per capita growth. The second generation unit root test run to inspect the level of Stationarity and originate that all the study variables are combined at the first difference. Pedroni and Westerlund cointegration Tests were employed and the consequence declared the presence of association among study variables. Moreover, we apply the Fully Modified Ordinary Least Square (FMOLS) models to estimate the magnitude of the coefficient amongst economic growth, trade openness, structural change, human capital, financial development and per laborer capital. The end result settles the incidence of statistically consequence; trade openness has statistically significant negative impact while structural change, human capital, per laborer capital and financial development have significant positive relation with economic growth. Summing up, if the aim of public authority is to attained higher level of GDP per capita in SAARC countries they should focus on promoting the openness of trade and structural change by changing productive specialization with the help of research/knowledge/technology in that process.*

**Keywords:** SAARC Countries; Economic Growth; Trade Openness; Structural Change; Fully Modified OLS (FMOLS)