Technological Structure of Export between Turkey and Brazil

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In recent years, the rapid growth of trade volume causes more rapid diffusion of new technologies to emerging economies. International Monetary Fund (IMF) labels Turkey and Brazil as emerging economies. Brazil is the sixth largest economy and Turkey is the eighteenth largest economy in the world in order of GDP in 2011. Turkey and Brazil are attracting attention among emerging economies lately. Turkey export was 614 million dollar and import was 1.3 billion dollar. Trade volume between Turkey and Brazil was 1.9 billion dollar in 2010 and it is reached 2.9 billion dollar by 52 percent increase and 1.1 billion dollar Turkish deficit in 2011. It is expecting to reach 10 billion trade volumes between two countries.

The main purpose of this paper is to analyze the technological structure of exports that may help to explain trade performance between Turkey and Brazil. The process of technology structure is analyzed from quantitative and qualitative aspects. This paper used a trade classification system which divided trade structure into ten technological parts such as primary products, resource based, low, medium and high technology products. The trade classification system prepared by Lall and OECD. The study used annual data in the form of STIC revision 2 and 3 digit for the years between 1992 and 2010. The data collected from United Nations Commodity Trade Statistics Database. The reporter country is Turkey for Turkey’s export to Brazil and Brazil is the reporter country for Brazil’s export to Turkey. As a result of this study, it is expected to determine firstly technological structure of trade between two countries then how technological structure of trade changed between Turkey and Brazil over the years. Policy makers can decide future trade plans for both country according to result of this paper.

**Keywords:** Trade Classification, Technological Structure, Export, Brazil, Turkey.