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The available evidences suggest that the effects of trade on growth volatility are mixed allowance being made for the used indicator. In fact, two major results emerge from the literature on trade and growth volatility. While several authors documented an increasing role of trade, others assume the opposite point of view.

According to the first point of view, terms of trade (ToT) volatility increases growth volatility (Easterly & Kraay, 2000). In an attempt to justify the above relationship, export concentration was pointed out as playing an important role (Jansen, 2004). Export concentration influences ToT volatility and that ToT volatility in turn drives income volatility. Other authors show that commodity price shocks are positively linked with growth volatility (Dehn, 2000.; Kose & Riezman[[1]](#footnote-1), 2001). Nevertheless, some authors point to the fact that such shocks can just explain a small fraction of the

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|  Model | Variable | Linear  | Quadratic | Square root  |
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1. *They use commodity price shocks as indicator of trade on a set of 22 non-oil exporting African countries.* [↑](#footnote-ref-1)