or 'Dutch disease' (Auty, 1993) was confirmed to afflict Nigeria by Fasanya, Onakoya and Adabanija (2013). However, the study by Fasanya and Onakoya (2013) reported that the oil price shocks did not contribute directly to output in the short run but show a positive significant relationship to output growth in the long run. Nigeria's dependence on crude oil makes its economy vulnerable. But the transition to an economy not based on oil would not be easy. This is because the oil sector has an outsize influence on Nigeria's economy despite representing a relatively small proportion of the gross domestic product: about 9% in 2020. But, in the same period, crude oil sales made up 80 per cent of the Federal Government's revenue and about 90% of its export earnings. It makes Nigeria a very volatile country.

3.6 Financial Sector

Empirical findings on the linkage of the capital market and economic growth suggest that the capital market is an essential catalyst for economic growth and is on average beneficial to the economy. However, in the contention of Fasanya, Onakoya and Ofoegbu (2013), the high costs of raising capital and structural imbalances in the market as well as inconsistent government policies may garble the speedy growth of the market and thus, limit its positive impact on the economy This research upholds the Mckinnon‘s hypothesis. The capital market volatility shock is however quite persistent in Nigeria and has contributed to the distortions in the growth of the economy. In this respect, Onakoya, Abiodun, Ogbebor and Ogundajo (2020) studied thirteen deposit money banks that are quoted Nigerian Stock Exchange between 2008 and 2017. The result upholds the Buffer theory of capital adequacy that a bank approaching the required minimum capital ratio may have an incentive to boost capital and reduce risk in order to avoid the regulatory costs triggered by a breach of the capital requirements. This accounted for some of the bank failures in Nigeria. However, the research by Ogundajo, Onakoya, Enyi, and Siyanbola (2019) found that bank loans and advances, bank reserves and interest rates had insignificant negative impact on real GDP while credit to the private sector significantly affected the economic development of Nigeria.

3.7 External Sector: Trade, Debt and Aid

Nigeria is not in autarky. The external sector is therefore critical to its economy. As Nigeria prepares to implement the African Continental Free Trade Area agreement, the contradictions in the literature on the linkage between trade liberalization and the Nigerian manufacturing necessitated the conduct of the research Onakoya and Efeni (2020). They found the absence of a relationship between trade openness and manufacturing output in both the short-run and long term. This is inconsistent with the Metzler Paradox (1949) which is the theoretical possibility that the imposition of a tariff on imports may reduce the relative internal price of that good. This paradox has roughly the same status as immiserizing growth and a transfer that makes the recipient worse off (Krugman & Obstfeld, 2003). The strange result could occur if the offer curve of the exporting country is very inelastic. In this case, the tariff lowers the duty-free cost of the price of the import by such a great degree that the effect of the improvement of the tariff-imposing countries' terms of trade on relative prices exceeds the amount of the tariff.

Such a tariff would not protect the industry competing with the imported goods. The government needs to aggressively pursue measures that remove the production and infrastructural rigidities in order to aid the competitiveness of Nigerian exports.

Exchange Rates and Trade Balance: With respect to exchange rate, trade balance and growth in Nigeria, most of the studies in the literature dealt with normal, symmetric nexus between exchange rate and trade balance in the context of economic growth. According to Schumpeter's (1934) theory of economic development, countries with high political and economic risks will draw investment funds away from prospective investors from other countries. Thus, such countries are at greater risk of loss of confidence in thier currency stability and movement of capital to more stable economies. The aforementioned problems may discourage growth, macroeconomic stability, human capital development and institutional changes. Thus, Onakoya, Aworinde and Yinusa (2019), and Onakoya, Johnson and Ajibola (2018) needed to investigate the asymmetric co-integrating relationship. They could not make a case for the **J-curve effect in Nigeria** which is the way that a country's balance of trade initially worsens following a devaluation of its currency, then quickly recovers and finally surpasses its previous performance. Nigeria never seems to recover because of the export inelasticity.

Global Financial Crisis: There is substantial empirical evidence suggesting that the heightened market apprehension caused by the 2008 global financial crisis (GFC) resulted in a substantially reduced foreign direct investment (FDI) in many developed and emerging economies. However, the assertion that developing economies such as Nigeria are insulated from the impact of recent global financial crisis is however not evidence-based. The financial sector enjoyed no immunity as the Nigerian Stock market lost about 70 per cent of its market value in 2009 because of capital flight by portfolio investors and panic selling by local shareholders. **The impact was however delayed which is indicative of its relative irrelevance in the network of international business** (Onakoya, 2017).

Foreign Direct Investment: On the impact of Foreign Direct Investment, using a disaggregated sector analysis, Onakoya (2014b) addressed the spill-over effects and externalities generated by foreign direct investment and transmitted throughout the economy using a macro-econometric model. This is a system of simultaneous equations that seek to explain the behaviour of key economic variables at the aggregate level, based on the received theories of economics. The research developed a structural macro-econometric model consisting of four blocks made up of supply, private demand, government and external sectors. The unique model consisted of 100 variables in 18 simultaneous equations and 9 identities to capture the required proxies. Foreign direct investment was found to contribute positively to economic growth in Nigeria. However, the relationships with the different sectors are different. Indeed, Onakoya (2015c) validated the applicability of the extended Balance of Payment-Constrained (BPC) Growth Model developed by Thirlwall (1979, 2011) to Nigeria.

Foreign Aid: There is no consensus on the desirability of foreign aid in bridging the gap resource required for economic growth. The two-gap model built on the works of Dormar (1939), Harrod (1946, 1947), and Chenery and Strout (1966) is premised on the fact that foreign aid fills the gap that arises when domestic investment resources are inadequate to stimulate the economy. The poverty trap model surmises that economic growth is impeded by poverty traps in the economy due to high population, weak savings, low production capacity, etc. Given the low level of savings, the inflow of foreign aid augments the investible capital in the economy and exacerbates the problem. Therefore, the infusion of foreign aid into the economy can spur the economy and rescue it from poverty traps. Feeny and McGillivray (2008) submitted that there are diminishing returns to aid due to recipient countries having absorptive capacity constraints.

Onakoya and Ogunade (2016) advised that in the absence of strong institutions, assistance efforts should be dedicated to improving the quality of governance before they can be effectively devoted to any economic development effort. Indeed, evidence from a sample of 65 low and middle-income countries on foreign aid and government expansion shows that aid as a percentage of imports is all positively and statistically significant in relationship with economic growth. In addition, changes in trade openness as a percentage of GDP and changes in population are all positive and statistically significant. However, the per capita Gross National Product (GNP), dependency ratio and debt service to imports all have no significant relationship. The study contributed to the debate on the desirability of foreign aid especially as it can lead to the aid fungibility and transfer paradox. The findings of Aworinde and Onakoya (2016) clearly support the beneficial influence of foreign aids on economic growth.

National Debt: The rising debt profile of the government raises serious sustainability concerns. The Debt Management Office had reported that the total public debt was N39.5 trillion as of December 2021. About 11.3 per cent of this debt is owed by the States and the Federal Capital Territory, Abuja. However, when we take into account borrowings from the Central Bank of Nigeria (CBN) and the stock of Assets Management Corporation of Nigeria (AMCON) debt, the debt profile will be in excess of N50 trillion. The economy of the country is in dire strait as exemplified in Figure 4. Detailed analysis of the overview of the fiscal position of the first quarter (January to April, 2022) showed that the Federal Government spent N1.93 trillion on debt servicing, which was about 18 per cent higher than the retained revenue pegged at N1.63 trillion for the same period. The retained revenue was also about 51 per cent short of the prorated target for the four months as per the 2022 Appropriation Act, which target was N3.32 trillion.

Figure 4: Nigeria falls off a fiscal cliff
Source: https://www.sbmintel.com/2022/07/chart-of-the-week-nigeria-falls-off-a-fiscal-cliff/

The seemingly deleterious impact of the falling price of crude oil which accounts for about 90 per cent of the country's external revenue has provoked a fresh thirst for public debt. The need to balance the savings-investment gap and offset fiscal deficits in developing countries compels the government to source finance outside taxation, its established main source of revenue (Chenery & Strout, 1966; Harrod, 1946, 1947). The rationale is that a country should borrow provided that the capital borrowed produces a rate of return that is higher than the cost of borrowing. In effect, the marginal product of external debt must be higher than its interest rate. Otherwise, external borrowing will become burdensome rather than stimulate the economy. Zweig (1979) identified some classical economists (Smith, Ricardo and Mill) who reported a correlation between rising public debt and unproductive government spending that crowds out private savings which in turn diminishes the society's investible resources. However, the Harrod-Domar model by Harold (1939) and Domar (1946) emphasizes the role of savings and investment in stimulating economic growth and that the rate of economic growth in an economy depends on the level of saving and the capital output ratio. Such investment requires savings. The research by Onakoya and Ogunade (2017) provided evidence of long run association.

3.8 Macro-Economic Dynamics and Economic Policies

Beyond single and static variable determinants, we need to examine the dynamic influences on economic growth. The various macroeconomic variables (unemployment, interest, inflation, exchange and consequently, the GDP growth rates have vacillated every year. The role of macro-economic variables in shaping economic status has been debated in the literature. The management of these factors has been epileptic and sometimes contradictory with consequential implications for a sustainable economy. The result findings by Johnson, Onakoya and Akeju (2018) revealed that by itself macroeconomic stability does not guarantee sustainable high rates of economic growth in the absence of key institutional and structural measures.

Oil Sector and Macro-Economic Dynamics: The importance of the oil sector to the Nigerian economy cannot be overemphasized. This necessitated the research by Onakoya and Agunbiade (2020) on its impact on the various macroeconomic variables. The result showed a uni-causality direction from oil revenue in the direction of all the macroeconomic variables. It also revealed significant positive long-run relationship between the oil sector and both employment and GDP. The other variables were however inversely associated. The Toda Yamamoto test showed a uni-directional relationship of oil revenue in the direction of lagged GDP, inflation rate, exchange rate, real interest rate and unemployment rate. This means that whereas the revenue from the oil sector granger caused each of the macroeconomic variables, the reverse is not the case.

Agricultural Output and Macroeconomic Dynamics: The finding of the study by Onakoya, Khostly-Aroyeun and Johnson (2018) was grounded on the Keynesian IS-LM framework which connects both the endogenous growth theory and the Augmented Solow growth theory. It records the insignificance of inflation on agricultural output especially toward optimizing its value chain in the short run. This is because most of the raw agricultural products are demand-inelastic.

Manufacturing Output and Macro-Economic Dynamics: Onakoya (2018b) revealed no short-run association among manufacturing output and between each of GDP, exchange rate, broad money supply and unemployment rate. Negative relationship existed amongst inflation rate, interest rate, exchange rate, broad money supply on one hand, and manufacturing output. The inflation and interest rates were statistically insignificant. However, significant and positive relationship existed between the GDP of the previous year and unemployment on the one hand and manufacturing output on the other, at 5 per cent level. The results showed that manufacturing was a veritable engine of economic growth.

Service Output and Macroeconomic Dynamics: Onakoya (2015b) examined the contributions of the service sector within the context of inter-sectoral linkages of the Nigerian economy. More importantly, the study scrutinized mechanisms by which the impact of the sectors is transmitted throughout the economy as conveyed by the invisible hands of supply and demand, through the different segments of household, firms, government and external blocks. The circular cumulative causation as envisaged by Myrdal (1957) is illustrated in Figure 5. The study confirmed that the inter-sectoral relationships are complicated and multi-directional and suggests that a uni-directional causal relationship subsists from services to the agricultural, manufacturing and the oil sector.

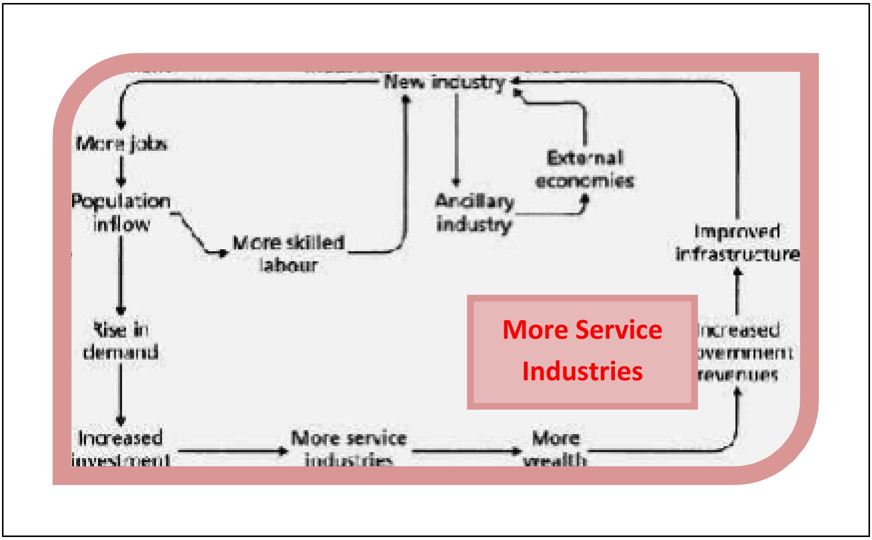

Figure 5: Circular Cumulative Causation Transmission
Source: Oxford Dictionary of Geography (2004).

The output of the service sector is positively related to each of the outputs of the agriculture and oil sectors but negatively associated with the manufacturing sector. On the reverse, the output of the service sector significantly determines the outputs of both the agriculture and manufacturing sectors. These sectors are not statistically significant in determining the output of the service sector. Also, the oil sector is inconsequential in the determination of the output of the service sector.

Monetary Policy: Since its establishment in 1959, the Central Bank of Nigeria (CBN) has continued to play the traditional role expected of a central bank, which is the regulation of the stock of money in such a way as to promote social welfare. This role is anchored on the use of a monetary policy that is usually targeted towards the achievement of full-employment equilibrium, rapid economic growth, price stability, and external balance. Over the years, the major goals of monetary policy have often been the two latter objectives. Thus, inflation targeting and exchange rate policy have dominated CBN's monetary policy focus based on assumption that these are essential tools for achieving macro-economic stability.

The study by Fasanya, Onakoya and Agboluaje (2013) concluded that significant relationship between interest rate, exchange rate and external reserve reflects the potency of the variables as an important conduit in transmitting monetary policy impulses to the aggregate economy. It showed that exchange rate and external reserve are significant monetary policy instruments that drive growth in Nigeria. The study notes that monetary policy implementation in a developing country like Nigeria faces additional challenges that are not present in developed economies; such as fiscal dominance and the threat of currency substitution. The latter is when a country uses a foreign currency instead of or in addition to its own (Dollarization).

With respect to the manufacturing sector, Onakoya, Ogundajo and Johnson (2017) adopted the Ireland model and based the operationalization and analytical procedure on the assumption of the Keynesian Investment-Savings – Liquidity-Money function. Their results confirmed the existence of a long-run relationship among the variables. A positive relationship between monetary policy and manufacturing sector performance in Nigeria was observed at the 5% level of statistical significance. No short-run association between the external reserves and inflation rates was recorded.

Fiscal Policy: The findings of the Oseni and Onakoya (2012) invalidate the Kneller Bleaney, Germmell (1999) hypothesis that only four fiscal variables contribute to growth using endogenous growth model. They recommended that fiscal policies (distortionary tax, non-distortionary tax, productive expenditure and government budget deficit) in addition to institutional reforms should be used as major policy instruments in order to boost growth.

Unemployment: The prevalent unemployment situation in Nigeria is worrisome. In 2022, the unemployment rate in Nigeria is estimated to reach 33 per cent. This figure was 32.5 per cent in the preceding year. Chronological data show that the unemployment rate in Nigeria rose constantly in the past years. Disguised unemployment is worse. A jobless growth also known as jobless recovery is a phenomenon when an economy experiences growth without an expansion of jobs is also manifest. The result of Onakoya, Oluwalaiye and Essien (2020) revealed the existence of both long and short-run relationships between GDP and unemployment rate. A jobless growth situation is prevalent in Nigeria because of the preeminence of the oil sector.

The main theory underlining the relationship between unemployment and GDP is the Okun's law which is believed to show that GDP and unemployment follow a typical cyclical pattern. Onakoya and Seyingbo in 2020 sought to substantiate the Okun's law in the Nigerian case using South Africa and the United States of America (USA) as benchmarks. The study reviewed and compared three versions of Okun's Law: the gap versions, the difference version and the dynamic version. The result of the more robust dynamic version of the Okun hypothesis showed that the negative nexus between unemployment and economic growth holds for Nigeria as well as for the other two benchmark countries - the United States of America and South Africa. **The difference version of the law, which expectedly holds for the United States of America and surprisingly for South Africa did not apply to Nigeria.** The pre-eminence of the dynamic over the difference version is also established.

The role of the informal sector in employment generation in Nigeria is also critical. Fasanya and Onakoya (2012a) reported that this sector's activity has a significant impact in absorbing the large pool of labour force in Nigeria. The study contends that human capital formation is positively related to unemployment rate which reflects the dearth of government expenditure on education in the country. However, Onakoya, Okengwu and Efeni (2018) found otherwise. They however supported the Keynesian postulation that full employment income level can only be established if the quantum of investment is enlarged in order to fill up the gap between income and consumption that corresponds to full employment. In effect, for a developing country like Nigeria, unless the domestic trade in terms of consumption and investment demand is augmented by foreign trade, the level of unemployment cannot be reduced.

Taxation in Nigeria: There are several theories underlining the role of taxation as a veritable medium of engineering the growth or performance of an economy. They include:

a) the IBN Khaldun's (1332-1406) theory on taxation;
b) the benefit theory of taxation wherein the taxes are to be imposed on individuals according to the benefit conferred on them, and
c) the ability to pay theory of taxation.

The impact of taxation on economic growth is however diverse. Onwuzulumba and Okpata (2021) and Onakoya and Afintinni (2016) reported an insignificant impact of the tax components on the Nigerian economic growth. Specifically, a significant positive relationship between petroleum profit tax, company income tax and economic growth but a negative relationship between customs and excise duties and economic growth. Ogundajo and Onakoya (2016) established that tax law incentives and other benefits of loopholes in Nigerian tax laws have not been fully utilized by Nigerian firms. This has deleterious consequences on the economy. Institutional reforms are required in the revenue-generating agencies of government.

Beyond Nigeria, the need to diversify the economies from oil, gas and other primary commodity base and find inclusive growth and economic stability has become compelling. The significance of tax performance in African economies can, therefore, not be over-emphasized. This in view of the fluctuations in the international prices of oil and non-oil commodity, has had a deleterious impact on exchange rates, inflation rates, interest rates and unemployment rates. A study by Onakoya, Olotu, Johnson and Afintinni (2020) between 2005 and 2014 covered majority of African countries: Kenya, Tanzania, Uganda, Liberia, Nigeria, Mali, Angola, South Africa, Namibia, Zambia, Gabon Verde, Botswana, Lesotho, Malta, Lebanon, Rwanda, Gabon, Egypt, Madagascar, Democratic Republic of Congo, Mauritius, and Algeria. The result of the research showed that inflation rate, interest rate, trade openness, and unemployment rate had a positive relationship with tax revenue performance, unlike exchange rate. However, exchange rate and unemployment reflected an insignificant relationship with tax revenue performance. This calls to question the efficacy of the concept of AfCTFA

3.9 Economic Reforms

In the early days of nationalization, it seemed axiomatic that price and quality standards could be better managed by State-Owned Enterprises (SOE). Subsequent experience, however, demonstrated that public ownership and control are different as the challenges of imposing effective public interests over nationalized enterprise had proved intractable. The research findings by Onakoya (2013) covering the transitional period between 1985 and 2003 revealed that there is a strong and positive relationship between the introduction of economic reform on the one hand and improvement of firms' revenue and profit on the other. The study also reported a significant difference in the level of employment before and after the economic reform of the telecommunication industry. An earlier study by Onakoya, Tella and Osoba (2012) found that telecommunications infrastructural investment had a significant impact on the output of the economy directly through its industrial output and indirectly through the output of other sectors such as agriculture, manufacturing, oil and other services. The results also showed a bi-directional causal relationship between telecommunications infrastructure and economic growth.

3.10 Infrastructure

Two types of infrastructure have been identified in literature. The first is social infrastructure which refers to those basic services such as education and training, health and sanitation, drinking water, housing, sewerage, etc. Social infrastructures are also termed as 'social overheads'. These social overheads indirectly support the economic systems. They indirectly increase productivity and the economy sees the impact after some time. Social infrastructures lead to growth in the long run. The second is physical infrastructure which directly supports economic production. They also directly support the process of production and distribution in the economy. A few such examples are energy, irrigation, transportation, telecommunication, banking, insurance, technology, finance, etc. Physical infrastructures, however, directly increase productivity and the economy sees the impact immediately. They also lead to an immediate growth in the short run.

There is no consensus in the empirical literature as to the nature and direction of causality between infrastructure and economic growth. In addition, the transmission mechanism through which the impact is transmitted is largely unclear. Onakoya and Oseni (2016) provided a unique conceptual framework for the theoretical linkage between infrastructural investment and economic growth. The channel of infrastructural transmission to economic growth is manifested only through the economic growth indicators (GDP, industrial production, employment, price stability, education, technology, openness, knowledge, and innovation). The nature of transmission depends on the role of infrastructure capital in the production function i.e. whether it is direct or intermediate input.

The finding showed that infrastructural investment has a significant impact on the output of the economy directly through its industrial output and indirectly through the output of other sectors such as manufacturing, oil and other services (Onakoya & Oseni, 2016). The agricultural sector is however not affected by infrastructure. The results also showed a bi-directional causal relationship between infrastructure and economic growth.

Telecommunication: The impact of investment in telecommunications infrastructure on economic growth in Nigeria has been phenomenal. The rebasing of the economy brought out the hidden significance of the service sector and the transformative contributions of the telecommunications industry. The telecommunications infrastructural investment has a significant impact on output of the economy directly through its industrial output and indirectly through the output of other sectors such as agriculture, manufacturing, oil and other services. Onakoya, Tella and Osoba (2012) examined both the direct and indirect transmission mechanism (Figure 6) and reported a bi-directional causal relationship between telecommunications infrastructure and economic growth activity and indeed industrial production. Therefore, high-grade energy resources will amplify the impact of technology and create tremendous economic growth.

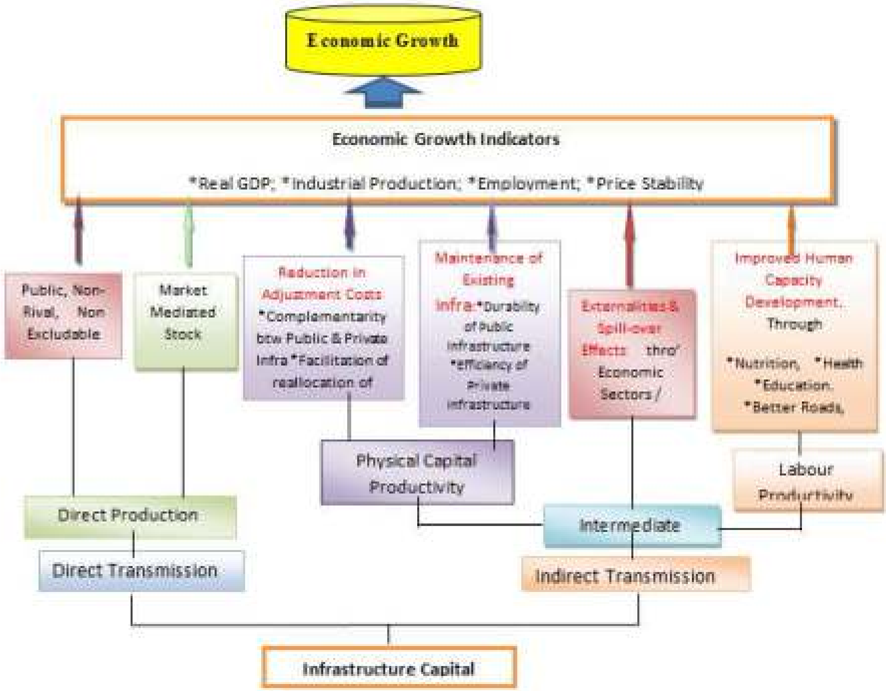

Figure 6: Theoretical Flow of the Transmission Channels through which Infrastructural Investment Affects Economic Growth.
Source: Onakoya, Tella, & Osoba (2012, p. 69).
Investment in Telecommunications Infrastructure and Economic Growth in Nigeria: A Multivariate Approach

Electricity and Energy: Energy is widely regarded as a propelling force behind any economic growth. The national electricity grid collapsed again throwing the country into a widespread blackout, the fifth time in 2022 as of May 2022. Nigeria currently generates less than 10,000 kWh of electricity and distributes an average of 4,000 kWh. A cursory review of electricity average consumption per capita between 1990 and 2020 in selected African countries shows that South Africa in the south, Libya, Egypt and Tunisia in the northern part of Africa consumed electricity in excess of 1,000 kWh per capita. Nigeria has lagged in this respect with deleterious implications for economic growth and development. Onakoya and Yakubu (2017) investigated the relationship in twenty-one (21) African countries across the continent. They predicated their research on the Neutrality hypothesis, Feedback hypothesis, Conservation hypothesis and the Growth hypothesis and confirmed electricity energy as a veritable engine of sustainable economic growth. Onakoya, Onakoya, Jimi-Salami and Odedairo (2013) reported diverse findings. Electricity and the aggregate energy consumption had a significant and positive relationship with economic growth. However, gas consumption although positive, did not significantly affect economic growth. The impact of coal was negative but significant. Without steady electrical power, economic growth is imperilled

Travel Demand: Oyesiku and Onakoya (2013) adapted Choo and Mokhtarian (2007) model consisting of 7 behavioural equations as expressed in the structural equation model (Figure 7) in
the study of the nexus between travel demand and telecommunications demand.

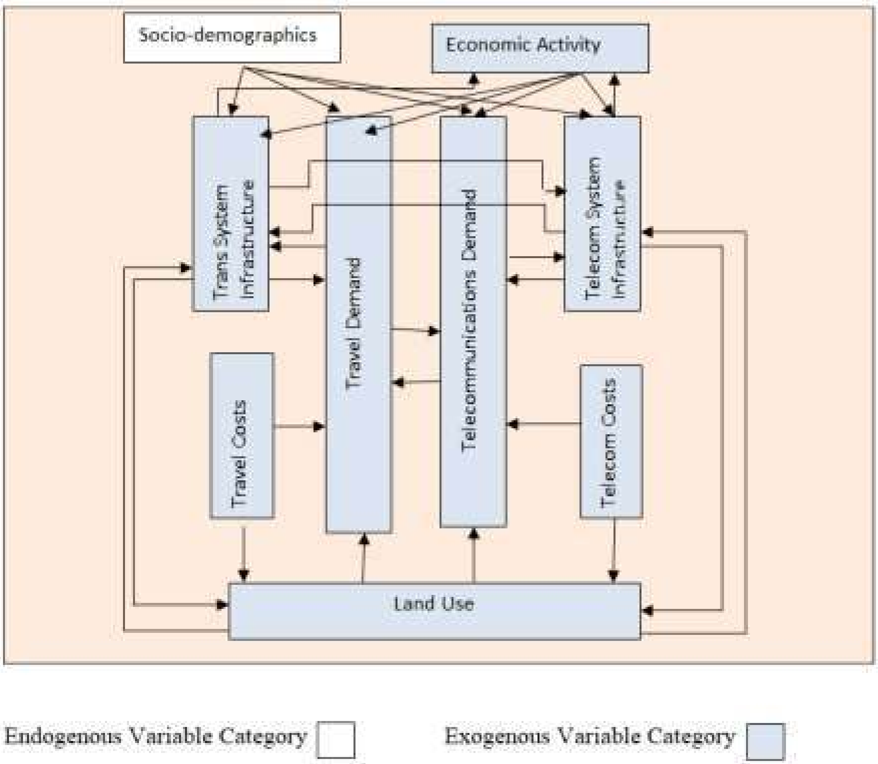

Figure 7: Conceptual model of telecommunications and travel relationships
Source: Choo and Mokhtarian (2007, p. 7). Telecommunication and Travel Demand and Supply: Aggregate Structural Equation Model for the USA

In terms of the direction of the causality between telecommunications and telecommunication demand and supply generates substantial travel, however, travel demand generates less demand for telecommunications relatively. That is the relationship is bi-causal but the degree of impact is different, more towards the direction of telecommunications demand and supply. In effect, the increase in travel demand will cause a little rise in the telecommunication demand. **This study supports the Complementarity Hypothesis.**

Infrastructural Decay: The pervading poor maintenance culture has led to infrastructural decay with consequential deleterious impact on the growth and development of the Nigerian economy. There are worries about the cumulative effect of the decaying impact on the nation's economy. Akintoye, Onakoya, Amos and Ifayemi (2016) reported that in the main, poor electricity supply and dilapidated transport infrastructure jointly explain the inefficiencies in the manufacturing sector performance. Indeed, electricity decay/inadequacy had the greatest negative impact on the manufacturing sector's financial performance. Maintenance culture has had deleterious impact on Nigerian economic growth.

3.11 Tourism

Tourism in Nigeria centers largely on events, due to the country's ample amount of ethnic groups, flora and fauna. It also includes rain forests, savannahs, waterfalls, and other natural attractions. The importance of the role being played by tourism in the economies of the world especially, in those naturally blessed with diverse tourist attractions is rested in literature. However, there are conflicting findings. The following theories are relevant:

a) Tourism-Led Economic Growth hypothesis (TLGH);
b) The modernization theory which identifies the tourism industry as a key development vehicle to attract development capital which in turn generates foreign exchange and increases the balance of payment (Shaw & Williams, 1994)
c) The dependency theory, a contestation of the postulates of the modernization theory, ascribed the development of tourism in satellite countries as being shaped by the dynamics of the metropolitan nations.

The transmission mechanism by which economic development is driven by the tourism industry is captured in the tourism value chain. The results of the study by Onakoya and Banji (2016) showed that revenue from tourism has long run positive effects on the real gross domestic product and provided **support for the tourism-led economic growth theory in Nigeria.**

3.12 Religion

Nigeria has no state religion but it is a multi-religious country. The philosophical basis of the Islamic financial system is in the *Adl* (social justice) and *Ishan* (benevolence). Onakoya and Onakoya (2015b) found that Islamic microfinance as a financial inclusion strategy can be applied to alleviating poverty and maintaining sustainable growth. Islamic microfinance in concert with the right fiscal and monetary policies framework will engender financial inclusiveness and be a veritable alternative for providing further inclusive financial access to the Muslims, the poor and other ethically minded investors in Nigeria.

In the international arena, comparative performance of Islamic and conventional banks in the United Kingdom during the last global financial crisis showed that even in the absence of Interest (*Riba*), Onakoya and Onakoya (2020) found that the Islamic banks are less liquid when compared with the conventional banks in terms of the loan to deposit ratio; the conventional banks on the average recorded higher operating profitability than the Islamic banks; Islamic banks were riskier and less solvent the conventional banks. However, on average, the asset utilization of the Islamic banks is not statistically different from that of the conventional banks. The continued use of *Sukuk*, a *Sharia*-compliant bond-like instrument used in Islamic finance which involves a direct asset ownership interest, is good for infrastructural financing.

3.13 Corruption

The issue of corruption in Nigeria necessitated the study by Onakoya and Folorunso (2020) of its effects on the country's economic growth. The study reviewed four theories: the bottle-neck theory, the policy-oriented theory, the efficiency-enhancing theory and the efficiency-reducing theory. The results indicated that corruption improves economic growth in Nigeria which supports the *greasing of the wheels hypothesis*. The argument in favour of the *greasing* hypothesis is that corruption facilitates trade that may not have otherwise happened and it promotes efficiency by allowing private sector agents to circumvent cumbersome regulations (Méon & Weill, 2010). Works with similar results to this research is that of