

Trade Liberalization and Economic Growth in Nigeria: Do Concern Matters?

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Abstract

The present study investigates the relationship between trade and economic growth. Methodology: This paper uses the Johansen co-integration approach, Fully Modified Ordinary Least Square (FMOLS) approach to analyse the relationship among trade liberalization, export, import, population growth and economic growth. Findings: Results show there is long run equilibrium among trade liberalization, export, import, population growth and economic growth. A negative and significant relationship exists between trade liberalization and economic growth. Both export and import show positive and significant results. Population shows an insignificant effect on economic growth of Nigeria. It is therefore concluded that concern about trade liberalization in Nigeria should not be a priority. Recommendations: However, the paper recommends among others that priorities should be given on how to fight corruption which is the major problem of the country.

Keywords: Trade Liberalization, Economic Growth, Nigeria

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