

Economic Diversification as a Function of Infrastructural Development in Nigeria

Damian Mbaegbu

*Department of Business Management
Igbinedion University, Okada, Edo State, Nigeria*

Abstract

The research problem which this study addressed was the relationship between economic diversification and infrastructural development in Nigeria. Operationally, economic diversification is defined as the state of economic development in which an economy does not depend on only one product (monoculturalism) for its revenue base. It is a condition in which an economy is couched on diverse economic sectors and domestic products so that its foreign exchange earning capacity is not incapacitated by price fluctuations in the international export market. Specifically economic infrastructure refers to the basic network of transport and communication systems as well as energy and collateral services that promote movement of goods and services from point of production to point of sale. The objective was to find out if the current state of infrastructural development in Nigeria can promote economic diversification. The paper used the federal government recurrent expenditure budgets on transport and communication as proxy for infrastructural development and recurrent expenditure on agriculture, manufacturing and construction as proxy for economic diversification. The methodology is a regression analysis of data sourced from the Central Bank of Nigeria Statistical Bulletin from 2000 to 2011 in respect of the two variables: Economic diversification and infrastructural development. The result or finding showed that there has been no positive relationship between the budgets for infrastructural development and the budgets for economic diversification over the period of analysis. The conclusion was that infrastructural deficiency had impaired economic diversification in Nigeria. The policy recommendation is that there should be nexus between recurrent expenditure on infrastructural development and recurrent expenditure on diverse economic sectors. The two variables should be positively related so that the imperatives of infrastructural development will jack up the conditionalities for economic diversification in Nigeria.

Keywords: *Economic infrastructure, Diversification, Agriculture, Manufacturing and Construction, Services and Trade.*

Corresponding Author: Damian Mbaegbu

Background to the Study

To achieve effective infrastructure development in Nigeria, the need for economic diversification cannot be over emphasized. The population of study is Nigeria because, as they say, charity begins at home. The researcher is aware that the economy of Nigeria entered into full blown recession in 2016 and registered a minus of between 1% and 1½% growth rates. Consequently, the Federal Government and its agencies have been talking about the need for economic diversification as a strategy. The aim of the government is to de-emphasize reliance on crude oil export for foreign exchange earnings and make a strategic thrust into non oil domestic products for export. Specifically, emphasis is on putting the economy on four pedestals namely agriculture, manufacturing/construction, trade/services and, information communication technology (ICT)/ entertainment, following the good export revenue mullered by Nollywood Home Videos.

However, analyst and commentators believe that economic diversification cannot be achieved with the present state of infrastructural deficiency thereby echoing the age long economic development theory that makes infrastructural development a necessary condition for economic diversification.

Research Problem

From the foregoing background information the basic research problem which this study addressed was the relationship between the imperatives of infrastructural development and the conditionalities of economic diversification of Nigeria. Currently, there is serious infrastructural deficiency in Nigeria because the leadership has not lived up to expectation and has indeed underdeveloped Nigeria (Mbaegbu, 2016 p.122-137). The roads are bad, the air space is unsafe, there is energy crisis, the railway system is in comatose and used in playing politics as the leadership claims what it has not done or exaggerates what it has done. Finally, there are virtually no waterways for bulk haulage inspite of the fact that many rivers and creeks criss-cross the Nigerian landscape. Yet, the leadership continues to loot the common treasury in billions and trillions of naira and dollars. There is absolute need, therefore, to study how the infrastructural deficiency has affected and will continue to affect the orchestrated need for economic diversification. This is especially so as Nigerians are being told that economic recession will soon end this year and yet the suffering has continued unabated: Salaries and pensions are still being owed in upwards of three months at the lowest in many states of the federation and the army of beggars continues to swell up. Kidnapping for ransom and armed robbery continue to increase *paripasu* with unemployment.

Research Objectives

The objectives to be achieved were basically 3 (three):

1. To find out if there had been any significant relationship between infrastructural development and agricultural development in Nigeria.
2. To investigate if there had been any significant relationship between infrastructural development and industrial development in Nigeria.
3. To examine if there had been any significant relationship between infrastructural development and services development in Nigeria.

Research Hypotheses

In order to guide the study, we proposed the following hypotheses in the null version:

1. **H₀:** There had been no significant relationship between infrastructural development and agricultural development in Nigeria ($p \leq 0.05$).
2. **H₀:** There had been no significant relationship between infrastructural development and industrial development in Nigeria ($p \leq 0.05$).
3. **H₀:** There had been no significant relationship between infrastructural development and trade/services development in Nigeria ($p \leq 0.05$).

Review of Related Literature

In this section of the conference paper we review current issues relating to the Nigerian economy: theoretical and conceptual issues as well empirical research findings to appropriately position the paper to make contribution to knowledge.

Current State and Prospects of the Nigerian Economy

With the economic recession which set in in 2014 Nigeria has gone back to be the second largest economy in Africa yielding 1st place to South Africa. The Gross Domestic Product (GDP) at current market prices (US\$ Billion) is estimated to be \$492.5 (CBN, 2015). When Nigeria was ranked first ahead of South Africa it was \$510.00.

In terms of sectoral GDP growth rate, Agriculture is estimated to grow at 3.7%, Industry 2.2% and Services 4.7% as at year end 2015. Available statistics from the NBS estimates the G.D.P at a little over \$300bn as at year end 2016. The economic managers are saying that Nigeria will exit from recession this year 2017, but, the indicators do not seem to agree. Inflation is ravaging at 18%. Many state governments and federal government agencies can not pay salaries as and when due. The Organization of Petroleum Exporting Countries (OPEC) is planning to cap Nigeria's crude oil production at 1.8 (million barrels) per day from 2.00 (mbpd) as a way to boost prices in the market (see Okere & Olayinka, 2017 p. 1).

This is in the face of infrastructural investment gap of billions of dollar to diversify the economy put at \$38.2bn yearly for the next 23 years (Nelson 2017 p.4). Not to talk of excruciating debt servicing requirements from current earnings. The nations total debt profile as at December 2016 was N17.36 trillion up from N16.29 trillion in June 2016 and \$1.974 billion was spent to service external debt while N4.855 trillion was used to service domestic debt in the last 6½ years (Chukwunyem 2017 p.21). Indeed the economy managers, the ministry of finance and CBN do not seem to have the facts as to when Nigeria will exit from economic recession. But what is cheering is that Nigeria has abundant natural resources and solid minerals apart from crude oil to give us hope. Given good leadership to manage the resources, Nigeria will recover; the economy will be diversified some day.

Agriculture Driven Diversification

There is abundant arable agricultural land for food security and cash crop economy from the rain forest region of the south to grains production in the savannah region of the north. With good leadership capacity Nigeria can once again export oil palm produce from the South East/South South, cocoa from the South West, cotton and groundnuts and even rice from the core North. Currently middle belt yams are being exported and sold in Nigerian shops in UK and USA, not to talk of the golden nut, roasted cashew nuts in demand by Walmart Supermarket chain in the USA (Agbot 2017 p.24). If the government is honest with the published structural reforms in the sector, agriculture can drive diversification in Nigeria.

Manufacturing Industry Driven Diversification

In Mbaegbu (2016 p. 36) the empirical study found that manufacturing industry inspire of the challenges contributed significantly to the growth of G.D.P from 1999 to 2014 and concluded that with adequate investment manufacturing can drive diversification of the Nigerian economy by providing backward and forward integration to agriculture and services sectors respectively. Currently manufacturing industry has a negative growth rate – 2.2% because of harsh environmental factors mostly irregular electric power and foreign exchange disability which have driven many industries away from Nigeria to Ghana and South Africa. According to Daily Sun editorial Monday July 24 p.15 citing reports from the Manufacturing Association of Nigeria (MAN) some 196 manufacturing companies shut down in the last two years. With enabling environment manufacturing can still drive economic diversification in Nigeria.

Apart from adding value in the petroleum industry by processing its many products including petrol, kerosene, and other petro-chemicals. Nigeria also has the prospect of mining and processing solid minerals – iron, coal, calcium etc. According to Sanyaolu (2017 p. 26) Nigeria with an estimated 2 billion metric tonnes of iron ore has the 12th largest iron ore deposit in the world and the 2nd largest in Africa. This is heart warming because the world's most important engineering material is steel which is an alloy of iron, coal (carbon) and calcium. Iron abound in Kogi, Enugu, Niger, Zamfara and Kaduna states. Additionally Enugu still has a lot of coal deposits. Getting Ajaokuta steel industry back to work remains the key to Nigeria's industrialization. Apart from steel making iron in cast form can be used to produce pipes, fittings and engine blocks used to drive machines.

Trade and Services

Trade and service remain the largest contributor to GDP in Nigeria. With growth rate of 4.2% it has the greatest potential for economic diversification by harnessing local demand for agricultural and manufacturing products. Nigeria has the largest market in Africa and one of the largest in the world. Nigerian entertainment industry has also found demand in the export market. In conclusion, Nigeria has bright economic sectors to collectively drive economic diversification given good infrastructural development.

The Concept of Diversification

OECD (2011 p.11) defines economic diversification as the process of making an economy dependent on a wide range of products instead of one (monoculturalism). It goes on to state that diversification also means integrating the economy into different regions of the global economy. The essence of diversification is to ensure that an economy is not left at the mercy of price changes at the world market. As it concerns Nigeria economic diversification is the policy of placing the economy on a tripod of agriculture, manufacturing and other services such as trade, ICT, entertainment etc. It also implies that Nigeria will then belong to diverse economic groups such as cocoa producers association, oil palm producers etc and not relying on OPEC alone for international trade politics.

The Concept of Infrastructural Development

Infrastructure refers to the network of facilities and services that aid production and distribution of goods and services from points of production to points of sales. Experts (see Oghenekohwo & Berezi, 2015) differentiate between economic infrastructure and social infrastructure. The former refers to physical structures such as roads, railways, airways, waterways and power while the later refers to organizations such as schools, hospitals, banks and even churches and mosques. These modify human behaviour and prevent suffering

Nigerians from committing suicide because of economic hardship by raising their hopes. However our focus in this paper is on economic infrastructure.

Theoretical Framework

Investment in economic infrastructure is an intervention process reminiscent of Keynes (1936) and his disdain for the classical economists of the 1930's who folded their arms waiting for the long run economic recovery which would not come. To John Maynard Keynes some thing had to be done in policy cycles to redirect economic development because “in the long run we are all dead”. In recent times there has been considerable research output analyzing the effects of infrastructural development on productivity and poverty (see for example the Estache Series cited in Jerome, 2015 pp 43-51). However economic infrastructure is a public good provided by governments since the private sector with eyes on short run profit will not invest in public works or good (McKinnon 1973; Perkins 2001; Solow 1956).

The Imperatives of Infrastructural Development

The thesis of this paper is that infrastructural development is a necessary condition for economic diversification and our focus is on purely economic infrastructure – roads, railways, airways, waterways and power. In this respect there is serious infrastructural deficiency in Nigeria.

The State of Nigerian Roads

That Nigerian roads are bad is not news (see Mbaegbu & Ogbeifun 2009b). However the worst hit in recent times are the trunk C roads that cut off many rural communities and farm lands from the major roads. They are mostly untarred and ravaged by gully erosion. The major trunk A and trunk B roads maintained by Federal and State governments respectively are also mere death traps riddled with potholes. They include such highways as Lagos – Abeokuta express way, Lagos – Akure, Shagamu- Ore, Onitsha – Enugu, Benin – Agbor, Benin – Warri – Port Harcourt especially at Kaiama, Port Harcourt – Enugu, Abuja – Lokoja and several others (Adegboye 2017 p.20).

The State of Nigerian Airports

If Nigerian roads are bad, the airports are unsafe. It sounds strange that in over 50 years of aviation in Nigeria none of the 23 airports including the so-called international airports have been certified according to International Safety Standards by the International Civil Aviation Organization (ICAO) (Shadare 2017 p.7). Video clips of leaking Murtala Mohammed International Airport have gone viral. Critical air navigational facilities in Kaduna, Abuja and Maiduguri airports are dilapidated. These include airport taxi runways, control towers, lifts, and radar facilities. Not excluded from dilapidation are the baggage claim facilities. Dubai, where Nigerian leaders flock for vacation equally celebrated 50 years of aviation this year but no Nigerian airport can rank with Dubai International Airport in all parameters. The UAE like Nigeria is an oil producing country.

Waterways

Nigerian seaports are a write-off in terms of facilities and real-time for business (Mbaegbu&Ogbeifun 2009b). The inland waterways that could be used for bulk haulage and tourism like China, Hong Kong and other South East Asian countries are unusable. Yet, a little dredging of the River Niger can provide massive waterways from the South to the North. But this cannot be as long as there are trailers on the roads to satisfy vested interests of the rich few.

Railways

In South Africa, Ghana, Tanzania and other sister African countries bulk haulage is still being done by trains. Nigeria inherited a legacy of good railway system complete with workshops, foundries, maintenance yards etc. from the colonial masters like these countries. Yet, Nigeria railway system is not fully operational inspite of billions of naira “spent” yearly on it. Weeds have overtaken Iddo and other stations while in some areas the rails are covered by sand and silts. If Nigerian railway system becomes fully operational, trailers and containers owners who also own Nigeria will be out of business. They, therefore, cannot allow it. In the 2016 budget provisions were made for two rail arteries: Lagos-Kano and Calabar Lagos. While that of Lagos-Kano was approved that of Calabar Lagos was removed by the National Assembly because of politics (Folasade-Koyi 2016 p. 3).

Electric Power

If there is any sector of the Nigerian economy where corruption walks on two legs it is the power sector. For years Nigeria has been in energy crises (see Mbaegbu & Ogbeifun 2009b, Mbaegbu 2016a, p.128, Mbaegbu & Ugwoke, 2016b; p.17 & Mbaegbu, 2017) Official corruption is the bane of economic development in Nigeria. Nigeria has hardly generated and distributed 4000mw of electricity. It is either there is no gas supply or water level in the Kainji dam is low. Yet, some N11 trillion has been lost to corruption in power sector since 1999 (Oke, 2017 p. 43). It is because of this energy crisis that many manufacturing industries have fled to Ghana and South Africa. If energy crisis is averted in Nigeria, the powers that be who import electric generators will be out of business. They are the so-called mafia of generator exporters from Japan, China etc and their Nigerian *compradors* who are powerful *cabals* (see Duro O. 2016 p. 47)

Methodology

This study employed simple regression analysis for the analysis of data sourced from the Central Bank of Nigeria (CBN) Statistical Bulletin. The data captured the Federal Government Recurrent Expenditure Budgets for the following variables:

1. Transport and Communication
2. Agriculture
3. Manufacturing and Construction
4. Other Economic Services (Eg. Trading)

Transport and Communication is used as proxy for Infrastructural Development and it is the regressor or independent variable (IV). The other variables are the dependent variables or explanatory variables and they are used as proxy for Economic Diversification. The apriori expectation is that Economic Diversification is a function of Infrastructural Development. The common denominator for the purpose of measurement is the Federal Government of Nigeria Recurrent Expenditure Budget and the period of analysis is from 2000 to 2011. The recurrent expenditure is used for the analysis because it is used for repairs, maintenance and sustainability of the variables.

The functional relationships are stated as follows:

- | | |
|-----------------------------------|---|
| Agric = f(Transport/com)..... | 1 |
| Manuf = f(Transport/com)..... | 2 |
| Otherserv = f(Transport/com)..... | 3 |

The Data is presented in table 1.

Table 1: Federal Government Recurrent Expenditure Budget (N'Million) 2000 – 2011

Year	Transport & communication	Agriculture	Manufacturing & Construction	Other Economic Services (Eg. Trading)
2000	3,034.68	6,335.78	4,999.09	14,230.37
2001	33,933.40	7,064.55	7,202.84	4,808.46
2002	29,387.12	9,993.55	7,452.14	6,118.62
2003	22,678.99	7,537.35	16,951.37	48,903.02
2004	8,072.25	11,256.63	14,897.64	24,555.22
2005	8,041.51	16,325	17,915.36	22,025.78
2006	9,772.31	17,919.83	20,060.42	31,936.40
2007	32,160.92	32,484.23	71,361.81	43,064.95
2008	67,385.51	65,399.01	94,464.27	86,502.44
2009	90,027.93	22,435.20	80,628.45	124,099.84
2010	42,406.03	28,217.95	57,090.96	285,281.14
2011	13,103.12	41,169.88	195,862.88	60,401.89
Total	360,003.77	266,138.96	588,887.23	751,928.13

Source: CBN Statistical Bulletin 2015

Analysis of Data and Test of Hypotheses

The regression outputs and interpretations are shown in the appendix. From the analysis we make deductions as follows:

1. There is no significant relationship between Infrastructural Development Budget and Agricultural Development Budget. We uphold the null hypothesis.
2. There is no significant relationship between Infrastructural Development budget and Manufacturing and Construction budget. We uphold the null hypothesis.
3. There is no significant relationship between Infrastructural Development budget and the budget for other economic services e.g. Trading etc. We uphold the null hypothesis. Transport and communication is used as proxy for infrastructural development.

Findings and Discussion of Findings

The budgets of the Federal Government of Nigeria for infrastructural development since the year 2000 have had no positive relationship with the budgets for economic diversification of the country. In other words the budgets for the maintenance of economic infrastructure namely: roads, railways, airways, power, waterways have had no relationships with the budgets for agricultural development, manufacturing/construction and other services and trade that should diversify the economy. This situation is an anomaly, inconsistent with theories and it is the cause of our infrastructural deficiency. It is not in tandem with the development theory of Keynes (1936) as well as the theories of post Keynesian interventionist economists; McKinnon (1973), Solow (1956), Perkins (2001). These gentlemen emphasized the importance of government intervention in creating enabling environment using public capital stock so that investment in agriculture, manufacturing and services will bring about diversification and economic integration – backward and forward integration.

Conclusion

Our conclusion, therefore, is as follows: Nigerian budgets for infrastructural development have not been aligned purposively to match economic diversification so as to bring integration with its forward, backward and spreading effects on agriculture, industry, and services; our *corpus economicum* (Meir, 1976 p. 82).

Infrastructural development is the necessary condition for our take off as a developing economy (Rostow, 1960 p.37). Without this, Nigeria goes nowhere and will remain undeveloping with negative growth rates; one step forward, two steps backwards. There is a difference between developing and undeveloping. Nigeria is undeveloping for now.

Policy Recommendation

Based on the findings and the conclusion in this study, we now recommend as follows: The Federal Government recurrent expenditure budgets on economic infrastructure namely roads, railways, airways, waterways and electric power should be positively related to expenditure on agriculture, manufacturing/construction and other services/trade. When the investments are in tandem there will be no infrastructural deficiency and the basic physical economic infrastructure will jack up economic diversification with its integration effect thereby bringing Nigeria to the threshold of take off. A price cut in one domestic product will be compensated by a rise in another product and the present mourning effect of economic recession will be wiped out. The imperatives of infrastructural development will jack up the conditionalities for economic diversification.

References

- Adegboye, K. (2017). No motorable roads in Nigeria. *Vanguard Newspaper*, Tuesday July 25.
- Agboot, S. (2017). Nigeria to earn \$7bn from cashew export to Walmart. *The Business Report, Daily Sun Newspaper*, Monday July 17.
- CBN (2015). Selected Macroeconomic and Social Indicators. *CBN Annual Report*. Abuja: CBN.
- Chukwunyem, T. (2017). Debt threatens FG's economic recovery plan. *New Telegraph Business Mone*, Wednesday April 12, p.21.
- Duro, O. (2016). Let there be light in Nigeria. *Daily Sun Newspaper* Friday July 22.
- Folasade-Koyi, A. (2016). N60bn rail project in danger as National Assembly overrules Buhari on budget. *Sunday Sun Newspaper* April 10 p. 3, www.sunnewsonline.com
- Jerome, A. (2015). Infrastructure, economic growth and poverty reduction in Africa in Bassey, A. and Agnes, A. A. (Eds) *Infrastructure, Economic Development and Poverty Reduction in Africa*. Chennai India: Keja Publications.
- Keynes, J. M. (1936). *General theory of employment, interest and money*. Cambridge: Cambridge University Press.
- Mbaegbu, D. (2016a). An industrialization strategy for economic diversification and sustainable development of Nigeria. *International Journal of Advanced Studies in Business Strategies & Management*, 4(2)
- Mbaegbu, D. & Ugwoke, C. (2016). Human development Indices & Incidences of mass poverty in Nigeria. *International Journal of Innovative Research in Social Sciences & Strategic Management Techniques*, 3(1)

- Mbaegbu, D. (2016b). The challenges of sustainable, inclusive and integrated development of Nigeria. *International Journal of Development Strategies in Humanities, Management & Social Sciences*, 6(2)
- Mbaegbu, D. (2017). Endemic corruption in High places and mass poverty in Nigeria, *Research Journal of Humanities Legal Studies & International Development*, 2(1)
- Mbaegbu, D. G. E. & Ogbeifun, M. I. (2009b). Environmental factors of business in Nigeria. *Advances in Management, Journal of the Department of Business Administration*, University of Ilorin, 8(1)
- McKinnon, R .P. (1973). *Money and capital in economic development*. WDC: Brookings Institution.
- Meir, G. M. (1976 p. 82) *Leading issues in economic development*. New York: Oxford University Press.
- Nelson, C. (2017). Nigeria's infrastructural investment needs hit \$878b. *The Guardian Newspaper*, 34(14088)
- Oghenkohwo, J. E. & Berezi, I. U (2015). Economics of infrastructure on sustainable national development in developing countries in Bassey, A. and Agnes, A. A. (Eds) *Infrastructure, Economic Development and Poverty Reduction in Africa*. Chennai India: Keja Publications.
- Oke, Y. (2017). Nigeria lost N11 trillion to corruption in Power Sector, *Daily Sun Business*, Thursday Aug.
- Okere, R. & Olayinka, C. (2017). Nigeria to lose N57.6bn daily as OPEC plans production cut. *The Guardian Newspaper*, 34(14088)
- Organization for Economic Co-operation & Development (OECD) (2011). *Economic diversification in Africa: A Review of Selected Countries*. Paris: OECD Publishing.
- Perkins, D.H. et al. (2001). *Economic development*. NY: WW Norton & Co. pp. 5-12.
- Rostow, W.W. (1960). *The stages of economic growth*. Cambridge: Cambridge University Press.
- Sanyaolu, A. (2017). Investment opportunities in Iron ore. The Business report. *Daily Sun Newspaper*, Monday July 17
- Shadare, W. (2017). 50 years after Lagos, Abuja airports to scale certification tests. *New Telegraph Newspaper* Wednesday July 19, 2017 p.7.
- Solow, R. M. (1956). A contribution of the theory of economic growth. *Quarterly Journal of Economics* 70, 65 – 94

APPENDIX

Table 2: Regression Result for Agric = F (INF)

Dependent Variable: AGRIC
 Method: Least Squares
 Date: 08/23/17 Time: 02:30
 Sample: 2000 2011
 Included observations: 12

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	12941.91	7326.962	1.766341	0.1078
INF	0.307875	0.187042	1.646017	0.1308
R-squared	0.213179	Mean dependent var	22178.25	
Adjusted R-squared	0.134497	S.D. dependent var	17543.14	
S.E. of regression	16320.81	Akaike info criterion	22.38928	
Sum squared resid	2.66E+09	Schwarz criterion	22.47010	
Log likelihood	-132.3357	F-statistic	2.709371	
Durbin-Watson stat	1.550747	Prob(F-statistic)	0.130783	

Graphical Illustration

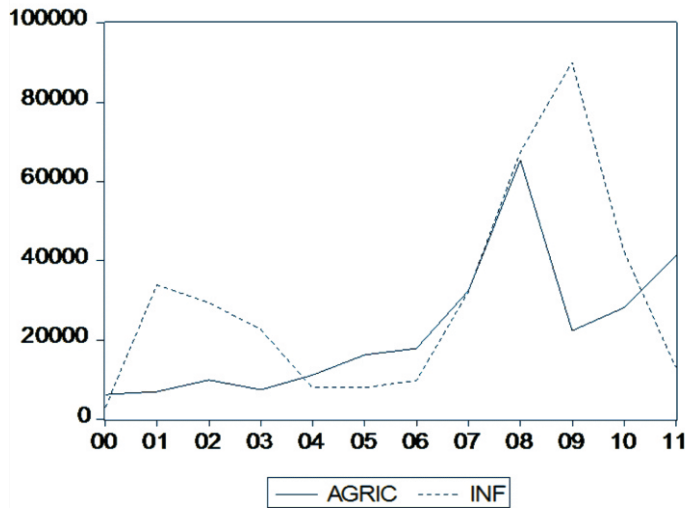


Table 3: Regression Result for MANUF = F (INF)

Dependent Variable: MANUF
 Method: Least Squares
 Date: 08/23/17 Time: 02:39
 Sample: 2000 2011
 Included observations: 12

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	31093.10	25343.72	1.226856	0.2480
INF	0.599355	0.646973	0.926399	0.3761
R-squared	0.079038	Mean dependent var	49073.94	
Adjusted R-squared	-0.013058	S.D. dependent var	56088.13	
S.E. of regression	56453.14	Akaike info criterion	24.87122	
Sum squared resid	3.19E+10	Schwarz criterion	24.95204	
Log likelihood	-147.2273	F-statistic	0.858215	
Durbin-Watson stat	0.852505	Prob(F-statistic)	0.376055	

Graphical Illustration

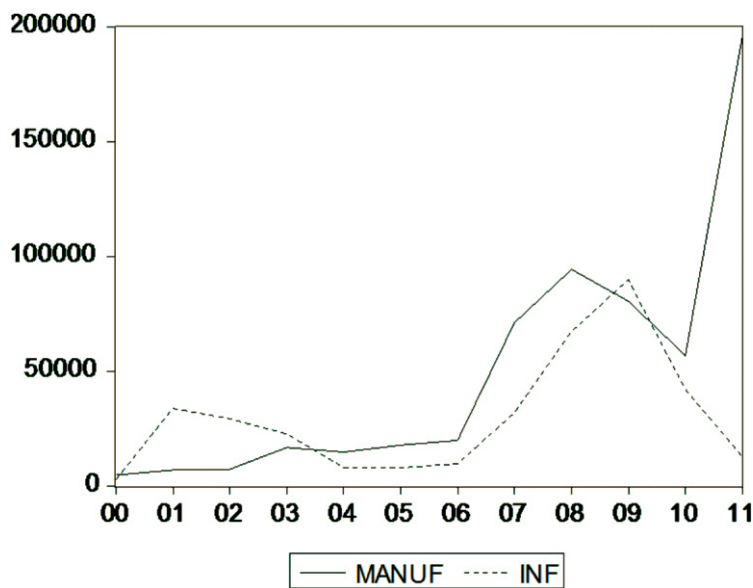


Table 4: Regression Result for OTHSERV = F (INF)

Dependent Variable: OTHSERV

Method: Least Squares

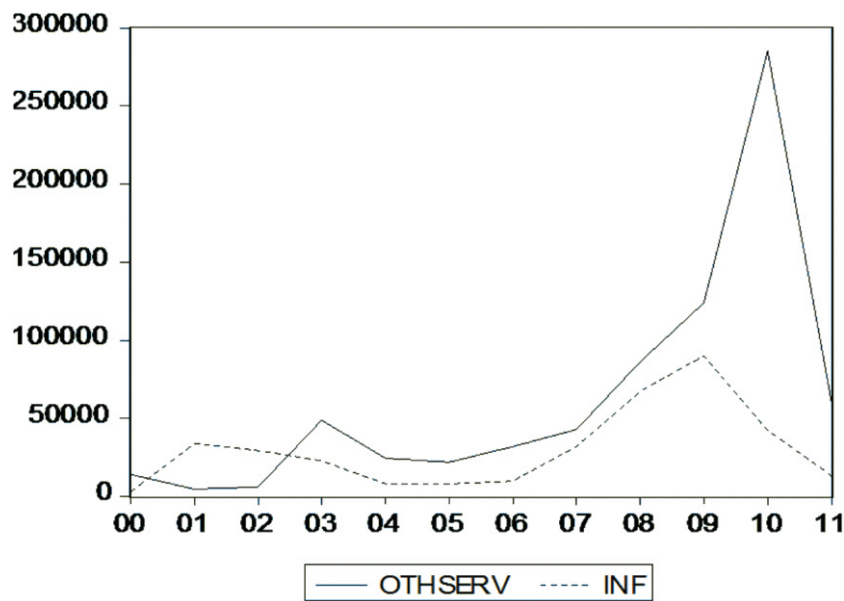
Date: 08/23/17 Time: 02:40

Sample: 2000 2011

Included observations: 12

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	19711.59	32314.85	0.609985	0.5555
INF	1.431621	0.824932	1.735443	0.1133
R-squared	0.231465	Mean dependent var	62660.68	
Adjusted R-squared	0.154611	S.D. dependent var	78287.36	
S.E. of regression	71981.34	Akaike info criterion	25.35721	
Sum squared resid	5.18E+10	Schwarz criterion	25.43803	
Log likelihood	-150.1433	F-statistic	3.011762	
Durbin-Watson stat	1.782161	Prob(F-statistic)	0.113315	

Graphical Illustration



Data

YEAR	AGRIC	MANUF	OTHSERV	INF
2000	6335.78	4999.09	14230.37	3034.68
2001	7064.55	7202.84	4808.46	33933.4
2002	9993.55	7452.14	6118.62	29387.12
2003	7537.35	16951.37	48903.02	22678.99
2004	11256.63	14897.64	24555.22	8072.25
2005	16325	17915.36	22025.78	8041.51
2006	17919.83	20060.42	31936.4	9772.31
2007	32484.23	71361.81	43064.95	32160.92
2008	65399.01	94464.27	86502.44	67385.51
2009	22435.2	80628.45	124099.84	90027.93
2010	28217.95	57090.96	285281.14	42406.03
2011	41169.88	195862.88	60401.89	13103.12

Interpretation Summary

- a. **Ho:** There is no significant relationship between infrastructural development and agricultural development in Nigeria ($p \leq 0.05$).
From table one the significant probability of infrastructure is 0.1308 which is greater than 0.05 we accept the null hypothesis and conclude that there is no significant relationship between infrastructural development and agricultural development in Nigeria. The graphical illustration showing their relationship supported the result gotten from the regression analysis.
- b. **Ho:** There is no significant relationship between infrastructural development and industrial development in Nigeria ($p \leq 0.05$).
From table two also the significant probability of infrastructure is 0.3761 which is greater than 0.05 we accept the null hypothesis and conclude that there is no significant relationship between infrastructural development and industrial development in Nigeria. The graphical illustration showing their relationship supported the result gotten from the regression analysis.
- c. **Ho:** There is no significant relationship between infrastructural development and trade/services development in Nigeria ($p \leq 0.05$).
From table three the significant probability of infrastructure is 0.1133 which is greater than 0.05 we accept the null hypothesis and conclude that there is no significant relationship between infrastructural development and trade/services development in Nigeria. The graphical illustration showing their relationship supported the result gotten from the regression analysis.