

## EFFECT OF NIGERIA-UNITED STATES TRADE RELATIONS ON SOCIO-ECONOMIC DEVELOPMENT IN NIGERIA

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### ABSTRACT

*This study examined the effect of Nigeria-United States Trade Relations on Socio-Economic Development in Nigeria. The Human Capital Theory (HCT) was adopted as theoretical framework. The study utilizes survey and content analysis research design. The population of the study are; Nigerian Export Promotion Council, Manufacturers Association of Nigeria (MAN), Nigeria Chamber of Commerce, Industry, Manufacturing Association (NACCIMA). The Statistical Package for the Social Sciences (SPSS) was used to analyze the data collected. The Finding from the study reveals that, Nigeria trade relations with US did not promoted made in Nigeria goods in Nigeria within the period under reviewed. Experts and operators in the manufacturing sector have identified consumers' lack of confidence in local items as being responsible for the sector's poor growth. The study further revealed that, Nigeria trade relations with US have increased Gross Domestic Product (GDP) in Nigeria. This was affirmed by 62.3% of the sample population. Finding from the study revealed Nigeria trade relations with US did not create employment opportunities in Nigeria. The study recommends that, Nigerians and consumers should have confidence in local made goods in order to promote Nigeria exports and balance its trade relations with deficit US. Nigeria trade relations with US should take cognizance of a deficit in the balance of payments, this is because; Nigeria's GDP can be corrected by encouraging exports. Nigeria exports can be encouraged by producing quality products, increasing exports through increased production and productivity. There should be adjustment through Exchange Depreciation (Price Effect) in Nigeria relations with US. Their relationship should ensure flexible exchange rates; equilibrium in the balance of payments and reduce forces of demand and supply on foreign exchange and create employment opportunities for Nigeria.*

**Keyword:** Trade Relations, socio-economic development, Gross Domestic Product, employment opportunities

### Introduction

Integration into the world economy has proven a powerful means for countries to promote economic growth, development, and poverty reduction. Over the past 20 years, the growth of world trade has averaged 6 percent per year, twice as fast as world output. But trade has been an engine of growth for much longer. Since 1947, when the General Agreement on Tariffs and Trade (GATT) was created, the world trading system has benefited from eight rounds of multilateral trade liberalization, as well as from unilateral and regional liberalization (Steven and David, 2009).

The resulting integration of the world economy has raised living standards around the world. Most developing countries have shared in this prosperity; in some, incomes have risen dramatically. As a group, developing countries have become much more important in world trade—they now account for one-third of world trade, up from about a quarter in the early 1970s. Many developing countries have substantially increased their exports of manufactures and services relative to traditional commodity exports: manufactures have risen to 80 percent of developing country exports (Steven & David, 2009).

The United States established diplomatic relations with Nigeria in 1960, following Nigeria's independence from the United Kingdom. From 1966 to 1999, Nigeria experienced a series of military coups, excluding the short-lived second republic between 1979 and 1983 (US, 2021). The 30-month long civil war, which ended in January 1970, resulted in 1-3 million casualties. Following the 1999 inauguration of a civilian president, the U.S.-Nigerian relationship began to improve, as did cooperation on foreign policy goals such as regional peacekeeping (US, 2021).

Nigeria is the largest economy and most populous country in Africa with an estimated population of over 200 million, which is expected to grow to 400 million by 2050 and become the third most populous country in the world after India. Nigeria had an estimated gross domestic product of 448 billion USD in 2019. Nigeria's economy has become more diversified with the agriculture contributed to 22.35 percent of the total Gross Domestic Product in 2021 (FAO, 2021) while crude oil sales have continued to be the main source of export earnings and government revenues (US, 2021). The United States established diplomatic relations with Nigeria in 1960, following Nigeria's independence from the United Kingdom. From 1966 to 1999, Nigeria experienced a series of military coups, excluding the short-lived second republic between 1979 and 1983 (US, 2021). The 30-month long civil war, which ended in January 1970, resulted in 1-3 million casualties. Following the 1999 inauguration of a civilian president, the U.S.-Nigerian relationship began to improve, as did cooperation on foreign policy goals such as regional peacekeeping (US, 2021).

Nigeria is the largest economy and most populous country in Africa with an estimated population of over 200 million, which is expected to grow to 400 million by 2050 and become the third most populous country in the world after India. Nigeria had an estimated Gross Domestic Product of 448 billion USD in 2019 (US, 2019). Although Nigeria's economy has become more diversified, crude oil sales have continued to be the main source of export earnings and government revenues (US, 2021). The study aimed to assess the effect of Nigeria-United States Trade Relations on Socio-Economic Development in Nigeria.

## 1.2 Statement of the Problem

Many scholars have examined the performance of the foreign trade and economic growth for instance; Oke, Oshinfowokan, & Okonoda (2019) interrogated the trade relation between Nigeria and China and assess the impact of mechanisms and measures such as One China Policy and Nigeria Naira – China Yuan Currency Swap on the Nigeria growth and development. The study found out that for Nigeria to get more gains from China, Nigeria traders, manufacturers and organised trade organisation must be carried in decision making and shun importation of already made goods that can be produced locally; support local industries to enhance their production capacity; more interaction between the businessmen of both countries, government official and politician; allowing independent functioning of institutions created to promote trade and investment without interference. Jovičić, Stevanović, & Beraha (2020) analyzed the major trends and changes in the bilateral merchandise trade between China in Serbia. The study found that, despite the rapid growth, the Trade Intensity Index shows that trade between Serbia and China is under-represented, implying there is a space for improvement. Some obstacles hinder trade relations between Serbia and China. Boylan, McBeath, & Wang, (2021) examined the trade war between the USA and China has shocked many across the world. A disruption to the interdependence of the two largest economies seemed unfathomable. The study found that, although reluctant to enter the conflict, China has rebuffed the USA, resisting and counterattacking US actions, owing to a long-felt sense of persecution in the global space and an eagerness to participate fully, and lead in some issue areas, in international affairs. The conflict continues into the COVID-19 era, marked by US scapegoating of China and hits to economic performance. Until both sides are convinced they have achieved their goals, or the USA undergoes an administration change, the conflict will likely continue.

To the best of my knowledge, none of the study examines the effect of bilateral trade relations as it's evaluate the Nigeria relations with it relates to promoting made in Nigeria goods, Gross Domestic Product and provision employment opportunities. It is against this backdrop the study assesses the extent at which Nigeria-United States Trade Relations has Enhance Socio-Economic Development in Nigeria.

### 1.3 Research Questions

1. To what extent has Nigeria relations with US promote made in Nigeria goods?
2. What is the effect of Nigeria relations with US on Nigerian's Gross Domestic Product?
3. What is the effect of Nigeria relations with US on the provision employment opportunities?

### 1.4 Objectives of the Study

- i. To determine whether Nigeria relations with US has promoted made in Nigeria goods.
- ii. To assess the effect of Nigeria relations with US on Nigerian's Gross Domestic Product.
- iii. To examine the effect of Nigeria relations with US on the provision of employment opportunities.

### 1.5 Research Hypotheses

- Ho<sub>1</sub>. There is no significant relationship between Nigeria relations with US and the promotion of made in Nigeria goods.
- Ho<sub>2</sub>. There is no significant relationship Nigeria relation with US and Nigeria's Gross Domestic Product.
- Ho<sub>3</sub>. There is no significant relationship Nigeria relation with US and employment opportunities for Nigerian.

#### 2.1.1. International Trade

International business can be defined as business activities across the frontiers of the world. It has been argued that it plays a prominent role in promoting economic growth and productivity in particular, and the debate over its dynamics have been on-going on several decades ago. Historical account has it that internationally active countries tend to be more productive than countries which produce for the domestic market (Gianni De, Honohan and Ize, 2003). Developing countries are learning to apply market power more efficiently with less intervention from government to increase openness, especially in bilateral and multilateral trade. Participants should fulfill their commitments to international rules and regulations to bridge the gap between developed countries.

With the advancement of man as a result of fast changing civilization, this sharing and exchange had to be done for a price and evolved from the barter system till the

advent of money as a means of payment for transactions and a unit of accounting (Onyemelukwe, 2004; Elekwa, 2008). At an interpersonal level, trade among individuals allows people to buy and sell goods and services to each other especially what they cannot easily produce for themselves. The same principle applies to intra and inter-country trade that involves the exchange of goods and services among countries and regions, when this is done within a geographical area it is termed domestic, home or internal trade (Onyemelukwe, 2004; and Jhingan, 2006). External or international trade refers to buying and selling abroad and entails exchanges that take place across international boundaries (Black, Harrison & Lee, 2003). Jhingan (2006) saw the gains from trade in forms of static and dynamic gains. The static gains were itemised to include maximization of production opportunities, increase in national income and welfare while dynamic gains manifests due to efficient employment of resources, widening of market, increased investment and development of other sectors of the economy.

### 2.1.2 Nigeria - United States Bilateral Relations

The United States established diplomatic relations with Nigeria in 1960, following Nigeria's independence from the United Kingdom. From 1966 to 1999, Nigeria experienced a series of military coups, excluding the short-lived second republic between 1979 and 1983. The 30-month long civil war, which ended in January 1970, resulted in 1-3 million casualties. Following the 1999 inauguration of a civilian president, the U.S.-Nigerian relationship began to improve, as did cooperation on foreign policy goals such as regional peacekeeping. Nigeria is the largest economy and most populous country in Africa with an estimated population of over 200 million, which is expected to grow to 400 million by 2050 and become the third most populous country in the world after India (US, 2020).

Nigeria-United States relations remain a critical aspect of Nigerian foreign policy. The demands, challenges and competition of this 21st century have made it pertinent that Nigeria review her relation with United States in order to benefit maximally from their relation (Ezea 2005).

More so, Nigeria-United States relation since Nigeria's independence has been raised on a tripod of democracy, trade and foreign investment. In the global economy, the use of technology, trade, investment, aid etc to influence the course of events in the international system has been an important reason nations engage in 15 international economic relation. In this relation the weaker nations especially those like Nigeria are usually subjected to manipulation by the stronger nations like US. This means that the so called mutuality of interests of Nigeria and US has constantly depended on the preservation of the structural conditions where the US is a dominant industrial power and Nigeria, a safe raw material supplier and subordinate ally. Some scholars like Agada (2003) have argued that Nigeria -US relation has greatly undermined Nigeria national economic development and strengthened her dependency structure

since Nigeria's return to civil rule. They noted that President Olesugun Obasanjo's administration under the democratic dispensation since 1999 maintained Nigeria – US relation in trade, investments and military. Meanwhile it appears scholars have not determined whether oil remained the centre piece of Nigeria –US relations between 1999 and 2009.

### 2.1.2.1 Bilateral Cooperation

Nigeria is an important U.S. security partner in Africa. Nigeria is engaged in intensive efforts to defeat terrorist organizations within its borders, including Boko Haram and ISIS-West Africa (ISIS-WA). Nigeria is a vital member of the Defeat ISIS (D-ISIS) coalition and in October 2020, Nigeria co-hosted a virtual D-ISIS conference with the United States.

### Nigeria's Membership in International Organizations

Nigeria and the United States belong to a number of the same international organizations, including the United Nations, International Monetary Fund, World Bank, and World Trade Organization. Nigeria also is an observer to the Organization of American States.

### Volume of Trade between Nigeria – USA .

**Table 2.1: Volume of Trade between Nigeria – USA**

S/N	Years	Volume of Trade (\$Million)	Export (\$Million)	Import (\$Million)	Balance (\$Million)
1	2012	35,548.10	2,777.90	32,770.20	-29,992.30
2	2013	42,170.40	4,102.40	38,068.00	-33,965.60
3	2014	22,815.30	3,687.10	19,128.20	-15,441.10
4	2015	34,576.40	4,060.50	30,515.90	-26,455.40
5	2016	38,759.00	4,904.80	33,854.20	-28,949.40
6	2017	24,043.50	5,029.30	19,014.20	-13,984.90
7	2018	18,112.30	6,388.40	11,723.90	-5,335.50
8	2019	9,805.40	5,965.90	3,839.50	2,126.40
9	2020	5,350.90	3,435.10	1,915.80	1,519.30
10	2021	7,331.10	3,887.00	3,444.10	442.9
	Total	262,106.9	50,994.3	210,355.90	-160,561.10

Source: 2012-2021 [www.census.gov/foreign-trade/balance](http://www.census.gov/foreign-trade/balance)

The total volume of trade between Nigeria and USA in 2012 stood at 35,548.10; exports constitute \$2,777.90; Import constitutes \$32,770.20 while the balance of trade is -29,992.30. The data revealed that, Nigeria record trade deficit because; its import is greater than Export. This means that, Nigeria recorded low foreign earnings from its trade relation with US. In 2013, total volume is 42,170.40, exports constitute \$4,102.40; Import constitutes \$38,068.00 while the balance of trade is -33,965.60. In 2014, total volume is 22,815.30, exports constitute \$3,687.10; Import constitutes \$19,128.20 while the balance of trade is -15,441.10. In 2015, total volume is 34,576.40, exports constitute \$4,060.50; Import constitutes \$30,515.90 while the

balance of trade is -26,455.40 (US, 2020).

In 2016, total volume is 38,759.00, exports constitute \$4,904.80; Import constitutes \$33,854.20 while the balance of trade is -28,949.40. In 2017, total volume is 24,043.50, exports constitute \$5,029.30; Import constitutes \$19,014.20 while the balance of trade is -13,984.90. In 2018, total volume is 18,112.30, exports constitute \$6,388.40; Import constitutes \$11,723.90 while the balance of trade is -5,335.50. In 2019, total volume is 9,805.40, exports constitute \$5,965.90; Import constitutes \$3,839.50 while the balance of trade is 2,126.40. In 2020, total volume is 5,350.90, exports constitute \$3,435.10; Import constitutes \$1,915.80 while the balance of trade is 1,519.30 (US, 2020). In 2021, total volume is \$7,331.10 exports constitute \$3,887.00; Import constitutes \$3,444.10 while the balance of trade is \$442.9 (US, 2021).

The Nigeria export commodities to US were: Cereals (wheat), crude oil and petroleum, Organic Chemicals, Cocoa products, Cocoa beans, cocoa, rubber leather items, vegetables, ginger, cassava, and wood products while the US export commodities to Nigeria were to Machinery, Electrical Machinery, Vehicles and agricultural products (US, 2020).

### **Theoretical Framework**

This study adopted liberalist theory to examine the effect US-Nigeria trade relations. According to Kegley & Blanton, (2014), liberalism is "a paradigm predicated on the hope that the application of reason and universal ethics to international relations can lead to a more orderly, just, and cooperative world, and that international anarchy (lack of a hierarchy/world government) and war can be policed by institutional reforms that empower international organizations and laws. The concept of Liberal theory was rooted in modern liberal international relations theory which can be traced to Immanuel Kant's 1795 on *Perpetual Peace* (Kant, 2003). Liberalism is the belief in freedom and equal rights generally associated with such thinkers as John Locke and Montesquieu (Kant, 2003). The central liberal theory question about international economic relations is: who governs and how does state regulate its economic and trade? According to Wei, and Frankel (2007), Liberals assume that states are embedded in a transnational society comprised of individuals, social groups, and sub-state officials with varying assets, ideals and influence on state policy.

International trade with US can increase inflow of goods to Nigeria and Africa, has spurred much speculation about the nature of the emerging partnership model as a result of globalisation in the international system. A national debate across sectors on

this partnership will be a healthy exercise and may drive more rigorous economy growth and foster development in Nigeria' and African in general; friendly, mutually beneficial relations in trade will make the country to achieve its vision 20:2020 (NBS, 2017).

### 2.3 Empirical Review of Related Studies

In the Nigerian context, many researchers have examined the performance of the foreign trade and economic growth for instance; Oke, Oshinfowokan, & Okonoda (2019) interrogated the trade relation between Nigeria and China and assess the impact of mechanisms and measures such as One China Policy and Nigeria Naira – China Yuan Currency Swap on the Nigeria growth and development. It equally examined the perceptions of Nigeria entrepreneurs in pushing for balance of trade relations between Nigeria and China. The study found out that for Nigeria to get more gains from China, Nigeria traders, manufacturers and organised trade organisation must be carried in decision making and shun importation of already made goods that can be produced locally; support local industries to enhance their production capacity; more interaction between the businessmen of both countries, government official and politician; allowing independent functioning of institutions created to promote trade and investment without interference.

Jovičić, Stevanović, & Beraha (2020) analyzed the major trends and changes in the bilateral merchandise trade between China in Serbia. The paper also focuses on exploring the main challenges as well as determinants for enhancement of trade relationships in the upcoming period. The study found that, The value of total trade in 2019 compared to 2010 is increased by twice, the value of imported and exported goods grew twice and almost 45 times, respectively. Despite the rapid growth, the Trade Intensity Index shows that trade between Serbia and China is under-represented, implying there is a space for improvement. Some obstacles hinder trade relations between Serbia and China.

Boylan, McBeath, & Wang, (2021) examined the trade war between the USA and China has shocked many across the world. A disruption to the interdependence of the two largest economies seemed unfathomable. The study found that, although reluctant to enter the conflict, China has rebuffed the USA, resisting and counterattacking US actions, owing to a long-felt sense of persecution in the global space and an eagerness to participate fully, and lead in some issue areas, in international affairs. The conflict continues into the COVID-19 era, marked by US scapegoating of China and hits to economic performance. Until both sides are convinced they have achieved their goals, or the USA undergoes an administration change, the conflict will likely continue



### Gap in Literature

From the above empirical literatures, few studies have been conducted on international trade, but none of the studies made attempt to assess the effect of the international trade on economic development especially in developing economic like Nigeria. This current study provides evidence on the volume of trade and how it has affect Nigeria in terms of promoting made in Nigeria goods, employment opportunities and GDP. To bridge this knowledge gap, the current study focuses on investigating the effect of Nigeria trade relations with US.

### Methodology

The study employed mix research designs comprising of Survey and documentary. The reason for adopting survey is because it often focuses on the characteristics of a population. It also gives valid and reliable information and the result can be analysed easily for quick action or necessary intervention. Documentary Research design used personal and official documents as source of materials. The rationale for choosing this design is that, it is conducted to assess a set of documents for historical or social value and to create a larger narrative through the study of multiple documents surrounding the issues of Nigeria Trade relation with US.

The populations of this study are: the Nigerian Export Promotion Council, Manufacturers Association of Nigeria (MAN), Nigeria Chamber of Commerce, Industry, Manufacturing Association (NACCIMA), The reason for choosing this population is because; they engage in trade relations between Nigeria, US. Therefore, they are in the position to provide vital information on the impact of Nigeria trade relations between US. The total Population is 1056; this comprises of 637 Nigerian Export Promotion Council; 231 member of Nigerian Export Promotion Council, Manufacturers Association of Nigeria (MAN) and 188 member of Manufacturers Association of Nigeria (MAN) Abuja branch.

Simple random sampling techniques were adopted to select the sample size. This sample technique was used to select the sample frame from the total population of staff at Nigerian Export Promotion Council. Purposive sampling technique was used to selected sample representative from the Manufacturers Association of Nigeria (MAN), Nigeria Chamber of Commerce, Industry, Manufacturing Association (NACCIMA), The total population of this study is 637 staff of Nigerian Export Promotion Council while Five (5) experts each were selected from the Manufacturers Association of Nigeria (MAN), Nigeria Chamber of Commerce, Industry, Manufacturing Association (NACCIMA).

This sample was adopted because it enable equal chance for all the participants to

be selected in the random sample which is unbiased sampling techniques.

A total of 1056 Staff of Nigerian Export Promotion Council (Nominal roll of NEPC); (Member Register of MAN) and (Member Register of NACCIMA) was narrow down used to determine the sample size using Taro Yamani (1970) statistical formula as given below:

$$\frac{N}{1 + N(0.5)^2}$$

$$\frac{1056}{1 + 1056(0.0025)}$$

$$\frac{1056}{2.64} = 400$$

Sample Size is 400

The data for the research were gathered from primary and secondary sources. The primary data was generated through the instrument of questionnaire administered. Three Hundred and Seventy Seven (377) questionnaires administered to the staff of the Nigerian Export Promotion Council were retrieved. Secondary data were sourced from the Ministry of trade and Investment in Abuja. Other sources of secondary data include literature such as books, monographs, and print media, and journals, newspapers on Nigeria's political and economic system

The Statistical Package for the Social Sciences (SPSS) was used to present the data collected. Inferential statistics using Z-test statistical model was used to analyse the data. In analysing the data for the null hypotheses, Z-test will be used to test the hypotheses at 0.05 level of significance

#### Data Presentation

Table 1

#### *Nigeria trade relations US have increased Gross Domestic Product (GDP) for Nigeria*

Options	Frequency	Percent	Valid Percent	Cumulative Percent
Agreed	235	62.3	62.3	79.3
Disagreed	131	34.7	34.7	34.7
Undecided	11	2.9	2.9	100.0
<b>Total</b>	<b>377</b>	<b>100.0</b>	<b>100.0</b>	

Source: Field Survey, 2022

Table 1 above shows whether Nigeria trade relations with US have increased Gross Domestic Product (GDP) for Nigeria within the period under reviewed. 235 respondents representing 62.3% reveals that, Nigeria trade relations with US have increased Gross Domestic Product (GDP) for Nigeria. 131 respondents representing 34.7% disagreed, while 11 respondents representing 2.9% could not ascertain whether Nigeria trade relations with US have increased Gross Domestic Product (GDP) for Nigeria. From the above analysis, we can intuitively conclude that, Nigeria trade relations with US have increased Gross Domestic Product (GDP) in Nigeria within the period under reviewed.

**Table 2**

***Nigeria trade relations with US and the promotion of made in Nigeria goods.***

<b>Options</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
<b>Agreed</b>	155	41.1	41.1	41.1
Disagreed	209	55.4	55.4	96.6
Undecided	13	3.4	3.4	100.0
<b>Total</b>	<b>377</b>	<b>100.0</b>	<b>100.0</b>	

**Source: Field Survey, 2022**

Table 2 above shows whether Nigeria trade relations with US have promoted made in Nigeria goods in Nigeria within the period under reviewed. 155 respondents representing 41.1% reveals that, Nigeria trade relations with US have promoted made in Nigeria goods. 209 respondents representing 55.4% disagreed, while 13 respondents representing 3.4% could not ascertain whether Nigeria trade relations with US have promoted made in Nigeria goods. From the above analysis, we can intuitively conclude that, Nigeria trade relations with US did not promote made in Nigeria goods within the period under reviewed.

**Table 3*****Effect of Nigeria trade relations with China on US and employment opportunities***

<b>Options</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
<b>Agreed</b> 302	81.1		81.1	81.1
Disagreed	65	17.2	17.2	97.3
Undecided	10	2.7	2.7	100.0
<b>Total</b>	<b>377</b>	<b>100.0</b>	<b>100.0</b>	

**Source: Field Survey, 2022**

Table 3 above shows whether Nigeria trade relations with US have created employment opportunities within the period under reviewed. 302 respondents representing 81.1% reveals that, Nigeria trade relations with US have created employment opportunities within the period under reviewed. 65 respondents representing 17.2% disagreed, while 10 respondents representing 2.7% could not ascertain whether Nigeria trade relations with US have created employment opportunities within the period under reviewed. From the above analysis, we can intuitively conclude that, Nigeria trade relations with US have created employment opportunities within the period under reviewed within under reviewed.

**Table 4*****Nigeria trade relations with US has increased foreign exchange earning in Nigeria***

<b>Options</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
<b>Agreed</b> 124	32.9		32.9	32.9
Disagreed	239	63.4	63.4	96.3
Undecided	14	3.7	3.7	100.0
<b>Total</b>	<b>377</b>	<b>100.0</b>	<b>100.0</b>	

**Source: Field Survey, 2022**

Table 4 above shows whether Nigeria trade relations with US have increased foreign exchange earning in Nigeria within the period under reviewed. 124 respondents representing 32.9% reveals that, Nigeria trade relations with US have increased foreign exchange earning in Nigeria. 239 respondents representing 63.4% disagreed, while 14 respondents representing 3.7% could not ascertain whether

Nigeria trade relations with US have increased foreign exchange earning in Nigeria. From the above analysis, we can intuitively conclude that, Nigeria trade relations with US have not increase foreign exchange earning in Nigeria within the period under reviewed.

### Test of Hypothesis I

There is no significant relationship between Nigeria relations with US and the promotion of made in Nigeria goods.

**Table 5: z-test on the Nigeria relations with US and the promotion of made in Nigeria goods**

Source of variation	N	Mean	SD	Df	z-cal.	Z-crit.	Decision
Nigeria relations with US	377	2.92	1.27	375	1.81	1.96	Sig
Promotion of made in Nigeria Goods	377	2.75	1.18				

The result in Table 5 shows that the calculated z-value (1.81) is less than the critical value (1.96) at alpha level of 0.05 and degree of freedom (df) 375. This is an indication that the relationship between Nigeria relations with US and the promotion of made in Nigeria goods is not significant. The null hypothesis therefore is accepted. Therefore, we conclude that Nigeria relations with US did not promote made in Nigeria goods.

### Test of Hypothesis II

There is no significant relationship Nigeria relation with US and Nigeria's Gross Domestic Product.

**Table 6: z-test on Nigeria relation with US and Nigeria's Gross Domestic Product.**

Source of variation	N	Mean	SD	Df	z-cal.	z-crit.	Decision
Nigeria relation with US	377	2.42	1.09	375	2.73	1.96	Sig
Nigeria's Gross Domestic product	377	2.75	1.18				

The result in Table 6 shows that the calculated z-value (2.73) is greater than the critical value (1.96) at alpha level of 0.05 and degree of freedom (df) 375. This is an indication that the relationship between Nigeria relation with US and Nigeria's Gross Domestic Product is significant. The null hypothesis therefore was not rejected. Therefore, we conclude that There is significant relationship Nigeria relation with US and Nigeria's Gross Domestic Product.

### Test of Hypothesis III

There is no significant relationship Nigeria relation with US and employment opportunities.

**Table 7: z-test on the significant relationship Nigeria relation with US and employment opportunities.**

Source of variation	N	Mean	SD	Df	z-cal.	z-crit.	Decision
Nigeria relation with US	377	2.71	1.20	375	1.58	1.96	Sig
Employment opportunities					377	2.75	1.18

The result in Table 7 shows that the calculated z-value (1.58) is less than the critical value (1.96) at alpha level of 0.05 and degree of freedom (df) 375. This is an indication that the relationship between Nigeria relation with US and employment opportunities is not significant. The null hypothesis therefore is accepted. Therefore, we conclude that significant relationship Nigeria relation with US and employment opportunities.

### Discussion of Finding

- I. Finding from the study reveals that, Nigeria trade relations with US did not promoted made in Nigeria goods in Nigeria within the period under reviewed. The finding is in line with the view of Experts and operators in the manufacturing sector have identified consumers' lack of confidence in local items as being responsible for the sector's poor growth. The Director-General, Nigerian Chamber of Commerce and Industry (LCCI), Muda Yusuf, lamented that the challenges of indigenious manufacturers who are competing unfavourably with imported products arose because Nigerians prefer imported products more than locally made ones though they are of the same quality. "This has made local manufacturers resort to engraving foreign labels on their products to satisfy the local consumers who just love products with foreign labels," he said. We can conclude that, International trade have significantly have not promoted made in Nigeria goods rather International trade have made Nigeria a dumping ground for foreign goods.
- ii. Finding from the analysis reveals that Nigeria trade relations with US have increased Gross Domestic Product (GDP) in Nigeria. This was affirmed by 62.3% of the sample population. This finding is in line with the study conducted by Ghezakos (1973) as cited in Usman (2011) tested the effect of instability on economic growth of 18 developed and 50 less developed countries separately. The growth rate of exports receipts has positive effect in explaining the growth rate of real per capita income. We can conclude that, International trade has significantly impacted on Nigeria's Gross Domestic. The Nigeria trade relations with US have increased the nation's GDP with the period under review.
- iii. Finding from the analysis shows that, Nigeria trade relations with US did not create employment opportunities in Nigeria. We can conclude that, Nigeria trade relations with US have not employment opportunities in Nigeria.

## Conclusion

This study conclude that, Nigeria trade relations with US has stimulated Nigeria economic growth with the increased in GDP; but it did not provide employment opportunities for Nigerians and also the relations did not promoted made in Nigeria goods but rather it undermine made Nigeria goods as most Nigerians prefer foreign goods from US than the Nigeria products. The study also concludes that, Nigeria trade relations with US increased in Nigeria exchange of goods and service. Nigeria trade relations with US enlarge country's consumption capacity; increases output and provide access to scarce resources. Nigeria trade relations with US have promoted greater international and domestic equality by equalizing factor process, raising real incomes and making efficient use of nation's resources endowments. The study generally conclude that, Nigeria trade relations with US has developed and promoted Nigeria's economy in oil sectors where Nigeria possess a comparative advantage while US has comparative advantage in the production and manufacturing of machinery, transport equipment, vehicles, power generation equipment, road building machinery, medicines, chemicals and other goods. Nigeria trade relations with US have created 'dual economies' in Nigeria as because of import and export sector.

## Recommendations

In line with the finding of the Study, we recommend that,

- i. Nigerians and consumers should have confidence in local made goods in order to promote Nigeria exports and balance its trade relations with deficit US.
- ii. Nigeria trade relations with US should take cognizance of a deficit in the balance of payments, this is because; Nigeria's GDP can be corrected by encouraging exports. Nigeria exports can be encouraged by producing quality products, increasing exports through increased production and productivity, Nigeria Government Export Expansion Grant scheme which target US should be design to motivate exporters and encourage export based activities in a bid to diversify the nation's economy from the mono-export market; Nigeria Government should discourage dumping and as well promote the diversification economy. Nigeria Government Should updates its trade policy priorities with US. They can increase by way import substitution policy.
- iii. There should be adjustment through Exchange Depreciation (Price Effect) in Nigeria relations with US. Their relationship should ensure flexible exchange rates; equilibrium in the balance of payments and reduce forces of demand and supply on foreign exchange and create employment opportunities for Nigeria.

### Limitation of the Study

A myriad of problems was encountered in the collection of the data for the research and it is quite important that these problems are brought to light. During the course of the study, the researcher encountered some problems. The tire some job of going up and down administering the questionnaires. It was equally not easy to make the respondents to fill the questionnaires, they were not convinced that the survey has nothing to do with the objective of the study and so they either tried to give false information or returned the questionnaires unfilled. While some claimed they misplace it. Notwithstanding, some the respondents were very co-operating and showed great delight in seeing someone who was interested in solving the economic problem of the country

### Guides for Future Studies

More studies need to be conducted in the areas of Foreign Investment and Trade Policy in the US, effect of insecurity and Trade relations in Nigeria, effect of Free trade and Fair Trade Initiatives on Nigeria economic and Trade Openness and Economic Growth's Relationship

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