

**ASSESSING THE EFFECTS OF REGIONAL TRADE
ON TRADE PERFORMANCE IN ECONOMIC
COMMUNITY OF WEST AFRICAN STATES
(ECOWAS)**

ISSN: 2772 128X (Online)

ISSN: 2792 1492 (Print)

 SLJESIM

VOLUME 2 ISSUE 1

June 2023

sljesim@sab.ac.lk

www.sab.ac.lk/sljesim

**Bukonla G. Osisanwo, Oluwaseyi A.
Adelowokan and Felix O. Ajayi**

Received: 17 January 2024 **Revised:** 20 June 2024 **Accepted:** 15 July 2024

How to Cite this Article: Bukonla G. Osisanwo, Oluwaseyi A. Adelowokan and Felix O. Ajayi (2023) *Assessing the Effects of Regional Trade On Trade Performance in Economic Community of West African States (ECOWAS)*, *Journal of Economics, Statistics and Information Management*, 2(1), 21 - 32

Abstract

The study assesses the impact of trade integration on the economic performance in ECOWAS. The focus was on a panel of fifteen ECOWAS countries from 1995 to 2022 with data from United Nations Conference Trade and Development. The Autoregressive Distributed Lag (ARDL) bound testing method was employed to determine the long-run and short-run relationships. In the short run, extra-trade ($t = -5.12$, $Pr(0.05) = 0.0361$) has a large negative impact on the economic performance while investment ($t = 4.33$, $Pr(0.05) = 0.0494$) has a large positive impact on economic performance. The long-run result shows that only the lagged economic performance ($t = -6.24$, $Pr(0.05) = 0.0247$) shows a significant large negative impact on the current economic performance while intra trade, extra trade, investment, labour force participation and inflation are not significant. The study concludes that while trade between members of ECOWAS (intra-trade) failed to stimulate economic performance of the trade bloc, trade of ECOWAS member countries with non-members of ECOWAS adversely affects economic performance of the trade bloc. The need for ECOWAS to diversify and comprehensively review the treaty to align them more effectively with the goal of promoting trade among member countries was recommended.

keywords: Regional trade, Economic performance, Extra-trade, Intra-trade, ARDL.

INTRODUCTION

In ECOWAS, despite many years of trying to work closely together economically, the countries are not well connected. Instead, they mostly trade with their former colonizers and are recently trading more with emerging economies like China. Another problem is that the economies in the region are not very diverse relying more on just a few commodities. This is because they do not effectively apply their trade arrangements effectively or inconsistently or poorly managed the trade policies with numerous challenges including supply issues, and deficient transportation systems (Gammadigbe, 2021).

While numerous studies in both developed and developing countries on the pros and cons of countries working together more closely in terms of trade (see Choe, 2001; Arribas, et al., 2020). However, limited attention has been given to understanding why ECOWAS ECOWAS, despite increased intra-regional trade and new trade agreements, experiences retrained growth. This study seeks to fill this critical research gap by investigating the effects of regional trade agreements on economic performance in ECOWAS.

This study makes concerted effort to provide answers to the following questions:

- i. How does intra-regional impact the economic performance of the ECOWAS region?
- ii. What is the influence of extra-regional trade on the economic performance of the ECOWAS region?

This research is instrumental in crafting regional policies aligned with longstanding goals of African regional trade blocs, shedding light on the growth dynamics and factors contributing to subdued growth within ECOWAS.

LITERATURE REVIEW

Regional integration, typically, blending political and economic interests, serves multifaceted objectives, encompassing economic, political and environmental considerations. According to Langenhove and Lombaerde (2007), regional integration initiatives should serve eight key functions, including strengthening trade integration, fostering a conducive environment for private sector development, implementing infrastructure programs for economic growth, promoting the development of public sector institutions and good governance, reducing social exclusion, fostering an inclusive civil society, enhancing peace and security, implementing environmental programs at the regional level, and strengthening regional interactions on the global stage.

Theories addressing welfare gains and losses from trade union formation, such as general equilibrium theory and the new Economic Geography Theory (NEG) shed light on the complexities of regional integration. Mende (1955), in his influential general equilibrium analysis, emphasizes the importance of considering trade costs alongside trade creation and diversion when assessing the welfare effect of a bloc.

The general equilibrium theory, often termed the "theory of a second best," suggests that introducing constraints may prevent the attainment of Pareto optimality conditions, making certain distortions undesirable. The new economic geography theory predicts core-periphery patterns based on assumptions about transport costs and the mobility of labour under trade agreements. Empirical evidence supports the theory's prediction that reduced trade costs, combined with increasing returns to scale, lead to uneven growth patterns, benefiting core regions more than peripheral regions lacking favourable geography and initial conditions for successful competition in an integrated market.

Rodríguez-Pose and Sotiriou (2019) examine the link between increased trade and regional GDP growth in Greece during the post-European Economic and Monetary Union (post-EMU) period, revealing heterogeneous impacts on different income regions. Choe (2001) investigates the effect of bilateral trade dependence on business cycle co-movement in East Asian countries, revealing a decline in the statistical robustness of trade interdependence for developing EACs. Tinta et al. (2018) analyze the potential of regional integration in ECOWAS through global value chains, suggesting the need to strengthen regional integration for sustained growth. Seck et al. (2020) assess the regional growth potential of economic integration in Africa, finding strong evidence of positive growth spillover effects across the continent, with trade playing a more conducive role than geographic proximity.

METHODOLOGY

The theoretical foundation of this study is grounded on endogenous growth theory. The theory was selected for its ability to provide a theoretical framework that elucidates the intricate mechanism through which trade impacts economic growth. The primary focus is on analysing the influence of trade integration on the economic performance of ECOWAS. The selection of ECOWAS as the regional trade bloc stems from its status as one of the top-performing Regional Economic Communities (RECs) in Africa, contributing significantly to total trade flows in Sub-Saharan Africa (International Trade Centre, 2017).

Data for all fifteen ECOWAS countries will be sourced from the United Nations Conference Trade and Development statistics databases (UNCTAD). Despite ECOWAS being established in 1975 with thirteen initial members and two additional members joining in 1977, the study's timeframe spans only twenty-eight years from 1995 to 2022. This limitation is primarily due to the availability of data on intra and extra-regional trade, with the UNCTAD database records for regional data on intra and extra trade across global trade blocs commencing in 1995.

Building upon the model used by Seck et al. (2020) in their study on regional integration and growth spillovers in Africa, this research adopts a similar approach. Seck et al. (2020) considered GDP per capita growth as a function of intraregional trade, area per square kilometre of member countries, population growth, investment rate, inflation, and regulation. Consistent with Seck et al. (2020), economic performance (GDPp) in this study is expressed as a function of intraregional trade

(IRT), extraregional trade (ERT), and control variables including investment represented by capital (KA) formation, labour force (LA) participation, and inflation (INF) within a panel framework.

$$GDPp = f(IRT, ERT, KA, LA, INF) \tag{3.1}$$

The transformation of the functional model (3.11) into an explicit panel ARDL model yields:

$$GDPp_{it} = \alpha GDPp_{it-1} + \rho IRT_{it} + \rho ERT_{it} + \sum_{j=1}^J \gamma_j Z_{jit} + \theta_i + \varepsilon_{it} \tag{3.2}$$

Z stands for the vector of control variables which are investment proxy by capital (KA) formation, labour (LA) force participation and inflation (INF). By introducing the control variables into the model, equation (3.12) becomes equation (3.13):

$$GDPp_t = \alpha GDPp_{t-1} + \rho IRT_t + \rho ERT_t + \delta KA_t + \beta LA_t + \eta INF_t + \varepsilon_t \tag{3.3}$$

$t = 1, 2, \dots, 28$ (1995 – 2022)

where t is the time identifier for the ith year, $GDPp_{it-1}$ is the lagged value of GDPp, and other variables as earlier defined (Asiedu, 2013; Anyanwu, 2013). Thus, the main variables in the study include economic performance (GDPp), intra-trade (IRT); extra-trade (ERT). Other variables are investment (KA), labour force (LA), and inflation (INF). The measurement of the variables is presented in Table 3

Table 1: Definition of Variables, Unit and Measurement

Description	Variables	Measurement	Unit
Economic Performance	GDPp	This is the growth of member countries, ECOWAS or non-ECOWAS trade blocs in Africa measured by GDP per capita	US dollars at current prices in millions
Intra-trade	IRT	This is the aggregate trade flows of ECOWAS measured by trade openness computed based on the ratio of the sum of export and import to GDP	US dollars at current prices in millions
Extra-trade	ERT	This is the aggregate trade flows between ECOWAS and non-member trade blocs in Africa measured by trade openness computed based on the ratio of the sum of export and import to GDP	US dollars at current prices in millions

Investment	KA	Investment measured by gross capital formation	US dollars at current prices in millions
labour force participation	LA	The labour force is measured by the percentage of the working-age population between aged 15 to 64 years	In rate
Inflation	INF	Inflation is measured by consumer price index.	Annual average growth rate of CPI all items

Source: Developed by author

The data covers the period 1995-2022. The statistical evaluation of the properties of the data include descriptive analysis involving minimum, maximum, mean, median, standard deviation, skewness, kurtosis, and Jarque-Bera probability. The panel Autoregressive Distributed Lag (panel-ARDL) technique was used to achieve the objectives. The estimation technique was developed by Peseran and Shin (1999) and used by Peseran, Shin and Smith (2001). ARDL allows for joint estimation of relationships between variables in both the short-run and long-run; it also helps to verify if explanatory variables, have impact on the endogenous variable. It is an unbiased estimation of a long-run model which has advantages over some other conventional techniques.

RESULTS AND DISCUSSION

Table 2: Descriptive Statistics

	GDPP	IRT	ERT	KF	LFP	INFL
Mean	420954.6	0.005	0.005	92159.47	2.679	12.674
Median	443322.3	0.003	0.0049	94230.83	2.683	10.578
Maximum	766133.3	0.004	0.013	182952.9	2.782	58.889
Minimum	102919.4	-0.003	-0.001	29154.94	2.486	5.604
Std. Dev.	250541.0	0.001	0.003	51253.39	0.086	9.842
Skewness	-0.056	0.378	1.212	0.368	-0.578	3.920
Kurtosis	1.367	2.902	3.837	2.038	2.238	18.807
Jarque-Bera	3.127	0.677	7.673	1.711	2.238	363.201
Probability	0.209	0.713	0.023	0.425	0.327	0.000
Observations	28	28	28	28	28	28

Source: Developed by author, 2024

As shown in Table 2, economic performance (GDPP) shows an average value of 420,954.6, with a standard deviation of 250,541.0, indicating a considerable

variability in economic performance. Intra-trade (IRT) and extra-trade (ERT) exhibit low means of 0.000451 and 0.004516, respectively, suggesting relatively small values for trade indicators. Investment (KF) has a mean of 92,159.47, reflecting the average investment level in the region. Labour force participation (LFP) has a mean of 2.678885, indicating an average percentage of the population actively participating in the workforce. Inflation (INFL) shows an average rate of 12.67387, providing insight into the general price level trend. When the mean values is compared with minimum and maximum values, it is evident that economic performance (GDPP) varies widely, ranging from 102,919.4 to 766,133.3, showcasing diverse economic conditions within the ECOWAS region. Similarly, investment (KF) exhibits significant variability with a range from 29,154.94 to 182,952.9, emphasizing differences in investment levels.

The standard deviations show that economic performance (GDPP) and investment (KF) have relatively high standard deviations (250,541.0 and 51,253.39, respectively), indicating considerable fluctuations in these variables over the observed period. Skewness measures the asymmetry of the data distribution. Economic performance (GDPP) has skewness close to zero, suggesting a relatively symmetric distribution. Kurtosis measures the tailedness of the distribution. Inflation (INFL) has a high kurtosis value (18.80677), indicating heavy tails and potential outliers. Extra-trade (ERT) and investment (KF) also show elevated kurtosis, signifying heavy tails in their distributions.

Based on the Jarque-Bera statistics test, inflation (INFL) and extra trade (EXR) have extremely low p-values, indicating non-normality, while other variables comprising of economic performance, intra trade, investment and labour force participation shows a conclusive evidence of normality.

The descriptive statistics shows that economic performance and investment exhibit significant variability, while trade indicators and labour force participation show relatively stable trends. Inflation stands out with a high level of variability and non-normality

Table 3: Pairwise Correlation Coefficients

	GDPP	IRT	ERT	KF	LFP	INFL
GDPP	1.000					
IRT	-0.437	1.000				
ERT	0.404	0.134	1.000			
KF	0.748	-0.410	0.339	1.000		
LFP	-0.277	0.104	0.217	-0.434	1.000	
INFL	-0.303	0.505	-0.239	-0.279	-0.270	1.000

Source: Developed by author

The pairwise correlation coefficients in Table 2 shows a strong positive correlation (0.747618) between economic performance (GDPP) and investment (KF) which

suggests a robust association, indicating that higher levels of investment are positively linked to economic growth. The negative correlation (-0.437104) between intra-trade (IRT) and economic performance implies a potential trade-off, indicating that increased intra-trade might be associated with lower economic performance. Extra-trade (ERT) displays a positive correlation with economic performance (0.403845) and a modest negative correlation with intra-trade (-0.134179). This implies that with higher extra-trade activities, economic performance increased, but it might come at the expense of intra-trade.

Investment (KF) also shows negative correlations with intra-trade (-0.409499) and labour force participation (LFP) (-0.433517). This suggests a potential competition for resources between investment, intra-trade, and labour force participation. High investment leads to decreased intra-trade and labour force participation. Labour force participation (LFP) demonstrates negative correlations with economic performance (-0.276518), investment (-0.433517), and extra-trade (-0.217027). This indicates that higher level of labour force participation is associated with lower economic performance, less investment, and reduced extra-trade activities. Inflation (INFL) displays a positive correlation with intra-trade (0.505094) and a negative correlation with economic performance (-0.303537). This suggests that with higher intra-trade, there is higher inflation, potentially impacting economic performance negatively.

Based on the result, the strong positive correlation between economic performance and investment suggests that fostering investment could contribute positively to economic growth. However, the negative correlation between intra-trade and economic performance underscores the importance of balancing trade activities to avoid potential negative impacts on economic output. Additionally, the negative correlations involving labour force participation highlight the need for careful consideration of policies that simultaneously promote employment and economic growth.

The correlation coefficients among the variables in the dataset provide insights into the presence of multicollinearity. In this dataset, the highest correlation coefficient observed is 0.747618, between economic performance (GDPP) and investment (KF). While this is a strong correlation, it falls just below the 0.8 threshold. Other correlation coefficients, including those between intra-trade (IRT) and economic performance (-0.437104) and inflation (INFL) and intra-trade (0.505094), do not surpass the 0.8 threshold either. Thus, the dataset does not appear to exhibit severe multicollinearity issues.

In order to determine whether the variables in the dataset are stationary (integration) or non stationary, the result of the Augmented Dickey-Fuller unit root Test and Phillips-Perron Test.

Table 4: Unit Root Test

Variable	Augmented Dickey-Fuller Test		Phillips-Perron Test		Remark
	Level	First Difference	Level	First Difference	
GDPP	0.3676 <i>(0.9776)</i>	-4.1073*** <i>(0.0039)</i>	0.1493 <i>(0.9637)</i>	-4.2106*** <i>(0.0031)</i>	I(1)
IRT	-1.366 <i>(0.5836)</i>	-5.79*** <i>(0.0001)</i>	-1.366 <i>(0.5836)</i>	-6.484*** <i>(0.0000)</i>	I(1)
ERT	-1.1629 <i>(0.6752)</i>	-5.3685*** <i>(0.0002)</i>	-1.1566 <i>(0.6778)</i>	-5.3915*** <i>(0.0002)</i>	I(1)
KF	-0.4986 <i>(0.8768)</i>	-6.2383*** <i>(0.0000)</i>	-0.4373 <i>(0.8888)</i>	-6.1578*** <i>(0.0000)</i>	I(1)
LFP	-5.1352*** <i>(0.0003)</i>	-6.1079*** <i>(0.0002)</i>	-5.136*** <i>(0.0003)</i>	-25.324*** <i>(0.0001)</i>	I(0)
INFL	1.1475 <i>(0.9968)</i>	-8.1249*** <i>(0.0000)</i>	-1.76 <i>(0.3913)</i>	-3.6836*** <i>(0.0107)</i>	I(1)

Source: Developed by author

The result of the effect of intra-regional and extra-regional trade on economic performance of ECOWAS is presented in Table 4 as follows:

Table 5: ARDL Estimates

ARDL Bounds Test				
Test Statistic	Value	k		
F-statistic	6.974	6		
Significance	I0 Bound	I1 Bound		
5%	2.45	3.61		
Short Run Coefficients				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(GDPP(-1))	0.000	0.000	0.390	0.734
D(IRT)	22.206	19.345	1.148	0.370
D(ERT, 2)	-19.954	3.897	-5.121	0.036
DLOG(KF)	0.474	0.110	4.329	0.049
D(LFP)	-2.706	1.495	-1.811	0.212
DLOG(INFL)	-0.020	0.080	-0.246	0.829
CointEq(-1)	-2.894	0.646	-4.478	0.046
Long Run Coefficients				
C	-2.769	1.098	-2.524	0.128
GDPP(-1)	-0.000	0.000	-6.244	0.025

IRT	4.620	15.861	0.291	0.798
D(ERT)	-8.169	2.924	-2.794	0.108
LOG(KF)	0.174	0.039	4.485	0.046
LFP	0.404	0.243	1.657	0.239
LOG(INFL)	-0.003	0.038	-0.068	0.952
R-squared	0.995			
Adjusted R-squared	0.947			
F-statistic	20.704			
Prob(F-statistic)	0.047			
Durbin-Watson stat	3.143			

Source: Developed by author

In Table 5, the F-statistic for the ARDL bounds test is 6.97, with critical values at 5% significance being 2.45 and 3.61 for I0 and I1 bounds, respectively. Since the test statistic exceeds the critical values, it suggests the presence of a long-run relationship among the variables.

In the short run, the coefficient of the lagged economic performance is not significant ($t = 0.39$, $\text{Pr}(0.05) = 0.7340$), indicating that lagged economic performance does not have a significant short-run impact on the current economic performance. The coefficient of intra-trade is positive but not significant ($t = 1.15$, $\text{Pr}(0.05) = 0.3698$), suggesting that intra-trade has a positive but statistically insignificant effect on the economic performance in the short run. In the short run, the negative and highly significant coefficient of extra trade ($t = -5.12$, $\text{Pr}(0.05) = 0.0361$) suggests that an increase in extra-trade activities may significantly depress economic performance in the short term. The coefficient of investment is positive and significant ($t = 4.33$, $\text{Pr}(0.05) = 0.0494$), suggesting that investment has a large positive impact on economic performance in the short run. The coefficient of labour force participation is negative but not significant ($t = -1.81$, $\text{Pr}(0.05) = 0.2119$), implying that short-term variations in labour force participation do not significantly impact economic performance. The coefficient of inflation is negative but not significant ($t = -0.25$, $\text{Pr}(0.05) = 0.8285$), indicating that short-term changes in inflation do not significantly affect economic performance. The coefficient of error correction term is negative and significant ($t = -4.48$, $\text{Pr}(0.05) = 0.0464$), suggesting a significant short-run impact of the error correction term on economic performance.

In the long run, the intercept is negative but not significant ($t = -2.52$, $\text{Pr}(0.05) = 0.1276$), implying that in the long run, there is no significant constant term affecting economic performance. The negative and highly significant coefficient of lagged economic performance ($t = -6.24$, $\text{Pr}(0.05) = 0.0247$) indicates a persistent negative impact on current economic performance. This underscores the lasting influence of past economic trends on the present. The long-run coefficients of intra trade, extra trade, investment, labour force participation and inflation are not statistically

significant at the 5% level. The model has a high R-squared of 99.47%, indicating a good fit. The F-statistic (20.70) is significant at 5%, supporting the overall model's validity. The high R-squared of 99.47% and the significant F-statistic (20.70) affirm the model's robustness, indicating that it captures a substantial portion of the variation in economic performance and the chosen variables contribute significantly to the overall model.

By and large, in the short run, extra-trade has a significant negative impact on economic performance, emphasizing the importance of trade relations between ECOWAS member nations and non-ECOWAS countries for short-term economic stability. Investment (KF) has a large positive impact on economic performance in the short run, suggesting the need for policies to promote and attract investments. In the long run, lagged economic performance plays a crucial role, emphasizing the persistence of economic trends. Intra-trade (IRT), labour force participation (LFP), and inflation (INFL) do not have significant short-term or long-term impacts on economic performance of ECOWAS.

The findings that investment shows a significant positive effect on economic performance in both the short and long run within ECOWAS and other trade blocs is supported by the study of Were (2015) which suggests that the positive effects of trade openness on economic growth are conditioned by initial income per capita and other explanatory variables. Ma (2022) found that the Belt and Road Initiative improved economic performance, particularly for lower-income countries. The findings are supported by Rahman et al. (2020) who found that openness negatively affects economic growth in South Asia, while Alagidede et al. (2020) showed that trade and financial integration significantly spur manufacturing and agricultural sector value additions.

CONCLUSION AND RECOMMENDATIONS

This study analyse the growth effects of trade integration in ECOWAS by estimating the effect of the two dimensions of trade flows among trading partners of a trade blocs comprising of extra-trade and intra-trade on economic performance of ECOWAS. The goal is to determine how each of these two trade flow affect economic performance and their relative strength in terms of influencing economic growth. The focus was on the fifteen ECOWAS over the period of 1995 to 2022 with data collected from United Nations Conference Trade and Development (UNCTAD) statistics and World Bank Development Indicators (WDI). The data analysis was carried out using the Autoregressive Distributed Lag (ARDL) bound testing approach. The result shows that in the short run, extra-trade ($t = -5.12$, $\text{Pr}(0.05) = 0.0361$) has a large negative impact on the economic performance while investment ($t = 4.33$, $\text{Pr}(0.05) = 0.0494$) has a large positive impact on economic performance. The long-run result shows that only the lagged economic performance ($t = -6.24$, $\text{Pr}(0.05) = 0.0247$) shows a significant large negative impact on the current economic performance while intra trade, extra trade, investment, labour force participation and inflation are not statistically significant. The economic implication of this result is that while trade between members of ECOWAS (intra-trade) failed to stimulate economic

performance of the trade bloc, trade of ECOWAS member countries with non-members of ECOWAS adversely affects economic performance of the trade bloc at large underscoring the challenges posed by external trade relations in the region.

The result implies, that ECOWAS as a trade bloc has not achieve its mandate of improving economic performance of the region. Given the limited impact of intra-trade on economic performance, ECOWAS should consider diversifying its trade strategies. Exploring partnerships beyond the bloc and leveraging external markets could enhance economic growth. Policymakers should focus on creating an environment conducive to investment. Attracting both domestic and foreign investments can stimulate economic growth in the short run, as evidenced by the positive impact of investment in the study. The findings suggest that ECOWAS has not fully achieved its mandate of improving the economic performance of the region through intra-trade. A comprehensive review of the organization's policies and strategies may be necessary to align them more effectively with the economic goals of member countries. Thus, there is need government and policy makers in ECOWAS to revitalise the trade diversification strategies, investment promotions treaty, and address the challenges of extra trade.

REFERENCES

- Arribas, I., Bensassi, S. & Tortosa-Ausina, E. (2020). Trade integration in the European Union: Openness, interconnectedness, and distance. *North American Journal of Economics and Finance*.52 (2020) 101167
- Choe, J. (2001). An impact of economic integration through trade: On business cycles for 10 East Asian countries. *Journal of Asian Economics* 12 (2001) 569-586
- Gammadigbe, V. (2021). Trade Integration in West Africa: Does the Quality of Institutions Matter? *Journal of African Trade*, 8(1), 65-81.doi: <https://doi.org/10.2991/jat.k.211201.001>
- Langenhove, L., & Lombaerde, P. (2007). *Review essay: Regional Integration, Poverty and Social Policy. Global Social Policy: An Interdisciplinary Journal of Public Policy and Social Development*, 7(3), 379–385. doi:10.1177/1468018107082240
- Rodríguez-Pose, A. & Sotiriou, A. (2019).Trading with richer and poorer countries: Trade integration and regional inequality in Greece.*The Annals of Regional Science*.<https://doi.org/10.1007/s00168-021-01062-1>
- Seck, A., Fall, F.A & Aidara, K. (2020). Regional integration and growth spillovers: Is Africa an economic space? *Journal of African Trade*, 7(1-2), 37-44.
- Tinta, A.A., Sarpong, D.B., Ouedraogo, I.M., Al-Hassan, R., Mensah-Bonsu, A. & Onumah E.E. (2018).The effect of integration, global value chains and international trade on economic growth and food security in ECOWAS.*Cogent Food & Agriculture*, 4:1, 1465327, doi: 10.1080/23311932.2018.1465327

Kallioras, D., & Pinna, A. M. (2015). Economic integration and vulnerability in the EU neighbourhood. *The International Spectator*, 50(3), 60-77. <https://doi.org/10.1080/03932729.2015.1057422>

Meade, J. E. (1955). *The theory of customs unions*. North-Holland.

International Trade Centre. (2018). *Trade impact for good: Annual report 2017* (ITC/AG/LII/270). International Trade Centre.