

DOES ENTREPRENEURSHIP FINANCING CONTRIBUTE TO POVERTY ERADICATION IN NIGERIA? EVIDENCE FROM SMALL AND MEDIUM SCALE ENTERPRISES

ADEREMI TIMOTHY AYOMIYTUNDE

Department of Economics, Olabisi Onabanjo University, Ago-Iwoye, Nigeria
aderemi.timothy@gmail.com

EFUNBAJO SAMUEL ADEKUNLE

Department of Economics, Tai Solarin University of Education, Ijagun, Ijebu Ode,
Nigeria
efunbajosamuel@gmail.com

AMUSA BOLANLE OLUBUNMI

Department of Business Administration and Management, Gateway (ICT)
Polytechnic, Sapaade, Nigeria
bolabunmiakanni@gmail.com

RASHEED OLUSOLA IYABODE

Department of Business Administration and Management, Yaba College of
Technology, Lagos, Nigeria
olusola.rasheed@yabatech.edu.ng

Abstract

The aim of this paper is to provide an answer to the question whether entrepreneurship financing regarding Small and Medium Scale Enterprises (SMEs) eradicate poverty in Nigeria between 2000 and 2018. The study utilized data from the Central Bank of Nigeria Statistical Bulletin and World Development Indicators. Consequently, Autoregressive Distributed Lagged, Bounds test and Error Correction Model techniques were utilized to address the objective of the study. The important findings that emerged in this work could be summarized as follows; agriculture and forestry financing does not contribute to poverty eradication in both the short run and the long run. However, mining and quarrying business financing eradicate poverty in the short run. In the same vein, financing of manufacturing and food processing businesses contributes to the eradication of poverty in the long run. Aggregate lending of the commercial bank causes eradication of poverty in both in the short run and the long run respectively. The speed of adjustment in which it took the model to correct disequilibrium due shock from the previous year to equilibrium in current year is 27%. Moreover, due to the important findings that emerged in this work, the following recommendations are made for the policy makers in Nigeria in specific and Africa in general to explore. Financing of mining and quarrying businesses, manufacturing and food

processing should be the priority of the Nigerian government since poverty eradication could be achieved through this in the both short run and the long run in the country. Also, the commercial banks should increase the percentage of their lending to SMEs in order to encourage the expansion of SMEs entrepreneurship which its multiplier effects reduce poverty in the nearest future. Finally, commercial banks' lending towards agricultural sub sector should be increased. Therefore, the Central Bank of Nigeria should implement appropriate policies that will redirect the commercial banks' lending to agricultural sub sector in Nigeria.

Keywords: Entrepreneurship; Poverty Eradication; SMEs Financing; ARDL and ECM

JEL Classification: M21: M11:M13: I38

1. INTRODUCTION

Small and medium scale enterprises could be conceptualized as business entities that have less than 50 employees (CBN, 2018). Basically, these enterprises possess investment in machinery and equipment that is less or equal to six hundred thousand naira and independently owned and operated with a view to generating job opportunities and meeting sales standard. Over the time, SMEs entrepreneurship has been argued as the active agents of economic growth through creativity and innovation (Baig, 2007). This justifies the critical roles in which this type of entrepreneurship could play in creating employment for teeming population and consequently reduce poverty levels in any economy.

However, Nigeria is currently accommodating the highest number of extremely poor people in the world (Adebayo, 2018). This statement is further reinforced by the status of GDP per capita of the country which became negative in 2016 and 2017 respectively (WDI, 2018). In this light, promotion of entrepreneurship that could bring profits for the businesses' owners and revenues for the government to embark on investment projects in the country becomes highly imperative. One of these viable entrepreneurship ventures in Nigeria is SMEs. The major reason why entrepreneurship is highly beneficial in Nigeria has been arrogated to the fact that the Nigerian private sector is made up of small and medium enterprises which generates varieties of job opportunities for 50% of the nation's labour force and 50% of its industrial output concurrently (Ariyo, 2005). But it is unfortunate that Nigerian economy is very hostile to entrepreneurship because the country is highly infrastructural deficit which could be detrimental to entrepreneurship development. Also, the major problem confronting SMEs is lack of access to credits in the country. Because the Nigerian government lacks political goodwill to support small and medium enterprises in the country (Friday, 2012).

Meanwhile, in the recent time, an attempt to embark on poverty eradication in Nigeria has activated the policy makers in the country to introduce different programmes and policies which could provide financing for small and micro enterprises to thrive. The aftermath effects of the government policies gave birth to some financing agencies which saddled with the responsibility of providing soft credit facilities to the farmers, small and medium scale industries. The popular

among these financing agencies are Industrial Development Bank (NIDB), Nigerian Agricultural and Cooperative Bank (NACB), the Peoples Bank of Nigeria (PBN), Community Banking Scheme, the Family Economic Advancement Programme (FEAP), the Nigeria Agricultural Cooperatin, Rural Development Bank (NACRDB) and emergency of Micro Finance Bank (MFB) Scheme in 2005. It is not a gainsaying to submit that these schemes and programmes could record some level of success in financing small and medium scale enterprises, but its impact on poverty levels in the country becomes questionable. Poverty in Nigeria is very critical at this moment which calls for a holistic approach to reposition the country for the sustainable economic growth. Entrepreneurship financing through SMEs could be a panacea to poverty eradication in Nigeria but there are not yet enough empirical studies to validate this argument in the country. The bulk of recent empirical studies focus on how economic growth and development could originate from entrepreneurship. See (Abdul-kemi, 2014; Muritala, Awolaja and Bako, 2012; Gbandi and Amissah, 2014; Ogbo and Nwachukwu, 2012). As a result of this gap in the literature, this paper examined the relationship between SMEs financing and poverty eradication in Nigeria from 2000 to 2017. The choice of these periods is motivated by the researchers to examine the impact of commercial bank SMEs financing on poverty eradication after the emergency of the fourth republic in 1999 in Nigeria. The arrangement of this paper is as follows; in section one, the foundation of this study was laid, section two presents the review of literature while section three addresses methodology, analysis of data, discussion of the results, summary and policy recommendation.

2. REVIEW OF EMPIRICAL LITERATURE

In the last few decades, entrepreneurship has received a global attention in the literature. In the section an attempt has been made to present various views of scholars regarding entrepreneurship over time

In a study conducted by Gbandi and Amissah (2014), it was discovered that SMEs contributed insignificantly to the growth of the Nigerian economy despite the fact that 90% of businesses in the country are made of up SMEs. The authors agued further that only adequate funding of SMEs could facilitate its active performance in contributing to growth and development of the Nigerian economy. Similarly, Matthias and Walter (2014) carried out a research to investigate how the stability of preferences and repercussions of entrepreneurship on risk attitudes were related. It was put forward by the researchers that entrepreneurship played the decisive role in shaping risk preferences due to the fact that becoming an entrepreneur is connected with a rise relative risk attitudes of an individual. Meanwhile, the attitudes towards risk change over time in conjunction with the preferences of individual undertaking the risk. Muritala, Awolaja and Bako (2012) analyzed the relationship between small and medium enterprises and economic growth and development in Nigeria with the application of a survey technique. The paper submitted that the factors that constituted hindrance to the growth of small and medium scale business in Nigeria are as follows shortage of financial support,

deficiency in infrastructural facilities, poor management, corruption, insufficient training and experience, low gains and low market for product and services.

Sunday, Iliya and Francis (2015) employed Narrative-Textual case Study to examine the relationship between entrepreneurship and economic growth in Nigeria. It was discovered from the study that entrepreneurship was a vital instrument to economic growth through the creation of employment in the country. The authors also posited that challenges of power and other infrastructural facilities caused an insufficient business environment in the Nigerian economy. However, in another related study, Ogbo and Nwachukwu (2012) evaluated the contribution of entrepreneurship with reference to small and medium enterprises to economic development in Nigeria. In the study, 100 SMEs were randomly sampled across some states in Nigeria using statistical technique. The paper asserted that the performance of small and medium enterprises was not satisfactory in Nigeria owing to a lot of diverse problems which could be enumerated as follows attitude and habits of small and medium enterprises in response to environmental related factors in one hand and persistent changing of government policy on the other hand. It was concluded from the study that that the adequate managerial skills sponsors of SMEs is very important prior embarking on the financing of enterprise development. In the same vein, Friday (2012) embarked on a research to investigate the contribution of microfinancing to small and medium enterprises (SMEs) in Nigeria with the application of survey design. The study discovered that the SMEs have been tremendously benefited from microfinance banks' loans in the country. Also, the direct impact of MFIs loans orchestrated the promotion of market share, product innovation and the company's economic competitive advantage as a whole. While contributing to the literature, Quaye (2011) assessed how Microfinance Institution (MFIs) and Small and Medium Scale Enterprises (SMEs) growth were related in Ghana. It was discovered from the study that most SMEs were still at micro level due to the fact these enterprises still engage few workers, in which commerce sub-sector dominates these business enterprises. Availability of greater access to credit, financial and managerial training and enhancement of savings and provision of business were also made possible by MFIs which consequently led to an increment in the growth of SMEs in the country.

Abdul-kemi (2014) utilized correlation and Autoregressive Integrated Moving Average (ARIMA) technique to investigate the nexus between entrepreneurship and economic development in Nigeria from 1992 to 2013. The author submitted that economic growth and development in Nigeria were significantly caused by the aggregate commercial banks' lending to SMEs. It was also discovered from the study that microfinance banks' lending to transportation and commerce, manufacturing and food processing and other activities caused a significant contribution to the growth and development of the Nigerian economy. Oladele, Akeke, and Oladunjoye (2011) adopted a multiple regression analysis to estimate the how entrepreneurship development could reduce unemployment in Nigeria. The paper posited that the Nigerian government alongside its various

agencies should encourage entrepreneurship in the country in order to curb the current rising unemployment level in the country.

Finally, having taken a critical look at the empirical literature reviewed, one could submit that studies on entrepreneurship is ongoing in Nigeria with special focus on small and medium enterprises. However, the impact of SMEs financing on eradication of poverty has not been fully explored in the literature. The gap in which this study intends to fill.

3. METHODOLOGY

In this paper, secondary data from 2000 to 2017 were utilized. To be explicit, data of the commercial banks loans to agriculture and forestry, mining and quarrying, manufacturing and food processing, the aggregate commercial banks financing of SMEs and broad monetary supply were sourced from the Central Bank of Nigeria Bulletin and GDP per capita which proxies poverty variable was extracted n poverty variable were extracted from the World Development Indicators.

3.1. MODEL SPECIFICATION

In estimating the relationship between SMEs financing and poverty eradication in Nigeria, this study employed econometric technique. And the model to be estimated is specified as follows:

$$PVT = f(AC, MS, MFPC, MNQC, AGGC) \quad (I)$$

Linearizing equation (I) leads to equation (II)

$$PVT_t = \delta_0 + \delta_1 \text{Log}AC_t + \delta_2 \text{Log}MSt + \delta_3 \text{Log}MFPC_t + \delta_4 \text{Log}MNQC_t + \delta_5 \text{Log}AGGC_t + Ut \quad (II)$$

3.2 ARDL AND ECM MODEL SPECIFICATION

The adoption of Autoregressive Distributed Lag Model and Error Correction Model in this study was motivated by the various pre-estimation tests in which the dataset was subjected to. However, it was discovered that the variables of interest in this study are combination of different orders of integration and possess a long run equilibrium relationship simultaneously. Hence, ARDL and ECM would be estimated (Pesaran, Shin and Smith, 2001: Pesaran and Pesaran, 1997). Thus, the model for this analysis could be specified as follows:

$$\begin{aligned} \Delta \text{Ln}PVT_t = & \delta_0 + \sum_{i=1}^p \delta_1 \Delta \text{Ln}PVT_{t-1} + \sum_{i=1}^p \delta_2 \Delta \text{Ln}AC_{t-1} + \\ & \sum_{i=0}^p \delta_3 \Delta MS_{t-1} + \sum_{i=0}^p \delta_4 \Delta \text{Ln}MFPC_{t-1} + \sum_{i=0}^p \delta_5 \Delta \text{Ln}MNQC_{t-1} + \\ & \sum_{i=0}^p \delta_6 \Delta \text{Ln}AGGC_{t-1} + ECM_{t-1} + \sum_{i=1}^p \delta_7 \text{Ln}PVT_{t-1} + \sum_{i=0}^p \delta_8 \text{Ln}AC_{t-1} + \\ & \sum_{i=0}^p \delta_9 \text{Ln}MS_{t-1} + \sum_{i=0}^p \delta_{10} \text{Ln}MFPC_{t-1} + \sum_{i=0}^p \delta_{11} \text{Ln}AGGC_{t-1} + \\ & \sum_{i=0}^p \delta_{12} \text{Ln}AGGC_{t-1} + Ut \quad (III) \end{aligned}$$

Where; PVT is poverty variable and is measured by GDP per capita which is calculated in percentage. MS is broad monetary supply. AGGC is the aggregate commercial banks financing of SMEs, AC is the agriculture and forestry business financing. MNQC is the mining and quarrying business financing, MFPC is the manufacturing and food processing business financing, t ranges from 2000 to 2018 and U is the error term. However, $\delta_1, \delta_2, \delta_3, \delta_4$ and δ_5 measure short run parameters. $\delta_6, \delta_7, \delta_8, \delta_9, \delta_{10}, \delta_{11}$ and δ_{12} measure long run parameters. It is expected that all the parameters should have a positive sign

3.3 RESULTS AND DISCUSSION

Table 1. Descriptive Statistics of Annual Data Series (2000-2018)

Descriptive Statistics	PVT	LnAGGC	LnMS	LnMFPC	LnMNQC	LnAC
Mean	3.742105	10.30450	8.779640	5.296194	6.286070	5.032808
Median	2.600000	10.15478	9.149646	5.805477	7.071657	4.910456
Maximum	30.40000	11.75941	10.12981	7.073008	7.703342	6.321973
Minimum	-4.200000	9.282464	6.778167	2.460800	3.474714	3.714277
Std. Deviation	6.975219	0.812873	1.093839	1.699544	1.435603	0.954490
Skewness	3.059500	0.294410	-0.437498	-0.686725	-0.606453	0.064317
Kurtosis	12.64928	1.588714	1.756112	1.941408	1.843837	1.429277
Jargue-Bera	103.3527	1.851264	1.831024	2.380527	2.222883	1.966277
Probability	0.000000	0.396281	0.400312	0.304141	0.329084	0.374135
Sum	71.10000	195.7854	166.8132	100.6277	119.4353	95.62335
Sum. Sq. Deviation	875.7663	11.89372	21.53671	51.99210	37.09721	16.39891
Observation	18	18	18	18	18	18

Source: Authors` Computation (2019)

Table 1 presents the descriptive statistics of the dataset employed for the econometric analysis in this paper. GDP per capita which measures the poverty levels in Nigeria during the period of 18 years has minimum and maximum values -4.2% and 30% concurrently. It has a mean value of 3.7% with standard deviation of 6.9%. This implies that GDP per capita data deviate from the both sides of mean by 6.9%. Therefore, this data are widely dispersed during the period under consideration because its standard deviation is greater than mean value. In the same vein, its coefficients of skewness and Kurtosis are 3.059500 and 12.64928 respectively. This shows that the data are positively skewed and did not agree with the symmetrical distribution assumption. Meanwhile, the aggregate commercial banks financing of SMEs has minimum and maximum N9.282464 billion and N11.75941 respectively with the standard deviation of N0.812873 showing that the data deviate from both sides of mean by N10.30450 billion. This suggests that the data for this variable are not widely dispersed during the period under study because the mean value is greater than the value of standard deviation. The value

of skewness is 0.294410, this shows that the data is positively skewed with the value of Kurtosis 1.588714. This indicated that this data are fairly distributed.

However, considering the values of, minimum, maximum, mean, skewness and Kurtosis of other variables in the table 1, it could be inferred that the deviation of these data from symmetrical distribution is not significant. This suggests that the majority of the data are fairly distributed which could be further used for econometric analysis, because the data reasonable fulfil the normal distribution assumption associated with econometric analysis.

Table 2. Unit Root Test

Variables	ADF Test				Remark
	Level	Probability	1 st Diff	Probability	
PVT	-3.040391***	0.0196	-	-	I(0)
Ln AC	-3.040391***	0.8037	-3.052169***	0.0003	I(1)
LnMNQC	-3.040391***	0.0699	-3.052169***	0.0217	I(1)
LnMFPC	-3.040391***	0.8138	-3.052169***	0.0140	I(1)
LnAGGC	-3.040391***	0.6387	-3.052169***	0.0067	I(1)
LnMS	-3.040391***	0.0561	-	-	I(0)
Variables	PP Test				Remark
	Level	Probability	1 st Diff	Probability	
PVT	-3.040391***	0.0196	-	-	I(0)
Ln AC	-3.040391***	0.8579	-3.052169***	0.0001	I(1)
LnMNQC	-3.040391***	0.0751	-3.052169***	0.0751	I(1)
LnMFPC	-3.040391***	0.8138	-3.052169***	0.0144	I(1)
LnAGGC	-3.040391***	0.6119	-3.052169***	0.0067	I(1)
LnMS	-3.040391***	0.1119	- 3.052169***	0.0475	I(1)

Source: Authors` Computation (2019) *** %5 level

This study employed the standard Augmented Dickey-Fuller (ADF) and Phillips-Perron (PP) tests to examine the stationary property of the data used for the study. This test is very paramount when using the time series data for empirical study because this type of data is not totally free from the stationarity problem which could orchestrate a spurious or nonsense regression in this analysis. It is important to state that it is only GDP per capita that is stationary in its native form while the other variables are stationary after first differencing. In another words, the data adopted in this study are the mixture of I(1) and I(0).

Table 3. ARDL Bounds Test

Included observations: 18

Null Hypothesis: No long-run relationships exist

Test Statistic	Value	K
F-statistic	7.112792	5

Critical Value Bounds

Significance	I0 Bound	I1 Bound
5%	2.62	3.79

Source: Authors` Computation (2019)

An attempt to examine the long run relationship between the variables of interest necessitated the estimation of Bound Test in this study. The above table indicates that the Null hypothesis which stipulates that no long run relationship could not be accepted due to the fact that the value of F-Statistic is greater than the upper and lower Critical Value Bounds at all level of significance. Hence, cointegrating relationship exists between these variables. Therefore the estimation of the short run and long relationship becomes highly imperative in this paper.

Table 4. Parsimonious Short Run and Long Run Regression Estimates

Dependent Variable: PE

Short Run	coefficient	T-statistics	Long Run	coefficient	T-statistics
DPVT(-1)	-0.445683**	2.160554	PVT(-1)	0.914455**	2.291741
DLnACBF	-11.86638 *	1.993884	LnACBF	-12.88694***	4.282782
DLnMNQF	30.17069 *	1.927484	LnMNQF	11.45807	0.996954
DLnMFPP	2.823526	1.288220	LnMFPP	2.638335**	2.393984
DLnAGGL	10.68500**	3.351016	LnAGGL	14.18205**	2.123678
DLnMS	95.18927**	3.656302	LnMS	6.911855	0.270630
ECM	-0.274711***	7.385613	R-squared	0.992036	
R-Squared	0.822562		DW	2.059437	
DW	2.359111				

Source: Authors` Computation (2019) *Significant at 10%, **Significant at 5%, ***Significant at 1%

Table 4 shows the estimated results of both the short run and long run relationship between entrepreneurship financing and poverty eradication in Nigeria. It is important to state that it is only the coefficient of agriculture and forestry business financing that did not have the expected sign. However, the coefficient of the error correction model (ECM) is negative and significant- this suggests that the speed of adjustment for correcting disequilibrium due shock from the previous year to equilibrium in current year is 27%. The lagged value of GDP per capita is negative and significant in the short run but positive in the long run. This implies that poverty in previous year could lead to poverty in the short run in the current year, which could fade away in the long run. Meanwhile, the relationship between agriculture and forestry SMEs business financing and GDP per capita is negative and significant at 10% level of significance in the short run but 5% level of significance in the long run. A unit change in agriculture and forestry SMEs business financing leads to 0.11% and 0.12% reduction in GDP per capita in the short run and the long run respectively. This shows that financing of

agriculture and forestry SMEs businesses could not eradicate poverty in Nigeria. This might be as a result of the poor lending attitude of the commercial banks to the agricultural sub-sector in Nigeria.

Consequently, the mining and quarrying business financing and GDP per capita have a positive relationship which is significant at 10% level of significant in the short run but the relationship becomes insignificant in the long run. A unit change in mining and quarrying business financing causes 0.3% increment in GDP per capita. This implies that mining and quarrying business financing could eradicate poverty in the short run. In the same vein, manufacturing and food processing business financing and GDP per capita have a positive relationship which is significant at 5% level of significant in the long run. A unit change in manufacturing and food processing business financing leads to 0.02% rise in GDP per capita. This implies that financing of manufacturing and food processing businesses in Nigeria contributes to the eradication of poverty in the country. Aggregate lending of the commercial bank causes a significant increment in GDP per capita both in the short run and the long run respectively. This shows that commercial bank lending to all sectors as a whole in the Nigerian economy reduces poverty in the country in both short run and long run. But broad money supply and GDP per capita have a significant relationship in the short run.

In addition, the results of R-Squared show that 82% and 99% deviations in dependent variable were explained by the set of the independent variables of the model in the short run and the long run simultaneously.

4 CONCLUSION

In this work, the relationship between entrepreneurship financing from perspective of SMEs and poverty eradication in Nigeria from 2000 to 2018 has been investigated with application of ARDL and ECM techniques. The important findings that emerged in this work could be summarized as follows; agriculture and forestry financing does not contribute to poverty eradication in both the short run and the long run in Nigeria. However, mining and quarrying business financing eradicate poverty in the short run. In the same vein, financing of manufacturing and food processing businesses in Nigeria contributes to the eradication of poverty in the long run in the country. Aggregate lending of the commercial bank causes eradication of poverty in both in the short run and the long run respectively. The speed of adjustment in which it took the model to correct disequilibrium due shock from the previous year to equilibrium in current year is 27%.

Moreover, due to the important findings that emerged in this work, the following recommendations are made for the policy makers in Nigeria in specific and Africa in general to explore. Entrepreneurship financing with reference to mining and quarrying businesses, manufacturing and food processing should be the priority of the Nigerian government since poverty eradication could be achieved through this in the both short run and the long run in the country. Also, the commercial banks should increase the percentage of their lending to SMEs in order

to encourage the expansion of SMEs entrepreneurship which its multiplier effects reduce poverty in the nearest future. Finally, commercial banks' lending towards agricultural sub sector should be increased. Therefore, the Central Bank of Nigeria should implement appropriate policies that will redirect the commercial banks' lending to agricultural sub sector in Nigeria.

REFERENCES

- Abdul-kemi, I Z. (2014). Entrepreneurship and Economic Development in Nigeria: Evidence from Small and Medium Scale Enterprises (SMEs) Financing. *International Journal of Business and Social Science*, 5(11), 215-229
- Adebayo, B. (2018). Nigeria overtakes India in extreme poverty ranking [Online]. Accessed 21 December, 2018. <<https://edition.cnn.com/2018/06/26/africa/nigeria-overtakes-indiaextreme-poverty-intl/index.html>>
- Ariyo, D. (2005). Small firms are the backbone of the Nigerian economy. *Retrieved Bank*, pages 1-2; December 2003
- Baig, A. (2007). Entrepreneurship Development for Competitive Small and Medium Enterprises Entrepreneurship Development for Competitive Small and Medium Enterprises, *Report of the APO Survey on Entrepreneur Development for Competitive SMEs(05-RP-GE-SUV-41- B)* Published by the Asian Productivity Organization
- CBN (2018). *SMEs financing in Nigeria*. Retrieved on the 27th of January, 2019 from <http://www.cenbank.org>.
- Dickey, D. A. and Fuller, W. A. (1979). Distribution of the Estimators for Autoregressive Time Series with a Unit Root. *Journal of the American Statistical Association*, 74, 427–431.
- Friday, I. C. (2012) Impact of Microfinance on Small and Medium-Sized Enterprises in Nigeria. *Proceedings of the 7th International Conference on Innovation and Management School of Management, Wuhan University of Technology, Wuhan, P.R.China, 430070*
- Gbandi, E. C. and Amisah, G. (2014). Financing Options for Small and Medium Enterprises (SMEs) in Nigeria. *European Scientific Journal*, 10(1), 23-34,
- Muritala, T. A., Awolaja A. M. and Bako Y. A. (2012). Impact of Small and Medium Enterprises on Economic Growth and Development. *American Journal of Business Management*. 1(1), 18-22.
- Ogbo, A. and Nwachukwu, A. C. (2012). The Role of Entrepreneurship in Economic Development: The Nigerian Perspective. *European Journal of Business and Management*, 4(8): 31-45
- Oladele, P.O., Akeke, N. I and Oladunajoye, O. (2011). Entrepreneurship Development: A Panacea for Unemployment Reduction in Nigeria. *Journal of Emerging Trends in Economics and Management Sciences*. 2(4), 251- 256.

- Pesaran, M. H., Shin, Y., and Smith, R. J. (2001). Bounds Testing Approaches to the Analysis of Level Relationships. *Journal of Applied Econometrics*, 16, 289-326.
- Pesaran, M. and Pesaran, B. (1997). *Microfit 4.0 (windows version)*. New York: Oxford University Press Inc.
- Phillips, P. C. and Perron, P. (1988). Testing for a unit root in time series regression. *Biometrika*, 75, 335-346.
- Quaye, D. O. (2011) .*The Effect of Micro Finance Institutions on the Growth of Small and Medium Scale Enterprises (SMEs); A Case Study of Selected SMEs in the Kumasi Metropolis* A Thesis submitted to the Institute of Distance Learning, Kwame Nkrumah University of Science and Technology in partial fulfillment of the requirements for the degree of Commonwealth Executive Masters of Business Administration
- Sunday, E. A. Iliya, D. I. and Francis O. A. (2015). Entrepreneurship and Sustainable Economic Growth in Nigeria. *IIARD International Journal of Economics and Business Management*. 1(8), 39-45
- World Bank (2018). *World Development Indicators*. Washington D.C.