ABSTRACT

This article investigates the effect of digitalization on bilateral trade in the Economic Community of West African States (ECOWAS). We estimate the augmented gravity model to capture the effect of digitalization on bilateral trade using the POLS, GLS, and PPML estimators over 2000 to 2018. We find a significant positive effect of digitalization on bilateral trade for the ECOWAS region. The policy implication of this article is that bilateral trade in the region depends on digitalization. Therefore, economic agents' efforts in the ECOWAS region should aim at policies that promote digitalization to enhance bilateral trade.

KEYWORDS:

- Bilateral Trade
- Ecowas
- Digitalization
- Gravity
- Pooled OLS
- GLS & PPML