

## **The Impact of Knowledge on Firm Productivity: A Microeconomic Analysis of the Turkish Manufacturing Sector**

**Fatma Utku-İsmihan**  
MoAF and METU, Turkey  
fismihan@metu.edu.tr

### **Abstract:**

This study attempts to analyze the impact of knowledge on the productivity and catch-up efforts of firms in the Turkish manufacturing sector during the 2003-2015 period. The empirical results suggest that the pillars of knowledge (human capital, trade, research and development and information and communication technologies) have positive impact on the productivity levels of the firms in the Turkish manufacturing sector and as the distance between the leader and the follower increases, the follower firms seem to be experiencing “catch-up trap”, especially in terms of human capital, in the Turkish manufacturing sector.

**Keywords:** Human-Capital, Catch-Up, Knowledge, Productivity, Manufacturing Sector

**JEL Codes:** C51, D04, D24,