

REVIEWER'S REPORT

Manuscript No.: IJAR-52043

Date: 04-06-2025

Title: The efficiency of the innovation production system , and its impact on the productivity of exporting companies

Recommendation:

Accept as it is.....**YES**.....

Accept after minor revision.....

Accept after major revision

Do not accept (*Reasons below*)

Rating	Excel.	Good	Fair	Poor
Originality		√		
Techn. Quality			√	
Clarity		√		
Significance			√	

Reviewer's Name: Mr Bilal Mir

Reviewer's Decision about Paper: **Recommended for Publication.**

Comments (*Use additional pages, if required*)

Reviewer's Comment / Report

General Overview:

The article presents a focused and relevant inquiry into the relationship between innovation efficiency and the productivity of exporting firms. Utilizing the Stochastic Frontier Analysis (SFA), it offers a quantitative lens to assess how innovation factors affect firm-level performance, particularly in export-oriented sectors. The work stands out in its attempt to transcend the traditional causality debate by proposing an alternative framework that emphasizes mutual reinforcement between innovation and export activities.

Abstract Evaluation:

The abstract clearly communicates the objective of the study and the methodological framework adopted. The reference to divergences among business sectors and the role of sector-specific technological practices is a noteworthy inclusion. The emphasis on different technologies employed by exporting firms across sectors provides an important dimension to the analysis. Key terms are relevant, although the abstract contains minor syntactical inconsistencies. Nonetheless, it successfully sets the stage for the broader discussion.

Introduction Assessment:

The introduction effectively situates the research within the broader theoretical and empirical literature on

REVIEWER'S REPORT

innovation and exports. The reference to foundational and contemporary scholarship, including Schumpeter and endogenous growth theorists, adds scholarly depth. The juxtaposition of the causality paradigm with a bidirectional framework is particularly valuable. It acknowledges the complexity of the innovation-export relationship and rightly highlights the limitations of unilateral causal interpretations. The literature review is well-grounded and enhances the theoretical context of the study.

Thematic Relevance:

The article addresses a thematically significant area in innovation and international business research. The focus on innovation efficiency in the context of export productivity offers a fresh analytical perspective. By targeting firm-level innovation productivity and sectoral technological variance, the study fills a relevant gap in the literature. The issue is timely and reflects the ongoing importance of innovation in competitive export performance.

Methodological Approach:

While the methodological specifics are not detailed in the excerpt, the use of Stochastic Frontier Analysis (SFA) is appropriate for assessing efficiency in innovation systems. SFA's capability to distinguish between inefficiency and random shocks makes it suitable for the study's objectives. The selection of exporting firms and the focus on sectoral divergences align well with the analytical aims.

Theoretical Contribution:

The study challenges linear notions of causality between innovation and export by presenting a conceptual model of mutual reinforcement. This theoretical repositioning aligns with a more dynamic understanding of firm behavior and growth. The article adds to a growing body of literature that questions traditional innovation-performance frameworks and emphasizes contextual and sectoral nuances.

Clarity and Structure:

The writing is conceptually sound and thematically cohesive. The structure flows logically from theoretical foundations to the research problem. Terminology is consistent with academic conventions in the fields of economics and innovation studies. Occasional language irregularities are present but do not hinder overall comprehension.

Conclusion:

This article offers a conceptually rich and empirically anchored investigation into the efficiency of innovation production systems and their impact on export productivity. Its departure from traditional causality models, supported by SFA, marks a valuable contribution to the literature on innovation economics. The study's attention to sectoral differentiation and technological diversity further enhances its academic and practical relevance.