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Re-evaluation of Non-Oil Exports and Economic Growth in Nigeria

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Abstract
This study on re-evaluation of non-oil exports and economic growth in Nigeria (1991 – 2022) examined with a specific focus on agricultural, manufacturing, and service exports. Employing the Autoregressive Distributed Lag model, the study investigated the distinct contributions of each export category to Nigeria's economic expansion. The first objective is to estimate the impact of agricultural exports on economic growth, followed by an assessment of manufacturing exports, and lastly, an evaluation of service exports' influence on growth. The findings revealed that agricultural exports have a positive and significant impact on economic growth, suggesting that Nigeria's agricultural sector is a critical driver of economic expansion. Manufacturing exports, however, showed a positive but statistically insignificant effect, highlighting potential structural barriers that limit the sector's impact on growth. In contrast, service exports exhibit a positive and highly significant impact on economic growth, underscoring the sector's emerging role in Nigeria's economic diversification efforts. These results indicate that while agricultural and service exports significantly support growth, the manufacturing sector requires additional policy support to enhance its export capacity and contribution to the economy. The study concludes that targeted policy interventions in the non-oil export sectors, particularly in agricultural and service exports, could play a vital role in sustaining Nigeria's economic growth and reducing dependency on oil exports.

Keywords: ***Non-Oil Exports, Economic Growth, Auto regressive distributed lag (ARDL), Augmented Dickey-Fuller (ADF), Unit Root Test***

Introduction

Export has equally been acclaimed as a catalyst for the overall development of an economy. Abogan, Akinola and Baruwa (2020) saw exports as the mirror image of imports, given that one country's export is another's imports. However, export is any good or service transported from one country to another in a legitimate fashion typically for use in trade (Adugna, 2019). According to Kromtit, Kanadi and Ndangra (2017), export can be defined as surplus goods and services of a country that are sent to other countries in the world for sale. Export is required by countries to enhance revenue and usher in economic growth and development, especially as it helps attain a favorable balance of trade and balance of payment position for the exporting country provided its exports reasonably exceed its imports. It is therefore crucial for economic progress and this has informed the idea of export-led growth.

At independence, agriculture dominated the economic activities of Nigeria's economy contributing about 85 per cent to foreign exchange earnings, 90 per cent to employment generation and about 80 per cent to the country domestic productivity (CBN, 2010). However, with the discovery of crude oil in commercial quantity, the agricultural sector was abandoned and neglected while crude oil sector became the principal driver of Nigeria

economy; contributing over 80 per cent of Nigeria revenue, 95 percent of the country foreign exchange earnings among others. This singular act has exposed the Nigerian economy to international oil price fluctuation and shocks rendering the country's economy vulnerable to economic recession whenever there is excess supply over demand of crude oil in the international market which is termed oil price glut (Ogunjimi, Aderinto & Ogunro, 2020). Although, the agricultural sector is a leading sector in terms of employment generation especially in the rural areas, the sector is yet to be fully modernized to house young entrepreneur and fresh graduates; capable of solving the country unemployment and poverty problem. The sector's contribution to the country revenue and foreign exchange earnings is abysmal and not encouraging and need urgent strategy that can accelerate the sector performance. The neglect of the agricultural sector was not alone, as the manufacturing sector was equally not given attention. The sector's poor performance was revealed by its paltry contributions to gross domestic product, low-capacity utilization, in terms of manufacturing output and low value addition (Adenuga & Dipo, 2018).

But the discovery of crude oil alone cannot be held responsible completely for the misfortunes or decline of the agricultural sector. The policy instruments put in place by successive government were more of lip-service than concrete action. But the story of its decline is as pathetic as its impact on industry that relied heavily on the sector for raw material. Thus, the decline comes with surge of revenue from oil (oil export). This has not allowed for balanced growth in the economy as some sectors have been allowed to grow while growth has been impeded in others and this has left the country almost permanently in the status of underdeveloped economy (Uma, Eboh & Obidike, 2017). In essence, Nigeria has been a monolithic 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 price of oil, which for the most part, has been volatile (Usman, 2021). 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, Benjamin & Nwuba, 2018). The on-hand explanation to this economic paradox is that the oil sector that produces about 90% of export earnings are in the hands of less than one percent of the Nigerian population dominated by expatriates and members of the political class who control production and the proceeds respectively (Onodugo, Benjamin & Nwuba, 2018). 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. Crude oil has however been found to be exhaustible. More so, the international oil market is a highly a volatile one; hence, crude oil is unreliable for sustainable growth and development.

The non-oil sector consists of those sectors of the economy which are outside petroleum and gas industry including but not limited to manufacturing, agriculture, telecommunication, science, finance, trade, and tourism sectors (Onodugo, Benjamin & Nwuba, 2018). Accordingly, non-oil exports are the products which are produced within the country in the agricultural, mining, and quarrying and industrial sectors that are sent outside the country in order to generate revenue for the growth of the economy. These non-oil export products are coal, cotton, timber, groundnut, coca, beans, etc. The argument in favour of non-oil sector stimulation hinges on its perceived ability and potential to propel Nigeria to the desired growth and development (Onodugo, Benjamin & Nwuba, 2018). For instance, Riti, Gulak and Madina (2019) maintains 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 aces for future Nigerian sustainable economic growth. There are scholars at the other end of the pole, who

are skeptical about the possible significant positive impact of non-oil export trade on growth. They argued that since the economy is currently largely oil-dependent, what should have made sense is to increase the local content and technology transfer profile of the sector and ensure effective management of the proceeds from oil for development. The debate and polemics are still on.

Successive Nigerian governments on their part have shown efforts over the years to grow non-oil export trade by establishing supportive policies. Some of these policies, with varying degrees of successes, include but not restricted to: protectionism policy in the mode of import substitution policy of industrialization in the 1960s; trade liberalization policy, which took the form of structural adjustment programme in 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. However, in spite of the emphasis and policies aimed at revitalizing the non-oil sector in Nigeria, non-oil export performance has not been encouraging. The export of crude oil now constitutes about 96% of total exports while the performance of the non-oil exports in the past two decades leaves little or nothing to be desired.

Statement of the Problem

Nigeria is generously endowed with abundant natural resources such as crude oil, columbite, limestone, coal, lead, iron-ore, tin, with a whole lot of agriculture produce amongst which are cocoa, rubber and timber. All these resources if carefully and properly harnessed would foster the economic growth and development of Nigeria. Despite all the numerous blessings, Nigeria still remains underdeveloped whereas she stands a better chance, as the giant of Africa, to become one of the world leading economies. Nigeria is yet to attain the ranks of a developed economy due to lack of structural change, among other factors. In this instance, structural change entails not just agricultural transformation but equally includes the production and marketing of a variety of high valued goods and services for export to various destinations of the world (Schiliro, 2013). Also, it was observed that a factor crucial to this lack of economic progress is the lack of economic diversity which has caused the economy to rely heavily on crude oil for revenues and as the major export commodity in the economy (Usman, 2021).

In light of this, the government adopted various policies and strategies to boost non-oil exports and stabilize the economy. These include economic diversification policies aimed at ensuring increased private sector expansion especially as it concerns credit availability, foreign capital attraction-especially foreign direct investment and trade liberalization policies. In spite of these efforts, the performance and contribution of the non-oil exports sector has remained very low even as the sector has continued to perform below its full potential. The growing body of literature indicating possible linkage between non-oil export and growth of the Nigerian economy notwithstanding, there is still paucity of empirical evidence as to the magnitude of the contribution of non-oil export to growth.

Furthermore, it was observed that most time series studies in this line of investigation on Nigeria's economy have focused on export promotion strategy of industrialization as a way of diversifying the productive base of the Nigerian economy without clear information on how strong the impact non-oil exports have been to the growth of the economy. It is against this background that this study investigates the extent to which non-oil export have impacted on economic growth in Nigeria; a time series evidence is in consonance with these on-the-

spot claims. This study is guided by the following research questions: To what extent does agricultural exports impact on economic growth in Nigeria?, Is there any significant impact of manufacturing exports on economic growth in Nigeria?, and Is there any significant impact of service exports on economic growth in Nigeria?. Specifically, the study intends to: estimate the extent to which agricultural exports impacts on economic growth in Nigeria, determine the extent of impact of manufacturing exports on Nigeria's economic growth and evaluate the degree of influence of service exports on economic growth in Nigeria.

Literature Review

Mercantilism Theory

Mercantilism, an antiquated economic theory, emphasizes prioritizing exports over imports, with the aim of accruing substantial trade surpluses. This doctrine asserts that a nation's path to prosperity and self-sufficiency lies in exporting more goods than it imports. Despite its age, mercantilism continues to influence contemporary policies and trade strategies of various nations (Esu & Udonwa, 2020). Advocates of mercantilism, such as Thomas Hobbes and Jean Colbert, advocate for the implementation of tariffs, quotas, and other trade regulations to limit imports and safeguard a country's trade position (Adenugba & Dipo, 2019). Additionally, mercantilism's developmental approach endorsed colonialism, wherein leaders intervened extensively in the market by imposing tariffs on foreign goods to suppress import trade and offering subsidies to boost the export potential of domestic products and services. Consequently, mercantilism is seen as the elevation of commercial interests to the status of national policies (Olaleye & Taiwo, 2021).

Absolute advantage theory

The foundational theories of trade, namely absolute advantage by Smith (1776) and comparative advantage by Ricardo (1817), have long guided international trade practices. Both theories argue that specialization in trade among nations enhances global output, but they differ on how countries should specialize. Smith's absolute advantage suggests that countries should specialize in producing goods they can make more efficiently given their available resources, while Ricardo's comparative advantage proposes specialization in goods with the least opportunity cost based on available resources. In the Ricardo's theory, open economies are expected to specialize in producing goods where they have a comparative advantage. The Absolute advantage theory, introduced by Smith in 1776, emphasizes a country exporting goods it can produce more efficiently than others, while importing those it produces less efficiently. This theory suggests that specialization and trade benefit all involved nations simultaneously, promoting increased world output. However, it doesn't address situations where one country has an absolute advantage in producing both commodities, leading to Ricardo's theory of comparative advantage. Ricardo argues that even if a nation is less efficient in producing both goods, there's still room for mutually beneficial trade. The less efficient nation should specialize in the less inefficient good, while the more efficient nation focuses on its areas of strength. Unlike absolute and comparative advantage theories, the Hecksher-Ohlin theory, introduced in the early 1900s, emphasizes production based on abundant resources. According to this theory, nations should specialize in goods that utilize their most abundant resources, importing goods requiring scarce resources. This model suggests that the less developed countries, abundant in labour, should specialize in labour-intensive products like agriculture, while importing capital-intensive goods from developed nations.

Endogenous growth theory

Taking a leap from the neo classical growth model in which economic growth was viewed as being dependent on the rate of labour growth and capital accumulation given the state of technology which is being treated as an exogenous factor, and in which human capital was completely excluded from the definition of "capital", Romer (1986, 1987) developed another model which is named the "endogenous growth model. In this new model, labour as a factor of production was added to capital as the main factor affecting growth. This is in due recognition that labour is a viable part of human capital. In the endogenous growth model, "human and social capital accumulation are the main factors responsible for the growth of an economy" (Bedir, 2016). Equally, the recognition of the state of technology as an exogenous factor was equally discarded as erroneous by the new endogenous model. In fact, according to Romer (1986), the state of technology is not something that can be viewed as a "manna which comes from heaven" but instead should be seen as something which can be altered and whose degree can as well be redirected (Muftaudeen & Bello, 2021). In this case, instead of being regarded as an exogenous factor of production, technology according to Romer was made an endogenous factor. Endogenous theory theory holds that growth is primarily a function of endogenous (internal) and not exogenous (external) factors. These internal factors according to him are usually determined by government policies through researches. Hence, the long run growth of the economy depends on governmental policies. This means that the growth factors are determined within the system and not outside the system. In its simplest term, this theory holds that if a firm employ both capitals alongside skilled, educated and healthy individuals, the skilled labour so employed will be able to utilize the capital and technology more efficiently to grow the economy (Ayuba, 2020). In summary, "the conventional growth theory as modeled by Romer in 1986 holds that what increases productivity is not an exogenous factor but rather endogenous factors which are assumed to be related to the knowledge and behaviour of the people responsible for the accumulation of physical capital, thus human capital becomes one of the main enhancers of economic growth.

Empirical Review

Rasulbakshi and Mohseni (2020) studied the effect of non-oil export on economic growth in Iran using a Computable General Equilibrium (CGE) model. The result of their finding shows a positive relationship between non-oil export and economic growth. Among the exportable non-oil sectors; industry and mining sector had the most effect on Iran's economic growth. Accordingly, a 30% increase in non-oil export can grow national output by 19.96% and industry 64%. The study thus concluded with emphasis on the result which showed that the industry and mining sectors had the greatest effect on economic growth among all other non-oil exportable sectors. The result opines that, paying more attention to reinforcement of non-oil export with great emphasis on industrial export can facilitate and enhance Iran's economic growth.

Monir and Ebraham (2018) carried out a research survey on oil and non-oil export effect on economic growth in Iran (1973-2015). They used the time series and method of Vector Auto regressive (VAR). Their finding show that real GDP responds positively to a shock in oil export, but this happened after 2 lags. Similarly, real GDP responds positively to a shock in non-oil export but happened with more increased lags. Their study is of the opinion that in Iran, the main source of revenue of government is oil and the government expenditure is mainly based on the forecast of oil export revenue. The result also showed the positive effect of non-oil export on the economy in long run; submitting that good policies can improve government revenues and that change in policy making, requires comprehending and

studying long-term development programs. Iran's economy was believed to have experienced growth in GDP during the study period, but this can be attributed to the high price of oil and stability of oil prices as at then. Thus, recommending that it would be better to apply the extra revenue caused by increase of oil price for development of non-oil export in order to sustain revenues enlargement.

In Nigeria, Usman (2021) carried out a study on non-oil export determinant and economic growth in Nigeria from 1988-2018 using multi-linear regression. The finding showed the existence of a positive relationship between GDP and Non-oil export, consumer price index and exchange rate. The study recommended that, since non-oil export was found to have positive effect on economic growth in Nigeria over the period of study (1988-2014), it is believed that economic growth could be enriched and become efficient as government diversifies its sources of export. Therefore, measures to further improve and increase the earning of the non-oil export are thought to be necessary for the country to experience sustainable development.

Abogan, Akinola and Baruwa (2020) studied the impact of non-oil exports on the economic growth of Nigeria for 31 years from 1980-2017. The study adopted ordinary least square (OLS) estimation technique which include error correction, parsimonious and over-parametization to analyze the data obtained from the CBN statistical bulletin. The variables were found to be co-integrated by the Johannsen co-integration test which shows that a long-run relationship exist among the variables. The study concluded that the impact of non-oil export on the Nigerian economic growth was not excessive as a unit rise in non-oil export impact positively by 26 % on the productive capacity of goods and services in Nigeria during the period. It was recommended that the Nigeria government reinforce the legislative and monitoring committee of the non-oil sectors and spread the economy to have optimal support from all part of the sectors in the Nigerian economy.

Adugna (2019) studied the effects of non-oil export on the Nigerian economy for 41 years from 1970 to 2011. The study proxied non-oil exports by rate of non-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 proxied by GDP as the dependent variable. The study adopted the unit root test, augmented dickey-fuller (ADF), error correction model and Johannsen co-integration to test for significance among the variables. The result of the unit root 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 between the periods of 1970 to 2015. There was a positive contribution of non-oil export to the economic growth of Nigeria from the result of error correction model. The study recommends that measures should be taken to diversify, reduce and eliminate the supply constraints that determine the performance of the export sectors so as to maximally exploit the advantages of other sectors via export promotions of non-oil products.

Onodugo, Benjamin and Nwuba (2018) empirically investigated the impact of non-oil exports on the Nigerian economic growth for 31 years (1981 – 2012). The study used secondary data sourced from CBN statistical bulletin (2012). It adopted the endogenous growth model, augmented production function, co-integration and conventional tests for mean reversion to test for significance between non-oil exports and the economic growth of Nigeria. The result showed that a weak impact of non-oil export exists and it influences the change in the level of growth in the Nigerian economy. The study failed to give support to recent claims on non-oil

exports led growth in Nigeria. It has also set a data benchmark for appraisal of likely advancement in future performance of non-oil exports owing to GDP growth rate.

Oyelami and Alege (2018) examined the impact of non-oil exports on the economic growth of Nigeria for 24 years from 1986 to 2015. The study was undertaken against the background of the important function that non-oil exports can perform as a substitute source of revenue apart from crude oil exports. Multiple regression technique was used in analyzing the data in order to achieve the objective of the study. The result revealed that non-oil exports are statistically significant to Nigeria economic growth. On the other hand, Government Expenditure (GEX) was not significant to Nigerian economy. Thus from the outcome, some recommendations were made which includes; encouraging financial institutions, improving in data collection and banking, efficient allocation and use of resources, and creating economic environment that will help boost activities of the non-oil export sector.

Nwanne (2019) carried out a study on foreign direct investment, non-oil exports and economic growth in Nigeria using granger causality test. The study's findings revealed that in the long-run, foreign direct investment affects economic growth positively in Nigeria. This positive effect on growth outcome, though significant when judged by the statistic, is unimpressively low as only about one percent change in economic growth will arise from a hundred percent change in Foreign Direct Investment inflows into the country within the context of the long-run horizon. The result also shows that FDI inflows in Nigeria contribute positively to non-oil export in the long-run. The result further showed that the responses of the variables to one standard deviation insinuations were on average, found to be dormant in the early stages of the out-of-sample forecast period; but all demonstrated pronounced responses after about 7 years into the forecast period. They therefore noted that policy shocks to Foreign Direct Investment, non-oil exports, and economic growth in Nigeria do not show immediate response in the desired direction.

Methodology

This study aims to systematically examine the effect of non-oil export on economic growth in Nigeria using historical data obtained from the Central Bank of Nigeria (CBN) statistical bulletins. To address the research objectives, multiple regression analysis was employed, based on the classical linear regression model of as the Ordinary Least Square (OLS) technique. The choice of OLS is driven by its computational simplicity and optimal properties, including linearity, unbiasedness, minimum variance, and a zero-mean value of the random errors. These characteristics make OLS an ideal estimation technique for this study. The analysis covered the period from 1981 to 2022, using secondary data. Data analysis was conducted with the aid of E-Views 10.0 econometric software**,** which provided an efficient platform for performing regression analysis and other econometric tests.

Model Specification

The model for this study is developed based on a well-researched knowledge of variables that exerts influence on non-oil export and in line with the model used by Adofu and Okoroafor (2016) who modelled real gross domestic product (RGDP) as a function of volume of non-oil export (NOX), exchange rate (EXR), interest rate (INT) and government expenditure (GEX). This model is however modified by disaggregating non oil export into agricultural products export, manufacturing products export and service products export. Based on this relationship a functional form of these variables are captured and presented thus:

GDP = f (AGPX, MNPX, SVPX, INT, LEXR, GEX) Where GDP = Gross domestic product; AGPX = agricultural products export, MNPX = manufacturing products export, SVPX = service products export, INT = interest rate; LEXR = Exchange Rate, while GEX = government expenditure; Ut = Stochastic term (error term)

Results

Table 1: Augmented Dickey-Fuller (ADF) Unit root test result at level and first differences (trend and intercept)

Series	ADF T-Stat (Level)	5% critical values	ADF T-STAT (1st Diff)	5% critical values	Order of Integration
LGDP	-3.543299	-3.562882	-8.876754	-3.568379	1(1)
LAGPX	-1.952022	-3.568379	-3.789306	-3.568379	1(1)
LMNPX	-2.591489	-3.562882	-5.365614	-3.612199	1(1)
LSVPX	-1.846613	-3.562882	-5.513606	-3.568379	1(1)
INT	-1.767327	-3.562882	-3.975308	-3.568379	1(1)
LEXR	-2.688910	-3.595026	-8.082964	-2.963972	1(1)
LGEX	-4.375548	-3.562882	-	-	1(0)

Source: Researcher's Compilation from unit root test performed using E-view (version 10)

Table 1 above reports that using Augmented Dickey-Fuller (ADF), only LGEX is stationary at level because its ADF test statistic is significantly lower than the 5% critical value. In other words, its Augmented Dickey-Fuller (ADF) test statistic is greater than its critical values (in absolute terms). This suggests that the index has a constant statistical property over time without requiring differencing. Every other variable including LGDP, LAGPX, LMNPX, LSVPX, INT, and LEXR are non-stationary at level but become stationary after taking the first difference. This implies that these variables exhibit a consistent statistical behavior over time once their temporal patterns are removed through differencing. Hence, the non-stationary variables became stationary after first difference and are therefore integrated of orders one (I (1)). This indicates that all the variables are free from unit root problems and hence there is no need to suspect that the estimated results are spurious.

Auto regressive distributed lag estimates result

Because the variables exhibit different orders of integration as some were integrated of order zero while others were integrated of order one, the Auto Regressive Distributed Lag (ARDL) technique was employed. This technique aims to estimate both the short and long-term relationships among the specified variables. The unrestricted form of the ARDL is displayed in Table 2.

Table 2: Unrestricted ARDL result
Dependent Variable: LGDP

Variable	Coefficient	Std. Error	t-Statistic	Prob.*
LGDP(-1)	0.197520	0.159939	1.234970	0.2327
LAGPX	0.875304	1.531494	0.571536	0.5747
LAGPX(-1)	-3.444576	1.999391	-1.722813	0.1021
LMNPX	-0.046715	0.497570	-0.093887	0.9262
LSVPX	-0.025892	0.066871	-0.387198	0.7031
INT	-0.073733	0.025792	-2.858777	0.0104
LEXR	-2.128030	3.301880	-0.644490	0.5274
LEXR(-1)	9.272080	3.420306	2.710892	0.0143
LGEX	-5.983413	2.730296	-2.191489	0.0418
LGEX(-1)	-6.998819	3.021491	-2.316346	0.0325
LGEX(-2)	-3.983277	3.266063	-1.219596	0.2384
C	23.16474	10.18114	2.275259	0.0354
R-squared	0.723025	Mean dependent var		4.205174
Adjusted R-squared	0.703762	S.D. dependent var		3.890357
F-statistic	4.271616	Durbin-Watson stat		2.271903
Prob(F-statistic)	0.003239			

Source: Researcher's Compilation from ARDL test performed using E-view (version 10)

From the result in table 2, the coefficient of determination (R^2) is estimated to be 0.723025. This signifies that approximately 72 percent of the fluctuations in the dependent variable (LGDP) can be attributed to variations in the independent variables. The remaining 28 percent of the fluctuations are influenced by factors not considered in the regression model, which are captured by the error term. Additionally, the F-statistics value of 4.271616, coupled with a p-value of 0.003239 (lower than 0.05), underscores the substantial collective impact of the independent variables on the dependent variable. Therefore, all the variables encompassed in the model collectively exert a significant influence on the dependent variable.

Conclusion

This research study delved into the intricate relationship between non-oil export and economic growth in Nigeria using the ARDL methodology. Through a comprehensive analysis of data spanning the period between 1991 and 2022, it became evident that non-oil exports significantly impacts Nigeria's economic growth. The findings underscore the importance of a sectoral approach in the non-oil exports promotion to support economic growth in the country. Agricultural and service exports currently serve as a significant growth drivers, while manufacturing export needs supportive policies to increase its economic contributions. An export strategy that targets each sector's unique needs and growth potential will help maximize the economic benefits of non-oil exports and enhance Nigeria's economic resilience.

Recommendations

The following recommendations were made:

1. Given the positive and statistically significant relationship between agricultural exports and economic growth in Nigeria, government should consider investing in infrastructure, subsidies, and technological improvements for the agricultural sector to increase its export capacity and sustain this positive impact on economic growth.

2. Considering the insignificant impact that manufacturing exports has, a positive but statistically insignificant impact on economic growth, policy actions should focus on addressing structural barriers, improving access to finance, and encouraging innovation in Nigeria so as to harness the potential of manufacturing exports as a reliable source of economic growth.

3. Given the positive and statistically significant relationship between service exports and economic growth in Nigeria**,** government could enhance the sector's competitiveness and continue leveraging service exports to drive economic growth by investing in digital infrastructure, encouraging skill development, and fostering high-value services.

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