

NON-OIL EXPORT AND ECONOMIC GROWTH IN NIGERIA: A TIME SERIES ECONOMETRIC MODEL

ONODUGO, VINCENT A¹, IKPE MARIUS² & ANOWOR OLUCHUKWU F³

¹Department of Management, University of Nigeria, Enugu Campus, Nigeria

²Department of Economics, Faculty of Social Sciences, Caritas University, Enugu, Nigeria

³Department of Economics, Faculty of Social Sciences, University of Port Harcourt, Nigeria

ABSTRACT

The Nigerian economy has for decades precariously leaned on the fragile leg of crude oil. Consequently, it has had a checkered growth trajectory driven by the vicissitudes of oil prices. An emerging trend suggests that in the last seven years the economy was growing without job creation and poverty reduction. Expectedly, attention of scholars had shifted towards non-oil export as a remedial for this quagmire. This study investigates the specific impact of the non-oil exports to the growth of Nigerian economy using data between 1981 and 2012.. The study adopted the Augmented Production Function (APF), employing the Endogenous Growth Model (EGM) in its analysis. The conventional tests for mean reversion and co-integration were employed. Findings reveal a very weak and infinitesimal impact of non-oil export in influencing rate of change in level of economic growth in Nigeria. The study, apart from empirically providing information that has failed to give backing to recent claims of non-oil exports led growth in Nigeria, has also set a data benchmark for appraisal of possible improvements in future performances of non-oil export trade, with respect to its contributions to the growth of the Nigerian economy.

KEYWORDS: Non-Oil Export, Economic Growth, Time Series Econometric Model, Impact Analysis, Nigerian Economy