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Impact of Non-Oil Foreign Trade on Economic Growth in Nigeria

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Abstract

This study probed the impact of non-oil foreign trade on economic growth of Nigeria within the period 1986 to 2018. The specific objectives of this research are to examine the impact of non-oil import on economic growth of Nigeria and the impact of non-oil export on economic growth in Nigeria. The study adopted the ex post facto research design. The data were sourced from Central Bank of Nigeria's Statistical Bulletin. The study employed the Vector Error Correction Model (VECM) to investigate and analyze the long-run and short-run impact of non-oil foreign trade, proxy by non-oil export and non-oil import; on economic growth, proxy by gross domestic product (GDP). Findings revealed that in the long-run, increase in non-oil export and non-oil import will lead to decrease in the GDP. However, the VECM results indicate that, in the short-run, increase in non-oil import will lead to increase in the GDP, while increase in non-oil export in the short- run will lead to decrease in GDP. From the findings, this study concludes that non-oil import trade has a positive impact on GDP while non-oil export has a negative impact on GDP in Nigeria. This study recommends that Nigeria's non-oil export should be heavily invested in non-oil high-earning productive sectors such as agriculture and mining. This will create a multiplier effect and increase the productive capacity of non-oil export for sustainable economic development in Nigeria. It is also recommended that non-oil import of Nigeria's economy should be curtailed by making policies that will encourage import-substitution and enhance economic growth in Nigeria.

Keywords:
Foreign Trade, Non-oil Export, Non-oil Import, Gross Domestic Product.

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Background to the Study

Income of a country can be determined by the level of export and import of goods and services. This can also increase the level of employment in the economy as a higher demand for exports will require more production which will, in turn, lead to the employment of more people (Adenugba and Dipo, 2013). Further, exportation can also help a country attain a favorable balance of trade and balance of payment position provided its exports reasonably exceed its imports. Thus, exportation is required by every economy to enhance its revenue and usher in economic growth and development. It is, therefore, crucial for economic progress and this has informed the idea of export-led growth.

Export is a catalyst necessary for the overall development of an economy (Abou-Strait, 2005). It was also noted that foreign trade creates an avenue for foreign capital to flow into a country (Kubalu and Hanif, 2016). This increases the earnings of the country thereby creating an avenue for growth by raising the national income. Successive Nigerian governments on their part have made efforts over the years to grow the non-oil export trade by establishing supportive policies. Some of these policies with varying degrees of successes include but are not limited to protectionist policy in the mode of import substitution policy of industrialization in the 1960s; trade liberalization policy (this took the form of Structural Adjustment Program) of the mid 1980s and export promotion policy of 1990s which was executed through intensified policy support to Small and Medium Scale Enterprises (SMEs) to enhance productivity and, subsequently, export of local products.

Nigeria, since the 70s has been a mono-cultural economy relying heavily on oil as its major income earner. The implication is that the dynamics of the economy is at the whims and caprices of the international oil market prices, which, for the most part, has been volatile (Enoma and Mustafa, 2011). The major fallout of this fragile structure of the Nigerian economy is a situation where the economy has been growing without creating jobs and reducing poverty (Onodugo, 2013). The on-hand explanation to this economic paradox is that the oil sector that Nigeria is over-relying on is in the hands of less than one percent of the Nigerian population, dominated by expatriates and members of the political ruling class who control production and the proceeds, respectively.

Worse still, the sector is disconnected from other tiers and sectors of the economy and thus offers little or no linkage and multiplier effect to the economy as a whole. The adverse consequences of over dependency on oil trade heightened the need and call to diversify Nigeria's economy from oil towards the direction of non-oil export trade. Proponents of this increased proportion of non-oil export argue that the non-oil trade has great potentials to propel the Nigerian economy to the desired growth and development. For instance, Onwualu (2012) maintained that the value chain approach to agriculture has the potentials to open up the economy and generate various activities which are capable of creating jobs and enhancing industrialization and, thus, makes the non-oil sub-sector to hold the ace for future Nigerian sustainable economic growth.

In a country like Nigeria where the level of investment is low, foreign capital is very much needed in order to accelerate the rate of economic growth. The Nigerian economy is one that depends largely on foreign trade for growth and is also one which depends majorly on one export commodity at a time. For instance, at independence, the major export commodity was cocoa and the leading sector in the economy was the agricultural sector but today, the major export commodity is crude oil and the leading sector is now the petroleum sector. This has not allowed for balanced growth in the economy as some sectors have been enabled to grow while growth has been impeded in others and this has hampered the development of the economy.

For instance, in Nigeria, crude oil is the major export because of the large revenue it generates. This has led the economy to focus on the petroleum sector while ignoring the other sectors as well as the potential revenue they can generate. This research aims to find out if non-oil foreign trade, proxy by non-oil import and non-oil export contribute significantly to economic growth in Nigeria, proxy by gross domestic product (GDP) and, if so, to what extent. Therefore, the specific objectives are as follows:

i. Examine the impact of non-oil export on economic growth in Nigeria
ii. Assess the impact of non-oil import on economic growth in Nigeria

The hypotheses of this study were raised from the specific objectives stated above which are, in turn, formulated and stated as follows:

H_{01}: Non-oil export has no significant impact on economic growth in Nigeria.
H_{02}: Non-oil import has no significant impact on economic growth in Nigeria.

Literature Review
Conceptual Review

There are various views on the meaning and nature of non-oil in the study of finance. However, according to Akeem (2013), non-oil exports are all those commodities excluding crude oil (petroleum products), which are sold in the international market for the purpose of revenue generation. Nigeria's non-oil exports sector is structured into four broad constituents which are the agricultural exports, manufactured exports, solid mineral exports and services exports (Akeem, 2013). Thus, non-oil export products are unlimited as they include agricultural crops, manufactured goods, solid minerals, entertainment and tourism services (Abogan, Akinola and Baruwa, 2014). Akeem (2013), defined the non-oil sector of the Nigerian economy as the whole of the economy less oil and gas sub-sector. It covers agriculture, industry, solid minerals and the services sub-sector, including transport, communication and distributive trade, financial services, insurance, government and the like. This definition is sufficient for the purpose of this study.

Ajakaiye and Ojowu (2014), also categorized Nigeria's non-oil trade into four broad constituents, namely: the agricultural exports; manufactured exports; solid mineral exports; and services exports. Thus, non-oil exports and imports comprise agricultural crops and products such as cotton, cassava, cocoa, cashew nuts; solid minerals and

chemicals; manufactured goods such as textile, tyre, machineries; and manpower, entertainment and tourism, to mention but a few. It is made up of every other thing exported or imported, except petroleum products. In other words, non-oil trade in Nigeria comprises of all such products that do not have any affiliation with crude oil or petroleum products.

Abogan (2014), defined the non-oil trade of the Nigerian economy as the whole of the economy less the oil and gas sub-sector. It covers agriculture, industry, solid minerals and the services sub-sector, including transport, communication, distributive trade, financial services, insurance, government and such others. This definition is also sufficient for the purpose of this study. According to Jhingan (2003), economic growth is the process whereby the real per capita income of a country increases over a long period of time, and it is measured by the increase in the amount of goods and services produced in a country. A growing economy produces more goods and services in each successive time period. In other words, the GDP of the country is increased each successive time period. In a wider perspective, it implies raising the standard of living of the people and reducing inequality of income distribution. In the words of Zhattau (2013), economic growth is the basis of increased prosperity and it comes from accumulation of more capital and innovations which lead to technological progress. Economic growth, according to Classical Economists, signifies increase in the rate of investment. In other words, economic growth is a function of share of profit in the national income. This implies that there exists a positive relationship between higher rate of profit and higher rate of economic growth in the long-run.

Empirical Review

A good number of researchers have tried to establish the level of influence and/or relationship between non-oil trade and the Nigerian economy using various parameters as proxies. Accordingly, the use of current, relevant and related reviews will reveal the relationship between non-oil trade and the GDP. Akeem (2013) stressed on the perception of Nigeria's important contribution of export capacity to the world volume with non-oil trade which the country developed at a time to become the fourth largest exporter in the world with high production level. The multi-linear regression technique was adopted to analyze the relationship between non-oil trade and the GDP, using data derived from CBN sources from 1989 to 2008. Results from the regression model revealed that GDP has positive relationship with non-oil trade and consumer price index. As such, the government had an essential part to play for sustainable development to be achieved since an insignificant non-oil trade and exchange rate would slow down the economic growth rate. The study went straight to findings without explaining the type of research design and analysis that was adopted and it focused also on the entire country instead of narrowing it down to a particular sample.

Onodogu, Ikpe and Anuwor (2013), empirically investigated the impact of non-oil trade on the Nigerian economic growth for 31 years, from 1981 to 2012. The study used secondary data sourced from the CBN Statistical Bulletin. It adopted the endogenous growth model, augmented production function, co-integration and conventional tests for

mean reversion to test for significance between non-oil trade and the economic growth of Nigeria. The result revealed that a weak impact of non-oil trade exists and it influenced the change in the level of growth in the Nigerian economy. The study did give support to recent claims that non-oil trade led to economic growth in Nigeria. It thus set a benchmark for appraisal of future performance of non-oil exports in terms of GDP growth rate.

Ulakpa (2013), examined the impact of non-oil trade on the economic growth of Nigeria for 24 years from 1986 to 2010. The study was undertaken against the background of the important function that non-oil can perform as a substitute source of revenue apart from crude oil exports. Multiple regression technique was used in analyzing the data. The result revealed that non-oil trades were statistically significant to Nigeria's economic growth. On the other hand, government expenditure (GEX) was not significant to the growth of the Nigeria's economy.

Adenugba and Dipo (2013), evaluated the performance of non-oil exports in the economic growth of Nigeria from 1981 to 2010. Findings revealed that non-oil exports have performed below expectation, hence, giving reason to doubt the efficacy of the export promotion strategies that have been adopted. They pointed out that the economy is still far from diversifying from crude oil exports and as such the crude oil sub-sector continues to be the single most important sector of the economy.

Abogan, Akinola and Baruwa (2014), studied the impact of non-oil trade on the economic growth of Nigeria for 31 years from 1980 to 2011. The study adopted the ordinary least squares (OLS) estimation technique which included error correction, parsimonious and over-parametrization to analyse the data generated from the CBN Statistical Bulletin. In testing for the time series properties, the evidence from estimated economic models suggested that all the variables examined were stationary at I (I), using the Augmented Dickey-Fuller (ADF) and Phillips-Perron tests. The variables were found to be co-integrated by the Johansen co-integration test which showed that a long-run relationship exists among the variables. The study concluded that the impact of non-oil trade on Nigeria's economic growth was not enormous as a unit rise in non-oil trade impacted positively by 26% on the gross domestic products of Nigeria during the review period. The study recommended that Nigeria's Government should reinforce the legislative and monitoring committees of the non-oil sector and diversify the economy to gain optimal support from all sectors of the Nigerian economy.

Christopher, Omoniyi and Olufunke (2014), investigated the effect of non-oil export on economic development in Nigeria, covering the period 1980 to 2012. The study used per capita income as proxy for economic development and expressed it as a function of non-oil export volume, trade openness, exchange rate, capital formation and inflation rate. The study applied ordinary least squares estimating technique in analyzing the secondary data obtained from CBN publications like Annual Reports, Statements of Accounts and Statistical Bulletins. The results revealed that non-oil exports exhibited a significant input on per capita income. It also showed that trade openness is negative, suggesting that Nigeria's trading partners are gaining more from international trade transactions than Nigeria.

Ijirshar (2015), studied the effects of non-oil trade on the Nigerian economy for 41 years from 1970 to 2011. The study proxy non-oil trade by rate of oil export, index of trade openness, real exchange rate, inflation rate and rate of non-oil export, as the independent variables while the Nigerian economic growth was proxy by GDP, as the dependent variable. The study adopted the Unit root test, ADF test, ECM and Johansen co-integration to test for significance among the variables. The result of the unit root test suggested that all the variables in the model are stationary at first difference. The result from the co-integration test revealed a long-run equilibrium relationship among the variables from 1970 to 2011. There was a positive contribution of non-oil trade to the economic growth of Nigeria from the result of the error correction model.

Syed-Wahid, Muhammad and Muhammed (2015), estimated the relationship between GDP and agricultural as well as non-agricultural export trade for Pakistan, employing Johansen co-integration technique by using secondary data for the period 1972 – 2012. It was found that the agricultural exports have a negative relationship with economic growth of Pakistan while non-agricultural exports have positive relationship with economic growth.

Adeleye, Adeteye and Adewuyi (2015) examined the impact of balance of trade on economic growth in Nigeria, using net export (that is, total export less total import) and balance of payment as proxies for international trade while gross domestic product represented economic growth. The study employed regression analysis, using co-integration and error correction model techniques to find out the long-run relationship between economic performance and international trade. Findings from their study revealed that only total export remained significant while others were insignificant, which implies that Nigeria is running a mono-cultural economy where only oil acts as the sole support to the economy without tangible support from other sectors such as industrial, manufacturing and agriculture. Their study recommends that Government should pursue aggressive diversification of the economy by putting in place policies and incentives that will boost non-oil export, the manufacturing sector as well as promote the industrial growth of Nigeria.

Agbo, Agu and Eze (2018), evaluated the impact of balance of trade on Nigeria's economic growth. Multiple regression analysis technique was employed in estimating the various components of foreign trade. The data used for the study was extracted from the CBN Statistical Bulletin, covering the period from 1980 to 2012. The results of their study showed that there is a significant impact of export trade on the Nigerian economic growth. Their study also revealed that there is no significant impact of import trade on Nigeria's economic growth.

Theoretical Framework

The theory of trade expounded by Heckscher and Ohlin is most popularly known as the Heckscher-Ohlin (H-O) theory of trade. It is equally called 'Factor Endowment Theory' of trade (Dewett, 2015). This theory postulates that comparative advantage in the production cost is explained by the varying factor endowments of nations. Factor

endowment is the total availability of natural resources that are usable, including man-made means of production like machineries. Nonetheless, in its explanation of theory of trade, only capital and labour are considered because they are the two most important factors (Sun and Heshmati, 2012). Factor endowments vary among countries. While some nations are endowed with labour, capital is in abundance in others. The country with higher abundance of labour has an advantage in the production of commodities which need a labour-intensive technology. Capital abundant countries, on the other hand, have the advantage in manufacturing commodities which need capital intensive technology. For instance, China and India are countries with abundant labour and they manufacture and export large quantities of garments and shoes because these commodities need abundant labour whereas countries such as the United States of America and Japan are countries with abundant capital and they manufacture and export capital intensive commodities such as cars, machineries and several other household and industrial equipment.

This study is hinged on Heckscher-Ohlin theory which recognizes the important role that international trade plays in economic growth as it encourages specialization which offers considerable economic benefits. Also, foreign exchange earnings from exports enable a country to finance import of goods and services that are not available in the domestic economy (Ohlin, 1933).

Methodology

This study adopts the *ex post facto* research design which uses secondary data. The time series data used covered the time period 1986-2018. The data were sourced from Central Bank of Nigeria's Annual Statistical Bulletin. The study adopted the Vector Error Correction Model (VECM) to estimate and analyses the long and short-run impact of non-oil foreign trade on economic growth in Nigeria. In addition, the Johanson co-integration test was used to examine the co-integration relationship between non-oil foreign trade and economic growth in Nigeria.

Model Specification

Based on the objectives of this study, the Victor Error Correction Model (VECM) model is specified as:

$$\Delta lnGDP_t = \alpha_0 + \sum_{g=1}^{k-1} \beta_g \, lnGDP_{t-i} + \sum_{h=1}^{k-1} \phi_h \, lnNOILEM_{t-i} + \sum_{i=1}^{k-1} \partial_i \, lnNOILIM_{t-i} + \lambda_1 ECT_{t-1} + \varepsilon_{1t}$$

$$\Delta lnNOILEM_t = \sigma_0 + \sum_{g=1}^{k-1} \beta_g \, \Delta lnGDP_{t-i} + \sum_{h=1}^{k-1} \phi_h \, \Delta lnNOILEM_{t-i} + \sum_{i=1}^{k-1} \partial_i \, \Delta lnNOILIM_{t-i} + \lambda_2 ECT_{t-1} + \varepsilon_{2t}$$

$$\Delta lnNOILIM_t = \delta_0 + \sum_{g=1}^{k-1} \beta_g \, \Delta lnGDP_{t-i} + \sum_{h=1}^{k-1} \phi_h \, \Delta lnNOILEM_{t-i} + \sum_{i=1}^{k-1} \partial_i \, \Delta lnNOILIM_{t-i} + \lambda_3 ECT_{t-1} + \varepsilon_{3t}$$

Where ln GDP is natural log of Gross Domestic Product, ln NOILEM is the natural log Non-Oil Export, ln NOILIM is the natural log of Non-Oil Import, ECT is the Error Correction Term and ε_t is Error Term.

Presentation and Discussion of Results

Descriptive Analysis of Variables

Table 1: Descriptive Analysis of Variables

	GDP	NOILIM	NOILEX
Mean	31720752	2938.052	315.0212
Median	11332253	1151.000	94.70000
Maximum	127736827	9758.900	1434.200
Minimum	202436.2	5.100000	0.600000
Std. Dev.	38873304	3311.659	423.4212
Jarque-Bera	6.508390	4.844920	7.053171
Probability	0.038612	0.088703	0.029405
Observations	33	33	33

Source: Output from E-views 10 (2021).

Table 1 shows the descriptive analysis of the variables used in this study. From the table the highest value for gross domestic product in Nigeria during the period of study is 127,736,827 billion as shown in the Table 1. Also, peak values for non-oil export and non-oil import in Nigeria are 1434 billion and 9758.9billion, respectively. However, the lowest value for gross domestic product in Nigeria during the period of study is 202436.2 billion while the lowest value for non-oil export and non-oil import in Nigeria are 0.6 billion and 5.10billion, respectively. On the average, the value of gross domestic product in Nigeria is 31720752 billion while mean values of non-oil export and non-oil import in Nigeria are 315.02 billion and 2938.05 billion, respectively.

Correlation Analysis

Table 2: Correlation Analysis of Variables

	lnGDP	lnNOILIM	lnNOILEX
lnGDP	1		
lnNOILIM	0.985 0.000	1	
lnNOILEX	0.984 0.000	0.971 0.000	1

Source: Output from E-views 10 (2021).

From Table 2, there is strong and significant correlation between gross domestic products (GDP) and both non-oil export in Nigeria and non-oil import in Nigeria. This is indicated by their high Pearson Correlation coefficient of 0.984 and 0.985, respectively. They are both significant at 1 percent level of significance since their P-values are 0.000each. This means that there is a strong positive relationship between the growth rates of Nigeria's exports and imports and the country's gross domestic product.

Stationarity Test of Variables

Table 3: Augmented Dickey-Fuller Test

Level			**First Difference**			
Variables	ADF Test Statistic	Critical Value @ 5%	ADF Test Statistic	Critical Value @ 5%	Max Lag	Order of Integration
lnGDP	-0.554605	-3.562882	-4.151116	-3.562882	1	1(I)
lnNOILEX	-3.188869	-3.557759	-6.400433	-3.562882	1	1(1)
lnNOILIM	-1.573920	-3.562882	-5.886692	-3.568379	1	1(1)

Source: Output from E-views 10 (2021).

Table 3 shows the stationarity test of the variables used in the study. From Table 3, the Augmented Dickey-Fuller Test results revealed that gross domestic product, non-oil import and non-oil export in Nigeria are not stationary at level. However, they became stationary after first difference 1(1) at 5 percent level of significance.

Since all the variables are integrated at the same order of I(1), that is first difference, this study proceeds to conduct the co-integration tests to determine the long-run relationships among the variables.

Co-Integration Analysis

Table 4: Johansen Co-Integration

Unrestricted Cointegration Rank Test (Trace)				
Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.**
None *	0.409214	34.79513	29.79707	0.0122
At most 1 *	0.363219	18.47980	15.49471	0.0172
At most 2 *	0.134799	4.488598	3.841466	0.0341

Source: Output from E-views 10 (2021).

From tables 4, it is observed that the trace test statistics indicate at most one co-integrating equation at the 5% level of significance. Based on this evidence, we can safely reject the null hypothesis of no co-integrating vectors and conveniently accept the alternative hypothesis of the presence of co-integrating vectors among the variables in the specified error correction model. This implies that a long-run relationship exists between the variables that have entered the specified model of study. That is, there is a long-run relationship among gross domestic products and non-oil foreign trade in Nigeria. This study proceeds to run Vector Error Correction Model because basic steps to estimate VECM require all the series to be stationary at first difference, that is I(1), and not I(2).

Residual Test

Table 5: Residual Tests

Test	P-Value
Serial Correlation LM Test	0.8649
Residual Normality Test	0.1370
Heteroskedasticity Test	0.8903

Source: Author's Computation from E-view 10 Results, 2021.

The result as presented in the table above revealed that there were no evidences of serial correlation and heteroscedasticity. Further, the data are normally distributed in the estimated VECM model because they have *p-values* of 0.8649, 0.1370 and 0.8903, respectively, which were all found to be greater than 0.05 level of significance.

Discussion of Regression Results

Table 6: Regression Results of the Victor Error Correction Model

Cointegrating Eq:	CointEq1		
LOG(GDP(-1))	1.000000		
LOG(NOILIM(-1))	-0.165461		
	(0.14697)		
	[-1.12583]		
LOG(NOILEX(-1))	-0.686183		
	(0.14615)		
	[-4.69522]		
C	-12.03371		
Error Correction:	**D(LOG(GDP))**	**D(LOG(NOILIM)**	**D(LOG(NOILEX))**
Ecm(-1)	-0.718591	-0.094148	0.013937
	(0.24913)	(0.22764)	(0.06035)
	[-2.88444]	[-0.41359]	[0.23092]
D(lnGDP(-1)))	0.550133	1.063750	0.401089
	(0.17750)	(0.66951)	(0.73271)
	[3.09932]	[1.58885]	[0.54741]
D(lnNOILIM(-1)))	0.088320	-0.404042	0.180535
	(0.05897)	(0.22244)	(0.24344)
	[1.49763]	[-1.81641]	[0.74161]
D(lnNOILEX(-1)))	-0.084282	-0.014705	0.019250
	(0.04911)	(0.18522)	(0.20270)
	[-1.71635]	[-0.07939]	[0.09497]
C	0.088227	0.092129	0.079478
	(0.03683)	(0.13891)	(0.15203)
	[2.39558]	[0.66321]	[0.52279]
R-squared	0.353751	0.172984	0.266470
Adj. R-squared	0.254328	0.045751	0.153619
F-statistic	3.558036	1.359581	2.361254

Source: Output from E-views 10 (2021).

As expected, the lagged value of ECM is negative and statistically significant at 5 percent level. The coefficient reveals the speed at which the entire system adjusts from short-run disequilibrium to long-run equilibrium. Since the coefficient of ECM is -0.71, it indicates that 71% discrepancy is corrected each year.

In the long-run, one percent increase in non-oil import will lead to approximately 17% decrease in gross domestic product in Nigeria, if other variables are held constant. This implies that non-oil import has a negative impact on gross domestic product in Nigeria in the long-run, though the impact of non-oil import on gross domestic product is not significant in the long-run because the t-statistics value of -1.12583 is less than the critical t-value of ±1.96 at 5% level of significance. The long-run findings also shows that one percent increase in non-oil export will lead to approximately 69%decreasein the gross domestic product in Nigeria. This implies that non-oil export has a negative impact on gross domestic product in Nigeria in the long-run, though the impact of non-oil export on gross domestic product is statistically significant because the t-statistics value of -4.69522 is greater than the critical t-value of ±1.96 at 5% level of significance.

Regarding the short-run coefficient of the independent variables, the result revealed that, one percent increase in non-oil import will lead to approximately 9% increase in GDP in Nigeria, if other variables are held constant. This implies that non-oil import has a positive impact on GDP in Nigeria in the short-run, though not statistically significant because the t-statistics value of 1.49763 is less than the critical t-value of ±1.96 at 5% level of significance. This is in consonance with the finding of Agbo, Agu and Eze (2018). The short-run findings also show that one percent increase in non-oil export will lead to 8% decrease in the GDP in Nigeria and this implies that non-oil export has a negligible significant impact on GDP in Nigeria in the short-run. The impact of non-oil export on GDP is statistically significant because the t-statistics value of -1.71632 is greater than the critical t-value of ±1.64 at 10% level of significance. The results agreed with the work of Syed-Wahid, Muhammad and Muhammed (2015).

Finally, the R-square of 0.35 per cent suggests that non-oil import and non-oil export contribute 35% to GDP in Nigeria. Also, the F-statistic value of 3.55 shows that the model employed is statistically significant and fit.

Conclusion and Recommendations

This study focused on the impact of non-oil foreign trade on economic growth in Nigeria in the period 1986 to 2018. The independent variables of this study are non-oil export in Nigeria and non-oil import in Nigeria while GDP is the dependent variable. From the findings, this study concludes that non-oil import trade has a positive impact on GDP in Nigeria while non-oil export has negative impact on GDP in Nigeria.

This study recommends the following:

I. Nigeria's non-oil export should be heavily invested in non-oil earning productive sectors such as agriculture and mining. This will create a multiplier effect and increase the productive capacity of non-oil export for sustainable economic development in Nigeria.

ii. The non-oil import of Nigeria's economy should be curtailed by making policies that will encourage import substitution. This will enhance economic growth in Nigeria.

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APPENDIX A: Data Presentation

YEAR	GDP (₦Billion)	NOILIM (₦Billion)	NOILEX (₦Billion)
1986	202436.23	5.1	0.6
1987	249439.08	14.7	2.2
1988	320328.54	17.6	2.8
1989	419196.39	26.2	3
1990	499676.85	39.6	3.3
1991	596044.69	81.7	4.7
1992	909803.31	123.6	4.2
1993	1259070.46	124.5	5
1994	1762812.82	120.4	5.3
1995	2895201.36	599.3	23.1
1996	3779133.07	400.4	23.3
1997	4111640.63	678.8	29.2
1998	4588989.84	661.6	34.1
1999	5307361.52	650.9	19.5
2000	6897482.48	764.2	24.8
2001	8134141.81	1,121.10	28
2002	11332252.82	1,151.00	94.7
2003	13301558.86	1,681.30	94.8
2004	17321295.24	1,668.90	113.3
2005	22269977.83	2,003.60	106
2006	28662468.77	2,397.80	133.6
2007	32995384.35	3,143.70	199.3
2008	39157884.39	4,277.60	525.9
2009	44285560.50	4,411.90	500.9
2010	54612264.18	6,406.80	711
2011	62980397.22	7,952.30	913.5
2012	71713935.06	6,702.30	879.3
2013	80,092,563.38	7,010.00	1,130.20
2014	89,043,615.26	8,323.70	953.5
2015	94,144,960.45	9,350.80	660.7
2016	101,489,492.20	7,096.00	656.8
2017	113,711,634.61	8,189.40	1,074.90
2018	127,736,827.81	9,758.90	1,434.20