LEARNING BILATERAL TRADE RELATIONS BENEFITS BETWEEN NIGERIA AND THREE ASIAN COUNTRIES: A SYNOPSIS.

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Abstract
The strength of nations lies in their ability to be vibrant in almost all ramifications amongst the comity of nations. The interdependence of nations cannot be overlooked hence the establishment of several agreement of trade, military pact and alliances to foster strength. The gains of these bilateral relationships cannot be over emphasized in the new millennium where technology is becoming the direction of the mass population, in countries such as the United States of America, China, Nigeria and many others. This paper examines the trend of bilateral relationship Nigeria has ventured into with some countries with the view of identifying the gains and weaknesses to the parties concerned. The paper suggests areas Nigeria can improve on to be strong in such pacts and as well boost her economy, and Gross Domestic Product which will impact the citizenry.

Keywords: Bilateral trade relations, Nigeria, Asian countries, Benefits

Introduction

Independent countries across the globe do interact for one reason or another; the independent nature of these political actors in the international arena compels them to enter into relationship with one another. Economic, socio-cultural, political and military cum peace and security in operatives make it mandatory for nation states to come together and conduct diplomatic business between and among themselves. Thus, bilateral and multi-lateral treaties are signed by the concerned states to seal their agreement.

The importance of international trade stems from the fact that no country can produce all goods and services which the people require for consumption largely owing to resources differences and constraints. As a result, this trade relationship suggests that economies need to export goods and services in order to generate revenue to finance imported goods and services which cannot be produced domestically.

Nigerian economy is performing below expectation relatively to its economic endowment `among her peer nations. With about 37 types of solid minerals and a population estimate of over 160 million people, one of the largest gas and oil reserves in the world, the economic performance of the country is rather weak when compared to the emerging Asian countries such as Thailand, Malaysia, China, India, Indonesia and even Brazil. These countries had by far lagged behind Nigeria or at par with Nigeria in terms of GDP per capital in the 1970s, but later they were able to transform their economies better to emerge as major players on the global economic arena. In 1970, for instance, Nigeria had a GDP per capital of US$233.35 and was ranked 88th in the world, when China was ranked 114th with a GDP per capital of US$111.82 (Sanusi 2010). Today, China occupies an enviable position even as the second largest economy after the United States of America, largely owing to her self-esteemed trade position.

Predominantly, in our world today, nothing can be done without an exchange of some value for value which involves money, ideas, product and technology. As a result of this there is direct effect on the economy of any nation, either positively or negatively. Trade can be traced back to the need for exchange, which evolved from the barter system to the money system. Trade in Nigeria, however, became popular with the advent of the colonial rule that brought in their wares and made Nigerians their middle men (Nicks, 2008). By this Nigerians understood the need for trade both domestically and internationally.

Concept of Trade Relations

Trade is recognised as a vital catalyst for economic development. For developing countries like Nigeria, the contribution of trade to overall economic development is immense owing largely to the obvious fact that most of the essential elements for development such as, capital, goods, raw materials and technical know-how, are mostly imported because of inadequate domestic supply. However, it is important to note that internal trade complements external trade since domestically produced goods are collected for export, while imported goods are distributed within the country, sometimes into remote areas. It also facilitates internal specialization and the division of labour between the various firms and geographical areas of the country.

International trade is simply known as the exchange of goods and services between nations of the world. At least two countries should be involved in the activities, that is, the aggregate of activities relating to trading between merchants across borders. Traders engage in economic activities for the purpose of the profit maximization engendered from differentials among international economic environment of nations (Adedeji, 2006).

International trade has been an area of concern to policy makers and economists. Its importance lies on the ability to obtain goods which cannot be produced in the country or which can only be produced at greater expenses. Also it enables a nation to sell its domestically produced goods to other countries of the world. The performance of a given economy in terms of growth rates of output and per capita income has not only been based on the domestic production and consumption activities but also on international transaction of goods and services. The classical and neo-classical economists attached so much importance to international trade in a country's development that they regarded it as an engine of growth (Jhingan 2006).

Foreign trade can be defined as trade across the frontiers that is, with the rest of the world. It has been argued that foreign trade plays a prominent role in promoting economic growth and productivity in particular, and debate have been on-going since several decades ago. Historical validation has revealed that internationally active countries tend to be more productive than countries which only produce for the domestic market. As a result of liberalization and globalisation a country's economy has become much more closely associated with external factors such as openness. Since the introduction of economic reforms and the adoption of outward oriented strategies in Nigeria, Nigeria economy has experienced dramatic growth. Additionally, Nigeria's participation in international trade has contributed tremendously in productivity of domestic industries and advancement of technology

Theory of comparative advantage makes people to understand that countries trade with each other in goods and services because of the concept of differentials in the natural resources, human capital, financial capital and technical capabilities endowment of nations. Some countries are more endowed in these resources than others, even, many countries that are adequately blessed with good resources may not have the ability to manage and channel them to their advantage, hence, denying them the opportunity of achieving the necessary growth, development and good standard of living for their citizenry.

Countries trade with each other to obtain things that are of better quality or less expensive or simply different from the goods and services produced at home (Gonnelli, 1993). Foreign trade and trade policies have been on the focus as relevant national issues throughout much of history; its economic, social and political importance has been on the rise and it has been an area of interest to decision makers, policy makers as well as analysts. Foreign trade as pointed by Frankel and Romer (1999) has been identified as the instrument and driver of economic growth. This is so because trade enhances the efficient production of goods and services through allocation of resources to countries that have comparative advantage in their production. In addition, its impact on a country's economy is not limited to the quantitative gains, but also structural changes in the economy and facilitates the international capital flow.

The basis of foreign trade rests on the fact that nations of the world differ in their resource endowment, preferences, technology, scale of production and capacity for growth and development. Moreover such trade may result in facilitating more diffusion of knowledge that will enhance efficiency of inputs which will translate into manufactured outputs that will in turn give way for economic development. In any of these cases, international trade can be described as an engine of growth (Cypher and Dietz, 1997). To act as an instrument of growth, trade must lead to steady improvement in human conditions by expanding the range of people's choice, a notion that the concept of human development tries to capture (Oviemuno, 2007).

Bilateral Trade Relations between Nigeria and United States of America

The Nigeria-United States relations are bilateral relations between Nigeria and the United States. The United States established close relations with Nigeria in 1960 when she got her independence from the British. Although the Nigeria-USA relationship has been strained due to various military coups in the Second Republic from 1979-1983; the history of Nigeria's foreign policy towards United States since 1960 has constantly been changing, though the principles guiding her foreign relations remain the same. Strategic events are largely responsible for the unstable external relationship between the two countries. Since Nigeria's foreign policy is deeply rooted in Africa with emphasis on political and economic cooperation, peaceful dispute resolution, and global nonalignment, Nigerian leaders also have their attention fixed on the successful implementation of these principles which sometimes come in conflict with the US foreign goals.

Consequently, following the enthronement of the newly democratically elected government in May 29, 1999, Nigeria-US relations in the Fourth Republic had a dual character - acrimony and friendship. Nigeria's Fourth Republic came into being on May 29, 1999 following successful elections and subsequent swearing-in of a new civilian government headed by President Olusegun Obasanjo (1999-2007) and later Alhaji Musa Yar'Adua/Goodluck Jonathan's administration (2007-2011).

As a result of democratization that had taken place in Nigeria, Nigeria-US strained relations resurrected. According to Alao (2011), four main issues underlined Nigeria's bilateral relations with the US under the dispensation. These include: (i) assistance in military professionalism and security sector reform; (ii) the global war on terror; (iii) boosting trade and investment; and (iv) efforts to ensure debt relief and financial assistance.

When the new democratically elected government in Nigeria took power in 1999, the United States (US) pictured a bright future with a strategic country in the African sub-region. They envisioned a strong partnership in political, economic and security realms. The growing influence of Islam in northern Nigeria has also been a cause of concern to some policymakers in Washington, particularly in light of America's war on terrorism. Diplomatic relations between the two countries appeared to be threatened over the failed attempt by a Nigerian, Umar Farouk Abdulmutallab to blow up a Northwest Airlines jet on Christmas Day (December 25, 2009) which led to the inclusion of Nigeria on US terrorism watch list and subsequently, making the Nigerian Senate to give the United States authorities a seven-day ultimatum to remove Nigeria from their watch list (Tell Magazine, 2012).

Despite challenges that marred Nigeria-US relationship in 2010, the bilateral relationship continued to improve, and cooperation on many important foreign policy goals, such as economic collaborations and regional peacekeeping has been good. The United States seeks to help improve the economic stability, security, and well-being of Nigerians by strengthening democratic institutions, improving transparency and accountability, and professionalizing security forces. U.S. assistance also aims to reinforce local and national systems; build institutional capacity in the provision of health and education services; and support improvements in agricultural productivity, job expansion in the rural sector, and increased supplies of clean energy.

The United States is the largest foreign investor in Nigeria, with U.S. foreign direct investment concentrated largely in the petroleum/mining and wholesale trade sectors. U.S. exports to Nigeria include wheat, vehicles, machinery, oil, and plastic. Nigeria is eligible for preferential trade benefits under the African Growth and Opportunity Act (AGOA). U.S. imports from Nigeria include cocoa, rubber, antiques and food waste. The United States and Nigeria have signed a bilateral trade and investment framework agreement.

Trade and Investment is one of the major aspects of Nigeria's relations with the US since the return of democracy in 1999. According to Alao (2011), Nigeria had prioritized trade in its relations with US. There have been increased trade links between the two countries. Optimizing the relationship to improve Nigeria's economy was central to Nigeria's policy. There have also been persistent calls for US investments in Nigeria. Presently, key US investors in the Nigerian oil sector included Exxon/Mobil, Chevron and Western Geo-physical. Other US multinationals in Nigeria include the British American Tobacco Company, in the tobacco enterprise, the Citibank, in the banking sector. As expected, oil is at the centre of most of the country's trade with the US, and Nigeria continues to be one of its major crude oil exporters.

In the year 2000, the US and Nigeria signed a Trade & Investment Framework Agreement(TIFA). Data from the Office of the United States Trade Representative (Accessed

September 2, 2013) reveals the following US-Nigeria trade pacts: Nigeria is currently the US 23rd largest goods trading partner with $38.6 billion in total (two way) goods trade during 2011. Goods exports totalled $4.8 billion; Goods imports totalled $33.7 billion. The US goods trade deficit with Nigeria was $28.9 billion in 2011. In exports, Nigeria was the United States' 44th largest goods export market in 2011. US goods exports to Nigeria in 2011 were $4.8 billion, up 18.4% ($747 million) from 2010.

The top export categories (2-digit HS) in 2011 were: Cereals (wheat) ($1.2 billion), Vehicles ($1.1 billion), Machinery ($720 million), Mineral Fuel (oil) ($597 million), and Plastic ($187 million). US exports of agricultural products to Nigeria totalled $ 1.3 billion in 2011. Leading category is: wheat ($1.2 billion). In imports, Nigeria was the United States' 16th largest supplier of goods imports in 2011. US goods imports from Nigeria totalled $33.7 billion in2011, a 10.6% increase ($3.2 billion) from 2010. Nearly all of US imports from Nigeria were oil.

US imports from Nigeria accounted for 1.5% of total U.S. imports for 2011. The five largest import categories in 2011 were: Mineral Fuel (oil) ($33.6, Cocoa ($61 million), Rubber ($28 million), Special Other (returns) ($26 million), Food Waste ($6 million). US imports of agricultural products from Nigeria totalled $107 million in 2011. Leading categories include: cocoa beans ($56 million), and rubber ($28 million).

Nigeria is the United States' largest trading partner in sub-Saharan Africa, largely due to the high level of petroleum imports from Nigeria, which supply 8% of U.S. oil imports--nearly half of Nigeria's daily oil production. Nigeria is the fifth-largest exporter of oil to the United States. Two-way trade in 2010 was valued at more than $34 billion, a 51% increase over 2009, largely due to the recovery in the international price of crude oil. Led by cereals (wheat and rice), motor vehicles, petroleum products, and machinery, U.S. goods exports to Nigeria in 2010 were worth more than $4 billion. In 2010, U.S. imports from Nigeria were over $30 billion, consisting overwhelmingly of crude oil.

Cocoa, bauxite and aluminium, tobacco and waxes, rubber, and grains constituted about $73million of U.S. imports from Nigeria in 2010. The U.S. trade deficit with Nigeria in 2010 was $26 billion. Nigeria was the 13th largest trading partner for the United States in 2010. The United States is Nigeria's largest trading partner after the United Kingdom. Although the trade balance overwhelmingly favours Nigeria, thanks to oil exports, a large portion of U.S. exports to Nigeria is believed to enter the country outside of the Nigerian Government's official statistics, due to importers seeking to avoid Nigeria's tariffs and regulations. The United States is the largest foreign investor in Nigeria. The stock of U.S.

foreign direct investment (FDI) in Nigeria in 2010 was $5.2 billion, down slightly from $5.4 billion in 2009.U.S. FDI in Nigeria is concentrated largely in the petroleum/mining and wholesale trade sectors. ExxonMobil and Chevron are the two largest U.S. corporate players in offshore oil and gas production.

Bilateral Trade Relations between Nigeria and China

Economic relations between Nigeria and China dated back to 1971 when the two countries signed the Joint Communiqué on the Establishment of Diplomatic Relations and since then trade relations between the two countries have grown in the last decade from the limited and intermittent contact to an increasingly complex and expensive business engagement (Utomi, 2007). The volume of trade between Nigeria and China grew at low levels until rapid growth turned China in 1993 from a net exporter of crude oil to the second-largest importer of crude oil in the world (Utomi, 2007). China started its formal trade with African countries in the late 1950s. Major partners were those countries in North Africa, especially Egypt. Now most African countries became apt to export primary products to, and import consumer and capital goods from China. Although there had been differences by country and time, this pattern did not change until recently. Nigeria, for example, exported cocoa beans, rubber, cashew nuts, hide and skin, and some other agricultural products and oil. China tends to export large amounts of low cost manufactures meeting with Nigeria local demands that reflected declining economy. This also resulted in serious trade imbalances between both sides. Trade imbalance with china has been a structural problem common to most African countries. For compensation, China utilized her economic assistance programmes.

The trade volume between the two countries grew by nearly 300 percent since 2004 and reached the peak of $7.2 billion in 2008. The trade volume between the two countries in 2009 reached $ 7.3 billion and $7.7 billion in 2010 respectively. With that level of trade, Nigeria is now the second biggest China trade partner in Africa, after South Africa. A surge in Nigeria imports of Chinese goods relative to Nigeria exports to China has resulted in a trade deficit with China and this is expected to grow significantly due to increased trade relations until Nigeria can offer its industrial producers home-grown alternatives of the same quality at competitive prices.

China frames its engagement with Africa on mutual benefits, shared values and win-win co-operation (Alden, 2007; Brautigam, 2009; Taylor, 2012). Consequently, China has invested heavily in Africa; China is Africa's largest trading partner surpassing traditional partners, Europe and the United States of America (USA). Two-way trade between Africa as a whole and China has grown from US$ 10.6 billion in 2011 to more than US$ 200 billion in 2012 (Taylor, 2012; Moyo, 2014) and is forecast to reach

US$ 300 billion by the end of 2015 (ChinaDaily, 2015). The trend is also the same for China-Nigeria trade, which has seen growth from US$17.7 billion in 2010 (Egbula and Zheng, 2011) to US$ 23.5 billion by first quarter of 2015 (Okafor, 2015). Similarly, levels of Chinese Foreign Direct Investments (FDI) in Nigeria are the second-highest in Africa after South Africa (Egbula and Zheng, 2011) and by 2010 Nigeria was China's fourth biggest African trading partner and second largest Chinese export destination in Africa (Egbula and Zheng, 2011).

However, the structure of trade between the two countries is marked by differences in exports; China exports a diversified range of manufactured goods such as machinery, textiles and equipment to Nigeria, while Nigeria's exports to China are oil and gas products. In 2014, petroleum products and natural resources comprised 57 per cent of Nigeria's export to China while China's export to Nigeria comprises majorly of textile materials and machineries. Similarly, China's textile export to Nigeria jumped by 222 per cent from 2010 to 2014. The export of cheap Chinese textiles to Nigeria has also adversely affected local textile manufacturers in Nigeria, a position recognised by Sanusi Lamido, Nigeria's former Central Bank Governor (CBN), who argued that Nigeria, with a population of 160 million, spends vast resources importing Chinese consumer goods which would benefit the local economy if they were produced locally (Sanusi, 2013).

Global institutions such as World Trade Organization (WTO), IMF and World Bank have contributed in no small measure to the destruction of local manufacturing sector by requiring Nigeria to liberalize trade; freeze wages, devalue currency, remove public subsidy and other austerity measures which have resulted in greater under-utilization of productive capacity. Nigeria's increasing dependence on imported capital and consumer goods and services has left the domestic economy sectors comatose. Nigerian markets are target for substandard products and because of stiff competition from these products; local manufacturing firms have withered away.

There is a trade imbalance between Nigeria and China in favour of the Chinese due to its high rate of export to Nigeria with little import from Nigeria. China emerged as the world super-power as a result of its protectionist measures in critical sectors of the economy like healthcare, insurance, manufacturing and financial institution. The trade imbalance notwithstanding, Nigeria stands to gain a lot from China's model of growth, investment and manufacturing expertise. Nigerian government should impose tariff on China's goods in order to allow a level playing ground with the Nigerian manufacturers.

Bilateral Trade Relations between Nigeria and Canada

Canada and Nigeria's direct diplomatic

relations date back to the early years after Nigeria's independence in 1960 from British colonial rule. Despite this long history, the engagement between both countries has been marked by various inconsistencies. Understandably, the engagement has, over time, morphed and been reshaped through the years in response to changing political and economic conditions in both countries (Taylor, 2012).

Despite the inconsistency, some themes nonetheless guide the engagement between Canada and African countries. These themes include: the promotion of democratic values and good governance (particularly with respect to the conduct of elections); trade and investment (which has been marked by the conclusion of different bilateral trade agreements); mineral development in the extractive industries (an area where Canadian mining companies have been very active in Africa); climate change; post-conflict resolution and development; regional institutional and capacity building; and strengthening food security across the continent. Canadian transnational corporations have, to date, been less active in the Nigerian extractive industries (Brautigam, 2009).

In recent times, Canada's trade and investment engagement with Nigeria has witnessed a surge of participation by Canadian firms and transnational corporations in specific sectors, such as energy, transportation, and general physical infrastructure. Coupled with the surge, neoliberal economic and trade liberalization agendas have been aggressively pursued across the continent.

The Memorandum of Understanding between the Departments of Foreign Affairs and International Trade of Canada and the Ministry of Foreign Affairs of the Federal Republic of Nigeria on the Establishment of the Bi-National Commission (the “Commission”) was signed on April 23rd, 2012. The Commission aims to sustain high-level bi-lateral engagements between Canada and Nigeria with a view to promoting and increasing diplomatic cooperation, including economic and security issues (Taylor, 2012).

In particular, the Commission focuses on four (4) thematic areas: political relations; economic relations; security cooperation; and development cooperation. Nigeria and Canada are to explore opportunities and reduction of barriers to increase economic and commercial relations and investments in sectors of mutual interest such as the following: energy, infrastructure, transportation, information communication technologies, agriculture, hydropower, and mining (Taylor, 2012).

Furthermore, the two states are to cooperate to address youth unemployment through improved education and vocational training strategies and institutional partnership. In addition, both States anticipate the subsequent conclusion of economic partnership agreements such as the Foreign Investment Protection Agreement.

In Canada, Bilateral Investment Treaties (BITs) are called Foreign Investment Promotion and Protection Agreements (FIPAs). FIPAs set out the respective rights and obligations of the Contracting Countries with respect to the treatment of foreign investment. Since 2008, Canada has concluded several FIPAs with a number of African countries. The former conservative Prime Minister of Canada, Stephen Harper, announced the conclusion of the Canadian-Nigerian Foreign Investment Promotion and Protection Agreement on May 1st, 2013. The agreement is expected to ensure a stable and secure bi-lateral trade and investment environment between Canada and Nigeria. FIPAs are designed to provide strong levels of protection to foreign investors, for both individuals and corporations from arbitrary treatment by host states in which they own assets.

Effect of International Trade Relations on Nigeria Gross National Development

Economic growth is measured by the Gross Domestic Product (GDP) in Nigeria. GDP is a total market value of a country's output of goods and services, which are exchanged for money or traded in a market system over certain period. This indicates that trade is an essential aspect of economic growth. The overdependence on oil produce not only leads to unbalanced trade but has resulted in economic fluctuations. Nigeria was severely affected by the global economic meltdown partly due to the collapse of global oil price in 2008, the prices set by the Organisation of Petroleum Exporting Countries (OPEC) which can be influenced by political reasons that might not be favourable to Nigeria economy and the recent Niger Delta Crisis which had a big role to play in slowing down Nigeria's economic growth.

The economic conditions of Nigeria have advanced over the last few years as a result of the rapid phase of industrialization. The economy of Nigeria also improved tremendously with foreign investment aided by high quality research and development. Nigeria was under the British colonial rule for a considerable period of time. During this phase, major raw materials and minerals were exported to foreign countries along with food grains which in due course of time spearheaded the rise of slavery and exploitation of labour class by the Europeans. After the achievement of independence in Nigeria, efforts were made to revive the economic growth of the country through a set of economic reforms. It's important to note that before the discovery of oil in Nigeria, the country survived mainly on its agricultural production. The present GDP growth rate has been 7% in the past few years.
Economic and trade diversification may serve as a strategy for reducing the exposure of Nigeria economy to external shock associated with commodity production and trade. USA

funding advances the rule of law by strengthening the capacity and transparency of the justice system and building judicial independence at the federal level. Good governance and anti-corruption reform is enhanced by creating more responsive governance structures at the national and local levels, improving service delivery, and strengthening budget management capacity and fiscal oversight.

Due to the establishment of bilateral ties with other countries, the trade scenario of Nigeria has received a great impetus over the last few decades. An overview of the economy of Nigeria remains incomplete without mentioning its growing foreign investments which have left behind a positive effect on its trade and commercial business. The present Nigerian government has unleashed a set of economic reforms intended to bring about a radical change in its current financial growth. The major trading partners of Nigeria are China, United States, United Kingdom, Netherlands, France, Germany and Italy.

The United States works directly with a diverse cross section of Nigerian civil society organizations, building their internal management capacity and strengthening their ability to engage the government on issues of fiscal accountability, budget monitoring, and extractive industries transparency. To lay the groundwork for elections in 2011, the United States helped to build local capacity in managing and coordinating elections infrastructure, and to promote civil society input into electoral and constitutional reform dialogue and oversight of the electoral process.

Nigeria has the largest tuberculosis (TB) burden in Africa. To reduce death and disability, especially in the vulnerable co-infected HIV/AIDS population, U.S. assistance aims to double the case detection rate and half the incidence of TB over the next 10 years. Funding supports equitable access to quality basic education through teacher training, infrastructure improvement, and community involvement, focusing on public schools. U.S. assistance fosters higher education partnerships between American and Nigerian universities, focusing on institutions in the north.

Through the President's Emergency Plan for AIDS Relief (PEPFAR), Nigeria receives significant support to build partnerships with the host country to provide integrated prevention, care, and treatment programs throughout the country and support orphans and vulnerable children. As a result, in 2007 the World Bank noted that HIV-positive zero prevalence rates decreased to 3.1%.

Furthermore, Nigeria despite the successive report of rapid growth brought about by foreign trade, economic growth has not been fully and effectively achieved due to over dependence on import and less of export. Oviemuno (2007) researched on international trade as an engine of growth in developing countries (1908-2003) using export, import, inflation, and exchange rate as his explanatory variables. He concluded that the entire variable does not act as an engine of economic growth in Nigeria. This was corroborated by Usman (2011), who examined the performance evaluation of foreign trade and economic growth in Nigeria. His finding using five important variables including export, import, economic openness, exchange rate and per capital income shows that all the above listed variables does not act as an instrument of growth in Nigeria.

Conclusion

Nigeria should forge a special relationship, based on economic, democratic and security considerations with nations like Germany, France, China, Malaysia and India. In economic sphere, the strategic options that are available to Nigeria derived from the ability of the policy makers to develop a programme of systematic exploitation of the vital indices of relations with a strategic country and international institutions to advance the economic transformation agenda. These options should focus on a creative manipulation of channels of foreign direct investments, development assistance, trade ties, military relations and technological-scientific flows.

It is crucial for Nigeria to maintain a strong and mutually beneficial bilateral relationship with the United States because of the central importance of America in the global economy, politics and international security. In order to promote growth and development, conscious efforts should be made in the formulation of policies to create enabling environment that will promote non-oil exports, ensure growth induced imports and promote the use of local raw materials. Nigeria really needs to diversify her export from petroleum dominance to enjoy the real benefits of foreign trade. The linkage between the academic and research institutes should be encouraged that industrial and manufacturing could be exposed to enhance and improve technologies through research findings and policies. Foreign trade policies should encourage domestic production to promote exports.

Notably the nation will gain little or nothing from unguided exchange rate deregulation as merely exporter of mostly crude oil and other primary products with inelastic foreign demand. This study recommends a conducive environment that ensures security of lives and property, checks and discourages capital flight, political instability and others that will promote both domestic and foreign investment in the real sectors. Finally policy makers need to increase the pace of transformation of the agricultural sector and strengthen the sector's weak link to industry, where outputs from agriculture can be used as inputs in industries, by so doing would spur equitable growth and reduce high unemployment.

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