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Competitiveness of Turkey and Selected Countries: A Commodity Level Analysis

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Abstract

The aim of this study is to analyse competitiveness of selected developed and developing countries including Turkey at commodity level (5-digit HS) in the agriculture and manufacturing industries. The data, obtained from United Nations commodity trade data (UN-COMTRADE), used in the analysis covers more than 4800 commodity groups for period 1996-2012. Our results based on Constant Share Market Analysis (CMSA) show that competitiveness effect is positive for all developing countries but not developed countries. This finding is consistent with the international division of labor, which is the aspect of modern world trade that manufacturing process is broken into geographically separated steps. However, high performers in recent years such as South Korea, China and Singapore differ from the other developing countries since their ability to adapt export composition to World trade tendency, especially for high-tech products. These results call for productspecific policies to place in new commodity chains and thus restructure exports for sustainable growth of exports of low-performers like Turkey.

Keywords Competitiveness; Constant Market Share Analysis; Agricultural Trade; Manufacturing

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