

Sectorial Impact of Foreign Direct Investment Inflow on Economic Growth in Nigeria

ARUMONA, Jonah, Ph.D

Department of Accounting
Bingham University,
Karu, Nasarawa State.

E – Mail: jonaharumona@yahoo.com, Phone No: +234 7034684686

ORBUNDE, Bemshima, Ph.D

Department of Accounting
Bingham University,
Karu, Nasarawa State.

E – Mail: orbundebemshima@yahoo.com, Phone No: +234 8065318098

KOPKUNG, Rachel Nomang

Department of Accounting,
Bingham University,
Karu, Nasarawa State

E - Mail: dnomang@yahoo.com, Phone No: +234 8067770993

Abstract

The study examined the impact of foreign direct investment on economic growth in Nigeria between 1986 to 2019. The data used for this study were sourced from CBN statistical bulletin, and world bank development indicators. By means of ex post factor research design, pre-estimation tests were carried out on each of the variables using Augmented Dickey Fuller (ADF) unit root test to avoid spurious regression results. The cointegration test result showed that long-run equilibrium relationship exists between foreign direct investment and economic growth in Nigeria. Findings from the study revealed that there is a significant relationship between foreign direct investment in manufacturing and economic growth in Nigeria. It showed that the attraction of multinational firms in the manufacturing sector has enhanced the output growth of the economy. Based on these findings, the study recommends that there is the need to sustain the FDI inflow into the manufacturing sector as it serves as a means for skills acquisition from industrialized to developing countries' manufacturing sector. The study also recommends that the government should initiate policies that will promote the long-run growth of the economy at large.

Keywords: Foreign Direct Investment, Economic growth, manufacturing sector

INTRODUCTION

To attract Foreign Direct investment (FDI), developing countries have established pro-investment policies that help firms to open subsidiaries in all parts of the world with relative ease. In this regard, policy makers in developing countries such as Nigeria attract FDI to accelerate economic growth, job creation and poverty reduction. This is based on the premise that FDI is a way of obtaining capital and technology that is not available in the host country (Olusanya 2013). Despite the perceived and obvious importance of FDI in the economic growth of a country, the effort of most African countries to attract foreign direct investment (FDI) has not quite been successful. The Nigerian economy with her large natural resources and large market size qualifies to be a top most recipient of FDI in Africa (Ayanwale, 2007). Over the years, Nigerian government made policies that accommodated FDI in the hope that it will significantly contribute to the development of the Nigerian economy. Government has been making available subsidies

and special incentives in anticipation that the total benefits will outweigh the total costs of attracting FDI. Potential benefits are that foreign firms can raise the level of capital formation, promote exports, and generate foreign exchange and also they provide the much needed market for domestic suppliers and support industries and, in the process, transfer technology, increase industrial linkages and stimulate industry as a whole, while providing direct and indirect employment (Fadayo, 2003).

Hence, Meaningful, long-lasting economic growth and development is almost entirely contingent upon securing substantial amounts of foreign direct investment. FDI is crucial for the Nigerian economy, as it facilitates improvements in productivity. Ultimately, this can help alleviate Nigeria's widespread poverty by increasing per capital income and elevating overall standard of living. The impact of FDI may vary greatly depending on the characteristics of the sector of the economy. According to the world investment report 2001(UNCTAD), FDI can be disaggregated into primary(Extractive), Secondary(Manufacturing) and tertiary(Service) Sectors.This research therefore seeks to investigate the sectoral impact of foreign direct investment (FDI) on the Nigerian economic growth with a specific focus on the manufacturing components of FDI; in other to achieve the stated objective one hypothesis was formulated as follows.

Ho: Foreign direct investment in manufacturing has no significant impact on Gross domestic product (GDP) in Nigeria.

LITERATURE REVIEW

Conceptual Framework

Foreign Direct Investment

World Bank (2007) conceptualized Foreign Direct Investment (FDI) as investment that is made to acquire a lasting management interest (usually 10% of voting stock) in an enterprise and operating in a country other than that of the investors. According to Ndiyo and Ebong (2003), foreign direct investment is an inflow of foreign resources in the form of capital, technology, management skills and marketing enterprises into the host country. According to World investment reports(UNCTAD 2010), "FDI is the sum of equity capital, other long term capital as shown in the balance of payment and that there are two types of FDI: inward and outward, resulting in a net FDI inflow (positive or negative) and stock of foreign direct investment", which is the cumulative number for a given period. In other words Foreign Direct Investment (FDI) is the process where people in one country obtain ownership of assets for the purpose of gaining control over the production, distribution and other activities of a firm in a foreign country (Moosa, 2002).

According to Thomas and Peter (2000), FDI is any flow of lending to, or purchase of ownership in a foreign enterprise that is largely owned by the residents of the investing country. Also, FDI has been described as investment so as to acquire a lasting management interest (for instance 10% of voting stocks) and at least 10% of equity shares in an enterprise operating in another country other than that of investors' country (Mwillima, 2003; World Bank, 2007). Foreign direct investment (FDI) is seen as a major and integral part of an open and international economic system and a major catalyst to development (OECD, 2002). It refers to investment made to acquire a lasting management interest (usually at least 10 % of voting stock) and acquiring at least 10% of equity share in an enterprise operating in a country other than the home country of the investor; it can take the form of either "greenfield" investment (also called "mortar and brick" investment) or merger and acquisition (M&A), depending on whether the investment involves mainly newly created assets or just a transfer from local to foreign firms (Mwilima, 2003). It involves the mobilization of investment funds from foreign investors into the host economy. It may be in the form of transfer of ownership from domestic to foreign investors, or in the form of expansion in productive capacity and capital formation in a country (Adelopo, 2010).

2.1.2 Economic Growth

Economic growth is, in a limited sense, an increase of the national income per capita, and it involves the analysis, especially in quantitative terms, of this process, with a focus on the functional relations between the endogenous variables; in a wider sense, it involves the increase of the GDP, GNP and NI, therefore of the national wealth, including the production capacity, expressed in both absolute and relative size, per capita, encompassing also the structural modifications of economy (Devrim, 2009). It could therefore be estimated that economic growth is the process of increasing the sizes of national economies, the macroeconomic indicators, especially the GDP per capita, in an ascendant but not necessarily linear direction, with positive effects on the economic-social sector, while development shows us how growth impacts on the society by increasing the standard of life (Haller, 2012).

Economic growth is a complex, long-run phenomenon, subjected to constraints like: excessive rise of population, limited resources, inadequate infrastructure, inefficient utilization of resources, excessive governmental intervention, institutional and cultural models that make the increase difficult, etc (Anyanwale, 2007). Economic growth is obtained by an efficient use of the available resources and by increasing the capacity of production of a country. It facilitates the redistribution of incomes between population and society.

Empirical literature

Dinh, Hong, Vo and Nguyen (2019) examined foreign direct investment and economic growth in the short run and long run: empirical evidence from developing countries. They examined and sought to provide additional and relevant quantitative evidence on the impact of foreign direct investment (FDI) on economic growth, both in the short run and the long run in developing countries of the lower-middle-income group in 2000–2014. Various econometric methods are employed such as the panel-based unit root test, Johansen cointegration test, Vector Error Correction Model (VECM), and Fully Modified OLS (FMOLS) to ensure the robustness of the findings. The results of this study show that FDI helps stimulate economic growth in the long run, although it has a negative impact in the short run for the countries in this study. Other macroeconomic factors also play an important role in explaining economic growth in these countries. Money supply has a positive effect on growth in the short run while total credit for private sector has a negative effect. In addition, long-run economic growth is driven by money supply, human capital, total domestic investment, and domestic credit for the private sector. Based on these results, the researchers recommended that government should create policies that encourage and sustain the inflow of FDI. Ekine, Ewubare and Ajie (2019) examined the impact of foreign portfolio investment and Foreign Direct Investment on the performance of the Nigerian Economy over a period of 1980-2017. The data used were purely secondary sourced from the central Bank of Nigeria statistical Bulletin and World Bank Development indicator. The ordinary least square (OLS) regression analysis was used. The findings revealed that the performance of the Nigerian Economy is directly related to inflow of foreign portfolio investment and foreign direct investment and it is also statistically significant at 5% level. This means that a good performance of the economy depends on the inflow of these variables, or that the variables serve as an engine of economic growth. The study recommended that policy makers should work on improvement of economic incentives capable of mobilizing external resources to the country to engender macroeconomic stability. A stable economy will attract foreign investment and this result to increased inflow of foreign capital.

Osisanwo (2018) analyzed the impact of foreign direct investment in manufacturing sector output on economic growth in Nigeria between 1970 and 2011. He used econometric model and log of foreign direct investment (FDI), first lag of real manufacturing output level (MAN_{t-1}), degree of openness (OPEN), investment in human capital development (INV), and inflation rate (INF) in Nigeria during the review period. While, manufacturing output growth was proxied by real manufacturing output growth as the regress and. The ordinary least square (OLS) method was adopted and the result revealed that the first lag of real manufacturing output level (MAN_{t-1}) and inflation (INF) were significant factors influencing the growth rate of Nigerian manufacturing industry, while manufacturing output was insignificant and

inelastic of foreign direct investment in Nigeria. Given the outcome of the results, the researcher recommended that attracting Foreign Direct Investment should not be done in isolation if it must impact on the performance of manufacturing sector; therefore it becomes absolutely necessary to improve rapidly on domestic investment and human capital skill.

Ebekozien, Ugochukwu, and Okoye (2017) analysis on the inflow trends of foreign direct investment investigated in the Nigerian construction industry with a view to studying the pattern of flow and assessing the effect of increased flow of FDI on the industry. Annual time series archival data from the central bank of Nigeria and the National Bureau of Statistics served were used. The data collected was analyzed using simple percentages, regression analysis, Duncan Multiple Range Test and causality Test. Results revealed that there is poor flow (or an insignificant flow) of FDI into construction sector when compared to other sectors of the economy. According to Granger test, the Granger Causality is bi-directional, suggesting that FDI is an important prerequisite and catalyst for sustainable growth and development in construction and on the other hand, the level of infrastructural facilities available on ground is a prerequisite for attracting foreign direct investors. A high positive correlation or significant relationship between FDI and the construction sector further confirm this result. They recommended that policies should be put in place for sustained FDI flows such as maintaining a stable Dollar/Naira exchange rate which will help to encourage the continuous inflows of FDI.

Ajayi, Adejayan&Obalande (2017) examined the impact of foreign private investment on the Nigerian capital market using time series data from 1986 to 2014. Johansen co-integration model was used to estimate the causal effect between both variables. Market capitalization, foreign direct and portfolio investments were proxies for the dependent and independent variables respectively. The result of the study revealed that that there is a long run relationship between Market capitalization and foreign portfolio investment however this relationship is negative meaning that an increase in foreign portfolio investment will cause a decrease in Market capitalisation. The study concluded that foreign direct investment has a positive and significant impact on capital market Development while foreign portfolio investment has positive but insignificant impact. The study recommended that a robust re-investment incentive policy or roll-over window package need to be established to encourage retention of foreign portfolio investment proceeds within the system. This is required in order to minimize the rate of capitalflight through illegal and indiscriminate repatriation of investment proceeds through foreign portfolio investment channel. Mounde (2017) examined the causal relationship between foreign direct investment and manufacturing output in Nigeria. Using the Industrial production as a proxy for manufacturing output, time series data was compiled from Central Bank of Nigeria and National Bureau of Statistics spanning 36years, 1981-2016. The findings revealed that there is a long run relationship between foreign direct investment and output growth of the manufacturing sector in terms of industrial production. The error correction model was employed to determine the degree to which equilibrium behaviour drives short run dynamics. Also, the result revealed that foreign direct investment are more important factors in explaining manufacturing growth rate in Nigeria and there exists bi-directional causality between them. The author recommends that the position of FDI can be well improved when the Nigerian government encourage and improve the investment climate for existing domestic and foreign investors through infrastructural development, provision of services and changes in the regulatory framework

Theoretical Framework

The Internalization Theory of FDI

Buckley and Casson (1976) coined the notion of internalization itself, based on the application of the market imperfections approach in an international context. In the theory, Buckley and Casson suggest that firms try to maximize profits under the imperfect condition existing in intermediate products by internalizing the key intermediate products such as knowledge, marketing, human capital and management expertise. Under the imperfect market conditions in intermediate products, firms link

different activities through markets under common ownership and control. The linking of different activities through these markets, however involves significant time lag and transaction costs. Firms are encouraged to replace these external markets with their own internal markets for these products to avoid the above mentioned difficulties. In other words, some transactions should be internalized to reduce transaction cost and hence increase profitability

International Trade Tradition

It is certainly no surprise that International Trade economists were among the first to study the FDI phenomenon. Foreign production can be a substitute for exports, as it can influence the terms of trade (TOT) and thus change the whole pattern of specialization. However, in the neo-classical world of the Heckscher-Ohlin tradition there is no space for foreign direct investment. Any disequilibrium in the prices of goods or factors across countries brought about by different factor endowments would be immediately corrected by international movements of goods (the Samuelson theorem). Mundell (1957) used an extension of the basic model to show that trade and capital movements can be substitutes, namely, that the introduction of tariffs would induce a flow of FDI towards the country where tariffs are imposed. That is, the same way that restrictions to international movements of factors can be substituted by trade (the original H-O model) restrictions to trade can be replaced by international movements of factors, in particular capital given the intrinsic imperfect mobility of labor. In a way, these hypotheses based on the Heckscher-Ohlin model are not very different from those based on capital movements. As Taveira (1984) point out, in both cases “FDI was analyzed as a re-equilibrium device within a generally perfectly competitive economy”, a major limitation of the explanatory potential of both approaches

Eclectic Theory of FDI

Dunning (1958) developed an eclectic theory of FDI which is called OLI paradigm. O, L and I refer to ownership advantage, location advantage and internalization advantage respectively. The theory emphasized that operating in a foreign country has many cost and these costs include a failure of knowledge about local market, cultural, legal and many others. Therefore, foreign firms should have some advantages that can offset these costs. Ownership advantage is the specific advantage that gives power to firms over their competitors. These include advantage in technology, in management techniques, easy access to finance, economies of scale and capacity to coordinate activities. Location advantages on the other hand, are advantages firms take in order to reap the benefit of specific advantages. These include accessibility and low cost of internal resources, adequate infrastructure, political and macroeconomic stability. Therefore, the location advantage of a host country is one essential factor that determines the investment decisions of TNCs. Internalization is the ability of the firm to internalize some activities to protect their exclusive right on tangible and intangible assets, and defend their competitive advantage from rival firms. Accordingly, all the three conditions must be met before firms open subsidiaries in a foreign country (Soderstein, 1992; Laar, 2004). The researcher aligns with this theory.

METHODOLOGY

The research design adopted in this study is the ex post facto research design; this is because this research relies on historical data. Secondary data was used for the period 1986-2019. These were sourced from various publications of Central Bank of Nigeria (CBN), National bureau of statistics (NBS), World Bank Reports, International Financial Statistics (IFS) and Federal Ministry of finance. The study adopted quantitative technique (the error correction procedure). Here, the co-integration analysis based on the Pesaran bounds testing approach was conducted to ascertain the long run equilibrium relationship in the model. Hence, the study proceeded to estimate the error correction mechanism in order to obtain the speed of error adjustment in long run convergence. Augmented Dickey-Fuller test (ADF) was used to test for stationarity of series since time series data was used.

The study adapted the model of Yen Li Chi (2010) which gave clear understanding of the impact of FDI on economic growth relative to other sources of foreign capital. The implicit representation of the model is expressed as:

$$GDP_t = f(FDIM) \dots \dots \dots (3.1)$$

Where;

GDP_t = Gross Domestic Product.

FDIM_t = Foreign direct investment in Manufacturing

The explicit form of the model in equation (3.1) is expressed as:

$$GDP = \beta_0 + \beta_1 FDIM + \mu_t \dots \dots \dots (3.2)$$

RESULTS & DISCUSSION

Descriptive or summary statistics was performed on the data to have a glimpse and behavior of the data used in the analysis.

Table 1: Descriptive Statistics Results

	GDP	FDIM
Mean	4.77037	88161.54
Std. Dev.	3.786656	86836.7
Skewness	0.50312	0.460183
Kurtosis	2.77072	1.422204
Jarque-Bera	1.508873	4.726726
Probability	0.470276	0.094103
Observations	34	34

Source: Authors Computation, 2020 (Eviews-10)

From the descriptive statistics results in Table 4.1, all the variables were found to be positively skewed. Variables with value of kurtosis less than three are called platykurtic (fat or short-tailed), and all the variables qualified for this during the study period. Jarque-Bera test shows that all the variables are normally distributed as their probability values were found to be greater than 5%. In summary, the descriptive statistics revealed that on a general note, the data sets are normally distributed.

Unit Root Test Results

This study adopted Augmented Dickey-Fuller (ADF) Techniques to test and verify the unit root property of the series and stationarity of the model as captured in Table 2.

Table 2: Summary of Unit Root Test Results

Variable	ADF Test Statistics				
	Levels	Critical Value	First Difference	Critical Value	Order of Integration
GDP	-2.963321	-3.552973	-4.586079*	-4.296729	I(1)
FDIM	-2.092293	-3.552973	-4.562280*	-4.273277	I(1)

Note: The tests include intercept with trend; * and *** implies significant at 1% and 10%

Source: Authors Computation, 2020 (Eviews-10)

From Table 2, it could be observed that GDP, and FDIM were all found to be stationary at first difference; that is integrated at order one and at 1% level of significance. At this order of integration, their ADF test statistics, -4.586079 and -4.562280, were greater than the critical test statistics of (-4.296729 and -4.273277, at 5% significant level respectively. Since all the variables were found to be stationary at different orders, it was safe for the study to employ ARDL bound test approach to validate or test for the presence of Co-integration.

Co-integration Results

Table 3 presents the result of ARDL bounds test for Co-integration for the three models using the recommended lags by AIC.

Table 3: Bound Test-Co-integration Results

F-Bounds Test		Null Hypothesis: No levels relationship		
Test Statistic	Value	Signif.	I(0)	I(1)
F-statistic	6.863100	10%	2.72	3.77
K	3	5%	3.23	4.35
		1%	4.29	5.61

Source: Authors Computation, 2020 (Eviews-10)

From the co-integration test captured in Table 3, it could be seen that F-statistic value of 6.863100 is greater than the lower ($I(0)$) and upper bound ($I(1)$) critical values of 3.23 and 4.35 respectively at the 5% significance level. It can therefore be inferred that the variables are co-integrated, and as such, there is a long-run equilibrium relationship between foreign direct investment and economic growth between 1986 and 2019. Thus, the null hypothesis of no long-run relationship is rejected at the 5% significance level.

Statistical Test of Hypothesis

The level of significance for the study was 5percent (for the two-tailed test); as such the hypothesis formulated in this study was tested using Wald F-statistic test as well as their associated p-value.

The decision rule: The decision rule for accepting or rejecting the null hypothesis was that the hypothesis must be based on the Probability Value (PV). If the PV is less than 5% or 0.05 (that is, $PV < 0.05$), it implies that the variable in question is statistically significant at 5% level; otherwise, it is not significant at that level.

Test of Hypothesis

H₀₁: Foreign direct investment in manufacturing has no significant impact on GDP in Nigeria.

Table 4: Wald Test Results on Foreign Direct Investment in Manufacturing and Economic Growth

Test Statistic	Value	Df	Probability
F-statistic	18.008303	(5, 8)	0.0016
Chi-square	20.041511	4	0.0012

Source: Researchers Computation, 2020 (E-views 10)

The Wald-test in Table 4.5 indicates that the calculated F-value for the relationship between foreign direct investment in manufacturing and GDP is 18.008 and its probability value is 0.0016. Since the probability value is less than 0.05 at 5percent level of significance, it thus falls in the rejection region and hence, the first null hypothesis (**H₀₁**) was rejected. The result thus shows that foreign direct investment in manufacturing has a significant impact on economic growth in Nigeria.

Discussion of Findings

Findings from the study revealed that there is a significant relationship between foreign direct investment in manufacturing and GDP in Nigeria. It showed that the attraction of multinational firms in the manufacturing sector has enhanced the output growth of the economy. This agrees with Mounde (2017) whose study showed that foreign direct investment are more important factors in explaining manufacturing growth rate in Nigeria. Ebekozien, Ugochukwu, and Okoye (2017) findings also showed a significant positive impact of foreign direct investment on industrial output growth in Nigeria.

CONCLUSION AND RECOMMENDATION

This study examined the impact of foreign direct investment on the Nigerian economy from 1986 to 2019. On the basis of findings of this study, it was revealed that Nigeria has reaped significant benefits of FDI in manufacturing, as its effects on output growth at the moment was found to be significant. Based on the findings and conclusion above the study recommends that:

- i. Both the state and federal government are encouraged to sustain the FDI inflow into the manufacturing sector as it serves as a conduit for the transfer of technology, machines, knowledge and skills from industrialized to developing countries' manufacturing sector. This will in turn lead to the growth and diversification of the Nigerian economy.
- ii. The study recommends that as a matter of urgency, the government should initiate policies that will promote the economy at large. To this end, there is the urgent need to woo foreign and local companies through tax holiday, reduction in transactions cost and other incentives that would attract investors that will drive sustainable economic growth.

REFERENCES

- Adelopo, I., Omoteso K., & Obalola, M. (2010). Impact of Corporate governance on foreign direct investment in Nigeria. *Leicester Business School, De Montfort University*
- Agarwal, G. (1980), Determinants of Foreign Direct Investment: A Survey, *Weltwirtschaftliches Archiv*, 116
- Ajayi, E.O., & Araoye, F.E (2019). Trade Openness and Economic Growth in Nigeria. *International Journal of Economics and Financial Management* 4(2).
- Ajayi, L. B., Adejayan A. O., & Obalade A. A. (2017). Impact of Foreign Private Investment on the Development of Nigerian Capital Market. *International Journal of Economics, Business and Management Research*, 1(02)
- Ayanwale A.B (2007), FDI and economic growth: Evidence from Nigeria. *African Economic Research Consortium Nairobi*. 165
- Buckley, P. J., & Casson, M. (1976). *The Future of the Multinational Enterprise*. London: Macmillan.
- Clegg, J. (1987). *Multinational Enterprise and World Competition: A Comparative Study of the USA, Japan, the UK, Sweden, and West Germany*. London: Macmillan.
- Devrim, D. (2009). An Analysis of the determinant of foreign direct investment in Turkey; The role of the institutional context. *Journal of Business Economic and Management*. 10(1)15 – 30.
- Dinh, T.T.H., Vo. D.H., Vo, A.T., & Nguyen, T.C. (2019). Foreign direct investment and economic growth in the short run and long run: Empirical evidence from developing countries. *Journal of Risk and Financial Management*, 12(176); 2-11
doi:10.3390/jrfm12040176
- Dunning, J.H (1981). *Explaining the international direct investment position of countries: Towards a dynamic or development approach*. *Weltwirtschaftliches Archiv* 11730-64
- Ebekozien, A., Ugochukwu, S. C., & Okoye, P. U. (2017). An analysis of the trends of foreign direct investment inflows in the Nigerian construction sector. *American International Journal of Contemporary Research*, 5(1), 53-69.
- Ekine, D.I., Ewubare, D.B., & Ajie, C. (2019). The relationship between foreign portfolio investment, foreign direct investment and economic performance of Nigerian economy: (1980-2017): An Empirical Analysis. *IOSR Journal of Economics and Finance (IOSR-JEF)*, 10(4), 57-64.

Sectorial Impact of Foreign Direct Investment Inflow on Economic Growth in Nigeria

- Haller, A. (2012). *Concepts of Economic Growth and Development. Challenges of Crisis and of Knowledge*. Romanian Academy - ICES „Gh. Zane” Iasi
- Krugman, P.R., &Obtsfeld, M. (2003). *International Economics theory and policy* (6thE) MA, USA pearson Education, Inc.
- Laar, V.M. (2004). *Dutch direct investment in Central and Eastern Europe and Central Asia*. Maarstricht, Netherlands.
- Moosa, I. A., (2002), *Foreign Direct Investment – Theory, Evidence and Practice*. Palgrave, New York. Anthony Rowe Limited
- Mounde, W. L. (2017). Causal relationship between foreign direct investment and manufacturing output in Nigeria. *International Journal of Advanced Studies in Business Strategies and Management*, 5(2), 233-267.
- Mundell, N. (1957). *Interregional and international trade*. Cambridge, Mass: Harvard University Press.
- Mwilima N. (2003). Foreign Direct Investment in Africa. African Labour Research Network; Labour Resources and Research Institute (LaRRi). *African Social Observatory Pilot Project*. 994
- Ndiyo, N.A, &Ebong, P.S. (2003). *The challenges of Openness in Developing economics: Some Empirical Lessons from Nigeria*. Selected Paper for the 2003 Annual Conference by the Nigerian Economic Society on Globalization and Africa’s Economic Development.
- Olufemi, S. M. (2019). Trade Openness and Economic Growth in Nigeria: Further Evidence on the Causality Issue. *SAJEMS*, (2).
- Osisanwo, G. (2018). The macroeconomic effect of financial development on economic growth in Nigeria: A long-run analysis, 1970-2011. *Journal of African Macroeconomic Review*, 4(1), 227-245.
- Petrochilos, G. A. (1989). *Foreign Direct Investment and the Development Process: the case of Greece*. Aldershot; Avebury.
- Soderstein, B. (1992) *International Economics (2nd Edition)*. London: McMillan press ltd.
- Tarveira, W. (1984). *Foreign Bank Entry into Emerging Economies: An Empirical Assessment of the Determinants and Risks Predicated on German FDI Data*