Title of Article: The Role of Services Trade in Economic Development: A Panel Data Analysis

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Abstract: This paper is an attempt to investigate the impact of services trade on economic development of Sub-Saharan African (SSA) countries. Our analysis is based on a panel data framework over the period 1990 to 2010 covering thirty-three countries. The paper employs the endogenous growth model to examine the nonlinearities associated with services exports and services imports in the economic development process of SSA countries under consideration. The trade data was disaggregated into travel, transport and other services. The panel data constructed was estimated using ordinary pooled, fixed effects and random effects model techniques and the efficient model was selected based on the Housman test. The paper finds that both services exports and services imports enhance economic development process. The study also indicates that labor and capital play an important role in the SSA economies.