## ECONOMIC INTEGRATION AND INTRA-REGIONAL AGRICULTURAL TRADE IN WEST AFRICA

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BEING A DISSERTATION SUBMITTED TO THE DEPARTMENT OF ECONOMICS AND DEVELOPMENT STUDIES, COLLEGE OF BUSINESS AND SOCIAL SCIENCES, COVENANT UNIVERSITY, OTA, OGUN STATE, NIGERIA

IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF SCIENCE (M.Sc) IN ECONOMICS

**JUNE 2018** 

### **DECLARATION**

I, Lofinmakin, Ayinke Busola hereby declare that this dissertation is my original work and that
no portion of this work has been or will be submitted in support of an application for another
degree or qualification of this or any other university or other institution of learning.
LOFINMAKIN AYINKE BUSOLA
Signature and Date

#### **CERTIFICATION**

This is to certify that this research work, written by LOFINMAKIN AYINKE BUSOLA was supervised and approved in partial fulfilment of the requirements for the award of Master of Science (M.Sc.) Degree in Economics from the Department of Economics and Development Studies, College of Business and Social Sciences, Covenant University, Ota, Ogun State, Nigeria.

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## **DEDICATION**

I dedicate this research work to God Almighty, to my Dad, Mum, current and future family	ily.

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## Table of Content

Declaration	ii
Certification	iii
Acknowledgements	v
List of Tables	viii
List of Figures	ix
Abstract	x
CHAPTER ONE INTRODUCTION	1
1.1 Background of the Study	
1.2 Statement of the Research Problem	
1.3 Research Questions	
1.4 Objective of the Study	<i>.</i>
1.5 Research Hypotheses	7
1.6 Scope of the Study	
1.7 Method of Analysis and Sources of Data	8
1.8 Significance of the Study	8
1.9 Outline of the Study	9
CHAPTER TWO LITERATURE REVIEW	10
2.1 Conceptual Review	10
2.1.1 Economic Integration	
2.1.2 Intraregional Agricultural Trade in ECOWAS Region	
2.1.3 ECOWAS Agricultural Policy and Regional Integration	
2.1.4 Identified Challenges to Intra-Regional Trade in Africa	
2.2 Theoretical Review	
2.2.1 Static Analysis	16
2.2.2 Dynamic analysis	17
2.2.3 The Training Ground Theory	19
2.2.4 The Package Approach	20
2.2.5 Trade Theory	21
2.2.6 Macroeconomic Theory	22
2.2.7 Neo-classical trade theory	24
2.2.8 New Trade Theory Approach: Firm-level Employment Characteristics of	•
	26

2.2.9 Trade Theory and Geographical Economics	27
2.2.10 The Gravity Model	28
2.4 Empirical and Methodological Review	30
CHAPTER THREE STYLISED FACTS	37
3.1 Overview of ECOWAS and Its Member States	37
3.2 ECOWAS Trade Trend	38
3.3 Pattern of Intraregional Agricultural Trade in ECOWAS	40
3.4 ECOWAS DOING BUSINESS	42
3.5 Changes ECOWAS Agricultural Imports and Export	44
3.6 Changes in composition of intra-African and intra-regional agricultural exports and imports	47
3.7 Changes in unit values of intra-African and intra-regional agricultural exports and imports	48
CHAPTER FOUR METHODOLOGY	51
4.1 Theoretical framework	51
4.2 Model	52
4.2.1. Panel data	52
4.2.2 The Augmented Gravity Model	53
4.3 Apriori Expectations	57
4.4 Estimation technique	58
4.4.1 Measuring for Remoteness	59
4.4.2 Definition of variables	
4.4.3 The issue of Zero Trade flow	
4.4.4 Poisson maximum likelihood (ML) estimator(Pseudo)	
4.4.4 Panel fixed effect	63
4.5 Data Sources and Measurement of Variables	63
CHAPTER FIVE RESULT AND DISCUSSION	65
5.1. Descriptive Analysis	65
CHAPTER SIX SUMMARY, CONCLUSION AND RECOMMENDATIONS	74
6.1 Summary	71
6.2 Policy recommendation	73
6.3 Conclusion	73
6.4 Contribution to knowledge	74
6.5. Limitations of the Study and Suggestions for Further Studies	
References	76
List of Annandices	80

## List of tables

Table 1: Descriptive Statistics	65
Table 2: Estimated Results	66

## List of Figures

Figure 3.1: Graphical representation of ECOWAS GDP per capita (constant USD)	38
Figure 3.2: ECOWAS Trade Trends	39
Figure 3.3: Intra ECOWAS Export, 2014.	40
Figure 3.4.1: Doing business indicator (% change in distance to frontier, 2009 – 2014) by country	42
Figure 3.4.2: Doing business indicator (% change in distance to frontier, 2009 – 2014) by region	43
Figure 3.5.1: ECOWAS Import Changes	44
Figure 3.5.2: ECOWAS Export Changes	45
Figure 3.6.1: Changes in composition of intra-African trade (commodity groups)	47
Figure 3.6.2: Top 10 most traded commodities in the ECOWAS zone	48
Figure 3.7.1: UV changes for intra-African trade, \$ per ton	49
Figure 3.7.2: UV changes for intra- trade, ECOWAS \$ per ton	50

#### **ABSTRACT**

There has been an increase in West Africa trade on the global value chain but not so on the intraregional level. This study which is motivated, among others, by the debate on the role of Economic
integration as a determinant of bilateral trade performance, provides an empirical investigation on
the effects of trade cost, trade policy and infrastructure quality on bilateral trade flows in Economic
Community of West African States (ECOWAS) for the period 2006 to 2015. The augmented
gravity model of trade was adopted to explain the effect of economic integration in facilitating and
promoting intra-regional agricultural trade flow; which was estimated using the following
estimation technique such as pooled regression, one-way fixed effect, 3-way fixed effect, least
square dummy variable, panel fixed effect, panel random effect and Poisson Pseudo-Maximum
Likelihood techniques. Results from the various estimation technique shows that weighted average
distance (trade cost) has a negative relationship on intra-regional trade while the stock of regional
road infrastructure has a positive relationship. The study recommends that ECOWAS finances
should be invested in improving road transportation to boost intra-regional agricultural trade
instead of developing free trade zones to help facilitate intra-regional agricultural trade in the
region.