

EXPORT EXPANSION AND GROWTH IN NIGERIA: AN EMPIRICAL ANALYSIS

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ABSTRACT

This paper investigates the impact of exports on economic growth in the period 1991-2014 for Nigeria. Economic theories have shown that export being one of the key macroeconomic variables has a positive relationship with economic growth. Therefore, this study specifically test the hypothesis on whether or not exports have positive and significant impact on output growth in the Nigeria economy using a model based on a modified neoclassical production function where exports are taken as an input in the production process. And to derive consistent, unbiased, and efficient estimators of the structural equation, the model so developed was estimated by Ordinary Least square (OLS) method after a unit root test was conducted by the use of the Augmented Dickey-Fuller (ADF) test. Also, Granger-Causality test was carried out to avoid autocorrelation problem among the variables. The results of the estimation analysis obtained demonstrated that there is a significant and positive relationship between exports and output growth in the Nigerian economy. This shows that the policies that will increase export in the Nigerian economy should be encouraged.

Keywords: Economic growth, Export, Neo-classical, production function.