Globalisation and Competitiveness in Nigeria

Saviour Sebastian Udo[1] and Jacob, Augustine Okon[2]

[1]*Department of Economics, University of Calabar, Cross River State, Nigeria*
[2]*Department of Economics, Obong University, Obong Ntak, Akwa Ibom State, Nigeria*

Abstract: **This study examines the effect of globalization on the competitiveness of Nigeria. The methodology of the classical linear regression paradigm was used for the empirical study of the Autoregressive Distributed Lag technique. The data were sourced from the Central Bank of Nigeria (CBN) Statistical Bulletin 2019 and World Development Indicators. Globalization, Company Comfort (EODB), Federal Foreign Direct Investment (FDI), imports on capital goods and Government Efficiency (GOVEFF) from 1980 to 2018 (WDI). The results showed that globalisation, both in the long run by 0.9787 and in the short run by 0.27606, had a positive and significant effect on Nigeria competitiveness. The result described a number of drivers of Nigerian globalisation, for globalization and competitiveness. Based on these results, the study recommended that the government implement policies to ensure that companies flourish in a conducive setting. In Nigeria, in particular, a seamless business registration process should be created. This study suggests other steps that the government should put in place to make Nigeria more competitive in an increasingly global market which are credit facilities, tax incentives, and infrastructure provision.**

Keywords: **Globalisation, Business, Competitiveness, Efficiency, Government, Investment**

I. INTRODUCTION

Globalization is seen as the increasing interconnectedness of people and societies and the interdependence of economies, governments and environment. It is the process of creating networks of connections among actors at multi-continental distances, mediated through a variety of flows including people, information and ideas, capital and goods. Globalization is conceptualized as a process that erodes national boundaries, integrates national economies, cultures, technologies and governance, and produces complex relations of mutual interdependence. Globalization is grouped into economic, social and political (Barikor, 1999).

Nations that open their economies and coordinate their economic policies, liberalize trade and move capital across borders are more likely to accrue benefits that are not possible otherwise (Nnadi, 2009). Globalization enhanced global communication, interaction and exchange of ideas among people of different nationalities and background and it also transcends all spheres of life including the educational sector, as scholarly ideas are made available to those in search of knowledge. It enlarges market so as to compete favourably with others in the international market. It has also helped in increasing capital deepening, increase employment opportunities and hasten the rate of development (Ogohi, 2014). This development according to Ogohi (2014) will increase business chances, innovation, technology and social affiliation. Many developed countries have witnessed economic competitiveness and thus development as a result of globalisation (Nyong, 2015). Globalisation according to Ogohi (2014) brings about economic competitiveness and development. However, others see globalization as phenomenon that may lead to inequalities, environmental degradation, international dominance of poor countries by rich countries, and this may lead to some regions remaining poorer than some (Obaseki, 2000). The interaction between developed and developing countries is possible but the benefit of the interaction is what cannot be easily measured which is the reason for this study.

Economic competitiveness is seen as the set of institutions, policies and factors that determine level of productivity of a country (World Economic Forum, 2015). Adesina (2012) defines competitiveness as the ability to sustain in a global economy, any acceptable growth in the real standard of living of the population with an acceptable fair distribution, while efficiently providing employment for substantially all who can and wish to work and doing so without reducing the growth potential in the standards of living of future generation. So economic competitiveness is a determining factor any country that wants to develop should pursue with seriousness. Therefore, Nigeria should put policies in place if competitiveness and development be experienced in the country. Some factors have given drive to this competitiveness for many years now and these include the acceptance and adoption of democratic ideals and economic liberalisation policies by countries of the world, leading to increase international integration of markets for goods, service and capital.

One of the major objectives of developing economies is how to stimulate the rate of competitiveness and thus economic development mostly through trade and inflow of foreign direct investment. Theories like the classical and neoclassical theory have argued on the nexus between globalization and competitiveness. Competitiveness can occur in a country where the market is free and free market mean openness to trade where goods and services are allowed to move freely across nations. This trend enhances competitiveness. To achieve this, many approaches have been adopted by several administrations in Nigeria, and one of such approaches is encouraging liberalized trade, that is, trade openness (globalization).

The trade policy between 1970 and 1976 assumed a less restrictive stance. The policy between the 1980s and the 1990s shifted towards exports promotion. Nigeria joined the World Trade Organization (WTO) in 1983 so as to improve the level of openness that will enhance improved productivity and thus compete favourably with other countries of the world and by so doing become a competitor in the global market (Ojo, 2004). When the joining of WTO did not provide the anticipated result to the competitiveness in the country, Nigeria implemented Structural Adjustment Programme (SAP) during Babangida administration in 1986 and this again failed to produce the desired result. Nigeria after SAP has adopted so many other policies to enhance competitiveness like: National Economic Empowerment and Development Strategy (NEEDS) between 2003 and 2007 with the vision of social and economic transformation of Nigeria on a sustainable and competitive basis that sought to deepen Nigeria's integration with the rest of the world. These policies were meant to achieve economic competitiveness in Nigeria.

The Economic Recovery and Growth Plan (ERGP)-of the Buhari's administration between 2015- 2020 designed to promote competitiveness by encouraging firms to invest in Nigeria to increase rate of competition, improve employment generation, reduce poverty and increase rate of economic growth is also one of the policies. Nigeria after all the policies experienced her best competitiveness performance between 2008 and 2009 when the country was ranked 94th out of 144 economies in the world. The statistics also revealed that, the country was ranked 125th with an average score of 3.3% in 2018 and this score is regarded below average of 7% that is required by the world standard. According to the World Bank, Nigeria's access to basic services remains very low for millions of Nigerians: 28% of the population has access to basic hygiene, and less than 65% enjoys improved water. Also, very few Nigerians have access to safety nets and healthcare services. The report indicated also that institutions are weak with insufficient protection of property rights, and high corruption. In addition, it was revealed that the security situation remains poor (139th) in 2015. Nigeria's infrastructure stood at 134th in the world while the health and primary education was ranked 143rd that same year. The country's ranking in internet and communication technology (ICT) penetration was 143rd (World Bank, 2016). Following the above statistics, one would wonder if globalization has contributed to economic competitiveness in Nigeria or if the level of productivity has improved to enable Nigeria compete reasonably with the rest of the world. Despite the increasing level of globalization, Nigeria is still rated as less developed nation in the world (Okey, 2005). The question then arises, how competitive is the Nigerian economy in globalisation? To answer these questions this study investigates the impact of globalization on the level of competitiveness in Nigeria. To carry out this study, the following questions are necessary:

i. What is the impact of globalization on competitiveness in Nigeria?
ii. What is the direction of causality between globalization and competitiveness in Nigeria?

The broad objective of the study is to determine the impact of globalization on the competitiveness of the Nigerian economy. The specific objectives are to:

i. Evaluate the impact of globalization on competitiveness in Nigeria.
ii. determine the direction of causality between globalization and Nigeria economic competitiveness

II. THEORETICAL FRAMEWORK AND LITERATURE REVIEW

This work is design to stand on proper theoretical perspective and literature review by scholars and therefore this section concentrates on reviewing the theories and literatures.

2.1 Innovative theory of globalization

This theory was propounded Joseph Alois Schumpeter (1883-1950) and Porter in 2000. The theory argues that free movement of capital, trade liberalization, and advancement in technology and sound macroeconomic policies will lead to increase in productive capacity in the world, healthy competition and economic growth of a nation. The argument centres on the role of the state to influence human resource that will regulate and liberalised trade which will in turn enhanced productivity, pursue national interest, and manage conflict between states.

The theory further opined that for less powerful nations to overcome exploitation by the powerful nations, the less powerful nations must encourage capital to move about freely and equally within the trading economies. This according to the theory will lead to increase in productive capacity of the less powerful countries, enhanced healthy competition and economic growth of such nations.

2.2 Porter's theory of competitiveness

This theory was propounded by Porter in 2000 and it has to do with competitive advantage of nations. The theory provides list of elements in a cluster that will aid competitiveness. These include, suppliers of specialized inputs, providers of specialized infrastructure, customers, companies in industries related by skills, technologies, or common inputs, governmental and other institutions—such as universities, standards-setting agencies, vocational training providers, and trade associations—that provide specialized training, education, information, research, and technical support. The theory opined that where these elements are adequately managed it will lead to competitiveness which will lead to economic development. The theory also emphasised on interconnectedness through collaboration and competition among countries which will promote growth, innovation, and competitiveness at last.

The theory argued that a country which invests in advanced factors (sophisticated labour and technology) has domestic customers who are sophisticated and demanding, has suppliers or related industries that are internationally competitive and has appropriate firm strategy and a vigorously domestic rivalry (a competitive market structure) which will enhance a nation's competitive advantage.

2.3 Empirical literature

It has its roots during the period of industrial revolution in 1789. Industrialization is normally portrayed as an example of European and British exceptionalism. Rourke and Williamson (1999); Okpeh (2006); and Kanter (2005) identifies the period of globalization (1870-2000) into four distinct phases: the first wave of globalization 1870-1913, the deglobalization period of 1913-1950, the golden age of 1950-1973 and the second wave of globalization of 1973 onward. Globalization as opined by Uwatt (2004) is an evolution which is systematically restructuring interactive phases among nations by breaking down barriers in the areas of culture, commerce, communication and several other fields of endeavour. This is evident from its push of free market economics, liberal democracy, good governance, gender equality and environmental sustainability among the people of the member status.

Furthermore, globalization is the broadening and depending linkages of national economics into a worldwide market for goods and services, especially capital, it also seeks to remove all national barriers to the free movement of international capital and this process is accelerated and facilitated by the transformation in information technology.

Barney (2016) carried out a study investigating the contributions of globalisation on the level of competitiveness in the United State of America. The study used secondary data in analysing the work and the method of study adopted was descriptive statistics. The study used panel data for a period of twenty years in analysing the study. The data were collected through questionnaire from different firms in the country. The result of the study showed that sustainable competitive advantage is attained when a firm has a human resource pool that cannot be imitated or substituted by its rival. The study further revealed that one of the major reasons human capital continue to hold the attention of economic and organizational strategists is that, the human capital will continue to be the comparative advantage of the future. The work also revealed that for competitiveness to be effective countries need other countries to compete with. This means opening up economies (globalisation) will lead to competition. The study therefore recommended that the American government should invest more on the education sector mostly on the tertiary education level. The study further recommended that private firms should partner with the American government to train human resource through staff development programmes. The researcher also recommended that the American government should open their economy to enable other countries exchange ideas, technology, goods and services with them.

Ugbam and Obi-Anike (2016) investigated the level of Nigeria's global competitiveness in relation to some selected economies in Africa and to establish the links between international trade and global competitiveness. Secondary data were sourced from the Africa Competitiveness report 2015 and the Global Competitiveness report 2014-2015. Descriptive statistics was used in analysing the data provided by the insight reports while comparison was made with six African countries (Nigeria, South Africa, Egypt, Algeria, Ghana and Niger). Findings showed that Nigeria is having a weak economic competitiveness in almost all the factors considered with a very dismal performance in its institutions, health and primary education and infrastructure. To change this position to a positive one, the Nigeria economy should be transformed by diversifying the economy from crude oil dependence to a multi sector driven economy.

III. METHODOLOGY

3.1 Research design

The study adopts an ex post facto (after the fact) design because the events had already taken place before the investigation. Following the theories and the empirical literature reviewed, the study therefore formulates a competitiveness equation which identifies factors that affect competitiveness.

3.2 Competitiveness equation

There are many measures used by different studies and theories in measuring competitiveness among some of them are: macroeconomic stability- inflation, public institutions- institutional qualities, and technology and market size. Competitiveness in this study is measured by ease of doing business. The choice of these is because of availability of data for the period under investigation and that other studies have also used them in their studies. The equation is rooted in the Porter diffusion innovation theory which opined that through globalisation new ideas will be diffused from one country to another in form of technology. Competitiveness is measured by ease of doing business and the model is specified as follows:

$$EODB = f(GLOB, NFDI, IMCAPG, GOVEFF,) \quad (1)$$

Where;

EODB = Ease of doing business Index, GLOB = Globalisation Index, NFDI = Net Foreign direct investment, IMCAPG = Import on Capital Goods for Technology, GOVEFF = Government Effectiveness for Institutional quality index and V = Error terms.

The above equation can be rewritten as:

$$EODB = \omega_0+\omega_1GLOB+\omega_2NFDI+\omega_3IMCAPG+\omega_4GOVEFF+V_1 \quad (2)$$

Where;

ω_1, ω_2 … ω_5 are the coefficients to be estimated and the a priori expectation is that $\omega_1>0$; $\omega_2>0$, $\omega_3>0$; $\omega_4>0$.

*3.3 Methods of **estimation***

This study employed unit root tests, co-integration technique and ARDL technique to estimate the equation. The bound test is used to investigate if there is any long-run relationship between the variables. Unit root test is adopted to detect the stationarity of the data and Augmented Dickey-Fuller (ADF) test is employed. To use the ADF method, the equations to use in testing the data are:

$$\Delta y_t = \alpha_0 + \alpha_1 \Delta y_{t-1} + \Sigma^{j}_{j=1}\beta\Delta_{y-1} + \varepsilon_t$$

Where:

$\Delta y_t = y_t - y_{t-1}$ is the difference of series y_t

$\Delta y_{t-1} = y_{t-1} - \Delta y_{t-2}$ is the difference of y_{t-1}

ε_t= stochastic error term

α_0, α_1 and β_1 are the parameters to be estimated.

Table 1: Unit Root test using Augmented Dickey-Fuller (ADF)

Variable	ADF Statistic (Level form)	Critical values	Critical values	ADF Statistic (1st Diff.)	Critical values	Critical values	Order of Integration Decision
		1%	5%		1%	5%	
EODB	0.549498	-3.621023	-2.94	-10.06959	-3.621023	-2.9434	I (1)
GLOB	-0.840177	-3.615588	-2.941145	-6.949132	-3.621023	-2.943427	I (1)
GOVEFF	-3.959857	-3.615588	-2.941145				I (0)
IMCAPG	-1.790370	-4.219126	-3.533083	-4.773377	-4.226815	-3.536601	I (1)
NFDI	-3.387799	-3.615588	-2.941145				I (0)

Source: Computed by Author, 2021

The result of the unit root test as shown in table above indicates that net foreign direct investment and government effectiveness are all stationary at levels and thus, we reject the null hypothesis. Other variables- ease of doing business (EODB), globalisation (GLOB), and importation on capital goods (IMCAPG) achieved stationarity upon first differencing. The mixed order of integration demands the employment of the Auto Regressive Distributive Lag (ARDL) model as the preferred technique for econometric estimation.

III. INTERPRETATION OF RESULTS

Table2: ARDL Bounds Test for EODB (GLOB, NFDI, IMCAPG, GOVEFF)

Test Statistic	Value	K
F-statistic	5.118567	5

Critical Value Bounds

Significance	I0 Bound	I1 Bound
10%	2.45	3.52
5%	2.86	4.01
2.5%	3.25	4.49
1%	3.74	5.06

Source: Computed by Author, 2021

The results indicate the existence of a long run cointegrating relationship among the variables in the competitiveness equation. This is because the F- statistic of 5.11 exceeds the lower and upper bounds critical value at the 5 and 10 significance level. Consequently, the null hypothesis of no long run relationship is rejected. Next, the study proceeds to estimate the short and long run parameters of the specified model. The result is as shown in table below.

Table 3: Short Run Result for Competitiveness Equation

Variable	Coefficient	Std. Error	t-Statistic	Prob
D(GLOB)	0.276069	0.171880	1.606167	0.1256
D(GLOB(-1))	0.584625	0.205324	2.847333	0.0107
D(GLOB(-2))	-0.053466	0.204314	-0.261687	0.7965
D(GLOB(-3))	-0.713596	0.214756	-3.322825	0.0038
D(NFDI)	0.245350	0.127750	1.920547	0.0708
D(NFDI(-1))	-0.224877	0.138246	-1.626642	0.1212
D(NFDI(-2))	-0.267429	0.114779	-2.329953	0.0316
D(NFDI(-3))	0.379253	0.120055	3.159001	0.0054
D(IMCAPG)	0.000001	0.000001	2.043240	0.0559
D(GOVEFF)	3.818066	2.895233	1.318742	0.2038
D(GOVEFF(-1))	-3.493892	3.502733	-0.997476	0.3318
D(GOVEFF(-2))	4.494306	3.034878	1.480885	0.1559
CointEq(-1)	-0.546197	0.130512	-4.185044	0.0006
R-squared	0.725083		Durbin-Watson stat	2.292352
Adjusted R-squared	0.680713			
F-statistic	2.967149			
Prob(F-statistic)	0.014382			

Table 4: ARDL Long run Results for EODB

Variable	Coefficient	Std. Error	t-Statistic	Prob
GLOB	0.978703	0.153388	6.380591	0.0000
NFDI	1.084796	0.323783	3.350385	0.0036
IMCAPG	0.000002	0.000001	2.440796	0.0252

GOVEFF	0.810642	10.369607	0.078175	0.9386
C	-13.52019	11.811785	-1.144636	0.2674

Source: Computed by Author, 2021

The results on table 4 for ease of doing business equation used as a measure for competitiveness shows that some variables bear signs that are consistent with economic theory in both the short run and long run. For instance, the estimated coefficient of globalisation at levels and its first lag bears a positive relationship with ease of doing business, while its second and third lags are negatively related. For the first lag in particular, a unit improvement in the globalisation index is associated with 0.5846 increase in competitiveness level in Nigeria. With this mixed relationship with the dependent variable in the short run, it is difficult to correctly gauge its precise relationship, except in the long run. It is also observed that both the first and the third lags of the estimated globalisation index were statistically significant at the five per cent level. This means in specific periods in the short run, globalisation was a significant factor influencing the level of competitiveness in Nigeria.

Similar observations are made concerning the relationship and impact of foreign direct investment on competitiveness levels. Out of the four estimated parameters of net foreign direct investment, two indicated a significant positive relationship with the dependent variable. These are NFDI at levels as well as its third lag. Specifically, a unit increase in foreign direct investment inflow into Nigeria, on the average leads to 0.379 rise in competiveness, while similar increase is associated with a 0.245 increase in the dependent variable, ceteris paribus. These estimated positive relationships with competitiveness were also associated with acceptable statistical significance levels. However, NFDI for both the first and second lags were inconsistent with a priori expectations. On balance, it appears that FDI is a significant variable influencing the level of competiveness or ease of doing business in Nigeria.

The estimated parameter of imports on capital goods indicate a positive and significant relation with competitiveness, though the size of its effect seems to be very small (0.000001), indeed negligible. The effectiveness of government institutions reveals that the quality of institutions exerted a negative relationship with competiveness in its second lag, while the first and its estimated coefficient at levels as well as its second lag were positively related to the dependent variable. Looking at the significance level, it can be concluded that institutional quality exerted no significant influence on the competiveness in Nigeria.

The result reveals that the error correction term is both negatively signed and statistically significant at the one per cent level. Its estimated value of 0.546 indicates an average speed of adjustment from the short run to the long run equilibrium values. In other words, short run deviations in the model are systematically corrected to their long run levels at a speed of about 55 per cent yearly.

Other diagnostic test results indicate, for instance, an adjusted R-squared of 0.680. This means that about 68 percent of total variation in the dependent variable is accounted for by the explanatory variables. However, the overall F-statistic (2.9671) which speaks of the overall significance of the short run model can be concluded to have a good fit, as it is significant at the one percent level. Equally acceptable is the Durbin-Watson statistic of 2.29. Based on the thumb's rule, we can conclude first order autocorrelation is not a challenge to the specified model and the associated results.

The long run results seem to be more definitive as they indicate unambiguously the precise long run impacts and relationships of the independent variables on the dependent variable. In particular, the results show that all key variables of the ease of doing business equation are positively correlated with the dependent variable. This result aligns with theoretical expectation. For instance, in the long run, a unit increase in the level of globalisation is associated with a 0.978 increase in competiveness. The size of this estimated coefficient is indeed significant and reflects the level in which globalisation has on Nigeria's competitiveness levels. Similarly, foreign direct investment, imports of capital goods as well as institutional quality exerted strong positive impact on competiveness. It must be emphasised that the estimated parameter of imports on capital goods (0.000002) is similar to that obtained in the short run. Here, its size of effect is almost negligible though positive. This might indicate that capital goods import have negligible effect on Nigeria's competiveness levels. Besides government effectiveness which was non-significant, all other variables were significant in explaining competiveness levels in Nigeria.

Table 5: Granger-Causality

Null Hypothesis:	Obs	F-Statistic	Prob.
RER does not Granger Cause EODB	36	0.15172	0.9277
EODB does not Granger Cause RER		1.48202	0.2401
GLOB does not Granger Cause EODB	36	1.81889	0.0809
EODB does not Granger Cause GLOB		1.24337	0.1662
HDI does not Granger Cause EODB	36	1.19470	0.3291
EODB does not Granger Cause HDI		0.57229	0.6378
GLOB does not Granger Cause RER	36	1.31276	0.2892
RER does not Granger Cause GLOB		0.94618	0.4312
HDI does not Granger Cause RER	36	1.23428	0.1461
RER does not Granger Cause HDI		0.43004	0.7330
HDI does not Granger Cause GLOB	36	1.49288	0.2372
GLOB does not Granger Cause HDI		1.20241	0.3264

Source: Computed by the Author, 2021

The result on table 5 clearly indicates there is no bi-directional causality between the variables but only one-way causality is established between globalisation and ease of doing business at the 10 percent level of significance. This mean that there is unidirectional causation running from globalisation and ease of doing business. This to say that it is globalisation that is causing competitiveness.

V. CONCLUSION AND POLICY RECOMMENDATIONS

This work set out to investigate the relationship between globalisation and competitiveness. Secondly it sought the direction of causality between globalisation and competitiveness in Nigeria. In achieving these objectives, it deployed the autoregressive distributed lag framework of the multiple regression analysis. The study found that globalisation exerts a significant influence on economic competitiveness in Nigeria. The study makes contributions to the existing literature and explains the criteria necessary for Nigeria to benefit from globalisation and increase the level of competitiveness. The study also identified a number of factors that can make globalisation affect competitiveness. These include: Foreign Direct Investment (FDI), Quality of institutions proxied as government effectiveness (GOVEFF), and ease of doing business (EODB).

In conclusion, globalization is extremely essential for competitiveness in Nigeria. Thus, in an increasingly globalized world and in the face of competition from developed nations, the survival and development of Nigeria hinges on the preparation of effective competitive strategies. There is need to have a world look that focuses on development, initiate effective policies for achievement of our plans and develop means of gathering information about the world market to guarantee competitiveness. Correct policies, such as developing networking interactions with other nations, must be cautiously designed and applied in order to take advantage of world market opportunities and minimize the challenges from increasing competitive intensity.

The study particularly provided empirical evidence on the direct and indirect impact of Globalisation on Competitiveness. Data collected were subjected to several test such as unit root test, cointegration test and Auto Regressive Distributed Lag (ARDL) estimates. The study found out that globalisation significantly influences the level of economic competitiveness in Nigeria.

5.1: Policy recommendations

In view of the above findings, the following policy recommendations are proffered:

First, government should encourage the continued integration of the Nigerian economy into the broader global structure. This it can do by encouraging the inflow of foreign direct investment into the economy. This would improve the level of technology as domestic firms would in the long run adapt or adopt the technology into the local production function.

Second, government should continuously work to improve the quality of institutions in Nigeria. The quality of institutions would significantly boost the economy's level of competitiveness as well as aid in the process of economic development.

Third, consistent and well-targeted monetary policies should be pursued by the monetary authorities in order to stabilize the price of the domestic currency (the naira), curb inflation, and narrow the interest rate spread. This is because an unstable exchange rate regime, persistent inflation, as well as high interest rates erode the confidence of agents to invest in the economy, thus compromising the level of competitiveness.

Fourth, economic development in Nigeria can be achieved by promoting ease of doing business. The government can do this by making registration of businesses less cumbersome and providing credit facilities to investors. This will encourage investment, productivity, competitiveness and economic development.

Fifth, the results revealed that globalisation, FDI, and Ease of Doing Business have positive impact on economic development in Nigeria. Therefore, government should make policies that will enable foreign investors to invest in Nigeria and also make policies that will open the economy for globalisation which will encourage competitiveness and thus economic development.

The present study is in no way exhaustive. The following areas are therefore suggested as potential issues that could stimulate further research efforts:

First, a comparison of the impact of globalisation on competitiveness in selected regional groupings in Africa (ECOWAS, SADC, etc) could help provide deeper insights into the globalisation-competitiveness nexus

Second, an empirical analysis of the effect of the disaggregated components of globalisation on competitiveness in Nigeria and other developing countries.

REFERENCES

[1] Barikor, I. B. (1999). Globalization: implications for the politics of federalism and governance in Nigeria fourth republic. *Journal of Nigerian affairs*, 4 (1), 11 – 15.

[2] Barney, J (2016). Firm resources and sustained competitive advantage. *Journal of management studies*, 17(3), 72 – 78.

[3] Kanter, R. M. (2005). World class, thriving locally in the global economy. New York. 12 – 23.

[4] Nnadi, S. (2009). Linking globalisation, economic growth and poverty. *American journal of agricultural economics*, 54(3), 1 – 8.

[5] Nnadi, S. (2010). The impact of globalization on the Nigerian economy: Udini proquest. *American journal of agricultural economics*, 58(6), 7 – 14.

[6] Nyong, M.O. (2015). International economics: theory, policy and application. Calabar, Nigeria. Wusen publishers, 1 – 14.

[7] Obaseki, J. P. (2000). Globalization and the Nigerian economy. Central bank of Nigeria economic and financial review, 38 (2), 24 – 32.

[8] Okpeh, O.O. (2006). Globalisation and African question. *African Journal of economic society*.5, 22 - 25.

[9] Ogohi,(2014). Globalisation and economic growth in Nigeria: A multidimensional analysis. *Pakistan Journal of Social Sciences*, 9(2), 13 – 19.

[10] Ojo, M. O. (2004). Globalization and economic development: international experiences. Proceedings of 2003 annual conference of the Nigerian economic society, Ibadan. 1 – 17.

[11] Okey, O.O. (2005). Does globalisation contribute to economic development in developing countries? Some empirical lessons from Nigeria. *Global journal of social sciences*, 4(1), 8 – 15.

[12] Porter, M. (1990). The competitive advantage of Nations, London: Macmillan. Productivity growth channel? CERDI, etudes et documents, E 2012.11.
[13] Rourke, O.K. and Williamson, J. (1999). Globalisation and history. Cambridge: MIT Press. 9 – 31.
[14] Ugbam and Obi-Anike (2016). Nigerian foreign policy in a globalized economy. 22 – 25.
[15] Uwatt, B.U (2004). Globalization and economic growth: The African experience, lobalization and Africa's economic development. Ibadan: Nigerian economic society. 129-158.
[16] World Bank (2014). World development indicators 2014. Washington: The World Bank
[17] World Bank, (2015). World development indicators 2015.Washington: The World Bank
[18] World Bank, (2016). World development indicators 2016.Washington: The World Bank
[19] World Bank, (2017). World development indicators 2017.Washington: The World Bank
[20] World Economic Forum (2014). Global economic prospects and the developing countries. World Bank Washington D.C. 18 – 24.
[21] World Economic Forum (WEF, 2015). Draft note: scaling up in microfinance-evidence from global experience, mimeo, the World Bank. 16 – 25.
[22] World Economic Forum, (2018). Globalization, growth, and poverty: Building an inclusive world economy. Washington, DC: Oxford University Press. 5 – 13.

APPENDIX I

Granger Causality Test

Pairwise Granger Causality Tests			
Date: 03/25/20 Time: 16:08			
Sample: 1980 2018			
Lags: 3			
Null Hypothesis:	Obs	F-Statistic	Prob.
RER does not Granger Cause EODB	36	0.15172	0.9277
EODB does not Granger Cause RER		1.48202	0.2401
GLOB does not Granger Cause EODB	36	1.81889	0.0809
EODB does not Granger Cause GLOB		1.24337	0.1662
HDI does not Granger Cause EODB	36	1.19470	0.3291
EODB does not Granger Cause HDI		0.57229	0.6378
GLOB does not Granger Cause RER	36	1.31276	0.2892
RER does not Granger Cause GLOB		0.94618	0.4312
HDI does not Granger Cause RER	36	1.23428	0.1461
RER does not Granger Cause HDI		0.43004	0.7330
HDI does not Granger Cause GLOB	36	1.49288	0.2372
GLOB does not Granger Cause HDI		1.20241	0.3264

APPENDIX II

ARDL Bounds Test				
Date: 03/25/20 Time: 16:12				
Sample: 1984 2018				
Included observations: 35				
Null Hypothesis: No long-run relationships exist				
Test Statistic	Value	K		
F-statistic	5.118567	4		
Critical Value Bounds				
Significance	I0 Bound	I1 Bound		
10%	2.45	3.52		
5%	2.86	4.01		
2.5%	3.25	4.49		
1%	3.74	5.06		

APPENDIX II ARDL Cointegrating And Long Run Form				
Dependent Variable: EODB				
Selected Model: ARDL(1, 4, 4, 0, 3)				
Date: 03/25/20 Time: 16:13				
Sample: 1980 2018				
Included observations: 35				
Cointegrating Form				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(GLOB)	0.276069	0.171880	1.606167	0.1256

D(GLOB(-1))	0.584625	0.205324	2.847333	0.0107
D(GLOB(-2))	-0.053466	0.204314	-0.261687	0.7965
D(GLOB(-3))	-0.713596	0.214756	-3.322825	0.0038
D(NFDI)	0.245350	0.127750	1.920547	0.0708
D(NFDI(-1))	-0.224877	0.138246	-1.626642	0.1212
D(NFDI(-2))	-0.267429	0.114779	-2.329953	0.0316
D(NFDI(-3))	0.379253	0.120055	3.159001	0.0054
D(IMCAPG)	0.000001	0.000001	2.043240	0.0559
D(GOVEFF)	-3.818066	2.895233	-1.318742	0.2038
D(GOVEFF(-1))	-3.493892	3.502733	-0.997476	0.3318
D(GOVEFF(-2))	4.494306	3.034878	1.480885	0.1559
CointEq(-1)	-0.546197	0.130512	-4.185044	0.0006
Cointeq = EODB - (0.9787*GLOB + 1.0848*NFDI + 0.0000*IMCAPG -0.8106				
*GOVEFF -13.5202)				
Long Run Coefficients				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
GLOB	0.978703	0.153388	6.380591	0.0000
NFDI	1.084796	0.323783	3.350385	0.0036
IMCAPG	0.000002	0.000001	2.440796	0.0252
GOVEFF	-0.810642	10.369607	-0.078175	0.9386
C	-13.520197	11.811785	-1.144636	0.2674