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TRADE FINANCE DIGITIZATION AND EXPORT SURVIVAL DURING GLOBAL LIQUIDITY SHOCKS

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Abstract:

This analysis examines whether digital infrastructure, financial access, and customs efficiency are associated with real export growth, addressing international debates on the trade benefits of modernization. An annual data frame covering 217 economies from 2010 to 2020 supports separate models with economy and year fixed effects, economic controls, and standard errors clustered by economy. Estimation samples contain 1,561, 361, and 636 observations, respectively. A 10 percentage point increase in Internet use corresponds to 1.070 percentage points lower export growth, while an equivalent increase in account ownership corresponds to 2.197 percentage points higher growth. Customs efficiency has a negative estimate, but all confidence intervals include zero. Excluding extreme growth observations moves the Internet estimate close to zero; an alternative broadband specification also provides no statistically significant positive association. The contribution is to distinguish enabling conditions from demonstrated export outcomes, qualifying interpretations that treat connectivity, financial access, and administrative performance as interchangeable indicators of trade benefits. International policy evaluation should link modernization investments to observed business outcomes before attributing export gains.

Key Words: Digital Infrastructure; Financial Inclusion; Trade Facilitation; Export Growth; Panel Data Analysis.

1. Introduction:

Export expansion depends on firms' ability to finance production, coordinate payments, and complete transactions across borders. Digital connectivity and financial services may reduce these frictions, yet their availability does not establish that exporters obtain credit or sustain stronger growth. This distinction matters for governments and financial institutions allocating resources between communications infrastructure, financial inclusion, and customs reform. Evidence that banking conditions affect exports establishes the importance of financing constraints, but it does not demonstrate that broader connectivity or account access removes those constraints (Amiti & Weinstein, 2011; Chor & Manova, 2012). The substantive question is whether observable improvements in these enabling conditions correspond to stronger export performance.

Financial intermediation and transaction cost explanations identify three distinct relationships. Connectivity may reduce communication and information costs. Financial access may facilitate payments and the management of funds. Customs efficiency may reduce administrative delays and uncertainty. These relationships need not operate with equal strength because each addresses a different constraint. Trade finance research links financial disruption to international trade, while trade facilitation research distinguishes physical infrastructure from the business and regulatory environment (Ahn et al., 2011; Portugal-Perez & Wilson, 2012). Their combined implication is that technological capacity, financial access, and administrative performance should be examined separately before their contribution to exporting is inferred.

The closest infrastructure research also cautions against equating wider access with a uniform trade benefit. Abeliansky and Hilbert (2017) distinguish telecommunications subscriptions from data transmission quality and identify differences in their relationship with international trade. Kneller and Timmis (2016) examine broadband access and participation in business service exports, providing evidence tied to a specific technology, sector, and export margin. These contributions establish the relevance of digital infrastructure while leaving a narrower comparative question: whether increases in general Internet use are associated with annual real export growth after persistent economy characteristics and common annual conditions are accounted for. Internet penetration measures the reach of connectivity, but it does not directly measure connection quality or exporters' use of digital transaction systems.

Financial access requires a similar distinction between availability and productive use. The Global Findex Database measures adults' ownership and use of financial accounts, providing a comparative basis for examining financial inclusion (Demirgüç-Kunt et al., 2018). Suri (2017) explains how mobile money supports transfers, payments, and risk sharing, while Suri and Jack (2016) identify household welfare effects in Kenya. These findings support the relevance of financial services without establishing an equivalent effect on exporters' working capital. Account ownership therefore provides an indicator of the financial environment rather than a direct measure of digital trade finance adoption. Its relationship with export growth remains an empirical question.

Administrative performance constitutes a third relationship. Faster and more predictable clearance may reduce the resources committed to completing international transactions. Portugal-Perez and Wilson (2012) examine export performance through distinct infrastructure and institutional dimensions, while Arvis et al. (2018) document customs efficiency within the Logistics Performance Index. The customs measure captures perceived clearance performance rather than the implementation of electronic documentation or digital customs systems. Examining it separately preserves the distinction between administrative outcomes and the technologies that may contribute to them.

Outcome measurement is equally consequential. Export growth can arise from changes in existing trade relationships, entry into new markets, or changes in the composition of exporting activity. Besedeš and Prusa (2011) distinguish the extensive and intensive margins and demonstrate the importance of separating their contributions to export growth. Aggregate annual growth consequently cannot identify whether individual exporters remain active. This analysis uses real export growth to examine changes in export performance at the economy level. Its interpretation concerns aggregate expansion and contraction rather than firm survival.

The reviewed evidence does not establish that general connectivity, adult account ownership, and customs efficiency each exhibit a positive conditional association with annual real export growth under a comparable analytical structure. The gap concerns the alignment of theoretical channels, observed indicators, and outcomes. Infrastructure research addresses connectivity characteristics and export participation; financial inclusion research addresses access and use; trade finance research examines financing relationships more directly. This analysis brings the three enabling conditions into a common export growth framework while retaining their measurement differences. Its contribution is a bounded comparison of their associations and sensitivity, rather than a claim that these indicators directly measure the same underlying process.

This study aims to assess whether digital infrastructure, financial access, and customs efficiency are associated with real export growth across economies. The research question asks whether each condition exhibits a positive association after accounting for economy and year fixed effects, private sector credit, income, and inflation. The specific objectives are to estimate the association between Internet use and real export growth, evaluate the corresponding association for account ownership, examine customs efficiency, and assess sensitivity to extreme growth observations and an alternative infrastructure measure.

The empirical frame contains 217 economies and 2,387 annual records from 2010 to 2020. Separate models retain 1,561 observations for Internet use, 361 for account ownership, and 636 for customs efficiency. This approach accommodates differences between annual indicators and survey waves without interpolating unavailable observations. Economy fixed effects account for persistent differences between economies, while year fixed effects account for common annual conditions. Standard errors clustered by economy accommodate dependence within economies, following Cameron and Miller (2015). The design estimates conditional associations and does not establish causal effects.

The findings qualify a uniformly positive interpretation of the three enabling conditions. Account ownership has a positive estimate, while Internet use and customs efficiency have negative estimates, but all confidence intervals include zero. Excluding extreme growth observations moves the Internet estimate close to zero, and a comparison using an identical sample does not establish a positive broadband association. The contribution is therefore to show that these broad indicators do not provide interchangeable or statistically decisive evidence of stronger annual export growth under the implemented specifications. For international policy assessment, this supports distinguishing infrastructure access and institutional performance from the business outcomes that programmes seek to influence.

2. Theory, Conceptual Framework and Hypotheses Development:

2.1. Theoretical Foundation:

Trade finance digitization operates within an international trading system in which exporters depend on financial institutions, payment networks, customs authorities, and foreign buyers to complete transactions. Liquidity constraints influence exporters through the availability and cost of working capital, while information frictions affect transaction verification, payment settlement, and market participation. Amiti and Weinstein, 2011, demonstrate that financial shocks transmitted through banks can affect exporting firms. Chor and Manova, 2012, further establish that credit conditions influence international trade during financial disruptions. These findings provide a foundation for examining whether digital financial infrastructure, digital financial services, and digital trade facilitation are associated with greater continuity of export activity.

This analysis draws on financial intermediation theory, transaction cost economics, and institutional perspectives on trade facilitation. Digital systems may reduce information asymmetry, improve payment coordination, and lower administrative costs. However, these benefits depend on financial access, technological capacity, and institutional implementation. Digitization does not automatically expand credit supply or eliminate liquidity constraints. The empirical framework therefore treats the proposed relationships as testable associations rather than established causal effects.

2.2. Digital Trade Finance Infrastructure and Export Survival:

Digital trade finance infrastructure represents the technological capacity supporting electronic financial transactions and cross border commercial communication. Internet connectivity, broadband availability, and telecommunications capacity facilitate information exchange among exporters, financial institutions, and international buyers. These capabilities can reduce communication delays and transaction costs, potentially helping exporters maintain commercial relationships when liquidity conditions deteriorate.

Infrastructure availability may improve export continuity by allowing firms to exchange transaction information, coordinate payments, and communicate with trading partners. However, connectivity alone does not establish access to trade credit or guarantee continued export activity. Infrastructure limitations may also prevent exporters from benefiting equally from digital services, particularly when connectivity quality differs across countries.

Abeliansky and Hilbert, 2017, find that telecommunications subscriptions and bandwidth quality are associated with bilateral export performance, with differences across development levels. Kneller and Timmis, 2016, identify a causal effect of broadband access on participation in business service exports, although the effect does not extend uniformly across services. These findings support the relevance of digital infrastructure to international trade, but neither directly establishes its relationship with exporter survival during liquidity shocks.

H1: Higher digital trade finance infrastructure development is positively associated with export continuity during global liquidity shocks.

2.3. Digital Financial Services Adoption and Export Survival:

Digital financial services adoption concerns the use of electronic financial channels to access, transfer, and manage funds. Unlike digital infrastructure, which establishes technological capacity, digital financial services determine whether financial transactions can occur through accessible electronic channels. Electronic payments, digital banking, and mobile money may improve transaction flexibility and reduce dependence on physical financial infrastructure.

These services can support exporters by facilitating payment transfers and short term liquidity management. Faster financial transactions may reduce settlement delays and improve the coordination of working capital. Nevertheless, digital payment access does not necessarily increase the supply of trade credit. Its contribution to export continuity depends on whether digital financial services are available to exporting businesses and integrated into commercial transactions.

Suri and Jack, 2016, establish that mobile money access improved household consumption and financial resilience in Kenya. Suri, 2017, documents the broader role of mobile money in financial transactions and risk sharing while identifying limitations in financial product development. These findings support the financial resilience mechanism but do not establish a direct exporter survival effect. The proposed relationship therefore remains an empirical expectation requiring export specific evidence.

H2: Higher digital financial services adoption is positively associated with export continuity during global liquidity shocks.

2.4. Digital Trade Facilitation and Export Survival:

Digital trade facilitation refers to the use of electronic systems to administer trade documentation, exchange commercial information, and process border procedures. Its principal mechanism differs from financial infrastructure and financial service adoption because it addresses administrative transaction costs rather than financial access directly. Electronic customs systems, digital documentation, and trade information platforms may reduce procedural delays and improve the predictability of cross border transactions.

Administrative efficiency can influence export continuity through the time and resources required to complete international shipments. During liquidity disruptions, prolonged clearance procedures and documentation requirements may increase working capital needs. More efficient digital procedures could reduce these pressures and support repeated export transactions. However, administrative digitization may deliver limited benefits when exporters continue to face binding credit constraints or when electronic systems lack interoperability.

Amiti and Weinstein, 2011, establish the importance of financial institutions for firm export performance, while Chor and Manova, 2012, demonstrate the sensitivity of international trade to credit conditions. Ahn, Amiti, and Weinstein, 2011, further identify trade finance as a contributing factor in international trade disruptions. These studies support the relevance of transaction financing constraints but do not directly identify the effects of electronic customs or digital documentation on export survival. Accordingly, the proposed administrative efficiency mechanism remains a theoretical expectation rather than an established empirical relationship.

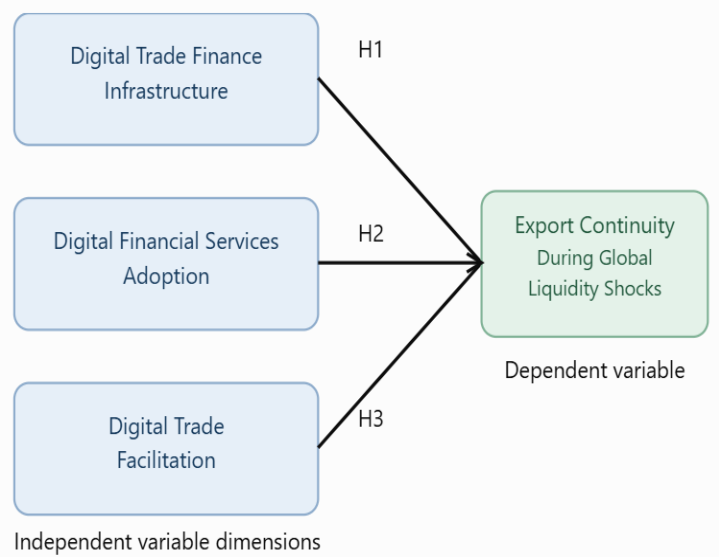
H3: Higher digital trade facilitation is positively associated with export continuity during global liquidity shocks.

2.5. Conceptual Framework:

The conceptual framework specifies three theoretically distinct dimensions of trade finance digitization. Digital trade finance infrastructure represents technological capacity, digital financial services

adoption represents financial transaction accessibility, and digital trade facilitation represents administrative transaction efficiency. Each dimension is expected to exhibit a positive association with export continuity. The hypotheses represent separate theoretical relationships rather than an assumption that all dimensions exert identical effects.

Figure 1: Conceptual framework of trade finance digitization and export continuity



The arrows indicate hypothesized positive associations, not demonstrated causal effects. Each hypothesis requires aligned observations for the predictor and outcome.

3. Data:

This analysis consolidates indicators of digital infrastructure, financial access, customs efficiency, export performance, and financial stress for 2010 to 2020. Source documentation, sample construction, variable definitions, and verification procedures establish the scope of the descriptive analysis.

3.1 Data Sources, Population, and Sample Construction:

The unit of analysis is the economy and calendar year. The accessible sampling frame comprises 217 nonaggregate economies in the World Bank country classification. The panel covers 11 years and contains 2,387 annual records across all geographical regions. Export indicators cover goods and services without sector restrictions.

The World Development Indicators database supplies 11 country indicators through the World Bank public application programming interface. The workbook preserves series identifiers, reported values, measurement units, and extraction URLs (World Bank, n.d.). Underlying sources include International Telecommunication Union statistics, the Global Findex Database, and the Logistics Performance Index. These sources measure connectivity, adult financial access, and customs performance, respectively (Arvis et al., 2018; Demirgüç-Kunt et al., 2018; International Telecommunication Union, 2020).

Cboe supplies 2,769 daily VIX closing observations within the study period. Annual averages and maxima summarize common financial stress conditions. VIX represents expected stock market volatility rather than a direct measure of global liquidity (Cboe Exchange, 2019).

The substantive population concerns exporters exposed to financing constraints. The accessible observations describe economies rather than individual exporting firms. Selection retains every eligible economy without screening for export performance or expected relationships. The annual record structure is balanced, while variable coverage is unbalanced.

Table 1: Sample construction

Stage	Units	Observations	Inclusion or Exclusion Rule
World Bank classification frame	296 entries	Not applicable	Classification entries used to establish eligibility
Aggregate entries excluded	79 entries	Not applicable	Regional, income, and other aggregate classifications removed
Eligible economy frame	217 economies	2,387 annual records	Each economy represented from 2010 to 2020
Integrated descriptive panel	217 economies	2,387 annual records	Indicators aligned by economy identifier and year
Available country indicator values	217 economies	20,245 values	Reported observations across 11 indicators
Financial stress source	One common index	2,769 daily observations	Available VIX closing values within the study period

The panel contains 26,257 potential country indicator cells. Of these, 20,245 contain reported values and 6,012 remain unavailable. The workbook records source access routes but does not preserve an extraction timestamp or dated database release identifier.

3.2 Data Integration, Cleaning, and Quality Assurance:

Integration uses the World Bank ISO3 economy identifier and calendar year. Each indicator contributes at most one observation to each economy and year combination. Verification identified 2,387 unique panel keys and 20,245 unique economy, year, and indicator keys. No duplicate source keys or unexpected increases in panel records occurred.

Daily VIX closing observations were assigned to their source calendar years. Annual averages and maxima were calculated from available trading sessions and matched to the corresponding country records. Weekends and market holidays were not assigned artificial observations. Annual trading session counts range from 250 to 253.

Published units remain unchanged. Export values retain current United States dollars, and GDP per capita retains the source constant price basis of 2015. Export growth and inflation retain their published annual percentage changes. No additional currency conversion or inflation adjustment was applied.

Missing values remain blank. No interpolation, imputation, forward filling, or replacement with zero occurs. Account ownership contributes 428 observations across 159 economies in 2011, 2014, and 2017. Customs efficiency contributes 784 observations across 166 economies in 2010, 2012, 2014, 2016, and 2018. Their sparse coverage follows the survey structure of the underlying databases (Arvis et al., 2018; Demirgüç-Kunt et al., 2018).

Reported extreme observations remain unchanged. Negative export growth and inflation values retain their substantive meaning. Mobile subscription values above 100 per 100 people were retained because subscriptions do not represent unique individuals. No trimming or winsorization was applied. Independent recalculation confirmed that annual VIX summaries agree with the daily source observations to numerical precision.

World Bank data reuse follows its attribution requirements and applicable third party conditions. Its dataset terms specify Creative Commons Attribution 4.0 unless otherwise labelled (World Bank, 2018). Cboe observations remain subject to its historical data conditions and accuracy disclaimer (Cboe Global Markets, n.d.).

3.3 Variable Measurement, Construction, and Validation:

The analysis retains the conceptual dimensions as separate measurement groups. Internet use, broadband subscriptions, mobile subscriptions, and secure servers represent digital infrastructure. Account ownership measures financial access, while customs efficiency measures administrative performance. Export value and real export growth describe aggregate export performance. These indicators retain their source definitions and are not combined into a composite digitization index.

Table 2: Variable dictionary

Variable	Analytical Role	Definition and Construction	Source Identifier	Unit and Frequency	Transformation And Direction	Missing Value Rule	Coverage and Limitation
Internet use	Infrastructure indicator	Individuals using the Internet	World Bank: IT.NET.USER.ZS	Population percent, annual	Published level; higher indicates wider use	Retain blanks	2,169 values across 208 economies; general connectivity
Fixed broadband	Infrastructure indicator	Fixed broadband subscriptions relative to population	World Bank: IT.NET.BBND.P2	Per 100 people, annual	Published level; higher indicates greater subscription density	Retain blanks	2,170 values across 208 economies; subscriptions differ from users
Mobile subscriptions	Infrastructure indicator	Mobile cellular subscriptions relative to population	World Bank: IT.CEL.SETS.P2	Per 100 people, annual	Published level; higher indicates greater subscription density	Retain blanks	2,244 values across 210 economies; multiple subscriptions possible
Secure servers	Infrastructure indicator	Secure Internet servers relative to population	World Bank: IT.NET.SECR.P6	Per million people, annual	Published level; higher indicates greater server density	Retain blanks	2,333 values across 215 economies; highly dispersed
Account ownership	Financial access indicator	Adults with an account at a financial institution or mobile money provider	World Bank: FX.OWN.TOTL.ZS	Adults aged 15 and above, percent; survey years	Published share; higher indicates broader access	Retain blanks	428 values across 159 economies; household financial access

Variable	Analytical Role	Definition and Construction	Source Identifier	Unit and Frequency	Transformation And Direction	Missing Value Rule	Coverage and Limitation
Customs efficiency	Administrative performance indicator	Published customs clearance efficiency score	World Bank: LP.LPI.CUST.XQ	Score from 1 to 5; survey years	Published score; higher indicates greater perceived efficiency	Retain blanks	784 values across 166 economies; perception based
Export value	Export performance measure	Annual exports of goods and services	World Bank: NE.EXP.GNFS.CD	Current United States dollars, annual flow	Published level; higher indicates greater nominal scale	Retain blanks	2,007 values across 190 economies; affected by prices and economy size
Real export growth	Export performance measure	Published growth in constant price exports	World Bank: NE.EXP.GNFS.KD.ZG	Annual percent	Published growth; higher indicates faster real expansion	Retain blanks	1,841 values across 175 economies; includes contractions
Private credit	Financial environment measure	Domestic private sector credit relative to GDP	World Bank: FS.AST.PRVT.GD.ZS	GDP percent, annual	Published ratio; higher indicates greater credit depth	Retain blanks	1,904 values across 184 economies; broader than trade finance
GDP per capita	Income measure	GDP per person at constant prices	World Bank: NY.GDP.PCAP.KD	Constant 2015 United States dollars, annual	Published level; higher indicates greater real income	Retain blanks	2,304 values across 213 economies; aggregate income measure
Consumer inflation	Price environment measure	Published annual consumer price inflation	World Bank: FP.CPI.TOTL.ZG	Annual percent	Published growth; higher indicates faster price increases	Retain blanks	2,061 values across 193 economies; includes deflation
Mean VIX	Financial stress measure	Mean of daily closing values within each year	Cboe: VIX closing series	Index points, annual average	Higher indicates greater average expected volatility	Available trading sessions	11 annual values; common across economies
Maximum VIX	Alternative financial stress measure	Highest daily closing value within each year	Cboe: VIX closing series	Index points, annual maximum	Higher indicates greater peak expected volatility	Available trading sessions	11 annual values; sensitive to short stress episodes

Account ownership follows the Global Findex definition of access to a financial institution or mobile money account (Demirgüç-Kunt et al., 2018). Customs efficiency follows the published Logistics Performance Index component rather than a constructed measure of electronic customs adoption (Arvis et al., 2018). Equation 1 defines annual mean VIX:

$$\overline{V}_t = \frac{1}{N_t} \sum_{d \in D_t} V_{td}$$

Here, $\overline{V}_t$ denotes annual mean VIX, \(t\) denotes year, tdenotes available trading dates, $D_t$denotes their number, and $N_t$denotes the closing value on trading date d. Equation 2 defines annual maximum VIX:

$$V_t^{max} = \max_{d \in D_t} V_{td}$$

Here, V_t^{max} denotes the highest available daily closing value in year t. Both summaries retain the expected volatility interpretation of the underlying index (Cboe Exchange, 2019).

Table 3: Descriptive statistics

Indicator	Observations	Mean	SD	Median	Minimum	Maximum
Internet use	2,169	48.27	29.63	49.78	0.25	100.00
Fixed broadband	2,170	13.21	13.88	8.12	0.00	75.75
Mobile subscriptions	2,244	102.85	41.71	106.63	1.21	416.26
Secure servers	2,333	4,728.40	22,643.88	119.44	0.00	603,419.95
Account ownership	428	54.06	30.43	50.03	0.40	100.00
Customs efficiency	784	2.67	0.60	2.51	1.11	4.21
Export value, billion US dollars	2,007	121.15	308.92	12.39	0.00	2,739.79
Real export growth	1,841	4.41	33.20	3.39	Negative 96.36	1,045.45
Private credit	1,904	53.48	43.96	41.77	0.50	269.84

Indicator	Observations	Mean	SD	Median	Minimum	Maximum
GDP per capita	2,304	16,449.91	23,366.71	6,099.05	253.31	185,582.67
Consumer inflation	2,061	5.37	19.05	2.76	Negative 12.56	557.20

Statistics use available observations separately for each variable and the sample standard deviation. Export values are displayed in billions for readability. Annual mean VIX ranges from 11.09 to 29.25, while annual maximum VIX ranges from 16.04 to 82.69.

3.4 Analytical Framework, Identification, and Reproducibility:

The implemented analysis is descriptive. It aligns digital infrastructure, financial access, administrative performance, export performance, and financial stress within an annual economy panel. The relevance of financing conditions to exporting is supported by Amiti and Weinstein (2011), whose matched firm and bank evidence links financial shocks to export performance. The present compilation supports aggregate descriptions within its observed coverage.

Simultaneous availability across all 11 country indicators occurs for 108 economies, exclusively in 2014. This represents a coverage intersection rather than an estimated model sample. Requiring every indicator simultaneously would therefore produce a cross section rather than a panel covering the full study period. VIX varies across years but remains identical across economies within each year. Its repetition across country records represents 11 common annual exposures. Interpretation therefore distinguishes the number of country observations from the number of independent annual stress values.

The workbook preserves source observations, extraction URLs, indicator definitions, annual coverage counts, and daily VIX records. Unique integration keys and independently verified annual stress summaries support reproducibility. Consistent units, calendar alignment, and unchanged missing values establish a transparent basis for descriptive comparisons.

4. Methods:

4.1 Research Design and Analytical Scope:

This analysis estimates conditional associations between enabling conditions for international trade and annual real export growth across economies from 2010 to 2020. The unit of analysis is the economy and calendar year. Separate models examine Internet use, account ownership, and customs efficiency, preserving the distinction between infrastructure reach, financial access, and administrative performance.

The estimand is the coefficient of each focal indicator in a linear model adjusted for economy and year fixed effects and observed economic conditions. Estimation uses changes within economies after accounting for common annual movements. Economy fixed effects absorb persistent national characteristics, while year fixed effects absorb annual conditions shared across economies.

The design is associational. Contemporaneous measurement permits reverse causality, and fixed effects do not eliminate omitted factors that change over time. Adjustment for observed economic conditions defines a conditional relationship rather than identifying a total causal effect. Interpretation therefore concerns aggregate export growth and the measured indicators, without extending to individual exporter survival or business adoption of digital trade finance.

4.2 Model Specification and Measurement Alignment:

Equation 3 specifies the model estimated separately for each focal indicator:

$$g_{it} = \alpha + \beta z_{it} + \gamma_1 c_{it} + \gamma_2 \ln y_{it} + \gamma_3 \pi_{it} + \mu_i + \tau_t + \varepsilon_{it}.$$

Here, g_{it} denotes annual real export growth in economy iand year t, $\alpha$is the intercept; $z_{it}$is the focal indicator; $\beta$is its conditional association with export growth; $c_{it}$is private sector credit relative to GDP divided by 10; $y_{it}$is real GDP per capita; $\pi_{it}$is annual consumer inflation divided by 10; $\gamma_1, \gamma_2$and $\gamma_3$are adjustment coefficients; $\mu_i$and $\tau_t$denote economy and year fixed effects; and $\varepsilon_{it}$is the regression disturbance.

Internet use and account ownership are divided by 10. Their coefficients therefore represent percentage point differences in export growth associated with a 10 percentage point increase in the predictor. Customs efficiency retains its published scale, so its coefficient represents the association with a one point increase. Fixed broadband subscriptions, used in the alternative infrastructure specification, are divided by 10.

All explanatory variables enter contemporaneously. Private credit describes the financing environment, real income captures economic development, and inflation captures price conditions. These adjustments may themselves be related to the focal indicators; consequently, the coefficients describe associations conditional on these characteristics rather than effects transmitted through them.

Source definitions and units follow the variable dictionary in Table 2. Annual financial stress summaries defined in Equations 1 and 2 do not enter Equation 3 because they are identical across economies within each year and are absorbed by complete year fixed effects.

4.3 Estimation Samples, Processing, and Inference:

The sample construction framework in Table 1 establishes the eligible economies. Each regression then retains observations with reported values for its outcome, focal predictor, and three adjustment variables. Real

GDP per capita must be positive before logarithmic transformation. Missing observations are excluded separately for each model without imputation or interpolation.

The resulting unbalanced estimation samples contain 1,561 observations across 158 economies for Internet use, 361 observations across 136 economies for account ownership, and 636 observations across 145 economies for customs efficiency. Table 4 records these differences. Survey indicators enter only in their observed years. No lag construction or differencing introduces additional observation losses.

Models are estimated by unweighted ordinary least squares using an intercept, economy indicators, and year indicators. One category from each indicator set is omitted to avoid exact collinearity. Full column rank was verified for each baseline design matrix. Economies with a single eligible observation remain in the estimation sample, although they do not independently contribute temporal variation to the focal coefficient.

Standard errors use an economy clustered covariance estimator with a finite sample correction. Clustering permits heteroskedasticity and dependence across observations within an economy, following Cameron and Miller (2015). It assumes independence across economy clusters and does not address every possible form of international residual dependence. Equation 4 defines the implemented covariance estimator:

$$\widehat{V} = \frac{G}{G-1}\frac{n-1}{n-K} B \left[\sum_{i=1}^{G} X_i' \hat{u}_i \hat{u}_i' X_i\right] B.$$

Here, $\widehat{V}$ is the estimated coefficient covariance matrix; Gis the number of economy clusters; nis the estimation observation count; Kis the design matrix rank, including fixed effects; X_i contains regressors for economy i; $\hat{u}_i$ contains its estimated residuals; and B is the generalized inverse of the full design matrix cross product.

The baseline models contain 158, 136, and 145 clusters, respectively. Two sided p values and 95 percent confidence intervals use the student t distribution with $G - 1$degrees of freedom. A positive association receives statistical support when the coefficient is positive and its confidence interval excludes zero at the 5 percent level. Estimates, uncertainty, and substantive magnitudes are reported together.

4.4 Verification, Sensitivity Analysis, and Replicability:

Processing proceeds from the cleaned country panel to model specific eligibility filtering, rescaling, logarithmic transformation, fixed effect construction, estimation, and clustered inference. Baseline models retain reported extreme observations. Source values remain unchanged throughout estimation.

Numerical verification independently reproduces each baseline focal coefficient through residualization. The outcome and substantive regressors are projected on the economy and year indicators, and the residualized outcome is regressed on the residualized substantive regressors. Agreement with the corresponding full indicator regression verifies the fixed effect implementation.

Two exploratory sensitivity exercises assess specific threats to interpretation. The first excludes observations where the absolute value of annual real export growth exceeds 100 percent and reestimates Equation 3. This restriction examines sensitivity to extreme growth rather than treating those observations as source errors. It removes seven observations from the Internet model, two from the account ownership model, and three from the customs model. Table 6 reports the resulting samples and estimates.

The second exercise compares Internet use and fixed broadband subscriptions on an identical sample of 1,512 observations across 157 economies. Both models retain the same adjustments, fixed effects, and inference procedure. Holding observations constant separates differences arising from infrastructure measurement from differences arising through sample availability.

Sensitivity assessment compares coefficient direction, magnitude, confidence intervals, and sample composition. These exercises were exploratory and do not establish that observation selection, measurement error, or omitted confounding has been eliminated.

Computation uses Python 3.12.14, NumPy 2.3.5, and SciPy 1.17.0. Least squares estimation uses the SciPy linear algebra solver with the GELSY driver. Covariance construction uses the symmetric generalized inverse of the design cross product, and inference uses SciPy distribution functions. The calculations are deterministic and require no random seed. Source identifiers, extraction routes, measurement definitions, and coverage are preserved in the workbook; estimation and independent verification were implemented in separate scripts.

5. Findings:

This analysis examines whether digital infrastructure, financial access, and customs efficiency are associated with real export growth. Separate models accommodate differences in indicator coverage, while sensitivity checks assess the influence of extreme growth observations and infrastructure measurement. The estimates describe conditional associations at the economy level.

5.1 Analytical Samples and Measurement Coverage:

The available panel contains 2,387 annual records across 217 economies from 2010 to 2020. Estimation retains observations with reported export growth, the relevant predictor, private sector credit, GDP

per capita, and consumer inflation. GDP per capita enters in natural logarithms and must be positive. Missing observations remain excluded from the corresponding model without interpolation.

Internet use measures infrastructure reach, account ownership measures adult financial access, and customs efficiency measures perceived administrative performance. These indicators represent distinct channels rather than interchangeable measures of trade finance digitization. This distinction follows the measurement boundaries of the Global Findex Database and Logistics Performance Index, respectively (Demirgüç-Kunt et al., 2018; Arvis et al., 2018).

Table 4: Analytical sample construction

Measurement Group	Available Predictor Observations	Retained Observations	Retained Economies	Observations Excluded Through Joint Data Requirements	Estimation Years
Internet use	2,169	1,561	158	608	2010 to 2020
Account ownership	428	361	136	67	2011, 2014, 2017
Customs efficiency	784	636	145	148	2010, 2012, 2014, 2016, 2018

The account ownership model contains three survey waves, while the customs model contains five. Their coefficients therefore reflect different temporal support from the annual infrastructure model. Differences between estimates cannot be interpreted as comparative channel strength because the models use different observations and measurement scales.

Only 108 records contain all 11 country indicators, exclusively in 2014. The analysis consequently estimates separate channel models rather than treating this intersection as a longitudinal sample. The outcome is annual real export growth, which measures aggregate expansion and contraction rather than the continuation of individual exporter relationships.

5.2 Main Estimates of Export Growth Associations:

Each model includes economy and year fixed effects alongside private sector credit, logarithmic GDP per capita, and consumer inflation. Explanatory variables enter contemporaneously. Economy fixed effects absorb persistent differences between economies, while year fixed effects absorb common annual conditions. Standard errors are clustered by economy, with a finite sample correction and confidence intervals based on the number of economy clusters. This procedure allows heteroskedasticity and dependence within economies, following Cameron and Miller (2015).

Table 5: Conditional associations with annual real export growth

Predictor	Reported Change	Estimated Association in Percentage Points	Clustered Standard Error	95 Percent Confidence Interval	p Value
Internet use	Increase of 10 percentage points	Negative 1.070	0.962	Negative 2.970 to positive 0.829	.267
Account ownership	Increase of 10 percentage points	Positive 2.197	1.559	Negative 0.885 to positive 5.280	.161
Customs efficiency	Increase of one score point	Negative 3.911	2.869	Negative 9.582 to positive 1.760	.175

The infrastructure estimate does not establish a positive association between Internet penetration and real export growth. A 10-percentage point increase in Internet use corresponds to an estimated reduction of 1.070 percentage points in annual growth, but the confidence interval includes both negative and positive associations. The estimate therefore provides insufficient evidence of a directionally stable relationship.

This result concerns changes in aggregate export growth rather than export participation or connectivity quality. Abeliansky and Hilbert (2017) distinguish telecommunications quantity from quality in explaining trade performance, while Kneller and Timmis (2016) examine broadband and participation in business service exports. The present result does not directly contradict those findings because its outcome, aggregation, and infrastructure measure differ.

Account ownership has a positive estimate. A 10-percentage point increase corresponds to 2.197 percentage points higher annual export growth. However, its confidence interval extends from negative 0.885 to positive 5.280 percentage points. The evidence accommodates an economically meaningful positive association but does not establish it at the 5 percent significance level. Adult account access also differs from exporters' access to trade credit, limiting interpretation of the proposed financing mechanism.

Customs efficiency has a negative estimate of 3.911 percentage points for a one point increase in its published score. Its confidence interval includes zero and positive values. The result therefore neither establishes an adverse relationship nor supports the proposed positive association with export growth.

Across the three models, uncertainty is central to interpretation. None provides statistically significant evidence of a positive conditional association. These results do not establish that infrastructure, financial access, or customs performance lacks economic relevance.

5.3 Sensitivity to Extreme Observations and Infrastructure Measurement:

An exploratory sensitivity check excludes observations where the absolute value of annual real export growth exceeds 100 percent. This rule addresses the influence of unusually large changes without classifying the underlying source values as errors. It removes seven observations from the Internet model, two from the account ownership model, and three from the customs model. The original data remain unchanged.

Table 6: Sensitivity estimates after excluding extreme export growth observations

Predictor	Retained Observations	Retained Economies	Estimated Association in Percentage Points	95 Percent Confidence Interval	p Value
Internet use, increase of 10 percentage points	1,554	158	Positive 0.056	Negative 1.052 to positive 1.164	.921
Account ownership, increase of 10 percentage points	359	135	Positive 1.646	Negative 1.158 to positive 4.450	.248
Customs efficiency, increase of one score point	633	145	Negative 3.085	Negative 8.242 to positive 2.073	.239

The Internet coefficient changes sign and moves close to zero after extreme observations are excluded. Its baseline negative direction is therefore sensitive to these observations. The account ownership estimate remains positive but declines from 2.197 to 1.646 percentage points. The customs estimate remains negative but decreases in absolute magnitude. Every confidence interval continues to include zero.

A second exploratory check compares Internet use and fixed broadband subscriptions on an identical sample of 1,512 observations across 157 economies. The Internet estimate is negative 1.011 percentage points for a 10 percentage point increase, with a confidence interval from negative 2.794 to positive 0.773 and a p value of .265. The broadband estimate is negative 5.823 percentage points for 10 additional subscriptions per 100 people, with a confidence interval from negative 20.475 to positive 8.829 and a p value of .434.

Holding the sample constant therefore does not produce evidence of a positive infrastructure association. The broad broadband interval also indicates limited precision. This comparison supports caution about interpreting connectivity indicators as equivalent measures of the mechanisms examined in trade research (Abeliansky & Hilbert, 2017; Kneller & Timmis, 2016).

5.4 Assessment of the Proposed Relationships:

The decision criterion requires a positive coefficient and a confidence interval excluding zero at the 5 percent level. None of the three proxy relationships meets this criterion in the baseline or extreme observation sensitivity models.

Table 7: Assessment of the measured relationships

Proposed Channel	Measured Predictor and Outcome
H1 infrastructure channel	Internet use and real export growth
H2 financial access channel	Account ownership and real export growth
H3 administrative efficiency channel	Customs efficiency and real export growth

These assessments apply to the measured export growth relationships. They do not constitute direct tests of exporter survival during liquidity shocks. Exporter survival, business adoption of digital financial services, and digital customs implementation are not observed in the workbook.

The empirical answer is therefore bounded: the available economy level indicators do not establish positive conditional associations with annual real export growth under the implemented specifications. Account ownership produces the expected positive direction, but uncertainty prevents a firm conclusion. Infrastructure estimates are sensitive to extreme observations, and customs estimates remain imprecise. The evidence supports separating the proposed channels and reporting their measurement boundaries rather than presenting them as validated effects of trade finance digitization.

6. Discussion:

Wider connectivity does not, by itself, establish stronger export growth. Table 5 shows that Internet use and customs efficiency have negative conditional estimates, while account ownership has a positive estimate, but every confidence interval includes zero. This analysis therefore challenges the assumption that infrastructure reach, financial access, and administrative performance provide equivalent evidence of export resilience. Its contribution lies in examining these dimensions separately and showing how their interpretation depends on measurement and sample coverage. Abeliansky and Hilbert (2017) distinguish telecommunications quantity from quality, while Kneller and Timmis (2016) identify broadband effects on participation in business service exports. The present estimates sharpen that distinction: general connectivity and aggregate export growth cannot be treated as direct counterparts of service quality and export participation.

The positive account ownership estimate is consistent with a possible financial access channel, but Table 5 does not establish that accounts improve exporters' working capital or payment settlement. Account ownership records access among adults rather than business use of digital finance. Demirgüç-Kunt et al. (2018) distinguish account access from financial service use, while Suri (2017) identifies several functions of mobile money that extend beyond account possession. These distinctions matter because access, adoption, and productive use represent different stages of a financing mechanism. The analysis contributes by maintaining those boundaries when interpreting the positive estimate. Financial intermediation remains a plausible explanation, but the observed association does not identify mediation or a causal transmission pathway.

The three coefficients do not establish a dominant channel. Table 4 shows different estimation samples, and Table 5 reports predictors measured on different scales. Comparing their absolute coefficients would therefore confuse measurement units and sample composition with economic importance. The contribution to theory is to preserve the distinction between technological capacity, financial access, and administrative efficiency rather than treating them as components with demonstrable shares of a total effect. Amiti and Weinstein (2011) establish the importance of bank conditions through matched exporter and bank evidence, while Ahn et al. (2011) examine trade finance during international trade disruption. Against that literature, the present analysis shows why broad national indicators require a narrower interpretation than direct measures of exporter financing relationships.

Sensitivity analysis reveals that a small number of extreme growth observations materially affect the apparent infrastructure relationship. In Table 6, excluding seven such observations moves the Internet estimate from negative to approximately zero. This change indicates sensitivity of the estimated direction rather than evidence that connectivity damages exports. The methodological implication is substantive: large aggregate trade movements can shape conclusions about structural characteristics when growth distributions are uneven. Cameron and Miller (2015) explain why inference must accommodate dependence within observational groups; the present estimates apply that principle through clustering by economy. Equations 1 and 2 also distinguish average from peak financial stress, but those constructed summaries do not identify differential effects under the implemented year fixed effects. These results sharpen the distinction between measuring a common stress environment and estimating resilience to that environment.

The international contribution is a boundary on interpretation rather than a universal claim that digitization succeeds or fails. Chor and Manova (2012) link credit conditions to trade during financial disruption, whereas Suri and Jack (2016) identify household welfare effects of mobile money in Kenya. The present economy level estimates address a different outcome and do not reproduce either mechanism directly. Their relevance across international settings lies in showing that broad access indicators cannot substitute automatically for evidence of financing use, exporter continuity, or shock protection. Decision-makers should therefore assess export programmes against the business outcomes they seek to influence rather than infer success from connectivity or account ownership alone. Table 7 provides no basis for ranking the three channels by effectiveness. The resulting theoretical refinement is to separate enabling conditions from realized export outcomes and to evaluate their links with measures matched to the relevant firms, transactions, and financing constraints.

7. Conclusion and Implications:

Global investment in digital capacity requires evidence that access translates into trade performance. This analysis shows that broad enabling conditions do not provide statistically decisive evidence of stronger export growth under the implemented specifications. Its contribution is to distinguish technological capacity, financial participation, and administrative performance as separate analytical channels whose estimated relationships depend on measurement, temporal coverage, and influential observations. The findings refine financial intermediation and transaction cost explanations by separating plausible enabling conditions from demonstrated export outcomes. They establish neither automatic benefits nor harmful effects. For managers, the implication is to evaluate modernization against transaction completion, financing availability, and commercial performance rather than infer success from broader access alone. Policymakers should require outcome-based evaluation before attributing export gains to national modernization programmes or ranking competing investment priorities. Operational assessments should connect intended improvements with business use and realized results. This approach supports accountable resource allocation across institutional settings while preserving uncertainty about effectiveness. Its wider social relevance lies in reducing the risk that public and private resources reward implementation milestones without establishing benefits for participating firms.

Limitations create specific opportunities for extension. Economy level observations can be complemented by linked exporter, lender, payment, and customs records to distinguish commercial continuity from aggregate expansion. Repeated business observations would support direct measurement of adoption and financing use. Research designs exploiting credible policy changes could strengthen causal identification. Explicit interactions with independently measured liquidity conditions could assess whether relationships change during financial disruption. Comparable samples across channels would improve substantive

comparisons, while broader survey coverage would reduce dependence on isolated observation waves. These extensions would test mechanisms and transferability across institutional environments.

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