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Promoting Global Partnerships for Sustainable Economic Growth in Nigeria: The Nexus Between Sustainable Development Goal 17 and Goal 8

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ABSTRACT: *This study examines the impact of external debt, foreign direct investment (FDI), and official development assistance (ODA) on Gross Domestic Product Per Capita Growth (GDPPCG) in Nigeria. Using econometric analysis based on annual data from relevant sources, including World Bank and IMF databases, the study employs ARDL regression models to assess the relationships between these financial inflows and economic growth indicators. The findings highlight the significant effect of external debt on GDPPCG, underscoring the importance of prudent fiscal management and sustainable debt practices to direct resources towards productive investments. Conversely, FDI and ODA exhibit non-significant impacts, suggesting challenges in maximizing their contributions to sustainable economic development due to infrastructure deficiencies, regulatory complexities, and governance inefficiencies in Nigeria. Policy recommendations emphasize enhancing debt sustainability through transparent financial governance and strategic investment in infrastructure and human capital. Improving the investment climate for FDI by streamlining bureaucratic processes and offering sector-specific incentives is crucial. Similarly, optimizing the effectiveness of ODA involves aligning aid with national development priorities and strengthening institutional capacities for aid coordination.*

KEYWORDS: External Debt, Foreign Direct Investment (FDI), Official Development Assistance (ODA), Gross Domestic Product Per Capita Growth (GDPPCG), Sustainable Development Goals (SDGs), Economic Growth, Nigeria

INTRODUCTION

In an increasingly interconnected and interdependent world, the pursuit of sustainable development has emerged as a pressing global imperative (United Nations, 2015). The United Nations' adoption of the 2030

Agenda for Sustainable Development, comprising 17 ambitious Sustainable Development Goals (SDGs), signifies a collective commitment to address the complex challenges that confront humanity (United Nations, 2015). Among these goals, SDG 17, "Partnerships for the Goals," and SDG 8, "Decent Work and Economic Growth," stand as cornerstones for fostering a more equitable and prosperous future.

Sustainable Development Goal 17 underscores the significance of forging partnerships and cooperation at local, national, and international levels (United Nations, 2015). The goal recognizes that the challenges of eradicating poverty, combating climate change, ensuring quality education, and achieving other SDGs are formidable and require collaborative efforts that transcend borders, sectors, and interests. Meanwhile, Sustainable Development Goal 8 is dedicated to promoting sustained and inclusive economic growth, productive employment, and decent work for all (United Nations, 2015). It envisions a world where economic advancement is intricately linked with social progress and environmental stewardship.

In an era marked by unprecedented technological advancements, rapid globalization, and complex geopolitical shifts, the role of partnerships in driving economic growth takes on renewed significance. Traditional models of economic development are being reevaluated in favor of more inclusive and sustainable paradigms. As such, the exploration of the interrelationship between SDG 17 and SDG 8 is not merely an academic endeavor but a pragmatic pursuit with profound implications for policy formulation, business practices, and international cooperation.

While the significance of both SDG 17 and SDG 8 is widely acknowledged, a compelling gap persists in understanding the intricate relationship between these two goals. Despite the growing recognition that global partnerships are instrumental in advancing sustainable economic growth and vice versa, a comprehensive exploration of this nexus remains underdeveloped. The interplay between these two pivotal goals, SDG 17 and SDG 8, holds the key to unlocking a holistic and synergistic approach to sustainable development. The nexus between global partnerships and economic growth offers a unique vantage point from which to examine how collaborative endeavors can catalyze economic expansion while ensuring that its benefits are shared widely and equitably. This study embarks on a comprehensive exploration of this nexus, delving into the intricate dynamics that bind partnerships and economic growth in a symbiotic relationship. Specifically, the study examined how external debt, foreign direct investment, and official development assistance affects gross domestic product per capita growth in Nigeria.

The subsequent sections of this research endeavor will be organized as follows: Section 2 offers a comprehensive review of relevant literature, synthesizing existing knowledge on the interconnectedness of SDG 17 and SDG 8. Section 3 presents the research methodology, detailing the analytical frameworks and empirical approaches employed. Section 4 delves into the empirical findings and case studies, shedding light on the practical manifestations of the nexus between global partnerships and economic growth. Finally, Section 5 synthesizes the study's conclusions and provides actionable recommendations for stakeholders navigating the dynamic landscape of sustainable development.

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REVIEW OF RELATED LITERATURE

Sustainable Economic Growth

Sustainable economic growth is a cornerstone of national development, underpinning social progress, poverty reduction, and improved living standards (Akiwumi & Onyekwena, 2022). The researchers further submit that Nigeria, as Africa's most populous country and a significant player in the global economy, has long sought to achieve sustainable economic growth that balances economic advancement with social inclusion and environmental stewardship. This study delves into the context, challenges, and potential pathways toward sustainable economic growth in Nigeria.

Nigeria, endowed with abundant natural resources and a young demographic profile, has experienced periods of economic growth driven by sectors such as oil and agriculture (Smart & Caspersen, 2014). However, the volatility of oil prices and overreliance on a single sector have posed challenges to sustained and diversified growth. Achieving sustainable economic growth in Nigeria involves addressing a complex interplay of factors, including structural transformation, job creation, infrastructure development, social inclusion, and environmental sustainability (Iwala, 2014). The United Nations' 2030 Agenda for Sustainable Development presents a blueprint for addressing these challenges and achieving balanced economic progress.

The Nexus Between SDG 17 and SDG 8

Sustainable Development Goal 17 emphasizes the significance of forging partnerships across borders, sectors, and stakeholders to achieve broader development goals (United Nations, 2015). It recognizes that no nation can effectively address the complex challenges of the modern world in isolation. Concurrently, SDG 8 underscores the importance of promoting inclusive and sustainable economic growth, guided by principles of decent work, productivity, and job creation (United Nations, 2015). This synergy gives rise to a dynamic nexus wherein the establishment of global partnerships can fuel the engine of economic growth, while sustainable economic growth provides a fertile ground for the cultivation of effective partnerships.

External Debt

External debt is classified as foreign currency, food, or service debt attributable to non-residents, according to the World Bank (2014). The financial obligation which binds one party (debtor country) to another (creditor country) is external debt. It usually applies to unpaid debt that is payable in currencies other than the debtor nation’s currency. External debt was defined by Yerima and Tahir (2020) as part of the debt of a country borrowed from foreign lenders, including commercial banks, governments, or international financial institutions. Ogbeifuna (2017) suggests that, as a result of the disparity between national savings and expenditure, foreign debt emerges. The debt piles up as the deficit widens, and this makes the nation have to borrow growing amounts to stay afloat. External debt is defined as money borrowed from foreign lenders by a country for this study. Interest on this debt must be paid in the currency in which the loan was made (Zaki, 2015).

Debt can contribute to economic growth when utilized strategically (Yerima & Tahir, 2020). By directing borrowed funds towards investments in infrastructure, human capital development, research and development, and industries, economies can stimulate productivity, innovation, and employment. Debt can also aid in crisis management, promote foreign direct investment, address market failures, and facilitate long-term planning. However, responsible debt management is crucial to ensure sustainability and prevent negative impacts. Borrowing should be accompanied by prudent decision-making, efficient project execution, and sound governance practices to maximize the positive role of debt in fostering economic growth.

Foreign Direct Investment

In an attempt to eliminate unemployment and solve the problem of stagnant economic growth, the government introduced some initiatives one of which is foreign investment (Michael & Rufaro, 2020). Foreign investment is an important determinant of economic growth (Quoc et al., 2021). Majorly, it is divided into Foreign Direct Investment (FDI) and Foreign Portfolio Investment (FPI). This research effort, as suggested by its title, concentrates on foreign direct investment (FDI) which is the business interest that an investor has in a business located in another country. According to World Bank (1996), FDI is an investment made by an investor from another country inside a host country for full ownership. It occurs whenever an investor that is based in one country acquires an asset in another to manage the asset (World Trade Organization, 2020). Foreign direct investment (FDI) is essentially an equity and not debt form of financing and is an attractive form of foreign capital (Awe, 2013). Thus, Nnamdi (2018) conceives foreign direct inflow as an officially permitted inflow of foreign-owned investable financial and capital resources into the Nigerian investment and productive environment under the direct management and supervision of the foreign owners of such capital, subject to regulatory conditions for such investment.

Foreign direct investment (FDI) has been regarded as the most stable and prevalent component of foreign capital inflows in developing and transition countries (Sam et al., 2021). Hence, Wang et al. (2021) assert that foreign direct investment (FDI) has a vital influence on the growth of an economy. In Nigeria, foreign direct investment (FDI) is mostly evidenced by the existence of Multinational Corporations (MNCs) in the oil and non-oil sectors. To buttress this, Todaro and Smith (2003) noted that most FDI is a subsidiary of Multinational Corporations (MNCs) such that the investors are the parent organizations of the firms. Ashamu and Abiola (2014) state that the quantity and quality of economic output (goods and services) as well as the rate of growth of the same constitute significant measures for the assessment of the level of any country's economic growth and foreign direct investments is a major source through which large quantity of quality economic output is obtained.

Official Development Assistance (ODA)

According to Organisation for Economic Co-operation and Development (OECD), official development assistance (ODA) is defined as government aid that promotes and specifically targets the economic development and welfare of developing countries. The DAC adopted ODA as the "gold standard" of foreign aid in 1969 and it remains the main source of financing for development aid. Net official development assistance and official aid received (current US$) in Nigeria was reported at 3375479980

USD in 2020, according to the World Bank collection of development indicators, compiled from officially recognized sources.

ODA holds a significant position in the global development landscape, with the Development Assistance Committee (DAC) adopting it as the "gold standard" of foreign aid in 1969 (OECD, 2021). This recognition has solidified ODA's role as a primary source of financing for development aid efforts, making it a crucial mechanism for addressing global development challenges (World Bank, 2021).

The Organisation for Economic Co-operation and Development (OECD) provides guidelines and standards that shape the nature and utilization of ODA, ensuring its effectiveness, transparency, and alignment with development goals (OECD, 2021). These standards emphasize the importance of promoting sustainable economic growth, poverty reduction, and improved living standards in recipient countries (World Bank, 2021).

Theoretical Framework

The study was anchored on Dependency Theory. Dependency Theory provides a relevant framework for examining the dynamics of global partnerships and their potential impact on sustainable economic growth in Nigeria. This theory suggests that developing countries like Nigeria may face challenges in achieving self-sustained economic growth due to their reliance on developed countries for resources, technology, and markets. Dependency Theory can shed light on the complexities of Nigeria's engagement with global partnerships under the umbrella of Sustainable Development Goal (SDG) 17, which emphasizes partnerships for development, and SDG 8, which focuses on decent work and economic growth. Dependency Theory helps dissect the power dynamics and structural constraints that Nigeria may encounter in its pursuit of global partnerships for sustainable economic growth. The theory underscores how the nature of these partnerships, such as trade agreements, investment flows, and development assistance, can either empower or perpetuate dependency.

Empirical Review

Ugwuegbe et al. (2016) conducted a study to analyze the impact of external borrowing and foreign financial aid, specifically official development assistance (ODA), on Nigeria's economic growth over a span of 34 years from 1980 to 2013. The researchers employed the Ordinary Least Square (OLS) multiple regression model to ascertain the causal relationship between the variables under examination. The findings indicated that external debt exhibited a statistically significant positive influence on economic growth. Conversely, foreign aid, while displaying a positive correlation with GDP as anticipated, did not achieve statistical significance.

In a similar vein, Okoro et al. (2019) undertook a study focused on the impact of international capital inflows on Nigeria's economic growth from 1986 to 2016. Employing Johansen co-integration and Ordinary Least Square (OLS) techniques, the study revealed that international capital inflows exerted a long-term effect on Nigeria's economic growth. Specifically, FDI and REM displayed significant positive impacts on economic growth, while EXTDS and ODA demonstrated no statistically significant effects.

Furthermore, Najeem and Wasiu (2020) delved into the examination of foreign aid's influence on Nigeria's economic growth within the timeframe of 1990 to 2017. The researchers accessed secondary data from sources including the CBN statistical bulletin 2017 and World Bank Data Indicators. The study embraced an array of analytical tools, including the Augmented Dickey-Fuller Unit Root Test, co-integration test, granger causality test, and error correction model (ECM). Their findings revealed that real gross domestic product exhibited an inverse response to changes in official development assistance and foreign direct investment.

Tama and Habila (2022) conducted a study focusing on the period between 1986 and 2019 to examine how external debts influence economic growth in Nigeria. Utilizing the Autoregressive Distributed Lag (ARDL) model, the research found that the accumulation of external debt in Nigeria is correlated with underdevelopment, poverty, and unemployment. The study highlighted that Nigeria's substantial debt burden hampers its ability to engage in higher domestic investment, impeding potential higher growth and development. The findings underscored the adverse and significant impact of increasing external debt servicing on Nigeria's economic growth.

In a similar vein, Ugbaka et al. (2022) employed the ARDL model to analyze the implications of Nigeria's escalating external debt and declining exports on economic advancement. The study, covering the years 1986 to 2020, revealed a limited beneficial impact of both external debt and exports on short-term economic growth. However, the study indicated that over the long term, the impact turns negative, with exports exerting a greater adverse influence compared to foreign debt.

Matthew and Adetayo (2022) investigated the interconnection between debt sustainability and Nigeria's economic growth, utilizing yearly data spanning a forty-year period from 1981 to 2020. Employing the non-linear autoregressive distributed lag (NARDL) econometric approach, the study parsed the impacts of debt variables into their positive and negative constituents. The research unveiled that both Nigeria's total debt stock and its debt service payments exert a substantial immediate impact on the nation's economic growth.

In a parallel vein, Okonkwo et al. (2022) investigated the sustainability of external debt in relation to economic growth, leveraging econometric evidence from Nigeria. Employing a descriptive ex-post facto research design, the study accessed time series data from the CBN statistical bulletin (2020) and the Nigerian Bureau of Statistics (2018). The Granger Causality Test and Ordinary Least Square regression analysis were applied for data analysis. The findings highlighted a positive and significant correlation between external debt and economic growth, while both external debt service and the external debt-to-export ratio exhibited a negative association with economic growth.

Additionally, Otapo and Ushie (2022) evaluated the influence of trade openness and foreign direct investment (FDI) on Nigeria's economic growth within the timeframe of 1986 to 2021. The Autoregressive Distributed Lag (ARDL) methodology was employed for analysis. The findings revealed that foreign direct investment showed a positive but insignificant effect. The study also discerned the absence of a long-term

co-integrating equilibrium relationship between trade openness, FDI, the unemployment rate, and economic growth.

Ologbenla (2022) conducted an examination of the interplay between foreign direct investment (FDI) and fiscal policy, analyzing its implications for Nigerian economic growth within the time frame of 1980 to 2019. The study employed the Autoregressive Distributed Lags (ARDL) estimating techniques. The results revealed that while the connection between foreign direct investment and fiscal policy did not exhibit a significant long-term impact on Nigeria's economic growth, it did display short-term significance.

Umezurike et al. (2022) delved into the impact of foreign direct investment on the growth of Nigeria's economy. Employing the Autoregressive Distributive Lag (ARDL) technique, the analysis spanned the years 1986 to 2019. Preliminary findings from the ARDL technique indicated a sustained long-run link between foreign direct investment and economic development in Nigeria. Specifically, foreign direct investment demonstrated a substantial positive correlation with the rate of real gross domestic product growth.

Furthermore, Olasehinde and Ajayi (2022) explored the relationship between foreign direct investment (FDI) and economic growth (GDP) in Nigeria between 1981 and 2020, utilizing the Autoregressive Distributed Lag Bound technique (ARDL). The findings highlighted significant positive short-term and long-term impacts of foreign direct investment (FDI) and real exchange rates (REXCR) on economic growth (GDP).

Gap in Empirical Review

Existing empirical studies have predominantly investigated the impact of external debt, foreign direct investment (FDI), and official development assistance (ODA) in countries other than Nigeria. This has resulted in a gap in the literature concerning the specific effects of these inflows on Nigeria's recent economic landscape. While some research has been conducted within Nigeria by scholars like Ugwuegbe et al. (2016), Okoro et al. (2019), Najeem and Wasiu (2020), and others, their focus has primarily centered around the responsiveness of gross domestic product (GDP) indicators to different foreign financial inflows.

To address this void, the present study seeks to investigate the unique impact of global partnerships on economic development within Nigeria, with a specific emphasis on measuring this impact through GDP per capita growth which measures economic growth as well as development. Moreover, the study takes a step further by extending its analysis up to the year 2022. This temporal extension acknowledges the imperative for more contemporary research, especially when it comes to understanding the intricate relationship between global partnerships and economic growth in Nigeria.

By incorporating this broader timeframe, the study aims to capture the evolving dynamics and potential shifts in the nexus between sustainable development goal 17 and goal 8. This extension also contributes to a more comprehensive understanding of how Nigeria's economic development is influenced by global partnerships, bringing fresh insights to the existing literature.

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METHODOLOGY

The study utilized an ex-post facto research design, ensuring its potential for future replication and validation by diverse researchers. This design allows for the exploration of cause-and-effect relationships between variables that have already taken place, free from researcher influence (Tama & Haliba, 2022).
To construct its foundation, the study drew upon secondary data from reputable sources including the Central Bank of Nigeria, academic journals, newspapers, the National Bureau of Statistics, and online platforms. Time series data for analysis were extracted from the World Bank's World Development Indicators database and the Central Bank of Nigeria.

The study's framework encompassed three key channels of international capital inflows: foreign direct investment (FDI), official development assistance (ODA), and external debt stock (EXTDS). These were considered as explanatory variables, with the GDP per capita growth rate serving as the dependent variable. It is noteworthy that the study deliberately excluded personal remittances from its analysis. This decision was rooted in the perception that personal remittances, involving money sent by Nigerians abroad to individuals at home, do not align with the classification of foreign aid and, therefore, were not considered in the research scope.

The mathematical specification of the implicit model that expresses the nexus between sustainable development goal 17 and goal 8 is expressed as:

GDPPCR = F (EXDEBT, FDI, ODA) [Equation (1)]

Setting up the equation (2) in a linear stochastic form (or econometric form) is expressed as:

$GDPPCR\ it = \beta 0 + \beta_1 EXDEBTit + \beta_2 FDIit + \beta_3 ODA + cit + \varepsilon it$ [Equation (2)]

On the strength of these, taking the natural logs of some of the extreme explanatory variables in equation (2) results in the following equation (3):

$GDPPCR_{it} = \beta_0 + \beta_1 Log(EXDEBT)_{it} + \beta_2 Log(FDI)_{it} + \beta_5 Log(ODA) + c_{it} + \varepsilon_{it}$ [Equation (3)]

Where;

LN	=	Natural Logarithm
GDPPCG	=	Gross Domestic Product Per Capita Growth
EXDEBT	=	External Debt
FDI	=	Foreign Direct Investment
ODA	=	Official Development Assistance

β_0 is the constant term or intercept for firm *i* in the year t.
$\beta_1, \beta_2, \beta_3$, are linear regression coefficients to be estimated.
c_{it} is the non-observable individual effect while ε_{it} is the disturbance or error term for firm *i* in the year t.
Building equations (3) into an ARDL model, we have:

$$\Delta PHCR = a_0 + \sum_{i=1}^{m} \propto_1^i \log (ED)_{t-1} + \sum_{i=1}^{m} \propto_2^i \log (FDI)_{t-1} + \sum_{i=1}^{m} \propto_4^i \log (FPI)_{t-1} + \sum_{i=1}^{m} \propto_5^i \log (ODA)_{t-1} \quad (4)$$

Once a long-run association is established between the variables in equation (4) the study proceeded to examine the long-run effect and the short-run dynamics using the unrestricted Error Correction Model (ECM) approach.

$\Delta GDPPCG=\alpha_0+\alpha_1\Delta GDPPCG_{(t-i)} + \alpha_2\Delta\log(EXDEBT)_{(t-i)} + \alpha_3\Delta\log(FDI)_{(t-i)} + \alpha_4\Delta\log(ODA)_{(t-i)} + \delta ECT_{(-1)} + \mu_t$ [Equation (5)]

DATA ANALYSIS AND DISCUSSION

The normality of the distribution of the data series is shown by the coefficients of Skewness, Kurtosis, and the probability values of the Jaque-Bera test for normality.

Table 4.2.1: Descriptive Statistic

	GDPPCG	LNEXDEBT	LNFDI	LNODA
Skewness	0.496468	0.395606	-0.179132	-0.054901
Kurtosis	3.580794	3.295315	2.006025	1.825088
Jarque-Bera	2.095135	1.129275	1.767538	2.204752
Probability	0.350790	0.568566	0.413222	0.332081
Observations	38	38	38	38

Source: Authors Computation, 2024 (Eviews-10)

The descriptive statistics in Table 4.2.1 provide insights into the distribution characteristics of key economic variables: Gross Domestic Product Per Capita Growth (GDPPCG), External Debt (EXDEBT), Foreign Direct Investment (FDI), and Official Development Assistance (ODA), all transformed using natural logarithms (LN). Skewness, kurtosis, and the Jarque-Bera test results are analyzed to understand their distributional properties and adherence to normality.

Skewness measures asymmetry in data distribution. GDPPCG exhibits moderate positive skewness (0.496468), indicating a longer tail on the right side. LNEXDEBT shows slight positive skewness (0.395606), suggesting a mild rightward tilt. In contrast, LNFDI has slight negative skewness (-0.179132) with a longer left tail, while LNODA is nearly symmetric (-0.054901) with a very mild leftward skew. These values indicate minor deviations from symmetry, particularly noticeable in GDPPCG and LNEXDEBT.

Kurtosis measures the distribution's "tailedness" or peak. GDPPCG (3.580794) and LNEXDEBT (3.295315) show slightly leptokurtic distributions with sharper peaks and fatter tails compared to the normal distribution (kurtosis of 3). In contrast, LNFDI (2.006025) and LNODA (1.825088) exhibit platykurtic distributions with flatter peaks and thinner tails, suggesting fewer extreme values.

The Jarque-Bera test evaluates normality by considering skewness and kurtosis. GDPPCG (2.095135, probability 0.350790) and LNEXDEBT (1.129275, probability 0.568566) show high p-values, indicating no significant departure from normality. Similarly, LNFDI (1.767538, probability 0.413222) and LNODA (2.204752, probability 0.332081) also have high probabilities, suggesting their distributions are not

significantly different from normal. These results imply that GDPPCG, EXDEBT, FDI, and ODA are approximately normally distributed based on the Jarque-Bera test.

Table 4.2.2: ARDL Long Run Form and Bounds Test

Dependent Variable: D(GDPPCG)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
LNEXDEBT	-6.661874	3.176397	-2.097305	0.0498
LNFDI	-1.724993	2.127527	-0.810797	0.4281
LNODA	-0.334422	1.047786	-0.319170	0.7533

EC = GDPPCG - (-6.6619*LNEXDEBT -1.7250*LNFDI -0.3344*LNODA)

Source: Authors Computation, 2024 (Eviews-10)

Table 4.2.2 presents the ARDL Long Run Form and Bounds Test results for the dependent variable GDPPCG (Gross Domestic Product Per Capita Growth). The table includes the coefficients, standard errors, t-statistics, and probabilities for the long-term relationship between GDPPCG and its explanatory variables: External Debt (LNEXDEBT), Foreign Direct Investment (LNFDI), and Official Development Assistance (LNODA).

LNEXDEBT: The coefficient for the natural logarithm of external debt (LNEXDEBT) is -6.661874, which is significant at the 5% level (p-value = 0.0498). This negative coefficient suggests that, in the long run, an increase in external debt is associated with a decrease in GDPPCG. Specifically, a 1% increase in external debt corresponds to an approximate 6.66% decrease in GDPPCG, highlighting the potentially detrimental impact of external debt on economic growth.

LNFDI: The coefficient for the natural logarithm of foreign direct investment (LNFDI) is -1.724993, but it is not statistically significant (p-value = 0.4281). This implies that, in the long run, FDI does not have a significant impact on GDPPCG. The negative sign, while not significant, indicate that without further context or supportive policies, FDI alone may not directly enhance economic growth.

LNODA: The coefficient for the natural logarithm of official development assistance (LNODA) is -0.334422, and it is also not statistically significant (p-value = 0.7533). This suggests that ODA does not have a significant long-term impact on GDPPCG. The negative coefficient indicates a potential adverse effect, but the lack of statistical significance means this result should be interpreted cautiously.

The ARDL Long Run Form and Bounds Test results indicate that external debt has a significant and negative long-term impact on GDPPCG. This finding is critical for policymakers, as it underscores the importance of managing external debt levels to avoid adverse effects on economic growth. In contrast, foreign direct investment and official development assistance do not show significant long-term impacts on GDPPCG, suggesting that their roles in driving long-term economic growth are either indirect or contingent on other factors not captured in this model.

TEST OF HYPOTHESIS

The Auto-Regressive Distributed Lag Long-run Bound Test for Cointegration inferred that the variables are co-integrated, and as such, there is a long-run equilibrium relationship between sustainable development goal 17 and Goal 8. However, to test the relationship between the individual components of sustainable development goal 17 and goal 8, the study made use of Table 4.3.1.

Statement of Decision Criteria

According to Gujarati and Porter (2009), the decision rule involves rejecting the null hypothesis (H0) and accepting the alternative hypothesis (H1) if the P-value of the t-Statistic < 0.05. This means that if the P-value is less than 0.05, then there is sufficient evidence to reject the null hypothesis and conclude that the coefficient is statistically significant and different from zero. Conversely, if the P-value is greater than 0.05, then there is insufficient evidence to reject the null hypothesis and we accept H0.

Test of Hypothesis One

H_0: External debt has a non-significant effect on the gross domestic product per capita growth in Nigeria.
H_1: External debt has a significant effect on the gross domestic product per capita growth in Nigeria.

Decision: Since p-value (0.0498) < 0.05, we reject the null hypothesis (H0) that external debt has a non-significant effect on GDPPCG in Nigeria. Instead, we conclude that external debt has a statistically significant effect on GDPPCG.

Test of Hypothesis Two

H_0: Foreign direct investment has a non-significant effect on the gross domestic product per capita growth in Nigeria.
H_1: Foreign direct investment has a significant effect on the gross domestic product per capita growth in Nigeria.

Decision: Since p-value (0.4281) > 0.05, we do not reject the null hypothesis (H0) that foreign direct investment has a non-significant effect on GDPPCG in Nigeria. Thus, we conclude that foreign direct investment does not have a statistically significant effect on GDPPCG.

Test of Hypothesis Three

H_0: Official development assistance has a non-significant effect on the gross domestic product per capita growth in Nigeria.
H_1: Official development assistance has a significant effect on the gross domestic product per capita growth in Nigeria.

Decision: Since p-value (0.7533) > 0.05, we do not reject the null hypothesis (H0) that official development assistance has a non-significant effect on GDPPCG in Nigeria. Therefore, we conclude that official development assistance does not have a statistically significant effect on GDPPCG.

DISCUSSION OF FINDINGS

External Debt: The statistical significance of external debt's impact on GDPPCG underscores its substantial role in shaping economic outcomes. High levels of external debt can strain a country's finances, diverting resources towards debt servicing rather than productive investments that could drive economic growth. This situation is particularly critical in economies where debt levels escalate beyond sustainable thresholds, potentially leading to increased borrowing costs and reduced fiscal flexibility. Moreover, the management of external debt becomes crucial, as imprudent borrowing can exacerbate economic vulnerabilities and limit long-term growth prospects. Policy responses aimed at maintaining manageable debt levels and improving debt sustainability frameworks are essential to mitigate adverse effects on GDPPCG.

Foreign Direct Investment (FDI): While FDI's direct impact on GDPPCG may not be statistically significant in Nigeria, underlying factors such as sectoral composition and policy frameworks play pivotal roles. Nigeria's ability to attract and effectively utilize FDI hinges on creating an enabling business environment characterized by robust infrastructure, regulatory transparency, and investor confidence. Challenges such as infrastructure deficits and bureaucratic hurdles can deter potential investors, limiting FDI's transformative potential on GDPPCG. Additionally, the nature of FDI inflows, whether they foster technological transfer, job creation, and local value addition, determines their broader economic impacts. Addressing these structural impediments and aligning investment promotion strategies with national development priorities are crucial steps towards harnessing FDI more effectively for sustainable economic growth.

Official Development Assistance (ODA): Despite its intended role in promoting economic development, the non-significant effect of ODA on GDPPCG in Nigeria underscores systemic challenges in aid utilization and effectiveness. ODA flows often come with conditions that may not align with local development priorities or fail to address critical bottlenecks hindering economic growth. Furthermore, absorptive capacity constraints and governance inefficiencies can impede the efficient allocation and utilization of aid resources, limiting their developmental impact. To enhance ODA's effectiveness, there is a need for targeted interventions that enhance institutional capacity, improve project implementation mechanisms, and ensure alignment with national development strategies. Strengthening partnerships between donors and recipient countries to foster sustainable and inclusive development outcomes is essential for maximizing ODA's contribution to improving GDPPCG over the long term.

CONCLUSION AND RECOMMENDATIONS

The study examined the relationship between sustainable development goal 17 and Goal 8. The specific objective of the study is to evaluate the relationship between external debt, foreign direct investment, and official development assistance, and gross domestic product per capita growth in Nigeria provides crucial insights into the country's economic dynamics. The significant influence of external debt on GDPPCG underscores the critical role of prudent fiscal management and sustainable debt practices. Nigeria's ability to maintain manageable debt levels is essential to ensure that financial resources are directed towards

productive investments in infrastructure, human capital, and key sectors. Transparency and accountability in financial governance are paramount in implementing effective debt management strategies that support economic growth.

Conversely, the non-significant impacts of FDI and ODA reveal underlying challenges in leveraging these financial inflows for sustainable economic development. Nigeria faces obstacles such as inadequate infrastructure, regulatory complexities, and governance inefficiencies, which hinder the optimal utilization of FDI. Improving the investment climate through infrastructure development, streamlined bureaucracy, and targeted incentives can attract more productive FDI that contributes meaningfully to GDPPCG. Similarly, enhancing the effectiveness of ODA involves aligning aid with national development priorities, strengthening institutional capacities for aid coordination, and promoting sustainable development practices that yield lasting economic benefits.

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