

Technological Innovations and African Export Performances

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Abstract : Studies have identified trade as a veritable tool for inclusive economic growth and poverty reduction in developing countries. However, contrary to the overwhelming pieces of evidence of the Asian tiger as a success story of beneficial trade, many African countries still experience poverty unabatedly despite active engagement in trade. Consequently, this study seeks to investigate the contributory effect of technological innovation on total export performance and specifically manufacturing exports of African countries. This is with a view to exploring manufacturing exports as a viable option for diversification. To achieve the empirical investigation this study, require Systems Generalized Method of Moments (sys-GMM) estimation technique was adopted based on the econometric realities inherent in the data utilized. However, the static technique of panel estimation of the Fixed Effects (FE) model was utilized for baseline analysis and robustness check. The conclusion from this study is that innovation generally impacts export performance of African countries positively, however, manufacturing export shows more sensitivity to innovation than total export. And, this provides a clear pathway for export diversification for many African countries that run a resource-based economy.

Keywords : innovation, export, GMM, Africa

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