AGRICULTURAL EXPORTS AND ECONOMIC GROWTH IN NAMIBIA

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ABSTRACT

The main objective of this paper was to analyse the relationship between agricultural export and economic growth in Namibia. The study made use of time series quarterly data covering the period between 1990 and 2014. The stationarity, long run, and short dynamics between Gross domestic product (GDP) and agricultural exports in Namibia were estimated through the employment of Augmented Dicky Fuller test, Johansen co-integration test, and error correction techniques respectively. The empirical findings of the study show that the agricultural exports have a positive and insignificant effect on economic growth while non-agricultural exports have a positive and significant effect on Gross Domestic Product (GDP). The study also revealed that agricultural exports, non-agricultural exports, gross domestic fixed capital formation, and consumer price index are long run determinants of economic growth in Namibia.

Keywords: Error correction model, agricultural exports, economic growth, Namibia.

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