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Nexus between Monetary Policy and Bank Credit: New Insight from Nigeria

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Abstract- The study examines the role of monetary policy on bank credit in Nigeria using time series data over the period of 1990–2016. We applied Autoregressive Distributed Lag (ARDL) approach proposed by Pesaran, Shin and Smith (2001). We find that monetary policy (monetary policy rate and liquidity ratio) retards bank credit (bank credit to private sector and small and medium scale enterprises) while money supply stimulates bank credit in Nigeria. Based on this result, we conclude that monetary policy impedes bank credit in Nigeria. It is therefore recommended that monetary authorities should reduce monetary policy rate so as to reduce cost of borrowing in order to increase domestic credit to private sector to boost investment and output.

Keywords: *monetary policy; bank credit, money supply, ARDL.*

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NEXUSBETWEENMONETARYPOLICYANDBANKCREDITNEWINSIGHTFROMNIGERIA

Strictly as per the compliance and regulations of:

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Keywords: monetary policy; bank credit, money supply, ARDL.

I. Introduction

The link between monetary policy and bank lending is crucial because monetary policy involves deliberate actions of the monetary authorities mostly central bank to change the quantity, availability or cost of money in an economy to achieve low unemployment, high output growth rate, price stability and stable exchange rate through monetary policy rate, open market operation, reserve requirement, credit control and moral suasion (CBN, 2016). In Nigeria as well as other developing countries, it has been observed that prudent monetary policies are the key stone to effective regulations as well as supervision for the growth of any country's banking Industry. By effective manipulation of monetary policy variables, the Central bank seek to influence the growth rate of money supply in an economy, interest rate level, liquidity and the availability of credit from the banking sector (Ehimare, Emena and Niyan, 2015).

Monetary policy has an interdependent relationship with commercial banks in the economy. This is based on the fact that they are the main agents of monetary policy implementation within any economy (Krause & Rioja, 2006). Apart from the traditional roles of savings, banking system played fundamental roles in the growth of an economy through their intermediation role. They perform these roles by mobilizing resources (savings) from the surplus units and channeling them to the deficit units for productive activities within an economy (Schumpeter, 1934). Banks through their credit policy act as lubricants and promote growth in different sectors of the economy. In making credit available, banks are rendering a great deal of social service and through their action, production is increased, capital investments are expanded and a higher standard of living is realized (Eta and Oghoghomeh, 2015).

Although, the empirical link between monetary policy and bank credit has been intensively examined. Nevertheless, such empirical evidences appear to be inconclusive unsettled. For instance, Anyanwu and Kalu (2017), Enyioku (2017), Kalu (2017), Akanni and Imegi (2017); and Meshack and Nyamute (2016) found that monetary policy enhances bank lending whereas Onaolapo and Shomade (2017), Jegede (2016) Agbonkhese and Asekome (2016); Akannbi and Ajagbe (2016); Muhammed (2015); and Ekpung *et al* (2015) found that monetary policy inhibits bank credit. Given the lack of inconclusiveness from the previous research work could therefore indicate it as an area that requires further probe. Thus, this study seeks to fill the gap in economic literature by exploring the linkbetween monetary policy and bank credit in the case of Nigeria over the period of 2001 to 2017 using Autoregressive Distributed Lag (ARDL) model. The rest of the paper is organized as follows: Section 2 provides an overview of the relevant empirical literature between monetary policy and bank credit; Section 3 is the methodology section while Section 4contains the results and discussion. Finally, Section 5 deals the conclusion and policy recommendations.

II. Review of Relevant Literature

The empirical nexus between monetary policy and bank credit has been extensively examined in the past years. However, such empirical evidences appear to be unsettled. For instance, Anyanwu and Kalu (2017) employed Ordinary Least Square (OLS) technique in investigating the role of monetary management on commercial bank loan and advances and output in Nigeria spanning 1994 and 2015, and found that money supply enhances bank loan and advances. In a related study, Onaolapo and Shomade (2017) employed Error Correction Model to explore the role of monetary policies (proxied by volume of deposits, interest rate and cash reserve requirement) on commercial bank lending behavior (proxied by commercial loan and advances to customers) in Nigeria covering the period of 1980 and 2014. The result disclosed that volume of deposit enhances commercial bank loan and advances to

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customers while monetary policy rate (short-term interest rate) and cash reserve ratio retards commercial bank loan and advances to customers.

Using Vector Error Correction Model, Jegede (2016) assessed the role of monetary policy (proxied by money supply, interest rate and liquidity ratio) on commercial bank lending activities in Nigeria during the period of 1998-2013. The study found that money supply and liquidity ratio reduce commercial loan and advances to customers while interest rate increases commercial loan and advances to customers in Nigeria. Likewise, Agbonkhese and Asekome (2016) analyzed the impact of monetary policy on bank credit creation in Nigeria from 1980 and 2010 using OLS technique. The results of the study showed that total deposits and treasury bills rate boost credit creation while reserve requirement ratio and interest rate had a negative relationship with total credit creation. In another study by Agbonkhese and Asekome (2017) examined the role of macroeconomic indicators (real GDP, money supply, exchange rate, lending interest rate and inflation) on commercial bank risk assets creation in Nigeria over the period of 1980 to 2014. The study employed OLS methodology and the result showed that money supply, lending interest rate exert a significant positive impact on commercial bank risk asset creation while inflation rate retards it.

With the aid of annual data and OLS technique, Enyioko (2017) examined the role of monetary policy (proxied by interest rate) on the overall performance of commercial banks in Nigeria from 2005 to 2012. The study showed that monetary policies have insignificant impact on commercial bank performance in Nigeria. Akanbi and Ajagbe (2016) investigated the importance of monetary policy on commercial banks operation in Nigeria spanning 1990 to 2015. The result revealed that monetary policy retard commercial bank performance in Nigeria within the study period. In addition, Kalu (2017) analyzed the link between monetary policy and private sector credit in Nigeria January 2000 to May 2013. The result of the error correction model (ECM) disclosed that variations in credit have enhance changes in monetary policy and credit granger cause monetary policy.

Furthermore, Matousek and Solomon (2017) investigates the bank lending channel in Nigeria using GMM technique with annual data from 2002 to 2008. They found that consolidation and restructuring policies of Central Bank of Nigeria's (CBN) enhance bank lending channel and loan growth response sensitive to changes in bank size and capitalization. Recently, Ezeaku *et al* (2018) utilized error correction technique to probe the role of monetary policy transmission mechanism on industrial development spanning 1981 and 2014. The result of the study indicates that Monetary policy transmission mechanism (interest rate, credit and exchange rate) retard real output growth in Nigeria. Focusing on the effect of monetary policy on liquidity of capital market in Nigeria spanning 1981 and 2016, Akanni and Imegi (2017) employed Error Correction Model (ECM) and established that monetary policy stimulates liquidity of capital market.

Lawal *et al* (2018) explored the nexus between monetary policies and stock market behavior from 1985 and 2015. The result of the ARDL technique showed stock market behavior is influenced directly by interest rate and indirect by bank credit and exchange rate. Using the Vector Auto-regressive Method and annual data spanning 1986 and 2009, Nwosa and Saibu (2016) explored the importance of transmission channels of monetary policy on sectoral output growth in Nigeria. The result indicates that interest rate and exchange rate channels enhance sectoral output growth in Nigeria. Conversely, Owolabi and Adegbite (2017) found that rediscount rate and deposit enhance industrial output whereas treasury bills inhibit industrial output when evaluating the nexus between monetary policy and industrial growth spanning 1970 and 2010.

In investigating the role of monetary policy (proxied by deposit interest rate, minimum discount rate and exchange rate) on commercial bank performance (proxied by deposit liabilities) in Nigeria from 1970 to 2013, Ekpung *et al* (2015) employed OLS methodology and found that deposit interest rate and minimum discount rate negatively influence commercial bank performance whereas exchange rate has a significant positive impact on commercial bank performance in Nigeria. In addition, Ehimare *et al* (2015) employed VECM methodology to assessed the impact of monetary policy (proxied by monetary policy rate) on loan risk exposure of commercial banks (proxied by loan and advance) in Nigeria over the period of 1981 and 2013. The result disclose that monetary policy rate enhances commercial bank loan and advances in Nigeria. In the case of Kenya, Meshack and Nyamute (2016) evaluate the nexus between monetary policy and commercial bank performance in Kenya over the period of 2005 and 2015. They found that monetary policy (proxied by open market operation) exert a significant positive impact on commercial bank performance in Kenya within the study period.

Conversely, Ajudua *et al* (2015) examined the impact of monetary policy (monetary policy rate, money supply, lending interest rate and inflation rate) on the agricultural sector output in Nigeria from 1986 – 2013. Employing the ordinary least square (OLS) regression method, the study found that money supply and inflation stimulate agricultural sector output whereas lending interest rate and monetary policy rate discourages agricultural sector output in Nigeria. In a panel study, Odour *et al* (2017) utilized annual data from 167 banks in 37 African countries over the period of 2000–2011 as well as for the period 2007–2013 for 145 banks across 23 African countries to analyze the role of capital requirement on bank competition and stability. The result of the study indicates that higher capital requirements increases financial stability in Africa. However, in South Africa, Matemilola *et al* (2015) examined the effect of monetary policy (long run interest rate) on commercial bank lending rate in South Africa using monthly data from January 1978 to December 2012. The result of the Momentum Threshold Autoregressive and Asymmetric Error Correction Model disclosed that commercial bank lending rate adjusts to a decrease in the money market rate in South Africa.

Using a sample of 12 banks in Germany, 22 in Switzerland, and 10 in Thailand over the period of 1990 and 2013, Vithessonthi *et al* (2017) evaluate the relationship between the monetary policy (monetary policy rate), the loan policy of commercial banks, and the investment behavior of firms. The result of the POLS technique showed that monetary policy positively influences the commercial banks' lending rate in the short run in Germany and Thailand. However, monetary policy is ineffective in influencing the commercial banks' lending rate in Switzerland. In Chicago, Chang and Jansen (2016) investigate whether contractionary and expansionary policies have asymmetric impacts on bank loans and output spanning 2000 and 2014. Employing logistic smooth transition vector error correction model, they found that big bank loan growth has a much greater response to monetary policy, compared to that of small banks and asymmetry in the response of bank lending to monetary policy is not a substantially contributing factor in explaining the different responses of output to contractionary and expansionary policy.

Focusing on Ghana, Muhammad (2016) examined the link between monetary policy (proxied by prime lending rate and money supply) and bank lending behavior (loan and advances) for the period of 2005 to 2014. The study revealed that decrease in money supply leads to decrease in commercial bank loan and advances to customers' while prime lending rate and inflation also retard commercial bank lending behavior. Utilizing 108 large international banks spanning 1995 to 2014, Gambacorta (2017) explore the efficiency of monetary policy on bank lending. The result of the GMM technique disclosed that monetary policy is ineffective in encouraging bank lending growth at low level of interest rates. In a regional study, Brana, Campmas and Lapteacru (2018) investigates the role of monetary policy on bank risk behavior from 126 banks in 20 European countries spanning 2000 to 2015. The result of the dynamic panel threshold model showed that relaxing monetary policy (rising central banks' liquidity and low interest rates) has a detrimental influence on banks' risk. Similarly, Chen et al (2017) employed fixed effect and GMM technique to evaluate the impact of monetary policy on banks' risk-taking for 1000 banks from 29 emerging economies between 2000-2012, the study found that monetary policy reduces banks' riskiness. In summary, the empirical literature survey above, the relationship between monetary policy and bank lending is best characterized as mixed. The variation in the result is with regard to the type of data (aggregate data, sectorial data, etc.), the choice of sample period (monthly, quarterly, yearly, etc.), proxies for measuring monetary policy (monetary policy rate, cash reserve ratio, liquidity ratio, treasury bill rate) and estimation techniques (OLS, ECM, VECM etc). In the light of this observation, this study intends to fill the gap in the literature by examining the nexus between monetary policy and bank credit in Nigeria over the period of 2001 to 2017 using Autoregressive Distributed Lag (ARDL) Model.

III. Methodology

In line with Agbonkhese and Asekome (2016), the empirical model to examine the impact of monetary policy on commercial bank credit creation is written as:

$$BC = f(MP) \tag{3.1}$$

Where BC denote Bank credit (proxied by commercial bank credit to private sector and small scale enterprises) and MP is Central bank monetary policy. In order to examine the role of various monetary policy instrument on bank credit creation, the variable MP is decompose into monetary policy rate (MPR) which indicate the cost of short-term borrowing or monetary base, liquidity ratio $(LIQR)$ indicates the minimum percentage of commercial bank net demand and time liabilities with the central bank and money supply (MS) which indicates total amount of money in circulation. So equation (3.1) becomes:

$$BC_t = f(MPR_t, LIQR_t, MS_t) \tag{3.2}$$

Where BC is Bank Credit (proxied by bank credit to private sector and small scale enterprises), MPR denotes monetary policy rate, $(LIQR)$ is liquidity ratio and (MS) is money supply at time t.

The log-linear form of equation (3.2) is expressed in the model below:

$$InBC_t = \alpha_0 + \beta InMPR_t + \phi InLIQR_t + \lambda InMS_t + \varepsilon_t \tag{3.3}$$

In order to examine the role of monetary policy on commercial bank credit in Nigeria. This study employs Autoregressive Distributed Lag (ARDL) approach to co integration developed by (Pesaran, Shin, & Smith, 2001). This technique is applied because it can accommodate different orders of integration I(0), I(1) or I(0)/I(1). Furthermore, the ARDL approach integrates the short run dynamics with the long run equilibrium without

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losing any extended run information. Also, the ARDL approach provides better results for small sample data set compared to other traditional methods to co integration (Engle & Granger, 1987); (Johansen & Juselius, 1990); and (Phillips & Hansen, 1990). Lastly, ARDL approach gets rid of endogeneity problem due to the selection of appropriate lag selection. Hence, residual correlation. The general ARDL representation of Eq (3.3) formulated as:

$$\Delta InBC_t = \alpha_0 + \sum_{j=1}^{p}\theta_j \Delta InBC_{t-j} + \sum_{j=0}^{q}\beta_j \Delta InMPR_{t-j} + \sum_{j=0}^{q}\varphi_j \Delta InLIQR_{t-j} + \sum_{j=0}^{q}\lambda_j \Delta InMS_{t-j} \tag{3.4}$$
$$+\pi_1 InBC_{t-1} + \pi_2 InMPR_{t-1} + \pi_3 InLIQR_{t-1} + \pi_4 InMS_{t-1} + \varepsilon_t$$

Where Δ represents first difference operator, $\pi_1 - \pi_5$ are the long-run multipliers, and $\theta_j, \beta_j, \delta_j$ and λ_j are the short-run dynamic coefficients, ε_t is white noise errors, α_0 is an example of drift term, *p* and *q* are the optimal lag lengths for the dependent and independent variables respectively. The existence of long-run relationships ascertained by conducting an F-test for the joint significance of the coefficients of the lagged values of the variables taking into account the null hypothesis of no co integration, $H_0 : \pi_f = 0$, against the alternative $H_a : \pi_f \neq 0$ where $f = 1, 2.....4$. The Wald test is applied in cases where there is more than one short-run coefficient of the same variable. The F-statistics compared with the upper and lower bounds critical values. If the F-statistic exceeds the high significant value, we conclude in favour of a long run relationship or otherwise. However, if the F-statistic lies between the lower and upper critical bounds, the inference would be inconclusive.

a) *Data*

This study makes use of quarterly time series data from 2001-2017 on bank credit (proxy by commercial bank credit to private sector and small scale enterprises), monetary policy rate, liquidity ratio and money supply sourced from Central Bank of Nigeria Statistical Bulletin, 2017 edition.

IV. Results and Discussion

a) *Preliminary Analyses*

i. *Descriptive statistic*

Prior to estimation of the ARDL model to examine the impact of monetary policy on bank credit, we conduct preliminary analyses on the data. These involve the descriptive statistics to reveal the salient characteristics of the series (i.e. mean, standard deviation, maximum and minimum) and the stationarity tests (Augmented Dickey-Fuller and Pillips-Perron) to show time series properties of the variables. Deductible from Table 1, the average of bank credit to private sector and small and medium scale enterprises is ₦9744Band it ranges between ₦ 22290B and ₦ 764B while the average of money supply is ₦10581B and ranges between ₦ 24140B and ₦ 1269B. In addition, monetary policy rate is 12.5 on average with maximum of 20.5 while the average of liquidity ratio is 46.62 which is low.

Table 1: Descriptive Statistics

	BC	MPR	LIQR	MS
Mean	9744.706	12.5000	46.6241	10581.71
Maximum	22290.66	20.5000	63.2050	24140.63
Minimum	764.9615	6.0000	30.4250	1269.322
Std. Dev.	7960.067	3.5233	8.4982	8026.048

Note: BC, MPR, LIQR and MS represents bank credit (proxied by bank credit to private sector and Small and Medium Scale Enterprises), monetary policy rate, liquidity ratio and money supply.

ii. *Unit root test*

In an attempt to check the order of integration of each variable, this study employed the Augmented Dickey-Fuller (ADF) and Phillip-Peron (PP)unit root tests (see Table 2). ADF and PP tests for which the null hypothesis is non-stationarity and the alternative hypothesis is that variables are stationary. The results of the ADF and P Ptests indicate that Bank credit (LBC), Monetary policy rate (MPR) and Money supply (LMS), are stationary at first difference except liquidity ratio (LIQR) that is stationary at level. These two test sensure that none of the variables is integrated with an upper or derthan1which conforms with the assumptions of the ARDL bounds testing approach to co integration.

Table 2: Unit Root Test

	ADF Test			PP Test		
Variables	Level	First Diff		Level	First Diff	
LBC	-1.1150	-4.7664***		-0.5853	-4.8869***	
MPR	-2.5142	-4.8814***		-1.8767	-5.0285***	
LIQR	-3.8524**	-5.3171***		-2.9909**	-5.2818***	
LMS	-1.2604	-6.2438***		-0.9501	-6.2144***	

*Note: Note: BC, MPR, LIQR and MS represents bank credit (proxied by bank credit to private sector and Small and Medium Scale Enterprises), monetary policy rate, liquidity ratio and money supply.Note 2: ***, **, * indicate statistical significance at 1%, 5% and 10% respectively. The null hypotheses of Augmented Dickey-Fuller (ADF) and Philips-Perron (PP) tests are that the underlying series are no nstationary.*

iv. *Co integration Test*

Furthermore, the long-run relationship between the variables under consideration is examined. To this end, this study employed the ARDL bounds test approach for co integration by Pesaran *et al.* (2001).The result in Table 3 showed that the lower bound is 3.23 and the upper bound is 4.35 while the F-statistic is 5.1883. Since the F-statistics results is greater than the upper critical bound at 5 percent significance level, this implies the existence of a long-run relationship among monetary policy and bank credit in Nigeria.

Table 3: Bound Test Result

Variables	F-Statistics		Co integration
F(BC/MPR,LIQR &LMS)	5.1883		Co integration
Critical Value	Lower Bound		Upper Bound
1%	4.29		3.77
5%	3.23		4.35
10%	2.72		3.77

Source: Author's Computation

b) *Estimation Result*

In order to examine the short and long run impact of monetary policy on bank credit in Nigeria, we estimate the ARDL method. The result of the short and long run estimates are reported in Table 4. The results indicate that monetary policy (proxied by monetary policy rate) has a significant negative impact on bank credit both in the short and long run. This result suggests that monetary policy rate retards bank credit to private sector and small and medium scale enterprises in Nigeria because increase in monetary policy causes a general rise in lending interest rate or cost of holding money. This result has been confirmed by many scholars in the economic literature who found that monetary policy rate retards bank credit (Akanbi and Ajagbe, 2016; Muhammad, 2016; and Onaolapo and Shomade, 2017). Further, results indicate that monetary policy (proxied by liquidity ratio (LIQR)) has a significant negative effect on bank credit in Nigeria in the short run but exert a significant positive impact in the long run. This may be as a result of insufficient government investment in infrastructural development. This outcome supports the findings of Jegede (2016) who finds that liquidity ratio reduces bank loan and advances to customers. In addition, money supply has a positive impact on bank credit both in the short and long run. This outcome conforms with the finding of Anyanwu and Kalu (2017) who found that money supply enhances bank credit.

The estimate of the lagged error term (ECT) is negative (-0.1582), and it is statistically significant at the 5% level. This implies that the adjustment from the short-run to the long-run equilibrium path is 15.8%. Furthermore, the R^2 that measures the degree at which the explanatory variables explained bank credit is high at 92.87%. Also, F-statistics (F=4351.00) which measures overall significance of the model indicates that all the estimated regression coefficients are highly statistically significantly different from zero. Lastly, it is traditional to check the robustness of a model by examining few diagnostic tests. The lower part of Table 4 show that serial correlation is not a problem in the estimation as shown by the Obs*R-squared values of 2.1274 while its corresponding p-value has a value of 0.1770. Since the probability value is greater than 5 percent, we accept the null hypothesis, meaning that there is no evidence of serial correlation in the model.

In addition, to test for the presence of homoscedasticity in the model, the study chooses the Arch Test. The ARCH test for heteroskedacity in the residual shows the probability value of 0.3239 at the 5% significance level. We thus accept the null hypothesis of homoscedasticity and reject the alternative hypothesis of presence of heteroskedasticity. The model also satisfies the Jarque-Bera normality test, indicating that the errors are normally distributed since the probability value of the Jarque-Bera (JB) statistics of 0.6013 is greater than 5 percent. Also in order to test the stability of the model, this study applied Cumulative Sum of Square (CUSUMsq) (see Figs. 1). Since the graph of the CUSUMsq test lies within the critical bounds at 5% level of significance, which implies that the ARDL parameters are efficient and stable.

Table 4: The Result of the ARDL

Dep. Var: LBC	Coefficient	Std. Error	t-Statistic	Prob.
Long run Estimate				
LMPR	-0.7055	0.2143	-3.2917	0.0018***
LLIQR	0.6531	0.3830	1.7050	0.0939*
LMS	0.9176	0.0464	19.7655	0.0000***
C	0.3297	1.0342	0.3188	0.7511
Short run Estimate				
Δ LMPR	-0.1472	0.0721	-2.0397	0.0463**
Δ LLIQR	-0.2390	0.0665	-3.5937	0.0007***
Δ LMS	0.1451	0.0598	2.4245	0.0187**
$ECT(-1)$	-0.1582	0.0599	-2.6370	0.0109**
R^2	0.9287			
$F-Stat$	4351.00			0.0000***
Diagnostic Tests				
Test	Test	Value		
χ^2 Normal	1.0171	0.6013		
χ^2 Serial	2.1274	0.1770		
χ^2 ARCH	0.9731	0.3239		

*Note: Note: BC, MPR, LIQR and MS represents bank credit (proxied by bank credit to private sector and Small and Medium Scale Enterprises), monetary policy rate, liquidity ratio and money supply.Note 2: ***, **, * indicate statistical significance at 1%, 5% and 10% respectively.*

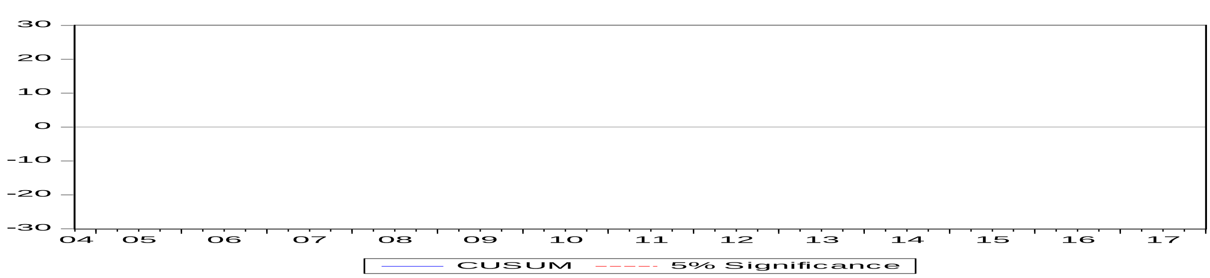

Figure 1: Cusumstability test

V. Conclusion and Policy Recommendation

This research work provides empirical evidence on the nexus between monetary policy and bank credit in Nigeria over the period of 1991 and 2017 with the aid of ARDL technique. The result of the ARDL bounds testing indicates a long run relationship between monetary policy (proxied by monetary policy rate, liquidity ratio and money supply) and bank credit. Further, our findings disclose that monetary policy rate and liquidity ratio retards commercial bank credit to private sector and small and medium scale enterprises in Nigeria. Based on this result, this study therefore concludes that monetary policy inhibits bank credit to private sector and small and medium scale enterprises in Nigeria. The policy implications of this empirical result is that high monetary policy rate and liquidity ratio reduces bank credit to private sector and small and medium scale enterprises. Hence, this study therefore recommends that monetary authorities should reduce monetary policy rate so as to reduce cost of borrowing in order to increase domestic credit to private sectors so as to boost investments and outputs.

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The Mode of Assessment, Collection, and Accountability of Personal Income Tax in Akwa Ibom State (The Case of Uyo Local Government Area)

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Keywords: personal income tax, assessment of personal income tax, collection of personal income tax, accountability of personal income tax, tax officers, tax administration, tax payers.

GJMBR-B Classification: JEL Code: H26

THEMODEOFASSESSMENTCOLLECTIONANDACCOUNTABILITYOFPERSONALINCOMETAXINAKWAIBOMSTATETHECASEOFUYOLOCALGOVERNMENTAREA

Strictly as per the compliance and regulations of:

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Keywords: personal income tax, assessment of personal income tax, collection of personal income tax, accountability of personal income tax, tax officers, tax administration, tax payers.

I. Introduction

a) Background To The Study

Nigeria runs a federal system of government, running three tiers of Government i.e. the federal, state and local Governments each having its share of different roles in the development process of the nation. The local Governments were established as a boulevard by which people can participate in decision making at the grass-root level. The establishment of the third tiers of Government under Nigerian Federalism was based on the Local Government Reform Act of 1976. The different tiers of Governments acted as a catalyst for as well as aid rapid and sustainable development at the grass-roots level (Mamman 2006).

Mamman (2006) went on to say that in a federating system of government as is practised in Nigeria, the Local Government is closest to the people and as such, they could effectively improve socio-economic and political well-being of the people within their spheres of jurisdiction.

Adejugibe, (1990) and Ekpo, (1990) stated that Local Government as the third tier of government is becoming increasingly important in Nigeria's economic growth and development, as it is saddled with the responsibility of construction and maintenance of local roads, local water supply and distribution, provision of housing for lower-income groups, health clinics, establishment and maintenance of market and motor parks, provision of primary and adult education and planning of community development function. For a nation to carry out these basic functions, purse and implement her development programmes such as Vision 2020, a stable, predictable and sustainable source of revenue is required. This leaves us with a very limited choice other than to subscribe to international best practices and make taxation the primary source of our revenue. Previously, huge foreign exchange earnings from oil revenue made all three tiers of Government (federal, state and local government) to pay less attention to internally generated revenue collections from tax revenue. However, Nigeria's constitution of 1999 (As amended) saw the need for dependence on tax revenue for sustainable development when it stipulated in section 24 (f):

> 'That it shall be the duty of every citizen to declare his income honestly to appropriate and lawful agencies And pay his tax promptly'.

It is, therefore, a constitutional duty for every citizen in Akwa Ibom State and indeed the whole country to pay tax for the collective growth of the economy.

Abomaye-Nimenibo (2017) stated that all taxes in Nigeria except for a few are collected either by the

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State and Local Governments or/and are collected by the Federal Inland Revenue Service (FIRS). Tax is grouped into direct and indirect and is levied on annual bases. All businesses, organizations and taxable persons are obligated to make a tax return to the tax office for proper assessment at the beginning of the tax year. The following are some of the taxes commonly levied in Nigeria:

1. Companies Income Tax (CIT)
2. Petroleum Profit Tax(PPT)
3. Value Added Tax (VAT)
4. Personal Income Tax (PIT)
5. Withholding Tax (WHT)
6. Educational Tax (EDT)
7. Stamp Duties (STD)
8. Capital Gains Tax (CGT)
9. National Information Technology Development Fund (NITDF)
10. Levy
11. Dead Duty
12. Capital Transfers Tax
13. Properties Tax
14. Polls Tax

Abomaye-Nimenibo (2017) of the view that tax is a compulsory contribution made by animate and inanimate beings to the government being a higher authority either directly or indirectly to fund its various activities and any refusal is meted with appropriate punishment. Tax is, therefore, an involuntary payment made by a resident of a state in obeisance to levy imposed by a constituted authority of a sovereign state at a particular time. He went on to take about Taxation is the process put in place by the government (whichever tier) to exercise authority on and over the imposition and collection of taxes based on enacted tax laws with which projects are financed. Taxation can also be defined as the transfer of resources as income from the private sector to the public sector for its utilization to achieve some if not all the nation's economic and social goals such as the provision of basic amenities, social services, educational facilities, public health, transportation, capital formation etc.

Tosun and Abizadeh (2005) stated that taxes are used as a proxy for fiscal policy; and postulated five possible mechanisms by which taxes can affect economic growth. First, taxes can inhibit investment rate through such taxes as corporate and personal income, capital gain taxes. Second, taxes can slow down growth in labour supply by disposing of labour workability and productivity in favour of leisure. Third, tax policy can affect productivity and growth through its discouraging effect on research and development expenditures. Fourth, taxes can lead to a flow of resources to other sectors that may have lower productivity. Finally, high taxes on labour supply can distort the efficient use of human capital, resulting in high tax burdens though they have high social productivity.

Ojo (2008) stresses that tax is itself a compulsory levy which is required to be paid by every citizen. It is generally considered as a civic duty. The imposition of taxation is expected to yield income which should be utilized in the provision of amenities, both social and security and creates conditions for the economic wellbeing of the society.

Ochiogu (1994) defines tax as a levy imposed by the government against the income, profit or wealth of the individuals and corporate organizations. Azubike (2009) took a step forward by saying that, the funds provided by the tax are used by the state to support certain state obligations such as the development of educational system, health care system, and pensions for the elderly, unemployment benefits, and public transportation. Therefore, tax is seen as a major player in any society. The act of taxing is perceived as an opportunity for the government to gather additional revenue needed in discharging its obligations. The taxing system syllogises as one of the most effective tools of mobilizing a nation's internal resources and it lends credence to creating an environment conducive to the promotion of economic growth.

Nzotta (2007) argued that taxes constitute key sources of revenue to the federation's account shared by the federal, state and local governments. A tax policy represents key resource allocator between the public and private sectors in a country. The National Tax Policy defines tax as "a monetary charge imposed by the Government on persons, entities, transactions or properties to yield revenue", or 'the enforced proportional contributions from persons and property, levied by the State under its sovereignty for the support of Government and all public needs".

Taxation is wide in scope, so we restrict our research to Personal Income Tax which is the oldest tax in the country. It was first introduced in Northern in 1904, before the unification of the country in 1914 as community tax and later incorporated into the native revenue ordinance in the Western and Eastern region in 1917 and 1928 respectively. To introduce Personal Income Tax in the country, prompted the implementation of the Income Tax Management Act (ITMA) of 1961(Odusola 2006).

Abomaye-Nimenibo (2017:42) stated that the root of the present laws on Personal Income Tax in Nigeria can be traced to the fiscal commission set up in 1957 under the Chairmanship of Sir Jeremy Raisman as the Chairman with Professor R. C. Tress as a member. The purpose of establishing the commission was to examine the jurisdiction and powers of the various tiers of government in Nigeria at independence, and the recommendations of this Commission as accepted by the Government relating to income tax, was the basis of section 70 of the Nigerian (Constitution) Order in

Council, 1960. Provisions of Section 70 Subsection 1 of this section conferred an exclusive power upon Parliament to make laws for Nigeria or any part thereof concerning taxes on the income and profit of companies while subsections (ii) and (iii) conferred concurrent powers upon Parliament to make laws for Nigeria or any part thereof concerning certain enumerated uniform principles about personal income tax. It was in the process of exercising the latter powers in 1961 that made the Federal Government enact the Income Tax Management Act 1961, otherwise called ITMA.

Personal Income Tax is levied on the income of employees and any other income so earned by individuals who are in paid employment as well as the self-employed. Assessment and collection of Personal Income Tax in Nigeria are regulated by the Personal Income Tax Act No 104, 1993; and is being collected by the various State Governments through the State Boards of Internal Revenue Service and that of the Federal Government from individuals resident in its tax territory.

Personal Income Tax Administration in Nigeria has remained the most unsatisfactory, disappointing and problematic of all the tax system prevalent in the economy (Asada, 2010). The performance of revenue agencies in Akwa Ibom State has not been encouraging, perhaps because of some regulating factors. Lack of funds has limited both the State and Local Governments in their bids to have poverty reduction and eradicate with slow welfare Improvement. There is, therefore, the need to research appraising the assessment and collection of Personal Income Tax in Uyo Local Government area of Akwa Ibom State.

b) *Statement of the Problem*

The State Board of Internal Revenue (SBIR) was not given maximum attentive it deserves until the early 80s. Huge loss of revenue through leakages in the form of tax evasion and avoidance was the order of the day. This was confirmed by a survey shepherded by Peat, Marwick, Ani, Ogunde and Co. Chartered Accountants in 1997, revealed that each State Board of Internal Revenue was losing 12-30 million Naira annually as a result of administration lapses in tax assessment and collection especially of Personnel Income Tax.

Abomaye-Nimenibo et al (2018) stated that the attitude of Nigerians towards taxation is worrisome as many prefer not to pay tax. As a result of the unwillingness to pay tax as well as evading tax, the economy, therefore, continues to lose a huge amount of revenue. Whereas, if this lost revenue is ploughed back into the economy and is well utilized, can change the fortune of the nation.

Every local tax office in Akwa Ibom State is expected to general a certain percentage of the overall budget estimate at the end of the year. The problem seems to be lack of well-articulated assessment and collection of Personal Income Tax in Akwa Ibom State in particular and Nigeria as a whole. The local offices have not been able to meet allocation targets set for them by the State Board of Internal Revenue. Will one be right to say that problematic situations are attributable to deficient in tax administration, complex tax legislation, high rate of illiteracy, widespread level of corruption, or absence of competent administrators? There is a compelling need to put an end to these unwholesome circumstances through proper problem identification.

There is a perception of the problem of inadequate human and material resources for the management of Akwa Ibom State Board of Internal Revenue. The low-income tax returns have made the State Board of Internal Revenue ineffective its objectives achievable; revealing that Personal Income tax income generated has been far below the budgeted estimate. Therefore, what is the solution proffer-able to solve the menace of low tax income generation?

c) *Objectives of the Study*

The main objective of this research work is to appraise the procedures and methods of assessment, collection and accountability of Personal Income Tax in Akwa Ibom using Uyo Local Government as a case study.

Specific objectives include:

i. To examine the methods and procedures of assessing, collecting and accounting for Personal Income Tax in an urban town of Akwa Ibom State.
ii. To examine how the taxpayers' attitude and compliance behaviour affects the administration of Personal Income Tax.
iii. To ascertain the problems of assessment and collection of Personal Income Tax in the urban and rural areas of Akwa Ibom State.

d) *Research Questions*

i. How is the Personal Income Tax assessed, collected, accounted for in Akwa Ibom State?
ii. Do taxpayers' attitude and behaviour affects the administration of Personal Income Tax in the State?
iii. What are the envisaged problems in the assessment, collection and accounting for Personal Income Tax?
iv. Is tax evasion and avoidance good?
v. If tax avoidance and evasion are not good what do you think should be the solution?

These and other questions guided this study.

e) *Research Hypotheses*

The hypotheses are stated in Null form:

i. Tax laws and policies do not significantly affect the tax assessment, collection and accountability in Akwa Ibom State.
ii. There is no significant relationship between taxpayers' attitude and behaviour, and the

administration of Personal Income Tax in Akwa Ibom state.

f) Significance of the Study

This study is significantly relevant as it exposes the problems militating against effective tax administration in the areas of assessment, collection and accountability of Personal Income Tax in Nigeria for the following reasons:

i. The study will be of immense benefit to the government in their policy formulation and reforms on tax administration at all tiers of the government.
ii. The Board of Internal Revenue will find this work of much relevance as its recommendation will bring lasting solutions to the problem of tax evasion in the State and nation.
iii. This work is believed to have the capacity of assisting Local Government Revenue Administration Committees in designing measures to promote the development process through proper collection of Personal Income Tax.
iv. Enlighten the public on the procedures and methods of assessing and collecting of Personal Income.
v. The study will be an opener to rural and city dwellers with adequate knowledge of Personal Income Tax and the reason for them to constantly pay their taxes to bring about even development in their local areas.
vi. The study adds to academic base drum for students and potential researchers will have access to further information on issues concerning taxation,
vii. especially Personal Income Tax in Nigeria both at the urban and rural scenery.

g) Definition of Operational Terms

Accountability: the process of rendering an account of a particular event under ones' responsibility (Anderson; 1983:1).

Assessment: the evaluation and determination of the amount to be paid as tax or another fine on a person or property (Asuquo, 2007:18).

Personal Income tax: This is the tax levied on the income of an individual after all allowances have been deducted from the gross emolument at source (Abomaye-Nimenibo et al, 2018:12).

Budgeted Revenue is an estimated income accruing to the Government in a particular year.

Collection: for taxation, the collection is getting money from several persons or places (Ogundele, 1999:14).

Relevant Tax Authority: Tax authority is that elected or appointed group on a State or Federal level charged with the administration of certain kinds of taxes (Davies, 1981).

Once there is an enactment of tax law, there is the establishment of assessable income and assessable entity and accordingly followed by the determination of the relevant tax authority that is to be the body responsible in collecting the tax on behalf of the government. Relevant Tax Authority simply means the Revenue Board as a body responsible or mandated to assess and collect tax from taxable adults and companies. The tax authority, means the Federal Board of Inland Revenue, the State Board of Internal Revenue or the Local Government Revenue Committee. (Abomaye-Nimenibo (2017:48).

Tax: Tax is a compulsory exaction of money by a public authority for public purposes, (Soyode; 2000:3). Aguolu (2004) said it is a compulsory levy by Government through its agencies on the income, capital or consumption of its subjects.

Taxation: Taxation is the process put in place by the government (whichever tier) to exercise authority on and over the imposition and collection of taxes based on enacted tax laws with which projects are financed (Abomaye- Nimenibo, 2017:4).

Tax Administration is the process of assessing and collecting taxes from both human beings and corporate bodies i.e. individuals and companies in an efficient manner by relevant tax authorities; so that correct amount of tax assessed is collected efficiently and effectively with minimum tax avoidance and evasion. If tax assessment is not properly done, there are going to be a shortage of fund and people will capitalize on it to cheat the government(s). Also, if the system of collection of tax is not efficient enough, the government will pay more money as expenses to collect less money as tax. Going further, if the system is porous in every facet, the people will circumvent ways to pay less tax, and may even decide to hide under a certain cloak or cover to evade paying tax in totality or pay the incorrect amount. Man does not like to give but to receive; and also like to spend a little and get more money. Tax Administration is simply the administering, managing, conducting, directing the application and execution of the internal revenue laws, statutes and tax conventions legitimately to ensure proper supervision (Abomaye-Nimenibo (2017:48).

II. Literature Review and Theoretical Framework

a) Theoretical Literature

Taxation is most often used as a major instrument for revenue generation. Naiyeju (1996) believes that the revenue role of taxation is still very relevant. Without mobilization of funds through taxation, the Government may find it tough to execute most of its developmental programmes that can lead to economic growth and wealth creation. Therefore, the revenue function or objective of taxation is still vital. In a small society in which the Government have few duties and responsibilities, the financial needs of the Government are minimal. However, as a society becomes more complex and requires the opening of hospitals, good roads, subsidized transportation, provision of pipe-borne water, electricity, scholarship and bursary awards etc. government will need funds adequate for the provision of these services and more. The Government assumes greater responsibilities. In a complex society like Nigeria, oil revenue which is currently the mainstay of the economy cannot sufficiently meet these needs, therefore the need for tax payment.

i. *History of Taxation in Nigeria*

According to Osita A. (1999), taxation is the most important source of revenue to the government. Owing to the inherent power of the government to impose taxes, the government is assured at all times of its tax revenue no matter the circumstances. With modifications as a result of different manifestos of opposing political parties, the government's ability to impose taxes is unlimited. Furthermore, taxation could be too authoritarian and centralized in the sense that there may be a point beyond which further increase would result only from a system of government which is undesirable in itself. In the year 1904, the first form of tax was levied by Lord Lugard in Northern Nigeria known as community tax. The first tax law was introduced in Nigeria called the "Native Revenue Ordinance" in 1917 (Abomaye-Nimenibo, 2017, p.38).

The administration of this tax system in the North was easy because of Islamization since the people liked contributing to charity. This contributed to a formidable foundation for direct taxation in the North, which came in many forms according to Rabiu (1981:15-16).

Abomaye-Nimenibo, (2017) went to say that in 1918, the Native Revenue Ordinance was extended to the south and was only applicable in Benin and Abeokuta in the then Mid-Western State of Nigeria. In 1928, the Native Revenue Ordinance was also introduced into the Eastern Region and in 1929, a flat rate of 2% total earned income and of corporate profit was levied. In 1939, an ordinance was passed into a bill known as the company's income tax ordinance (CITO) which was to guide companies in the payment of tax. In 1940, another tax law, (Nigerian Income Tax Ordinance) was introduced through discriminatory in its application. This took care of corporate and non corporate residency in Nigeria especially "natives" in Nigeria elsewhere than in the Lagos Township and the first commissioner of taxes was appointed. From thence on Nigeria started having tax laws.

He further stated that Income tax was first introduced in Great Britain in 1911 by Patt with the intention that it would be a temporary levy. However, it was discounted in 1915 but resurfaced in 1942 and till date, it is still in subsistence. Direct taxation was first practised in the Northern parts of Nigeria before the advent of the British while indirect taxation through custom duties and tolls attained a high level of development in Yoruba kingdom of the South-West while the South-East and South-South also practice it. The North practices direct tax because Islam charged it's devout to give a portion of their income for charitable or religious purposes, and so provided a religious basis for taxation which was followed to the letter.

Furthermore, the highly organised administration of the Emirs having firm control over their territorial villages, impose on them taxes. In the southern areas, because of the small size at the kingdom and difficulties of communication, a toll was levied on trade between the kingdom and between towns. Tributes of presents were often extracted by kings over the annexed territories, but the main source of wealth is indirect taxation.

In earnest, the tax system was highly developed in the North in the pre- 1900 era called "The zakka", being a tax paid on crops while the livestock tax has its origin in the "korari"; while the "kurdan kasa" was a tax similar to that of capital tax paid by farmers, and a plantation tax called the "shikka-shukka" was paid and extended to all crops which are not subject to zakka and Jangali or cattle tax was levied on livestock. Smiths, weavers, dyers, leather workers, freemen, gamblers, prostitutes, salt makers, canoe men, hunters, fishermen were all liable to a special tax.

There were also other types of taxes introduced in the North known as "Gado" and "Gaisua" as reported by Hogben (1962:74). These taxes were so varied and complex that in 1880, the problems which Royal Niger Company had in the North was not how to introduce taxation, but rather, how to combine different levies and taxes with simple, understandable and easily collectable taxes to maintain some acceptable cannon of equality, certainty, ability, convenience and economy.

Similarly, special taxes were levied on a special product like date-palm, beehives as well as on certain luxury crops like onions, tobacco and sugar-cane. When the British came in the 1830s and even much earlier in their expedition to the Riverine Communities in the present-day Rivers State of Nigeria and other parts of the country at later dates, there was a formalised system of taxation even in the Southern Protectorate comparable to that in the North and the West.

In the 12th Century and 1500 when the Dutch visited Ogu, Okrika, Bonny, Opobo, Brass all of Rivers State (Riverine areas) and other areas of South-South Nigeria, there were Political administrations in place which have both direct and indirect taxation until the Colonial Masters came and were faced with resistance when they tried to usurp political authority hence, the then wars and deportations of our Kings like King

Ibanichuka of Okrika, King Jaja of Opobo, King Overami of Benin just to mention but a few. Similarly, the Ijebu and Ondo kings relied on tributes, tolls and various levies which form their revenues, while in Ibadan, Oyo and Ife, there was a system of annual levies, special contributions at special festivals, fees, presents and tribal land rent, payment for personal services and contributions of food. The main revenue came from tolls, fines, death duties, presents and licenses, as well as customary taxes.

In the Igbo areas of the east, the tradition of direct taxation to central authority was non-existent rather; the community pay taxes in kinds by rendering free services such as marking out a track road, clearing the bush, digging pit toilets and wells, and so on for the progress of the community.

The British colonial government only enacted the national revenue proclamation Law No.4 of 1904, under Lord Lugard who sort to simplify the complex array of northern taxes, by ensuring equity and social justice in the system of taxation thereby enhancing efficiency in the fiscal administration of the protectorate. The system of taxation was centred on the annual value of the land to produce crops thereon, the profit of traders and manufacturers, on the flocks and herds of pastures; and other listed sources of incomes.

In 1918, based on the H.R Paulines findings and consequent authorization by London, Lord Frederick Lugard introduced taxation in Yoruba areas of Egba land and Ibadan. In Benin the son of exiled king Overami, accepted the imposition of direct taxation in 1917. The imposition of direct taxation in the west involved computation of many tributes and exactions. Ilesha division voluntarily asked to be included in the tax payment system but in Abeokuta, direct taxation was resisted with much opposition in which lives were lost and a lot of property destroyed culminating in Maxwell commission of 1918. In Ibadan, Ife, and Oyo, tax exemption was unbroken by Oba's and in Egba land by the Ogbonies. By 1920, the Native Revenue Ordinance has been extended to the entire west.

In the east, direct taxation was inconsistent. Direct taxation had been introduced in the South-eastern region in 1926 but it was quickly withdrawn for lack of support. It was not until 1927 that Lord Frederick Lugard succeeded in extending the Native Revenue Ordinance to the area east of the Niger. However, the resistance was stiff and opposition was prevalent. The Aba women riot of 1929 was sparked off as a result of rumours carried about that, women were about to be taxed, showing a strong indication of the strength of the people's feelings in the east against tax payment. In this protest, the women went bare and of course, some vile men went among them in the protest.

However, the east was the first to introduce a comprehensive regional finance law called, The Finance Law No.1 of 1956, wherefore people above 16 years of age are to pay tax. The Western Region followed sooth with the Income Tax Law No.26 of 1957 while the Northern Region retained the 1940 Direct Taxation Ordinance (DTO) as amended in 1948 and on its own accord, passed the Northern Nigeria Personal Income Tax Law in 1962. The Federal Territory of Lagos retained the income tax ordinance (as amended) of 1943 till 1957 when it reduced the structural modification in law and later promulgated the Personal Income Tax Law No.6 of 1961.

Abomaye-Nimenibo (2017:42) wrote extensively that the root of the present laws on Personal Income Tax in Nigeria can be traced to the fiscal commission set up in 1957 under the Chairmanship of Sir Jeremy Raisman as the Chairman with Professor R. C. Tress as a member when the nation was about to have a republic. There was the need to incorporate the tax laws into the constitution and therefore, there arose the need to have a commission to look into the existing tax laws and their inadequacies The purpose of establishing the commission was to examine the jurisdiction and powers of the various tiers of government in Nigeria at independence and to determine which arm of government should handle which tax law. The recommendations of the Sir Jeremy Raisman Fiscal Commission were accordingly, embodied in the Nigerian constitution order in council of 1960 which formed the basis of the Income Tax Management Act 1961and later enshrined into Section 70 of the Nigerian (Constitution) Order in Council, 1960. Provisions of Section 70 Subsection 1 of this section conferred an exclusive power upon Parliament to make laws for Nigeria or any part thereof concerning taxes on the income and profit of companies while subsections (ii) and (iii) conferred concurrent powers upon Parliament to make laws for Nigeria or any part thereof concerning certain enumerated uniform principles with personal income tax. Furthermore, it was decided that the Federal government should retain control over the taxation of individuals in the federal territories and companies throughout Nigeria, while the regional governments exercise control over income taxes of all persons within their regions whether Native or expatriates. It was further determined that custom duties and sales tax were to be collected by the Federal Government, while the Regional Governments retained export tax on motor vehicles, fuel revenues, and exercise with custom duties on tobacco. It was in the process of exercising the latter powers in 1961 that made the Federal Government enact the Income Tax Management Act 1961, otherwise called ITMA.

He went on to say that five tax legislations were enacted between 1959 and 1961 based on the recommendations of the Raisman fiscal commission. These are:

a. The Petroleum Profit Tax Act (PPTA), 1959.
b. The Stamp Duties Act (SDA), 1959.

c. The Income Tax Management Act (ITMA), 1961.
d. The Personal Income Tax (Lagos) Act (PITL A), 1961
e. The Companies Income Tax Act (CITA), 1959.

All the regional tax laws, which predated the Income Tax Management Act, were amended by the respective regional legislatures to bring them into conformity with its provisions. The Western Region Principal Tax Law called Income Tax, Cap. 48 of 1959 were for this purpose amended in 1961 by the Income Tax (Amendment) Law, 1961.

Easter Region passed the Finance Law, 1962, to replace the earlier Finance Law of 1956. The Northern Region, which had not enacted its Income Tax Management Act, enacted the Personal Tax Law in 1962.

Nigeria became a Republic in 1963, and all the provisions of S.70 of the I960 Constitution were contained in S.76 of the 1963 Republican Constitution. The position under the 1963 Republican Constitution was that all regions (Western, Eastern, Northern and Mid-Western) as they were called then, assumed jurisdiction over the income tax of persons other than Companies while the Federal Government, in this respect acts as a region assumed jurisdiction over regional taxes in respect of the Federal Territory of Lagos thereby making it come into uniform principles imposed under the Income Tax Management Act. Nigeria came under military rule in 1966, and on 27th of May 1967, the then Federal Military Government promulgated the States (Creation and Transitional Provisions) Decree No. 14, 1967 under which the country was divided into 12 States, i.e. Northern Region was divided into 6 States, Eastern Region 3 States, Western Region (1State), Mid - Western Region (1State) and Federal Capital Territory of Lagos as (1State).

All the states in the Northern Region applied Personal Tax Law; those of the former Eastern Region applied the Finance law, and Lagos State applied Personal Income Tax Act, while States within Western Region and Mid-Western Region Applied Income Tax (Amendment) Law, 1961.

There are two principal acts under which Personal Income Tax is administered before 1975 and these are:

i. The Income Tax Management Act (ITMA) 1961and
ii. The Personal Tax Law of each state.

The ITMA is, in fact, a Federal Act which determines what assessable income is; whereas Personal Tax Law determines how the income determined was to be taxed. Therefore, each state exercised its autonomy in fixing its rates of taxes and allowances granted.

In 1975 the Federal Government promulgated Uniform Taxation Decree of 1975 unifying personal tax rates and personal allowances. This Uniform Taxation Decree of 1975 expunged federalism in Nigeria taxation. To complete the burial of fiscal federalism in Nigeria, the 1979 constitution which came into effect on 1st October 1979 made all-states Income Taxation Law legislation unconstitutional. It made matters relating to tax assessment, recovery and appeals to come under Federal jurisdiction for the first time in the history of tax policy in Nigeria.

The number of States in Nigeria was subsequently increased to 19 through Decree No 12 of 1976 and these States so created assumed jurisdiction over Personal Income Tax and applied the personal tax laws of the states in their jurisdiction.

The Federal Government in 1979 constituted a ten-member task force on tax administration, headed by Alhaji Shehu Musa, the then Permanent Secretary, Federal Ministry of Finance. The Task Force was mandated to:

i. Examine the sources of tax revenue and the structure of tax administration in Nigeria.
ii. iAssess the effectiveness in the management of existing taxes both at the Federal and State levels, and
iii. Suggest ways and means of making the administration of the tax system more effective and efficient (Abomaye-Nimenibo, 2017: 37-50).

ii. *The Structure of the Nigerian Tax System*

The Nigerian tax system is structured as a tool for revenue collection. This is a legacy from the pre-independence government. It was based on 1948 British tax laws and has been mainly static since enactment. Depending on the types of business, taxies are levied on businesses on an annual basis. This implies that all businesses, organizations and taxable persons are obligated to make a tax return to the Tax Office. Profits arising from transactions of companies constitute taxable income following their assessment to tax. This also includes Personal Income Tax, which is duly imposed on individuals by the relevant tax authority in the territory where the individuals reside. The need to make Personal Income Tax uniform throughout the country prompted the Income Tax Management Act (ITMA) 1961 as amended. In Nigeria, Personal Income Tax for salaried employment is based on the "Pay-As-You-Earn system. The State Board of Internal Revenue is responsible for the administration and collection of the relevant tax in the State, while the Federal Inland revenue is charged with the responsibility of the company and other related taxes. The tax system was prudently organised to effectively enhance the collection of taxes and reduce the incidence of tax evasion and the subsequent loss of revenue to the government.

The Nigeria tax laws provide that where a dividend or such other distribution becomes due from a taxpayer or company, the company paying such dividend or making such distribution shall on the date when the amount is paid or credited deducts tax to the rate specified in the act and shall forthwith pay over to the relevant tax authority the amount so deducted (CITA, section 62 and PITA, section 70). The tax laws also provided for the collection of taxes at the source of the taxpayer's income. This is achieved through the Withholding Tax System, which allows taxes to be deducted at the source of income.

iii. *The Personal Income Tax (Amended) Act, 2011*

Former Nigeria's President Goodluck Jonathan on Tuesday 13, December 2011 while presenting the 2012 Federal Budget Proposal to the Joint Session of the National Assembly confirmed that the Personal Income Tax (amended) Bill has been signed into law.

Key changes of the Act:

i. Introduction of a consolidated Tax-Free Allowance of N200, 000 of 1% of Gross Income, whichever is higher, plus 20% of the Gross Income. Gross emolument (for income) is defined to include benefits in kind, gratuities, superannuation and any other incomes derived solely because of employment.
ii. Principal place of residence redefined to include places where branch offices and operational site of companies are situated. Operational sites are defined to include oil terminals, oil platforms; flow stations construction sites, etc. with a minimum of 50 workers.

iv. *Local Government Revenue Committee*

The Local Government Revenue Committee was established under PITA 2004 S.90. It may be referred to as the Revenue Committee, it comprises of the following as members:

a. The supervisor for finance as Chairman.
b. Three local government councillors as members; and
c. Two other persons experienced in revenue matters to be nominated by the Chairman of the local government on their merits.

A. Functions of the Revenue Committee

The Revenue Committee shall be:

a. Responsible for assessment and collection of all taxes, fines, and rates under its jurisdiction and shall account for all amount so collected in a manner to be prescribed by the chairman of the local government.
b. Autonomous of the local government treasury department and shall be responsible for the day to day administration of the Department which forms its operational arm.

B. Functions of Local Government in Nigeria

Local governments were empowered by the constitution of the country to provide the following functions with the revenue so derived:

i. Provision and maintenance of primary, adults and vocational schools,
ii. Development of agriculture and natural resources other than the exploitation of minerals,
iii. Establishment and maintenance of slaughterhouses, markets, motor parks public conveniences and health services,
iv. Registration of birth, death and marriages from which functions, and others, she derived her revenue.
v. Other functions and services assign by the State House of Assembly of that state wherein the local government resides.

The Local Government Reform of 1975 acknowledged local governments in the federation as the third tier of government and where given definite powers, sources of revenue and functions for which they would be held accountable.

C. Taxes Collected by Local Government

The following taxes and levies can be collected at the local government level:

a) Statutory allocation from the Federation Account
b) The fixed percentage of Value Added Tax due to Local Government.
c) Property taxes collected within its jurisdiction of operation.
d) Tenement rates.
e) Poll tax on all adults within its area of jurisdiction.
f) On and Off Liquor license fees
g) Slaughter slab fees
h) Marriage, birth and death registration fee.
i) The naming of a street registration fee, excluding street in the State Capital.
j) Right of occupancy fees on lands in the rural areas, excluding those collectable by the Federal and State Governments.
k) Market taxes and levies excluding any market where State Finance is involved.
l) Motor Park levies.
m) Domestic animal license fees,
n) Bicycle; Truck; Canoe; Wheelbarrow and Cart fee other than a mechanically propelled truck.
o) Cattle tax payable by cattle fanners only
p) Merriment and road closure levy
q) Radio and television license fees (other than radio and television transmitter)
r) Vehicle radio license fees (to be imposed by the Local Government of the state in which car is registered).
s) Wrong parking charges
t) Public convenience, sewage and refuse disposal fees.
u) Customary burial grounds permit fees.
v) Religious places establishment permit fees.
w) Signboard and Advertisement permit fees.

x) Development Levy and others
y) Shops and Kiosks rates.
z) Stickers and emblems on motor vehicles.

vi. *Joint State Revenue Committee*

Joint State Revenue Committee was established under section 92 of PITA2004.

A. Composition of the Committee

Each state of the Federation shall establish a Joint State Revenue Committee, which shall comprise:

a. The chairman of the State Internal Revenue Service as the chairman.
b. The chairman of the Local Government Revenue Committee.
c. A representative of the Bureau of Local Government Affairs not below the rank of a director.
d. A representative of the Revenue Mobilization Allocation and Fiscal Commission, as an observer.
e. The state sector commander of the Federal Road Safety Commission as an observer.
f. The legal advisor of the State Internal Revenue Service;
g. The secretary of the committee who shall be a staff of the State Internal Revenue Services.

B. Functions of the Committee

The functions of the State Joint Revenue Committee shall be to:

a. Implement decisions of the Joint Tax Board
b. Advice the Joint Tax Board and the state and local governments on revenue matters.
c. Harmonizing tax administration in the state.
d. Enlighten members of the public generally on state and local government revenue matters; and
e. Carry out such other functions as may be assigned to it by the Joint Tax Board.

C. Taxes Collected by the State Government

By the provision of the approved list for Tax collection Decree (Decree No. 21 of 1998) the following taxes/levies are collectable by the governments in Nigeria:

a. Personal Income Tax collected from Civil Servants, and Staff of Companies operating in the State in respect of:
    i. Pay-As-You-Earn (PAYE); and
    ii. Direct taxation (Self-Assessment)
b. Withholding Tax of Individuals only.
c. Capital Gain Tax for individuals only.
d. Stamps duties by individuals in respect of properties bought within the state for purposes of registration of ownership and issuance of Certificate of ownership of plots.
e. Pools, betting and lotteries, gaming and casino taxes.
f. Road taxes such as Vehicle and Driving licences and attendant fines,
g. The naming of street registration fees in the State Capital.
h. Business premises registration fee in respect of:
    i. The urban area as defined by each state to a maximum of N10, 000.00 for registration; and N5, 000 per annum for renewal of registration,
    ii. Rural areas attract N2, 000 for registration; and N I, 000.00 per annum for renewal of registration,
i. Development levy (individuals only) not more than N100 per annum to all taxable individuals,
j. Right of occupancy fees on lands owned by the State Government in urban areas of the state.
k. Market taxes and levies where State Finance is involved.

iii. *Forms of Personal Income Tax*

There are three forms of taxes administered under the Personal Income Tax No. 104 LFNM, 1993 as follows:

i. Pay-As-You-Earn: this tax refers to the system of income tax collection whereby tax is deducted at source by the employer from the earnings of his employees as payment becomes due and paid.
ii. Self-Assessment Scheme is a system whereby a taxpayer is required to make a return of his income by filing an appropriate form and the tax liability based on such income. The taxpayer is expected to forward the returns with the cheque for tax payment due to the relevant tax authority.
iii. Withholding tax an advanced payment of tax which is deducted at source on certain transactions which is later refunded as the payee applies for refund when the final tax was paid. It is a tax credit in the settlement of the income tax liability of the year to which the payment is due.

iv. Persons Chargeable To Personal Income Tax

Taxes, when designed and imposed, have to be paid but the question is who and who is to pay what and which tax. There are different categories of taxes and there are also different categories of persons to pay. Is it just human beings to pay the tax or does it involve animals and inanimate things (lifeless, extinct, death, deceased, inorganic and non-living things)? An assessable entity or person is the one to pay tax.

An assessable entity is a person whether artificial or real who resides in any part of the country in a particular year of assessment with an express exemption of religious, charitable, trade union, labour organizations and governments boards, states and corporations that are responsible in paying tax.

A. Section 2 of the Personal Income Tax Act (PITA), 1993 classifies the persons chargeable to tax as follows:

i. The first person called Mr Individual as a living personality who is within the taxable age and is an income earner either from salary, rent from properties, dividend from shares, or bank interest.

ii. The second person as an individual business person who is a legalized person through business incorporation; becoming a Sole Trader or proprietor, and in conjunction with other individuals become Partnership (Limited partner or General Partnership) and
iii. Limited Liability Company, simply known as Company (Private or Public).
iv. Executors of the estate of a deceased person.
v. Persons employed in the Nigerian Army, the Nigerian Air force and the Nigerian Police Force other than in a civilian capacity.
vi. Officers of the Nigerian Foreign Service.
vii. Every resident of the Federal Capital Territory, Abuja.
viii. A person resident outside Nigeria who derives income or profit in Nigeria.

B. Chargeable Income from Personal Income Tax

Section 3(1) of PITA of 1993, enumerates the following sources of income chargeable to tax;

i. Gains or profit from any trade, business, profession or vocation for whatever period.
ii. Dividends, interest or discount.
iii. Any pension charge or annuity.
iv. The gains or profit including the premiums arising from a right granted to any other person for the use or occupation of any property.
v. Employment income such as salary, wage fee, allowance or other gains or profits from employment including compensation; bonuses, premium, benefits or others pre-requisite allowance given or granted to an employee.

C. Exempted Income from Personal Income Tax

Schedule iii of Pita No.104 Of 1993 lifted the following incomes to be exempted from Personal Income Tax in Nigeria;

i. Official emoluments of the President, Vice President, State Governor, Deputy Governor.
ii. The income of any trade union registered under the Trade Union Act, provided such income is not derived from a trade or business carried on by such trade union.
iii. The income of any statutory or registered friendly society in so far as such income is not derived from a trade or business carried on by such society.
iv. Income and profits of cooperative societies.

v. *Identifying Assessable Person*

Tax is not just imposed in a vacuum but upon a person regarded as an entity that is to be taxed and hence the source(s) of the income to be taxed must be distinguishable or identifiable. Therefore, an assessable entity is said to be a person whether artificial or real who resides in any part of the country in a particular year of assessment with an express exemption of religious, charitable, trade union, labour organizations and government boards, states and corporation. Somebody or some personalities must also be relevant in the process of levying and collecting tax. These persons that will be taxed under different statutes and in different ways have to be identified.

The first person to be identified is the Mr Individual who is within the taxable age and has sustainable income, which may be salary, rent, dividend or interest or having shares in companies through which he gets dividends. He may have money lodged in the bank from which he gets interested or he may have properties from which he earns rent.

The second identified person is the Individual business person: This is the person that has gone to legalize himself through incorporation. This individual businessperson may take two forms. If he decides to start a business on his own with no partners or shareholders, he is said to be a sole proprietor. He bears all the costs and keeps all the profits after the Relevant Tax Authority has taken its cut in taxes. As a sole proprietor, he has unlimited liability meaning that he is personally responsible for all the business debts. If he borrowed money for the business and cannot repay the loan, he may be forced into personal bankruptcy.

On the other hand, instead of starting a business on his own, he may decide to pool his money or expertise with friends or business associates. Another form of individual businessperson is known as Partnership who has come into being a taxpayer. We do have a written partnership agreement, which set out how management decisions are to be made and the rights and duties of partners so involved such as partners' entitlements like salary, interest on capital and share of profits.

The partners pay personal income tax on their share of profits individually. Partners, like sole proprietors, have the disadvantage of unlimited liability. If the business runs into financial difficulties, each partner has unlimited liability for all the business debts, not just his or her share in the business. However, in practice larger businesses can be, set up as *Limited Partnerships, and under this law, partners are classified as "General" or "Limited."* General partners are the executives that manage the business and have unlimited personal liability for the business debts, but limited partners usually have a restricted role in management, and their liability is confined only to the money they contribute to the business. They can lose everything they put in, but no more, unlike the general partners whose liabilities extend to their investments/properties.

Many professional businesses are organized as partnerships such as large accounting firm, legal investment and management-consulting firms etc. Incomes of individual persons are taxed under the Personal Income Tax Act 2004 with certain exemptions.

As the individual or individual business person grows, he or they may become aware of the benefits of another personality of a very important person to the taxman called *the company*. Section 105 of CITA 2004 simply defined company as "any company or corporation (other than a corporate sole) established by or under any law in force in Nigeria or elsewhere".

Unlike a proprietorship or partnership, a Company is legally distinct from its owners. It has a Constitution or Charter called Memorandum of Association, setting out its powers and status as well as its relationship to the outsiders. The Articles of Association regulate the management of the internal affairs of the company.

A Company may be limited by shares or limited by guarantee. The first type is more suitable for commercial purposes. There are two types of companies limited by shares, viz: Private Companies and Public Companies. While a private company is particularly suitable for a small family business, but a public company is formed where there is a business requiring large capital, which can only be, raised from the public through the stock exchange (Abomaye-Nimenibo, 2017:90-92)

vi. *Assessment of Personal Income Tax in Akwa Ibom State*

Ochi (2008) quoted Pinson saying that the term assessment describes the administration act by which income is made liable to tax and every such assessment is made for a year irrespective of the period for which the taxpayer renders accounts. The general arrangement is to charge tax according to the source from which the income arises. Sources are classified under Schedules and where the sources are identified they are aggregated and total profits derived there are taxed after all deductions and allowance are affected.

Well trained inspectors who are capable of determining the taxable incomes or profits, the exempted ones, the appropriate computations, the proper basis and procedures usually make assessments due to technicalities involved. The Assessments are generally based on returns filed. In Nigeria as well as other countries, assessments are normally based on the income or profits of the preceding year except in cases of commencement, cessation and change of accounting dates where overlapping assessment occurred as such are treated under statutory provisions.

ix. *The Basis for Computing Assessable Income*

The bases for assessing income are:

i. Income assessed on current year basis which includes - income of persons, and employment incomes usually taxed in the year they are earned.

ii. Income assessed on Preceding Year Basis which includes - income from trade, profession, business, vacation, interest and rent. The exemption inherent in the type of tax lies in the computation of assessable income and the year of commencement of business which is determined following Section 20(3) and (4) of Income Tax Management Acts (ITMA), 1961.

x. *Classes of Assessments*

Assessments are normally based on the income or profit of companies or corporations arising from trade or business carried on in Nigeria. Assessment is to be imposed on the "profit" of an enterprise relative to an accounting period. There are two (2) principal classes of *of assessment namely;*

i. Self-Assessment: This assessment scheme aims at shifting the duty of raising assessment to the taxpayers themselves. Under this system, the taxpayer is expected to submit his Tax Returns with self-assessment notice and evidence of payment to the Board of Internal Revenue through appropriate designated collecting bank.

ii. Government Assessment is an assessment carried out on behalf of the government by the tax authorities, examples of which are: assessment raised per audited accounts and computations filed by the taxpayers.

xi. *Types of Assessment*

There are various types of assessments as opined by Ojo (2008) as follows:

i. *Original Assessment* being the first assessment computed on a taxpayer in a particular year of assessment. An original assessment may be the subject of an objection and appeal procedure.

ii. *Revised/Amended Assessment* is the assessment that is raised to replace an original assessment the replacement usually arises from either a notice of objection or appeal that is successful.

iii. *Additional Assessment:* this is an additional assessment which usually arises from a back-duty assessment being the additional assessment to cover a shortfall in tax that was previously paid.

iv. *Provisional Assessment* is a traditional assessment being chiefly an estimate of tax payable based on the tax paid by the taxpayer in the previous year which is subject to the objection and appeal procedures.

v. Best of Judgement Assessment usually arise where the taxpayer has either not filed returns or is not even registered for tax purpose. In such a situation, the Inspector of Taxes will simply use the best of his judgement to estimate the assessable profit, capital allowance claimable and the tax payable. A Best of Judgement Assessment (BOJ) is also subject to the objection and appeal procedure.

vi. *Assessment Based on Taxpayers' Returns:* these are assessments based on the information contained in the taxpayers' returns. The tax computations together with the capital allowance computation are enclosed along with the audited account and such assessment could either be a Self- Assessment or Government Assessment.

xii. *Registration of a Taxable Person*

Under the current dispensation, a taxpayer has the responsibility to register his/her name as a taxpayer. The result of such registration with the Federal Inland Revenue Service (FIRS) is the issuance of a Tax Identification Number (TIN). In registering at any of the tax offices, a taxpayer must provide the following:

i. A Certificate of Incorporation issued by Corporate Affairs Commission.
ii. Documents showing the business address.
iii. The Commencement date of business.

xiii. *Process of Tax Payment*

i. The taxpayer will first register and obtain a Tax Identification Number (TIN).
ii. He will then render appropriate returns. He will also obtain assessment and demand notices, where applicable.
iii. He is to remit the tax to approved collecting banks using the appropriate form and obtain an electronic ticket (e-ticket).
iv. He will present the E-ticket for the issuance of official FIRS receipt.
v. Then he will process for Tax Clearance Certificate.

xiii. *Personal Income Collection Challenges*

There has been a lot of challenges in the assessment and collection of Personal Income Tax collection as follows:

There has been a lack of coordination between the various Government departments when it comes to information dissemination. Sometimes, when information is demanded of other Government departments about taxpayers to have a proper assessment, such demands are misunderstood and often time turns down. Another difficulty is the provision of wrong information about taxpayer residential addresses. Due to the poor rate of voluntary compliance, and the very low degree of honesty, most taxable persons hide from tax authorities and would give a fake address to conceal their true identity. The Challenges noticed or observed limiting effective tax assessment and collection of Personal Income Tax in Uyo are group into five (5) broad categories, which include;

a. Environmental
b. Educational
c. Structural
d. Political
e. Social

A. Environmental Challenges

i. Corruption at the lower echelon surfaces and this hydra-headed phenomenon blights the tax system as both the taxpayers and tax collectors are entangled. Many taxpayers do not want to pay the correct tax even in the face of clear information available to the tax authorities about their true earnings or incomes. The officials prefer to collude with the taxpayers to deliberately reduce their tax and pay far less than they should. At other times, tax officials demand bribes to reduce the tax liabilities of citizens. The incidence of corruption results in huge losses of revenue to the Government.
ii. There is gross ignorance on the part of the populace about the taxes payable by them to either the Local Government or the State Government. Even the few who know are not certain about which and how much tax they should pay or what the tax law says about their rights of objection or appeal against tax assessments. Consequently, a lot of citizens do not pay their due taxes either to the State or to the Local Government resulting in low revenue collection.
iii. E-Trade and Commerce which now characterizes our modem globalized world has led to serious tax evasion. This is because most transactions carried out in living houses or bedrooms that are not physically assessable by tax authorities resulting in huge revenue loss to Government.
iv. Violence and threats to the lives of tax officials is a disincentive to effective tax collection.
v. Some members of the public are hostile to tax collectors and resist accepting demand notices which in most cases results to physically assault on tax officials.

B. Educational Challenges

i. Lack of Training for Revenue Officials is a major conundrum adversely affecting revenue generation. This makes it possible for qualified Chartered Accountants to effectively use tax avoidance schemes to the detriment of revenue when they confront ill-trained revenue officials.
ii. A lot of tax staff do not qualify as tax professionals as they have no requisite qualifications even as Associate of the Chartered Institute of Taxation in Nigeria (CITN) to enable them effectively practice taxation to enhance revenue collection.
iii. Lack of a database of all taxable adults in the state has aided tax evasion leading to loss of revenue on the part of the government as many taxable adults are yet to be included in the tax-paying bracket by giving them a Tax Identification Number (TIN).

iv. Unavailability of accurate Data and proper records keeping is a major constraint to revenue collections as many businessmen and self-employed persons do not keep proper books of account in all their transactions to aid Revenue Authorities to have an accurate assessment of income to tax.

C. Structural Or Functional Challenges

i. Lack of a refund scheme for overpaid taxes makes many employees especially bank employees not to disclose their correct emoluments.
ii. Lack of good internal control mechanism still poses a problem since the processes and procedures are not fully automated.
iii. Inability to prosecute tax defaulters promptly and regularly encourages tax defaulting and this leads to incessant loss of revenue.
iv. Under assessment of taxpayers by revenue collecting MDAs (Ministries Department and Agencies) due largely to lack of information about the appropriate application of correct tax rates which had not been reviewed for many years is a serious challenge. This is a structural default.

D. Political Challenges

i. Bad Governance brings agitations in the minds of the taxpayers when the basic infrastructure in form of street lights, good dualized roads, potable water, hospitals etc. which their money could have provided are lacking, discouragement steps in to impede voluntary tax compliance.
ii. Lack of Legislative and Updated Amendments also have an adverse effect in the collection of Personal Income Taxes which calls for further amendment in Personal Income Tax Amendment Bills.
iii. Lack of Political Will creates fear in the minds tax officials inadequately taxing the affluent that belongs to the ruling political class. Political appointees are not requested to produce tax certificates as required by law before being appointed.
iv. Premature retirements and unwarranted deployments of revenue staff discourage revenue officials from putting up their optimum best performance.

E. Social Challenges

i. Lack of Tax Policy has adversely affected revenue generation as there is yet no code of conduct and code of ethics for the practice of tax administration.
ii. Negative Public Attitude to Income Tax Payment has led to low tax collections as many people do not come up to pay their taxes voluntarily unless they require tax clearance certificates to obtain Government services.
iii. Poor Work Environment on the part of tax officials had a discouraging influence on the staff of the Revenue Service in the past and remains a disincentive to hard work.

xiv. *Unique Taxpayer Identification Number (UTIN) Project*

With the issues and challenges bedevilling effective tax administration which adversely hampers the optimum collection of personal income tax and revenue generation, the Joint Tax Board, a body comprising of 36 states Board of Internal Revenue, Federal Road Safety Commission, Federal Capital Territory Authority, Revenue Mobilization, Allocation and Fiscal Commission should come up with urgent solution to solve these problems.

The Joint Tax Board, being the statutory body saddled with the responsibility of ensuring effective tax system and administration in Nigeria Section 86(d) of PITA Cap p.8 LFN, came up with the Unique Taxpayer Identification (UTIN) project. The UTIN is an electronic system of tax identification and registration, which will be unique to an individual taxpayer for life.

The legal basis for the project derives its authority from Section 86 of the Personal Income Tax Act 2004, and Section 8(1) (q) of the FIRS Establishment Act, 2007. The project is aimed at addressing the lingering issues that have been a clog in the wheels of progress in the Nigerian Tax System and administration.

These issues include:

i. Lack of standardization of infrastructure and system for effective identification and registration of taxpayers.
ii. Lack of sustainable platform for revenue generation among the three tiers of Government.
iii. No national platform for the registration and identification of taxpayers with priority based on persons' nature of the transaction.
iv. Lack of effective information sharing mechanism between tax administrations in the country.

The UTIN project aims to curtail the above challenges through the following ways:

i. The UTIN entails full automation of all Tax Authorities thereby adopting common registration processes, infrastructure and systems. The registration application will be uniform nationwide and as such will greatly aid in the elimination of multiple taxations and tax registration.
ii. The UTIN being an electronic system would replace the manual registration system currently operated by most Tax Authorities in Nigeria thereby bringing the country's tax administration in line with the global best practices.
iii. The system would engender greater confidence in the tax system and ultimately create a competitive

and conducive environment for investors. It is expected that if the personal income tax is properly administered, the UTIN will be a tool for creating a competitive edge for the country in attracting investors.

iv. The UTIN would lead to greater information sharing between tax authorities in Nigeria which should facilitate effective exchange of information between tax authorities and taxpayers.

v. The system would also enable tax authorities to collate access, analyse, and retrieve data with ease thereby facilitating a more efficient system of tax assessment and collection.

xv. *Contentious Issues about the Amended 2011 Act*

i. The Amendment Act was dated 14 June 2011 but only communicated to the public during the Budget presentation by the President on 13th December 2011. As at the time of this publication the amendment is yet to be gazetted. Technically the amendment should become effective from the date it was signed into law and gazetted unless a specific commencement date is indicated in the Act.

ii. It is not clear if existing Tax-Free Allowance will continue to apply along with the consolidated allowances given that the section on theses allowance was not in the amendment. However schedule 6 contained in the amendment States specifically that the remainder of income after deducting the consolidated Allowance, Personal relief and specified exempts deduction is taxable.

iii. Expatriates who meet all the conditions for tax exemption including being liable to tax in another country may now be exposed to tax in Nigeria if such other country does not have a double tax agreement with Nigeria.

iv. The subsection of the old PITA which provides that non-Nigerian employment be taxed to the extent that the duties of employment are performed in Nigeria has been deleted. This could mean that such individuals will be liable to tax on their worldwide income notwithstanding that the duties of their employment were only partly performed in Nigeria.

v. Also, the 183-day rule which has been modified to include the period of temporary absence or leave will pose some challenges regarding temporary absences from Nigeria to perform employment duties abroad.

vi. Interest on Withholding Tax default is Monetary Policy Rate. It is not clear whether this will be the rate at the time of assessment following an audit or the Monetary Policy Rate prevailing for the period of default. Our view is that it should be the latter given that interest is generally designed to compensate for the time value of money applicable to the default period. Also, it is not clear whether the interest charged on an annual basis will be prorated for part of a year and whether it will apply to default for periods before the amendment.

vii. Potential conflict and confusion may arise as a result of the introduction of Monetary Policy Fund to replace commercial rate while the section on Bank base lending rate as the basis for interest determination for tax default was not replaced.

viii. The provision to refund excess Withholding Tax is welcome but there is no clarity as to whether this covers other taxes payable under the PITA other than Withholding tax.

ix. Place of residence rule modified to include the location of a branch office or similar presence with a minimum of 50 staff. This means that an individual (other than an itinerant worker) may become liable to tax in more than one state for a given year of assessment.

x. It may be difficult to track the movement of employees between different states for tax purposes to implement the modifications to the place of residency rule and redefinition of an itinerant worker.

xi. It is not clear whether the benefit in kind to be included in Gross emolument should be limited to the taxable portion only or the actual value of such benefits.

b) Empirical Literature

The Problems or Challenges of Assessment, Collection and Accountability of Personal Income Tax are diverse. Ola (2009) stated thus:

> *"Revenue realized from income tax is low because of the level of literacy, poor relationship between taxpayers and income tax authorities; absence of trained and qualified accountants, the unqualified staff does not know how to get information or the technical method of how best to use the information made available to them".*

There had been apathy in the assessment and collection of Personal Income Tax from individuals (both the educated and the uneducated) in Uyo Local Government Area of Akwa Ibom State. The illiterates refused to pay personal income tax because they are unaware of the purpose of pay tax and see a tax collector official as an oppressor, while the rich people are relenting to pay tax because they are not encouraged by the excesses of Government in terms of white elephant projects as drain pipes. The self-employed is difficult to track down and is cunning, evading tax all the time pin down, while the skilful businessmen and women arrange their financial papers with falsified documents in getting tax rebates to avoid or reduce the appropriate tax payable by them.

Some empirical studies had been carried but not much in the area of Personal income tax. Romer, (1990; Mankiw, Romer, and Weil, (1992); Judson, (1996) suggested that measures of taxation have statistically and economically important effects on economic growth, although some other like Barro and Lee, (1992) estimated that the effect is quite small. However, the effect of taxes on the economy is quite uncertain and ambiguous, since simulation analysis can lead to a variety of conclusions.

Trostel (1993) simulates substantial long-term elasticities of the economy concerning taxation and suggests a long-term increase in GDP of 0.97 percent per one percentage point decrease in the marginal tax rate. The hypothetical five percentage point reduction in the marginal tax rate was predicted to have cause increase in the stock of human capital by 4.8 percent. In equilibrium, he asserts that maintaining a higher level of human capital requires an extra 4.8 percent additional net investment in human capital; supposing that *mi* was about three percent annually. The new level of equilibrium growth in human capital would rise to 3.14 percent annually; and further assuming that the factor share coefficient to be 0.75, while the net effect on growth would be 0.10 percentages.

Chirinko, (1993; Hassett and Hubbard, (1996), did a simple examination of the time series over the little relationship to have found a positive correlation between investment and capital income tax rates. However, this type of analysis was too simplistic.

Alternatively, comparing capital income taxes with investment rates, taken from Mendoza, Milesi-Ferretti, and Asea (1996), revealed a moderate negative correlation between tax rates and investment rates; but a more detailed regression analysis carried out by King and Fullerton, (1984; Fullerton and Karayannis, (1993) suggests that a 10 percentage point change in tax rates on profits could affect investment rates by at most two percentage points. It should be noted, however, that one shortcoming of these capital tax measures is that they use weighted statutory rather than effective rates, and thus they cannot account for the dramatic increase in effective marginal tax rates on capital during periods of inflation.

Anderson; 1983; Cummins, Hassett, and Hubbard, (1994, 1996); Chirinko, Fazzari, and Meyer, (1996) have all found significant effects of tax policy on investment, suggesting a plausible range for the investment elasticity for changes in the user cost of capital in the range of 0.25 to 1. This finding is potentially important because, although Levine and Renelt (1992) findings have it that, almost all results are fragile in cross-country growth regressions, with a positive, robust correlation between growth and investment. A change like investment decisions will affect output growth. Supposing an investment elasticity of 0.5 is adopted, five percentage points drop in marginal tax rates will occur which should boost investment by 2.5 percent, or by about 0.4 percent of GDP. Also, if the net marginal product of capital is increased by ten percent, output growth rates might be expected to grow by another 0.04 percentage points; there is going to be a boost in growth rate which is expected to be permanent, although, in the Solow-style model, the growth effects will diminish over time. One key factor that could stifle tax-induced investment expansions is lack of new saving, especially from tax (personal income tax) revenue to finance the increased investment.

Chibu and Njoku (2015) investigated the impact of taxation on the Nigerian economy for the period 1994 -2012. The variables used in the model were subjected to Augmented Dickey-Fuller Unit Root test, which revealed that all the variables were stationary. The co-integration test also revealed that the variables are co-integrated and that long-run relationship existed between the variables. The results of the statistical analysis revealed that positive relationship also existed between the explanatory variables (Custom and Excise Duties, Company Income Tax, and Petroleum Profit Tax) and the dependent Variables (Gross Domestic Product, and Unemployment). The study, therefore, recommended a total restructuring of the tax system in the country and the provision of basic amenities (good roads, steady power supply, internal security, etc.) which will encourage individuals and corporate organizations to honour their tax obligations in Nigeria.

The impact of tax revenue on economic growth has been examined severally by different researchers. The empirical studies of Anyanwu (1997), Engen and Skinner, (1996), Tosun and Abizadeh, (2005) and Arnold (2011), were used as the basis for different explanations of taxes on economic growth.

The analyses so far have revealed that taxation (especially Company and Personal Income tax) has significantly impacted on Nigeria's economic growth. Although some studies do not find a positive linkage between economic growth and taxation but were quick to point out that some of the flaws inherent in their study were as a result of an error in their statistical methodology and that of the data used in their analysis. This research is therefore poised to carry out an appraisal of the procedures and methods of assessment, collection and accountability of Personal Income Tax in Akwa Ibom using Uyo Local Government as a case study.

III. Method of Study

a) Research Design

Method of study is concerned with providing information on the way the study was conducted and to explain in detail, the procedures and methods followed in the conduct of this research. This is a framework that is used as a guide in collecting and analysing the data for the study. The study allows the researcher to draw inferences concerning casual relationships among the variables under investigation. Since this study is descriptive and investigative as it concerns the assessment, collection and accountability of Personal Income Tax in Uyo Local Government area, both descriptive and surveys research design were adopted; which provides a systematic description of facts and figures about the administration of Personal Income Tax in Akwa Ibom State.

b) Population and Sample Size

According to Chinaka (2005: P34-35), a population is the entire subject of the forces of the research study with similar characteristics within the defined variables and dimensions. The population for this research work included the general public, management staff, the administrative staff, and the tax collectors of the tax office in Uyo Local Government Area. The sample size refers to the size or mass of the selected number of subjects, elements, variables, quantities, etc. from an accessible population for which the selected elements are expected to be a representation of the whole. The sample size for the population was statistically determined using "Yaro Yamane" formula for a finite population. The formula provides a good medium of sampling a manageable size of the population to be studied within the time constraint.

$$n = N$$

$$1+N (e)2$$

Where;

n = sample size
N = the finite population
e = level of significance (or unit of tolerable error)
1 = unity (a constant)

c) Sampling Techniques

The technique used involved splitting the population into groups which were expected to be homogeneous and uniform than the entire population. This stratification was based on various groups of staff in Uyo tax office. To effect the selection in the strata, a simple random sampling method was used. The apportioning of the samples to various strata was as follows;

Top-level Management staff	- 40
Middle-level Staff	- 40
Tax Collectors	- 40
General Public	- 40
Total	= 160

A sample size of 160 staff was selected by random sampling techniques out of the total population.

d) Method of Data Collection

Primary sources of data include personal interviews, Work experience and observations and questionnaire. This form of data collection was done through direct interviews with the appropriate officers in the tax offices. Among those interviewed were the revenue collectors, tax inspectors and the director of various Units or Departments in the tax offices. The personal observation techniques involved watching people, events and especially towards tax payment to obtain first-hand information for this research.

A secondary source of data involves the use of textbooks and journals.

i. *Research Instrument*

The main instrument for this research was a questionnaire designed by the researcher making it as simple as possible. These questionnaires were majorly structured in a way to providing for alternative options. The questions were divided into two sections. Section one was designed to provide personal data of respondents, while section two was concerned with issues on Personal Income Tax administration in Uyo Local Government area of Akwa Ibom State.

ii. *Administration of research instrument*

The questionnaires were administered directly to the respondents (staff) in their various departments and collected the ready ones on the spot; this yielded optimum result in the retrieval of a good number of questionnaires excluding those staff not on the seat as at the time of administration as well as the general public.

e) Test Of Validity And Reliability Of Research Instrument

The instruments used in this research were developed after an extensive review of questions on the matter. The validation of the questionnaire was done through pretesting. The pre-testing was administered on the different staff of Uyo Tax Office and necessary corrections by the Research Supervisor were done. This was the method adopted to ascertain the appropriateness of the content of the questionnaire, through which the validity of the instrument was established. The hypotheses to which the statistical analysis was validated are:

Ho: Tax laws and policies do not significantly affect the tax assessment, collection and accountability in Akwa Ibom State.

Ho: There is no significant relationship between taxpayers' attitude and behaviour and the administration of Personal Income Tax in Akwa Ibom State.

f) Data Analysis Techniques

The analysis of data includes the process or methods used by the researcher to extract from the data collected that was not there before, (Eshiet, 2006: 50). As a result of the nature of the study and of course the nature of the questionnaire sent to the staff of these two tax authorities, the two samples chi-square ($\chi2$) test were used as adequate to test the hypothesis, while simple percentages were adopted in the presentation of research questions.

i. *Statistical Method of Data Analysis*

The tool for validation of the research hypotheses formulated was the preference to use chi-square, which enabled the researcher, got the "test of goodness of fit". The Chi-Square formula was used.

$$\chi 2 = \Sigma(f0\text{-}fe)\ fe$$

Where:
$\chi 2$ = chi-square
F0 = actual frequency
Fe = expected frequency
Σ = summation

ii. *Decision Rule*

We will reject the null hypotheses at a significant level of independent at $\chi 2 = 0.05$, if the computed value of the test statistics ($\chi 2$) exceeds the critical (tabulated) value of $\chi 2$ for (n-1) degree of freedom, and accept the null hypotheses of independence at $\chi 2 = 0.05$. If the computed value of the test statistics ($\chi 2$) is less than the critical (tabulated) value of $\chi 2$ for (n-1) degree of freedom, then we accept the null hypotheses.

IV. Data Presentation, Analysis and Interpretation

a) *Data Presentation and Analysis*

We collected primary data through the use of questionnaires, interviews as well as personal observation and analysis specific responses to the questionnaires. Our respondents were selected from the staff of Uyo tax office and a set of one hundred and sixty (160) questionnaires were administered to the staff. All the questionnaires were completed and returned and the responses provided the basis for the presentation and analysis of data. We use Tables in presenting the respondents' data, thereafter analysis and interpretation of the data was made, which enabled the researcher to conclude to either accept or reject the null hypotheses. As stated previously, the chi-square will be used in testing the hypotheses.

Table 4.1: Number of Administration and Returned Questionnaires from Uyo Tax Office and the general public

Departments	Number Administered	(%) Percentage	Number Returned	(%)Percentage
Audit	15	16.0	15	16.0
Budget	10	9.6	9	9.6
Revenue/Planning	50	30	47	30
Finance	29	13.8	20	13.8
Statistics	16	10.6	10	10.6
General Public	40	20	30	20
Total	160	100	140	100

Source: Field Survey, 2019.

Table 4.1 shows that out of one hundred and sixty (160) questionnaires distributed, one hundred and forty (140) were completed and returned accordingly and taken as representing 100% of the returned questionnaire as our working number; and no questionnaire was discarded or filled wrongly. The number of questionnaires returned showed a significant response by respondents. Analysis showed that fifteen representing (16%) questionnaires were issued to and returned by staff in Audit Department, Budget Department received and returned ten questionnaires being (9.6%), while Revenue/Planning Department returned fifty questionnaires representing (30%), Finance Department returned twenty-nine being (13.8%), Statistics Department returned sixteen representing (10.6%) and the general public returned thirty representing (20%) of the questionnaires.

b) *Analysis of Research Questions*

Responses to Research Question One (Does the ignorance of most taxpayers hinder the effective administration of Personal Income Tax in this Local Government Area?) are presented in Table 4.2 below.

Table 4.2: Responses on Taxpayer's Ignorance

Responses	Respondents	Percentage (%)
Yes	41	33.0
No	50	42.5
Not sure	49	24.5
Total	140	100

Source: Responses from Questionnaire

From table 4.2 the analysis revealed that 41 respondents representing 33% of the total respondents agree that taxpayer's ignorance hinders effective administration of Personal Income Tax in Uyo Local Government Area. However, 50 responses representing 42.5% of the respondents did not agree that taxpayer's ignorance hinders effective tax administration. The percentage of respondents who were not sure of taxpayer's ignorance is a hindrance to effective tax administration was 49 respondents representing 24.5% respectively.

Responses to Research Question Two (Do you think most taxpayers in this town submit proper and accurate records of their incomes for tax assessment?) are as presented in Table 4.3

Table 4.3: Responses on Taxpayers submitting proper and accurate Records for tax assessment

Responses	Respondents	Percentage (%)
Yes	54	40
No	60	40
Not sure	26	20
Total	140	100

Source: Responses from Questionnaire

It can be observed from table 4.3 that 40% representing 60 respondents said taxpayers do not submit proper and accurate records of their incomes for tax assessment, 40% representing 50 respondents consented to taxpayers submitting proper and accurate records while 20% representing 26 of the respondents said they are not sure.

Responses to Research Question Three (How can the facilities needed for operations in Uyo LGA revenue unit be termed?) are as presented in Table 4.4.

Table 4.4: Responses on Facilities needed for operations

Responses	Respondents	Percentage (%)
Adequate	30	20.5
Inadequate	70	50
Grossly adequate	40	29.5
Total	140	100

Source: Responses from Questionnaire.

It is vividly revealed in table 4.4 that the facilities needed for operations in the Revenue Units of Uyo Local Government Area are inadequate as confirmed by the assertion of 50% representing 70 of the respondents, 20.5% representing 30 of the respondents who asserted that the facilities are adequate, while 29.5% representing 40 respondents agreed that the facilities are grossly inadequate.

Responses to Research Question four: (what do you think are the problems militating against effective assessment and collection of Personal Income Tax in Uyo Local Government Area?) are as presented in Table 4.5.

Table 4.5: Responses to the problems militating against effective assessment and collections of Personal Income Tax

Variables	Frequency	Percentage (%)
Poor review of tax laws	12	12.8
Inadequate tax education	10	6.4
Poor facilities to enhance proper and adequate tax assessment and collection	20	19.1
Non-enforcement of laws against defaulters.	14	14.9
Poor attitude of taxpayers	7	7.4
Mismanagement of funds	17	14.9
Corruptions of tax officials	20	3.2
All of the above	40	21.2
Total	140	100

Source: Responses from Questionnaire

From table 4.5 revealed that 12 respondents representing 12.8% said that Poor Review of Tax Laws was responsible for ineffective tax assessment and collection of Personal Income Tax in Uyo Local Government, 10 respondents representing 6.4% believed that poor facilities were responsible, 20 respondents representing 19.1 % stated that inadequate tax education is responsible, while 14 respondents representing 14.9 % claimed that it was non-enforcement of laws in punishing defaulters was the militating factor against effectiveness of assessment and collection of Personal Income Tax. However, 7.4% representing 7 out of the respondents said it was the attitude of the taxpayers, 17 respondents representing 14.9% claimed it was Mismanagement of funds, while 20 respondents representing 3.2% are of the view that it was the Corruption of tax officials. Finally, 40 respondents representing 21.2% of the respondents declared all of the variables to be responsible for the ineffectiveness of assessment and collection of Personal Income Tax in Uyo Local Government Area.

Responses to Research Question Five (what is the extent of performance of tax assessment and collection of Personal Income Tax in Uyo LGA?) are as in Table 4.6.

Table 4.6: Responses to the Extent of Performance of Tax Assessment and collection of Personal Income Tax

Responses	Frequency	Percentage (%)
High	30	13.9
Moderate	40	25.5
Low	70	60.6
Total	140	100

Source: Responses from Questionnaire

From table 4.6, the analysis revealed that 70 of the respondents representing 60.6% asserted that the extent of performance of tax assessment and collection in Uyo was low, 40 respondents representing 25.5% agreed that the extent of the tax assessment performance was moderate, while 30 respondents representing 13.9% said that the extent performance of tax assessment and collection was high.

Responses to Research Question Six (Are there adequate tax laws and policies to enhance effective administration of Personal Income Tax in Uyo Local Government Area?) is as per Table 4.7.

Table 4.7: Responses to Tax Laws and Policies enhancing Effective Tax Administration

Responses	Frequency	Percentage (%)
Yes	69	73.4
No	40	10.6
Not sure	31	16.0
Total	140	100.00

Source: Responses from Questionnaire.

The analysis shows from table 4.7 that 73.4% were 69 respondents said "Yes" to Tax Laws and Policies being adequate to enhance effective administration of Personal Income tax. 10.6% representing 40 of the respondents resented to the adequacy of Tax Laws and Policies, while 35 respondents representing 16.0% were not sure of the adequacy of Tax Laws and Policies to enhance effective administration of Personal Income Tax.

Responses to Research Question Seven (Are the methods and procedures adopted for assessment Unit sufficient to enhance effective tax administration?) are as presented in Table 4.8 below.

Table 4.8: Responses to the methods and procedures for Assessing and collecting of Personal Income Tax

Responses	Frequency	Percentage (%)
Yes	50	25.7
No	66	60
Not sure	24	14.3
Total	**140**	**100**

Source: Responses from Questionnaire

From table 4.8, the analysis reveals that larger proportion of the respondents said that, methods and procedures adopted by the tax offices for assessment and collection of Personal Income Tax is not sufficient to enhance effective tax administration as evidenced by the 66 respondents representing 60%. While 25.7% being 50 of the respondents agreed that the methods and procedures adopted were sufficient to enhance effective tax administration, 24 respondents representing 14.3% said they were not sure.

c) *Testing of hypotheses/ interpretation*

In this Section, the hypotheses were tested using the two-way chi-square ($\chi2$) statistical method. The decision rule as stated in respect of Null Hypotheses was: Reject Null hypotheses if ($\chi2$) computed is greater than the table value of $\chi2$ and Accept if computed ($\chi2$) is less than the table value of $\chi2$ with some Degree of Freedom (V) = C -1

Where

C = categories of responses ("Yes", "No" and Not sure" answers).

Degree of freedom (V) = 3-1 =2

Given $\chi2 = \Sigma$(Fo-Fe)2
Fe

Where

Σ = Summation

Fo = Observed Frequency

Fe = Expected Frequency

Given that

Fo = 140,

C = 3

Fe = Fo =140 = 46.6 ≈ 47
C 3

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Based on the determination made above, the table value of ($\chi 2$) at 0.05 level of significance of 2 Degree of freedom is 5.991.

i. *Testing of hypothesis 1*

H0: Tax laws and policies do not significantly affect the tax assessment, collection and accountability in Akwa Ibom State.

Table 4.9: Relationship between the Tax Laws and Policies, tax assessment, collection and accountability in Akwa Ibom State

Responses	F_0	F_e	F_0-F_e	$(F_0-F_e)^2$	$(F_0-F_e)^2/F_e$
Yes	70	47	23	529	11.25
No	40	47	- 7	49	1.04
Undecided	30	47	-17	289	6.14
Total	**140**				**$\sum = 18.43$**

Source: Response from Question 17

$\chi 2$ = 18.43
Degree of freedom = n-1 =3-1 =2
Level of significance = 0.05
Critical value = 5.991

Decision

Since the computed value of $\chi 2$ = 18.43 which is greater than the critical or tabulated value of $\chi 2$ = 5.991 at 0.05 Significance level of 2 degrees of freedom, we reject the Null hypotheses and accept the Alternative Hypotheses i.e. Tax Laws and Policies significantly affects the tax assessment, collection and accountability in Akwa Ibom State.

ii. *Testing of hypothesis 2*

H0: There is no significant relationship between a taxpayers' attitude and behaviour, and the administration of Personal Income Tax in the State.

Table 4.10: Relationship between Taxpayers' attitudes and behaviour, and administration of Personal Income Tax in the State

Responses	F_o	F_e	F_o-F_e	$(F_o-F_e)^2$	$(F_o-F_e)^2/F_e$
Yes	120	47	73	5329	113.3
No	20	47	-27	729	15.5
Undecided	0	47	-47	2209	47
Total	140				$\sum = 175.8$

Source: Responses from Questionnaire

$\chi 2$ = 175.8
Degree of freedom = n-1 = 3-1 =2
Level of significance = 0.05
Critical value = 5.991

Decision

Since the calculated value of $\chi 2$= 175.8 is greater than the critical or tabulated value of $\chi 2$ = 5.991 at 0.05 level of Significance with a degree of freedom of 2, the Null Hypothesis is rejected, while the Alternative Hypothesis is accepted which states that-there is significant relationship between taxpayers' attitude and behaviour and effective administration of Personal Income Tax in Akwa Ibom State.

d) Discussion of Findings

The findings of the study among other things showed that:

i. A significant number of taxpayers do not submit proper and accurate records of their incomes for tax assessments and this is one of the major problems affecting tax assessment and collection of Personal Income Tax in the area.
ii. A good number of respondents asserted that ignorance of most taxpayers will surely affect the effective administration of Personal Income Tax in Akwa Ibom State and by extension, the nation of Nigeria leading to low payment compliance; and hence, low tax revenue returns.
iii. Most respondents affirmed that the facilities needed for operations in the Revenue Unit are inadequate leading to poor administration performance of the tax administrators and collectors; resulting in the inability of meeting revenue targets.
iv. Poor review of tax laws, inadequate tax education, and poor office facilities contributed also to inadequate tax assessment and collection.
v. Non-enforcement of laws to punish tax defaulters, mismanagement of funds and corruption of tax officials amongst other factors, are some of the

problems negatively affecting effective assessment and collection of Personal Income Tax.

vi. The hypotheses tested revealed that tax laws and policies significantly affected the economic development of the State, and that taxpayer's attitude and behaviour affects the administration of Personal Income Tax.

vii. Statistical test also revealed that the method and procedures adopted by the tax officials in the assessment and collection of Personal Income Tax brings a low level of tax revenue.

viii. Result of the hypotheses further confirmed that the identified problems of assessment, collection and accountability of Personal Income Tax affect the level of tax returns.

V. Summary, Conclusion and Recommendations

a) Summary of the Study

Examination of the assessment, collection and accountability of Personal Income Tax in urban and rural areas of Akwa Ibom State is the main focus of this study. An indepth assessment of the strength and weaknesses of assessing and collecting of Personal Income Tax in Uyo Local Government Area is our concern and the assessment of the exact extent of tax revenue performance is necessary. The argument of this study is based on the premise that Personal Income Tax is an essential ingredient that makes for economic growth and development; and to identify how Local Government Tax Administration will increase revenue generation. The Local Governments are seen as operating at the level where the first-order issues about the people's wellbeing manifested themselves in their elementary forms.

VI. Conclusion

A large proportion of self- employed and paid - employed in both the urban and rural areas are not complying with the payment of Personal Income Tax. Some claimed that they are not aware of Personal Income Tax, others claimed that government has enough resources at her disposal to carry out its developmental functions and there is no need for them to pay tax, more so the government can mint enough money to take care of her financial needs.

In the face of dwindling Federal Government allocations, the Government of Akwa Ibom State has to rise to her challenges by ensuring that tax payments by citizens are imperative for sustainable development of Akwa Ibom State. Taxes paid by citizens remain a veritable tool for infrastructural development and should be so seen by individuals and corporate citizens.

To attain this, every adult taxpayer in Akwa Ibom State has to obtain a Taxpayer Identification Number (TIN) in compliance with the on-going tax reforms nationwide. All employers of labour have to be held liable and accountable for taxes deducted from all employees in Akwa Ibom State. Oil companies operating in Akwa Ibom State has to see tax payment as an imperative and ensure that PAYE and Withholding taxes including Environmental and Carbon taxes are paid up as at when due.

Good governance is necessities to make the people motivated to pay their taxes voluntarily; which will make the Government provide more infrastructures for the common good of the citizenry of Awa Ibom State, and by extension all States of the Federation of Nigeria. Enlightenment campaigns by the Government to sensitize the citizenry of the State to cheerfully pay their assessment taxes to generate revenue for sustainable development of the State should be pursued vigorously.

VII. Recommendations

The following recommendations are postulated based on our findings in this study:

i. The government should tackle the issue of tax evasion by ensuring that every adult detail is captured in a computerised database and proper record keeping be maintained. Having a taxpayer's database of all taxable adults in Akwa Ibom State and all other states should be a welcome backpack. To make this possible, the Tax Authorities should ensure that all taxable adults in the State should be enumerated as to be known and their due taxes determined by the authority as a comprehensive data in the computerized database which is currently lacking.

ii. Adequate funding of the local tax offices is necessary to equip tax officials to acquire necessary tools for their effectiveness in their discharge of legitimate functions.

iii. Training and re-train of tax officials to detect tax evaders' and avoidances' through detective schemes in the bid to block all such loopholes to increase revenue collections.

iv. Full automation of all revenue collecting processes and procedures is recommended to contain the problem of fraud. It's better to prevent fraud than allowing it and later prosecute offenders. This calls for immediate automation of all process and procedure in the Tax Offices.

v. The problems of poor remuneration of staff should be seriously looked into and better remuneration and incentives including benefits in kind should be approved for the staff of the local tax offices to fully motivate them and put them to a thorough check.

vi. The Board of Inland Revenue should be directed to capture all taxable staff of all Government Ministries, Departments, and Agencies in their database to work out by the system the correct taxable assessment rate and figure monthly and yearly as a means of checking tax evasion and avoidance to capture the true and correct tax rate and amount collectable and for accurate accountability.

vii. The Board of Inland Revenue should promptly and diligently prosecute all tax defaulters (individuals and corporate bodies) who have defaulted in tax payments for over one year or more.

viii. Details of the new Personal Income Tax Act, 2011 should be widely circulated to members of the public who up till now are ignorant of for possible compliance.

ix. Our tax system and laws should be simple, clear and unambiguous and the assessment and collection procedures are straight forward, transparent and friendly.

x. Taxation must be simple, cost-effective in administration to enable compliance easy and possible. For a tax system to be embraced willingly by the public, it must be simple and balanced with its objectives. The government should ensure that the tax system designed to deal with a complex or complicated situation be ease of understanding of all tax details and simplicity of administration which will of a truth help in reducing the cost of administration. Compliance cost must not be too high otherwise there will be a high incidence of tax evasion and avoidance.

xi. Tax laws must remain for a good time and not change incessantly.

xii. Government must put in place serious infrastructural development, which should be visible to the taxpaying public to encourage voluntary tax payments by carrying out massive constructions roads and bridges, provision of constant power supply, provision of potable water, good and well equipped modern hospitals and schools, well-connected sewage disposal systems, good public transportation etc. All of these will enable the public taxpayers to appreciate the government and pay their taxes without resistance.

xiii. The Government should put in place an efficient, effective, equitable and just tax system.

xiv. Government has to establish special progressive tax assessment of persons and corporate bodies of affluent in the society, such as owners of housing estates, big hotels, petrol stations, large scale importers and exporters and big contractors to boost internally generated revenue for the government.

xv. There should be continuous reviewing of tax-related laws, tax issues are resolved within two days at most and tax laws be made as simple as possible to the understanding of the citizenry.

xvi. Lastly, the government should consider taxpayers and other key stakeholder's interest in fiscal policy formulation and implementation to achieve improved tax compliance rate in the country.

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Appendix 1

Questionnaire

Section One

Personal Data:

Instruction: Please tick ( ) or write where appropriate.

1. Sex: (a) Male [ ] (b) Female [ ].
2. Age: (a) 21-30yrs [ ] (b) 31-40yrs [ ] (c) 41-50yrs [ ]
   (d) 57 and above [ ].
3. Highest Educational Qualification: (a) SSCE [ ] (b) OND [ ]
   (c) HND [ ] (d) B.sc [ ] (e) M.sc [ ] (f) others please specify:………….
4. Department: (a) Statistics [ ] (b) Finance [ ]
   (c) Revenue/Planning [ ] (d) Budget [ ] (e) Audit [ ].
5. Rank: (a) Top management staff [ ] (b) Middle Management Staff [ ]
   (c) Low management staff [ ].
6. Work Experience: (a) I-10yrs [ ] (b) 1 I-20yrs [ ] (c) 21-30yrs [ ]
   (d) 31 and above [ ].

Section Two

Issues on Personal Income Tax Administration in Urban and Rural areas of Uyo

7. How can the facilities needed for operations in this Revenue unit be termed (a) Adequate [ ] (b) Inadequate [ ] (c) Grossly inadequate [ ].
8. Does the ignorance of most taxpayers hinder the effective administration of Personal Income Tax in this local Government Area? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
9. Do you think most tax payers in this town submit proper and accurate records of their incomes for tax assessment? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
10. What do you think is the problem militating against effective Collection of Personal Income Tax in this Local Government Area? (a) Poor review of tax laws[ ] (b) Traditional tax education [ ]Poor facilities to enhance proper and adequate tax assessment and collection [ ] (d) No enforcement to laws punishment to defaulters [ ] (c)Poor attitude of tax payers [ ], (f) Mismanagement of fund [ ], (g) Corruption of tax official [ ], (h) All of the above [ ].
11. Are there any tax reforms in the state since its inception? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
12. What is the extent of performance of tax assessment and collection of Personal Income Tax in this area? (a) High [ ] (b) Moderate [ ] (c) Low[ ].
13. Are tax offenders punished as stipulated by law? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
14. Are adequate tax laws and policies to enhance effective administration of Personal Income Tax in this Local Government Area? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
15. Has taxation played any role in the development of the state? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
16. Do you think the above identified problems of assessments and collections of Personal Income Tax affect the level of tax returns? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
17. Has tax revenue improved tremendously in the State Internally generated revenue? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
18. Do you think the tax reforms affect the performance of tax Revenue of Akwa Ibom State from 1988-2013?(a) Yes [ ] (b) No [ ] (c)Undecided [ ].
19. Are the methods and procedures adopted for assessment and collection of personal Income tax in the revenue unit sufficient to enhance effective tax administration? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
20. Does a taxpayer's attitude and compliance behaviour affect the administration of Personal Income Tax? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
21. What are the main causes of tax evasion? (a) High tax rate [ ] (b) Ignorance [ ] (c) Lack of confidence on the Government [ ] (d) All of the above [ ].
22. Does the tax assessment and collection procedures used by the state board reduce tax evasion? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
23. How would you rate revenue generation from taxes of the state? (a) High [ ] (b) Low [ ] (c) Growing [ ] (d) Not certain [ ].
24. Do the tax collection procedures in the state tax board encourage voluntary compliance? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
25. Tax administration in this state is it, (a) efficient [ ] (b) Effective [ ] (c) both efficient and effective [ ] (d) Neither efficient nor effective [ ] (e) Not certain [ ].
26. What are the problems affecting tax collection procedures and administration? (a) Non-compliance b tax payers [ ] (b) Economic constraint [ ] (c) Poor enlightenment and communication [ ] (d) Insufficient facts about tax payers [ ] (e) All of the above [ ].

27. Which of the following do you recommend as possible solution towards improving tax administration and compliance in the state? (a) Improvement of public expenditure [ ] (b) Constant review of tax to favour economic situation [ ] (c) Dismissal of fraudulent tax officials [ ] (d) Employment of adequate and efficient staffs [ ] (e) Provision of modem equipment and office space [ ] (f) Improvement of tax benefit to encourage increase in tax morality [ ] (g) Others, please specify………..
28. When does the statute of limitations begin expiring on income taxes owed? (a) Beginning of the year [ ] (b) middle of the year [ ] (c) End of the year [ ].
29. If an individual has not filed income tax for several years can the Individual refile those income tax returns now? (a) Yes [ ] (b) No [ ] (c) Undecided [ ].
30. Has there been any empowerment in the performance of tax officials? Yes [ ] (b) No [ ] (c) Not sure [ ].

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The Empirical Evaluation of how Public Expenditure Influences Economic Growth in Nigeria

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Keywords: government, capital expenditure, recurrent expenditure, economic growth, investment, health, education, and agricultural sector.

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Strictly as per the compliance and regulations of:

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I. Introduction

a) Background to the Study

An important instrument of government to control the economy of a nation is that of Capital and recurrent expenditure. These two important tools are used sine quo to fine-tune the economy in promoting economic growth. Government expenditure notably on social and economic infrastructure can be growth-enhancing although the financing of such expenditure to provide essential infrastructural facilities including transport, electricity, provision of potable water and good sanitation especially proper waste disposal, provision of quality education and health are key. Inuwa, (2012) stated that the relationship between government expenditure and economic growth has continued to generate sense or controversies among scholars in economic literature. Accordingly, the nature of the impact of government expenditure on economic growth is a foregone conclusion, and incontrovertible. While some researchers such as Tuban, (2010) believed that the impact of government expenditure on economic growth is negative or non-significant, others such as Alexiou, (2009) were of the view that the impact is positive and significant. The structure of Nigerian government expenditure is categorized into capital and recurrent expenditure (Muritala 2011). Under the recurrent expenditure lie government expenditures on administration such as wages, salaries, interest on loans, maintenance cost, etc. and that of capital expenses centres on capital project such as construction of trunk and feeder roads, international and local airports, Tertiary, Secondary and Primary education, telecommunication networks, electrification of towns and villages with solar and generating sets or connection to the national grid, building of Hospitals and Dams etc. which are generally referred to as capital expenditure. The pattern of government spending in Nigeria relative to economic growth is still an enigma. The theoretical positions on the subject are quite diverse, making spending a source of economic stagnation as it were. Empirical research does not conclusively see government spending as a stagnation as a few studies found the spending pattern as having a significantly negative relationship between government spending and economic growth in real output of goods and services. It is against this backdrop, that this study is undertaken to empirically evaluate the impact of government expenditure on economic growth in Nigeria.

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b) Statement of Problem

It is of true attestation that the Federal Government of Nigeria's Capital and Recurrent expenditure has continued to rise over the years as a result of huge receipts from production and sales of crude oil, calling forth an increased demand for public goods like construction of more roads, improvement in communication gadgets, increase in power generation, increased educational institution and equipment's and provision of better health services etc. Besides, there has been increasing demands for the government to provide both internal and external security for the people and the nation. Available statistics revealed that total government expenditure (capital and recurrent) and its component have continued to rise in the past decades. Government total recurrent expenditure increased from N4,846.7m in 1981 to N 7,576.4m in 1990, and N 36, 219.60m in 1995, while that of Recurrent expenditure was N461,600.00m and N1, 589,270.00m in 2000 and 2007; and further increased to N 3,314,513.33m in 2011 and N 33,255,178m in 2012. In the same, composition of government recurrent expenditure shows that expenditure on defence, internal security, education, health, agriculture, construction, and transport and communication increased during the period under review (see appendix 1); as government capital expenditure rose from N 6,567m in 1981 to N 8,526m in 1986 and further to N 241,688.3m in 2003. Capital expenditure stood at N 918,500m and N 874,800m in 2011 and 2012, respectively (see appendix 2). We also noticed that the various components of capital expenditure (that is, defence, agriculture, transport, communication, education, and health) also show a rising trend (see appendix 2). Although government spending continued to rise, there has not been any meaningful translated of these expenditures into meaningful growth and development, rather Nigeria was ranked among the poorest countries in the world; and many Nigerians have continued to reel in abject poverty, with no less than 50 per cent of Nigeria's population living on an income of less than the US $2 per day. As it were the situation is not satisfactory enough, the nation's infrastructure (in terms of roads and power supply) keep on depleting leading to the wounding up of many industries, thereby increasing the already saturated market of unemployment.

More so, macroeconomic indicators like the balance of payments, import obligation, inflation rate, and exchange rate, were not showing any sign of improvement irrespective of the increasing expenditure of the government. The study therefore empirically examines the impact of government expenditure on economic growth

c) *Objectives of the study*

The general objective of this study is to examine the impact of government expenditure on the economic growth of Nigeria. Howbeit, the specific objectives include the followings:

i. To examine the relationship between government capital expenditure and economic growth in Nigeria.
ii. To investigate the relationship between government recurrent expenditure and economic growth in Nigeria.

d) *Statement of Hypotheses*

The following hypotheses are used to evaluate the impact of government expenditure on the economic growth of Nigeria.

Hypothesis one

Ho: There is no significant relationship between government capital expenditure and economic growth in Nigeria.

HA: There is a significant relationship between government capital expenditure and economic growth in Nigeria

Hypothesis two

Ho: There is no significant relationship between government recurrent expenditure and economic growth in Nigeria.

HA: There is a significant relationship between government recurrent expenditure and economic growth in Nigeria.

e) *Definition of Terms*

Economic growth: This is referred to as a sustained rise in the quantity of the overall goods and services produced in an economy.

Total government expenditure: It refers to all government expenses on consumption, investment, and transfer payments which can be financed through government-generated fund through taxes etc. and by borrowing, seignior age, etc.

Capital expenditure: It is government money used to purchase, upgrade, improve, or extend the life of long-term assets which are typically property, infrastructure, or equipment with a useful life of more than one year.

Recurrent expenditure: This refers to payments made by governments or organization for all purposes except capital cost. Recurrent expenditure includes a payment made on goods and services as well as interest and subsidies.

II. Theoretical Framework and Literature Review

a) *Conceptual Framework*

The need to have a better way of government's expenditure has raised a lot of questions on the impact of government expenditure on economic development and growth of nations. There has been a steady increase in government spending without an appreciable increase in economic growth and development in Nigeria as well as in other developing economies which has led to several types of research. Interest in growth theories has also invigorated interest among researchers in verifying and understanding the link between government fiscal policies and economic growth.

Despite the huge amount of public expenditures, there is still an insignificant level of development in Nigeria which calls for concern. Public expenditure on all sectors of the Nigerian economy is expected to lead to economic growth in the sense that capital and recurrent expenditure ought to boost the productive base of the economy. The inconclusiveness in interest by economists in Nigeria and other jurisdictions on the role of government expenditure calls for more research.

Barro (1990) while writing on government spending in a growth model analysed the relationship that existed between the size of government and rates of growth. He concluded that an increase in resources devoted to nonproductive government services is associated with lower per capita growth. Therefore, government expenditure which enhances economic growth should be tailored towards productive services.

Barro and Grilli (1994) opined that Government spending includes all government consumption and investment but excludes transfer payments made by a state. Government expenditure is for the acquisition of goods and services for current use in satisfying individual or collective needs of the members of the community or it can be for acquisition of goods and services intended to create future benefits such as infrastructure investment, and that the expenditures can represent transfers of money, such as social salaries and cost of administration.

i. *Economic growth*

Economic growth is the process by which national income or output is increased. An economy is said to be growing if there is a sustained increase in actual output of goods and services per head. The rate of economic growth, therefore, measures the percentage increase in real national output, during a period usually a year over the preceding years level (Anyanwocha, 1993).

Todaro and Smith (2007) have defined economic growth as a steady process by which the productive capacity of an economy is increased over time to bring about rising levels of national output and income.

Economic growth is the increase in per capita gross domestic product (GDP) with other measures of aggregate income. It is often measured as the rate of change in real GDP and only refers to the number of goods and services produced in an economy. Economic growth can be either positive or negative; and when the economy is shrinking, we refer to that as Negative growth, which is associated with economic recession and economic depression.

Economic growth refers to an increase in a country's potential GDP, depending on how the national product has been measured. Economic growth must be sustained for a developing economy and to break the circle of poverty a country must pursue a fiscal policy to achieve accelerated economic growth.

Economic growth represents the expansion of a country's potential GDP or output. For illustration, if the social rate of return on investment exceeds the private return, then tax policies that encourage growth rate and levels of utility can be adopted. Growth models that incorporate public services, encourage optimal tax policy which hinges on the characteristic or types of services rendered.

Tanzi (1994) observed that fiscal policy applies to the use of fiscal instruments of taxation and spending to influence the working of the economic system to maximize economic welfare with the overriding objective of promoting long-term growth of the economy. Therefore, growth means an increase in economic activities.

Todaro (1995) citing Kuznets defined a country's economic growth as a long-term rise in capacity to supply increasingly diverse economic goods to its population, and this growth capacity is based on advancing technology and the institutional and ideological adjustment that it demands.

According to Timothy and Abomaye-Nimenibo (2019), economic growth means an increase in national income, which is an increase in the total output of goods and services of a nation. Increase in per capita income means that total output during a particular period must be rising than the rise in production.

Suleiman (2009) observes that the size of Government and its impact on economic growth has emerged as a major fiscal management issue facing economies in transition. He went on to say that previous researches have focused predominantly on size of government in industrialized countries, but given the openness of most developing countries (DCs), trade dependency, the vulnerability to external shocks, and volatility of finances, the role and size of government become germane to adjustment and stabilization programmes.

Mitchell (2005) has argued that a large and growing government is not conducive to better economic performance; while Abu and Abdullah (2010) observe that government expenditure has continued to rise due to the huge receipts from production and sales of crude oil, which brings about an increased demand for public goods like roads, communication, power, education and health. Besides, there is an increasing need to provide both internal and external security for the people and the nation. Available CBN statistical data show that total government expenditure (capital and recurrent) continued to rise throughout the period of that study.

The relationship between public expenditure and economic growth has continued to generate series of controversies among scholars, and the nature of its impact is inconclusive and while some authors such as Akpan, (2005) believed that the impact of government expenditure on economic growth is negative or non-significant, others like Korman and Brahmasrene, (2007) believed that the impact is positive and significant.

Aregbeyen (2007) established a positive and significant correlation between government capital and public investment and economic growth, but, that of current and consumption expenditures were negatively associated. Other studies also confirm either a negative or a positive correlation/relationship between fiscal policy (government expenditure, public investment or related variables used as proxies) and economic growth.

Economic growth is seen in two perspectives:

b) Output Growth

Economic growth is measured in quantitative terms of national income per head, output per worker, gross domestic product, etc. For example, in a situation where the salary per head of staff rises from say N250, 000.00 to N300, 000. 00, we refer to such increase as an element of economic growth. Similarly, an increase in the total gross domestic product (GDP) is an indication of economic growth. However, this increase should not be taken to mean an increase in the welfare of the person since an increase in output or income per head may not necessarily improve the welfare of the people which will be termed as economic development.

Economic growth means the process whereby more goods and services are available to satisfy the needs of society. It also means the expansion of an economy's capability to produce the goods and services the citizenry want in a given period. The productive economy depends on the quantity and quality of resources as inputs as well as on the level of technological development of a nation.

Nigeria is an agro-based country which predominant occupation is agriculture with its allied activities like farming, poultry, cattle rearing, fishing, animal husbandry, etc. which has in its employees according to recent statistics, about 23 per cent of the labour force in Nigeria. They are producing about 22 percent of the country's GDP (Gross Domestic Product).

However, due to defective planning and improper implementation of policies, the productivity of Nigeria's agriculture is very meagre compared to foreign countries. Low productivity was also attributable to improper land tenure, inadequate credit system, primitive technology which is still in vogue and old ways of cultivation and irrigation, urban migration, the quest for white collar jobs, etc. To overcome all these technical hitches, the government has adopted several measures, including land reforms, School to land, the green revolution; Operation feed the nation, etc. for the growth of per hectare agricultural production but the results are not still encouraging.

c) Industrial Growth

Irrespective of all the various developmental plans adopted by the Government of Nigeria in realizing industrialization has not to yield sufficient realization as long as there is no lasting or enduring development of small and heavy industries such as steel and iron industry, cement industries and self generating power supply, etc. Even though businesses producing consumer goods are on the increase, the capital goods industries are not increasing at the same pace. Towards solving this problem, the government of Nigeria decided to privatize and commercialize the government own companies and also giving out licenses open-handedly to private sector investors to develop consumer goods industries along with few engineering goods companies. The government also resorted to reactivate and revamp small and medium scales industries such as industries producing defence ammunition, railway spare parts, rehabilitation of power and energy sector. Proper credit facilities and adequate subsidies with soft loans are also being provided to industrialists to increase their scale of production.

Even though there has been slow growth in wholesale and retail trade, transportation, there has been tremendous growth in communication, financial intermediation, education, health, and social work sectors as well as in hotel and restaurants business.

Despite the reforms in the industrial sector, yet that of export and import businesses has been stifled, and domestic industries are finding it difficult to stand especially in the face of an embargo on the importation of raw materials (Abomaye-Nimenibo and Timothy, 2019).

i. *Economic Development*

Economic development refers to the system through which the welfare of the citizens of a nation is improved economically so that their present state of well-being should be better than their former state. It means developing the economic wealth of countries, regions or communities for the well-being of its citizenry with the view of improving the economic well-being and quality of life for the citizenry and creating jobs for them. Wellbeing of the people of a state within its geographical expanse. Economic development is a concept that is widely used every day.

It is also known as the process by which emerging economies become advanced economies whereby those nations with low living standards become nations with a high living standard. Economic development is akin to the overall improvement in health, socio-economic well-being, and academic level with a constant increase in income per capita, etc. (Abomaye-Nimenibo and Timothy, 2019).

ii. *Economic Growth versus Economic Development*

Human development is said to be a one-sided process, yet it remained the very goal of every society at all times. The term 'development' until recently meant growth measured by GNP or rise in per capita income. Yet development is not growth. Perhaps it could be growth coupled with social justice according to Kayode and Oyeranti, (1999).

Pearce and Warlord (1993) defined economic developments as achieving a set of social goals, and those goals are bound to change over time through a process. An economy in the process of economic development is likely to experience a combination of three sets of changes: (a) an advance in utility; (b) a major factor contributing to advancement in wellbeing of a real income per capita, and (c) advances in the realms of education, health and general quality of life.

Goulet (2009) argued that economic development involves advances in skills, knowledge, capability and choice with Self-esteem and Self-respect. It is also independence from domination by others or at times from the state which is a major characteristic of an economy that can be said to be developed.

Lngham (1993) opined that development must be understood from two perspectives implying that changes lead to improvement or progress and that every economy that raises its per capita level of real income for a specific period without transforming its social and economic structure is unlikely to be perceived as developing.

Todaro (2011) perceived development in terms of the reduction or elimination of poverty, inequality and unemployment that is economic in character must involve a change in the composition of an economy's outputs and inputs.

iii. *Composition of economic growth*

Public spending plays an important role in supporting economic growth. When public spending is at a lower level it means that fewer revenues are needed to achieve balanced budgets, which also means that lower taxes can be levied, therefore contributing to stimulate growth and employment. Public spending is a key variable that influences the sustainability of public finances via effects on fiscal balances and government debt. Moreover, better control of fiscal variables would eliminate or reduce the possibility of the fiscal policy itself being a source of macroeconomic volatility. If we accept that fiscal policy is in some cases driven by considerations which are not linked to macroeconomic stability, then there is the possibility that by limiting such actions the society will gain by having less economic volatility in terms of output and investment; leading to higher economic growth. Generally speaking, authorities would like to redirect public expenditure towards increasing the importance of capital accumulation – both physical and human as well as support such areas as research, development, and innovation.

To understand how to restrict fiscal policy volatility and check government size, it is particularly important to understand which components of government revenue and spending are most detrimental to growth. The channel, through which fiscal policy affects growth when understood properly, will enable the authorities of government to redirect public spending and revenue properly and control other components which are limited. We, therefore, provide some answers to this composition issue and address the effects of both government size and fiscal policy volatility on economic growth using the volatility of the cyclical components of the budgetary variables.

iv. *Government expenditure*

The rising trend between government spending and economic growth have called for different arguments among scholars and policymakers. There are two basic roles government play in an economy and they are maintenance of law and order (i.e. making and enforcing these laws and orders passed), which is the protection of lives and properties of the nation as well as providing public goods such as good roads, education, health, defence, power and so on (Abomaye- Nimenibo, 2019). Protection function consists of the creation of the rule of law and the enforcement of property rights. This helps to minimize risks of criminality, protect life and property, and the nation from external aggression; while the provisions of public goods are defence, roads, education, health, and power, just to mention but a few. Some scholars argue that an increase in government expenditure on socio-economic and physical infrastructures encourages economic growth. For example, government expenditure on health and education raises the productivity of labour and increase the growth of national output. Similarly, expenditure on infrastructure such as roads, communications, power, etc., reduces production costs, increases private sector investment and profitability of firms, thus fostering economic growth. Supporting this view, Ranjan and Sharma (2008) and Cooray (2009) concluded an experiment where the expansion of government expenditure was found to have contributed positively to economic growth.

Scholars have argued over time that increase in government expenditure on socio-economic and physical infrastructure fosters economic growth. For example, expenditure on education and health raises the level of national output through improved quality of labour and productivity. Similarly, spending on infrastructure such as roads, communications, power and so on reduces production costs and increase the profitability of firms, thus fostering economic growth. Series of arguments and studies have emerged on the platform saying that an increase in government spending does not promote growth and development, rather reduce the overall performance of the economy. Buttressing this argument is the fact that an increase in government spending may result from an increase in taxes or borrowing. This is so when higher taxes are imposed, individuals get discouraged because income is reduced and the number of hours they worked also reduces. On the side of the coin, higher profit tax increases production cost and reduces investment expenditure as well as profitability. If the government in a different dimension resort to borrowing to finance projects rather than raising taxes, then private sector investment will reduce and growth will also be deterred. In Nigeria, government expenditure has always been on the increase due to the inflow of revenue as a result of an increase in the flow of revenue from production and sales of crude oil. This is however accompanied by a huge demand for public goods such as roads, electricity, and education, and health, external and internal security etc. With this context, statistics has it that government capital and recurrent expenditure have continued to rise in the last forty (40) years or so.

Despite the huge government expenditure, the economy of Nigeria has not been translated into reasonable growth and development. This is true as the country is still ranked as one of the poorest in the world. In the last few years, her balance of payment, inflation and exchange rates, national savings and other macroeconomic indicators have not been behaving healthily. This is depicted by the fact that there has been serious winding up of many industries partly because of a breakdown in infrastructure or as a result of the high rate of unemployment.

However, some scholars did not support the claim that increasing government expenditure promotes economic growth, they rather assert that higher government expenditure may slow down the overall performance of the economy. For instance, in an attempt to finance rising expenditure, the government may increase rates of taxes and/or borrowing. Higher-income tax discourages individuals from working for long hours or even searching for jobs, which in turn reduces income and aggregate demand. On the other hand, higher profit tax tends to increase production costs and reduce investment expenditure as well as the profitability of firms. If the government increases borrowing especially from the banks to finance its expenditure, private sector investment will be low. Furthermore, in a bid to score cheap popularity and ensure that they continue to remain in power, politicians and government officials sometimes increase expenditure and investment in unproductive projects or in producing goods that the private sector can produce more efficiently. Studies by Laudau (1986), Barro (1991), and Henrekson (2001) suggested that large government expenditure harms economic growth.

v. *Composition of government expenditure*

The composition of public government expenditure has been attracting the attention of economists in recent times due to its effects on the level of growth. Government expenditure is expected to be the means of reducing the negative impacts of market failure on the economy. Nevertheless, allocations of public expenditure with a lack of consideration for the urgent needs of the country may engender greater distortion in the economy which may be detrimental to growth. Hence, from 1960, it has become a yearly procedural for the government to allocate public expenditure into various sectors of the economy. However, the impact of the composition of public expenditure on the level of growth is not felt. If government allocations to the various sectors are determined by political consideration rather than economic reasons, market distortion will be aggravated with an increase in government expenditure. Where the problem of rent-seeking is rampant, public expending compositions will be disproportionally shifted based on rent-seeking for personal benefits rather than achieving rapid economic growth. Are the compositions of public expenditure growth-enhancing or growth retarding in Nigeria? Is there any need for the composition of government expenditure to be adjusted to accelerate rapid economic growth? Earlier research in this area in Nigeria has been to investigate the impacts government investments on variables like manufacturing performance and employments (Adenikinju; 1998 & Hossein; 1998).

In the same manner, the composition of government recurrent expenditure shows that expenditure on general administration, defence, internal security, education, health, drinking water, local development, agriculture, construction, and transport and communication increased during the period under review. Moreover, government capital expenditure rises considerably yearly in Nigeria. Furthermore, the various components of capital expenditure (that is, economic service, social service, defence, agriculture, transport and communication, education and health) also show a rising trend between 2000 and 2012 as can be averred in the yearly budget. Before the endogenous growth theory, as proposed by Barrow (1991), no significant relationship was predicted to exist between economic growth and public expenditure. In fact, in the Solow growth model (1956) public expenditure is only related to the equilibrium factor ratios and it is assumed that public investment is not related to long-run economic growth in the neoclassical perspective. However, the recent argument in favour of the significant relationship between long-run economic growth and public expenditure rests on the inclusion of fiscal policies into the endogenous growth model with the conclusion that public spending can affect the long-run economic growth (Barro and sala-Martin, 1992). Government consumption expenditure is assumed to be negatively related to long-run growth while public investment expenditure is predicted to be positively related to long-run growth. Barro (1990) further argued that government consumption expenditure connotes leakages in the production process due to its non-entrance into the private production functions as well as it negative relationship with returns on private investment which invariably poses discouragement to investors.

However, public policies can be sued to enhance the efficient allocation of the resource by correcting market failure and thus encourage higher human and physical capital productivity. Productive public expenditure is expected to boost the steady-state growth rate but this argument depends on the composition of the public expenditure. Consequently, the trade-off between consumption and productive public expenditure will ultimately determine the effects of government expenditure on the long-run economic growth, (Kneller, Bleaney, and Gemmell; 1999). Therefore, while the neoclassical models assumed transitory public expenditure effects on economic growth the endogenous model predicts permanent steady-state growth effects of public expenditure.

Theoretical repositions on the relationship between the composition of government expenditure and economic growth unlike many other theories originated from empirical findings. The explosion of empirical studies on the endogenous models led to the division of public expenditure into productive and consumption items. (Landau, 1983; Aschauer, 1989; Barro's 1990, 1991) The productive expenditure is assumed to be positively correlated with economic growth while the consumption expenditure is assumed to be negatively related to growth. The most comprehensive theoretical model is that of Devarajan, Swaroop and Heng-fu-Zou (1996) in which the conditions under which a change in the composition of public expenditure could enhance the higher steady-state growth rate of the economy was derived. They concluded that the generally assumed productive expenditure could become unproductive if the amount allocated to them is excessive. However, there is no consensus yet in the literature about which public expenditure is productive or unproductive (Musgrave, 1997).

vi. *The History of Public Expenditure in Nigeria*

Adebayo (1969) reconnoitred Nigeria's public expenditure management between 1946 and 1966 and identified four stages of its evolution that is – from 1946 to 1952 being an era of three regions with two sources of revenue, namely: regional taxes and federal block grant, with expenditure guided purely by the derivation principle; and the second from 1952 to 1954 (an era when regions were given independent tax jurisdiction, with the statutory share of federal revenue, whereas need, national interest and revenue derivation principle were the primary indices for sharing or expending the revenue).

The third phase was 1954 to 1959 when the North and West aligned to reintroduce revenue derivation principle as the only expenditure determinant; while the final phase was from 1959 to 1966, necessitating the discovery of oil in the East and the consequent abrogation of derivation as the only determinant factor. The fourth phase was characterized by the absence of the fiscal adjustment process, lack of effective coordination of producer price policy in the regions and their harmonization with the national monetary and fiscal policies.

Adebayo therefore, observed that the Nigerian fiscal system evolved and operated on the principle that negated the main features of public expenditure management, which include among others:

i. Allocation,
ii. Efficiency and
iii. Equity guided by the principle of needs, equity, stability and national interest (Ademolekun, 1983).

This feature has greatly hampered the effective development-oriented fiscal system and was rather an instrument of national conflict. Ademolekun (1983) on his part noted that Nigeria's public expenditure management has been reformed since 1960 passing through many stages whereby in 1960 to 1979 the Minister of Finance was the leader of the budgetary process and chairman of the Treasury Board.

Between 1979 and 2005 the office of the director of the budget was equally established as the expert responsible for the budgetary process under the direct control of the president of Nigeria directing the budgetary process, and he is also the chairman of the Treasury Board.

Jaja (2000) in his evolutionary study of Nigeria from 1900 to 1950 identified a change or shift from colonially controlled and dictated fiscal management system to a centralized system of budgeting and subsequent decentralization. Jaja identified 1900 to 1906 as a period of classical budgetary practices, which revolved around development plans, short term financing policies, objectives and strategies for the several units which later became Nigeria. The period 1907 to 1950 experienced a change to a central budgetary control through the establishment of a small central development board. However, in 1954/55, decentralized Public Expenditure Management (PEM) aimed at solving the problems of the regions were introduced being inflexibility, inappropriate coordination of budgetary process and proliferation of offices responsible for budgeting, non-professionalization of the system and government disregard for fiscal regulation, as the problem confronting Public Expenditure Management as at then (Jaja, 2000).

Generally, Ukwu et al. (2003) summarized the weaknesses of Public Expenditure Management (PEM) in Nigeria as:

i. Lack of rigour at the bureaucratic level.
ii. Lack of clear vision and functional cooperation at the political level.

iii. Very little involvement of the civil society, except for formalistic consultation of or with the organized private sector, in the entire planning process.

iv. Ill-equipped and inefficient bureaucratic.

ADI (2005) noted that Nigeria's PEM is structured after oil income such that in periods of boom, expenditure is ratcheted up while periods of lower oil prices become one of crisis, inefficiency in resource use, waste and misplaced priorities in government expenditure, high fiscal federal structure that places little or no premium on inter-temporal fiscal solvency, and poor institutional mechanism for regulating actions of the debt burden, huge recurrent expenditure furniture burdens, inefficient delivery of services and distortion in the incentive structure for both the private and public sectors. There have also been traces of seeming lack of political will and commitment to abide by stipulated rules and budgetary guidelines, inability to develop a macro-economic framework for budget formation, role obscurities among various government agencies concerned with PEM, lack of coordination between the office of the Accountant General of the Federation (AGF) and the Central Bank of Nigeria (CBN), slow budget process fraught with errors, among other things (Akinyene, 1981; Ukwu et al., 2003).

UNCTAD (2003) on its part noted that Nigeria has pursued a long term expenditure management framework. While Gowon and Obasanjo's regimes pursued nine years' development plans, the Babangida administration embarked on ten years SAP programme, and the Abacha administration pursuit was a fifteen-year vision 2010 programme.

d) Growth Theories

Economic growth theory deals with the long-run growth trend of the economy, or potential growth path (Branson, 2012). The focus is on factors that lead to economic growth over time and analysis of the forces that allow some economies to grow rapidly, some slowly and others not at all. Early growth theories emphasized different aspects of the economy.

While the Mercantilists emphasized a surplus balance of trade, the Physiocrats emphasized agriculture as the source of all wealth while the Camera lists favoured taxation and state regulation for a strong economy (Lombardi, 2011). Within the framework of the classical models of Smith and Malthus, economic growth is described in terms of fixed land and growing population. But without technological change, the increasing population eventually exhausts the supply of free land and triggers the law of diminishing returns which results in declining real wage down to subsistence level at which point Malthusian equilibrium is obtained.

The Keynesians see demand as a prerequisite for growth. Therefore, their analysis concludes that aggregate demand management policies can and should be used to improve economic performance. In the Keynesian model, an increase in government expenditure especially on infrastructures leads to higher economic growth.

The Neo-classical growth models contend that government fiscal policy does not have any effect on the growth of national output. However, it has been argued that government fiscal policy (interventionism) helps to improve failure that might arise from the inefficiencies of the market.

In exploring the Keynesian framework, Harrod-Dommar model pointed out some dynamics of growth which determines the equilibrium growth rate in the economy, maintaining the balance between supply and demand for a country's output. On the supply side effect, savings is a function of the level of GDP while investment is an important component of the demand for the output of an economy as well as the increase in capital stock. Therefore, the equilibrium rate of growth is given by matching proportionate change in output with the ratio of savings-output to that of capital-output. This sustains the economy along some warranted a steady growth path.

Therefore, temporary deviations from the warranted growth path would not be self-correcting, because of the lack of self-correcting forces within the dynamics of the model. It is to be characterized by 'knife-edge instability' i. e. market-regulated growth espoused by the model is unstable and, thus, necessitates government intervention.

e) Empirical Literature

A good number of studies have been carried out focusing on the relationship between government expenditure and economic growth in developed and developing countries like Nigeria. The results varied from one study to another. Alexander (1990) applied the OLS method for a sample of 13 Organization for Economic Cooperation and Development (OECD) countries during the period ranging from 1959 to 1984. The results revealed among others that, government spending has a significant negative impact on economic growth.

Gregarious and Ghosh (2007) made use of the heterogeneous panel data to study the impact of government expenditure on economic growth and their results revealed that countries with large government expenditure tend to experience higher economic growth than others with less government expenditure.

Devarajan and Vinay (1993) used panel data for 14 developed countries for a period ranging from 1970 to 1990 and applied the Ordinary Least Square statistics on 5-years moving average. They took various functional types of expenditure (health, education, transport, communication, and Defence.) as explanatory variables and found that health, transport and communication have significant positive effect economic growth, while education and defence harm economic growth.

Using panels of annual and period-averaged data for 22 Organizations for OECD countries during 1970 to 1995, Blarney et al (2001) studied the impact of government spending on economic growth applying OLS and GLS methods, and they found that productive public expenditures enhance economic growth, but non-productive public spending does not. Their result was in line with the predictions of Barro (1990) model.

Gemmell and Kneller (2001) provided empirical evidence on the impact of fiscal policy on long-run growth for the European economy. Their study required that at least two of the taxation, expenditure and deficit effects have to be examined simultaneously. They employed panel and time series econometric techniques, on the endogeneity of fiscal policy. Their results indicated that while some public investment spending impacts positively on economic growth, consumption and social security spending have zero or negative growth effects on economic growth.

Mitchell (2005) evaluated the impact of government spending on economic performance in developed countries. He assessed the international evidence, and reviewed the latest academic research, cited examples of countries that have significantly reduced government spending as a share of national output and went on to analyse the economic consequences of these reforms. Regardless of the method of study or model employed, he concluded that a large and growing government is not conducive to better economic performance. He further argued that reducing the size of government expenditure would lead to higher incomes and improve American's competitiveness.

Olorunfemi, (2008) studied the direction and strength of the relationship between public investment and economic growth in Nigeria. He used time-series data from 1975 to 2004 and observed that public expenditure impacted positively on economic growth and that there was no link between gross fixed capital formation and Gross Domestic Product. He averred that from disaggregated analysis, the result reveals that only 37.1% of government expenditure is devoted to capital expenditure while 62.9% share is to recurrent expenditure.

Olepade and Olepade (2010) study centres on how fiscal and monetary policies influence economic growth and development. The essence of their study was to determine the components of government expenditure that enhance growth and development, and also identify those variables or components that do not enhance economic growth and development and recommend those that should be cut off or reduce the amount of government spending on them to the barest minimum. The study employs an analytic framework based on economic models, statistical methods encompassing trends of analysis and simple regression. They find no significant relationship between most of the components of government expenditure and economic growth in Nigeria from the period ranging from 1970 to 2008. They used disaggregated analysis in an attempt to unravel the impact of government expenditure on economic growth. Their results revealed that government total capital expenditure and total recurrent expenditure on Education have a negative effect on economic growth; and on the contrary, an increase in economic growth. They recommend that the government should increase both capital expenditure and recurrent expenditure including expenditure on education as well as ensure that funds meant for development on these sectors are properly utilized. They also recommend that the government should encourage and increase the funding of anti-corruption agencies to tackle the high level of corruption found in public offices in Nigeria.

f) *Summary of Reviewed Literature*

Eminent scholars such as Alexander (1990) applied OLS method for a sample of 13 organizations for economic cooperation and Development (OECD) countries panel during the period ranging from 1959 to 1984; and his result revealed among others that, government spending has a significant negative impact on economic growth. Gregarious and Ghosh (2007) made use of the heterogeneous panel data to study the impact of government expenditure on economic growth for a period ranging from 1970 to 1990, applied the Ordinary Least Square method on 5-years moving averages. They took various functional types of expenditure (health, education, transport, communication and defence) as explanatory variables and found that health, transport and communication have a significant positive effect while education and defence do not impact on economic growth. We also see Bleaney et al (2001) who also studied the impact of government spending on economic growth; Gemmell and Kneller (2001) provide empirical evidence on the impact of fiscal policy on long-run growth for the European economy. Mitchell (2005) evaluated the impact of government spending on economic performance in developed countries. Olorunfemi, (2008) studied the direction and strength of the relationship between public investment and economic growth in Nigeria, using time series data from 1975 to 2004 and observed that public expenditure impacted positively on economic growth and that there was no link between gross fixed capital formation and gross domestic product, etc. However, none of these researchers covers the period 1985-2015 which call for this research work.

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III. Method of Study

Here, we outline the procedures that were adopted to realize the research objectives, including the overall design of the study, data collection and the techniques of data analysis.

a) Research Design

Onwumere (2005), states that a research design is a kind of blueprint that guides the researcher in his or her investigation and analyses. The research design we adopted for this research is the ex-post factor research design. The adoption hinges on the reasons that, the study relied heavily on historical data obtained from the Central bank of Nigeria statistical bulletin from 1985 – 2016, revealing that the even understudy has already taken and therefore does not give room for control or manipulation of the independent variables. The inability of the researcher to manipulate the independent variables is a basic feature of expost facto-research design; and secondly, this type of research design calls forth causal-comparative research which is used when the researcher intends to determine the cause-effect relationship between the independent and dependent variables to establish a causal link between them.

b) Model Specification

The model specification is functionally expressed as:

GDP = f (CAPEX, RECEX,) -------------------------------- (1)

The operational form of the model is:

LOG (GDP) = b0 + b1LOG (CAPEX) + b2LOG (RECEX) + U ------- (2)

GDP = Gross Domestic Product

CAPEX = Government capital expenditure

RECEX = Government recurrent expenditure

b0 = Intercept

b1 - b2 = Coefficients of the independent variables

U = Error term

The Apriori expectation is stated as

b1>0, b2>0,

c) Data Required

The data required for this study is that of annual time series which were collected from secondary sources Central Bank of Nigeria (CBN) statistical bulletin, ranging from 1985 to 2016.

d) Method Of Data Analysis

We use the multiple regression analysis of the ordinary least square (OLS) employing the estimation technique to determine the impact of government spending on the economic growth in Nigeria; using the Econometric software called E-views 3.1 in analyzing the data.

e) Diagnostic Test

The following diagnostic tests were conducted as follows:

Unit root test: The time series properties of data employed in the estimation equation was tested for stationery using Augmented Dickey-Fuller (ADF) unit root test to avoid the problem of spurious regression.

Co-integration test: To investigate whether there is the existence of a long-run relationship among the variables in the estimation, the Johansen test for co integration was employed.

Error Correction Method: This test was conducted to determine the speed of adjustment from short-run equilibrium to long-run equilibrium.

Coefficient of multiple determinations (R2): We carried the test to ascertain the adjusted (R2) to test the goodness of fit which shows the percentage of the total variation of the dependent variable that can be explained by the independent variable. The value of R2 lies between 0 and 1, and the closer R2 is to 1, the better the goodness of fit, while the closer R2 is to 0, the weaker or worse the goodness of fit is.

T-test: This was used to test the statistical significance of the individual regression coefficient. When this was done, the computed or calculated value (cal) was compared with the theoretical/tabulated value (tab) with the n-k degrees of freedom. The acceptance or rejection of the null hypothesis has a definite economic meaning and implication, whereby the acceptance of null hypothesis bi = 0 implies that the explanatory variable to which this estimation of the variable was done does not influence the dependent variable and should not be included in the function.

The essence of F-Test was to determine whether the individual estimated parameters (independent variables) were statistically significant or not. It allows the t-distribution at 5% level of significance. If the computed F-value is greater than the tabulated F-value, we reject the null hypothesis and accept the alternate hypothesis showing that the overall model is statistically significant.

Durbin-Watson statistic was used to test whether autocorrelation is present in the model or not.

IV. Data Presentation and Analysis of Result

The results got from data analyses and the result presented and interpreted accordingly. The Unit Root Test was carried out to analyse data and was followed by the estimation of the regression equation.

a) Unit Root Test

We test the variables for stationarity using the Augmented Dickey-Fuller (ADF) technique

Table 4.1: Unit Root Test Result

VARIABLES	ADF STATISTIC	5% CRITICAL LEVEL	ORDER OF INTEGRATION
GDP	-3.059393	-2.9750	1(2)
RECEX	-7.313748	-3.5731	1(1)
CAPEX	-3.487046	-2.9705	1(1)

The unit root test result from table 4.1 showed that all the variables (TEXP, RECEX and CAPEX) are stationary at first difference except GDP which is stationary at the second difference. This is so because their various ADF statistic values are greater than the 5 per cent critical values in absolute terms.

Table 4.2: Co integration Test Result

Date: 08/23/19 Time: 14:14
Sample: 1985 2015
Included observations: 29
Test assumption: Linear deterministic trend in the data
Series: GDP RECEX CAPEX
Lags interval: 1 to 1

Eigenvalue	Likelihood Ratio	5 Per cent Critical Value	1 Per cent Critical Value	Hypothesized No. of CE(s)
0.798665	77.63853	29.68	35.65	None **
0.554454	31.15777	15.41	20.04	At most 1 **
0.233524	7.712591	3.76	6.65	At most 2 **

L. R Test indicates 3 coin integrating equation(s) at 5% significant level. This suggests that the variables in the model (GDP, RECEX and CAPEX) have a long run relationship.

Table 4.3: Regression Result

Dependent Variable: LOG(GDP)
Method: Least Squares
Date: 08/23/19 Time: 14:17
Sample: 1985 2015
Included observations: 31

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.802672	0.145332	19.28459	0.0000
LOG(CAPEX)	0.223007	0.099104	2.250240	0.0325
LOG(RECEX)	0.822257	0.085253	9.644882	0.0000
R-squared	0.985427	Mean var	dependent	8.681600

Adjusted R-squared	0.984386	S.D. dependent var	2.033611
S.E. of regression	0.254109	Akaike info criterion	0.189656
Sum squared resid	1.807993	Schwarz criterion	0.328429
Log-likelihood	0.060335	F-statistic	946.7009
Durbin-Watson stat	0.884350	Prob(F-statistic)	0.000000

The results as presented in Table 4.3 showed that R-squared value is0.985427 which implies that about 98.54 per cent of the total variation in economic growth (GDP) within the period under study was explained by changes in government capital expenditure (CAPEX) and recurrent government expenditure (RECEX). The F-statistic of 946.7009 with the corresponding probability value of 0.0000 measured the adequacy of the regression model and the overall influence of CAPEX and RECEX on GDP. However, the probability value of the F-statistic is less than 0.05, revealing that the model has a good fit and the explanatory variables jointly exerted a statistically significant effect on the dependent variable (GDP). The Durbin-Watson statistics of 0.884350 shows that there was the presence of serial correlation among the variables, The coefficient of the constant term stood at 2.802672 which implied that if all the explanatory variables (CAPEX and RECEX) are held constant, GDP will remain at 2.802672 units. The coefficient of government capital expenditure (CAPEX) was 0.223007 while the t-value is 2.250240 with the probability value of 0.0325. This shows that if all other explanatory variables in the model are held constant, a percentage increase in government capital expenditure will cause a positive and significant effect on economic growth by 0.223007 units. The coefficient of recurrent government expenditure (RECEX) was 0.822257 with t-value of 9.644882 and probability value of 0.0000 which implies that if all other variables in the model are held constant, a percentage increase in government recurrent expenditure (RECEX) will cause a positive and significant effect on GDP by 0.822257 units.

This result leads to the rejection of the first and second null hypotheses which says that there is no significant relationship between government capital expenditure and economic growth in Nigeria and also, that there is no significant relationship between government recurrent expenditure and economic growth of Nigeria.

Table 4.4: Error Correction Model

Dependent Variable: DLOG (GDP)
Method: Least Squares
Date: 08/23/19 Time: 14:20
Sample (adjusted): 1986 2015
Included observations: 30 after adjusting endpoints

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.161352	0.021652	7.452074	0.0000
DLOG(CAPEX)	0.097281	0.053137	1.830761	0.0786
DLOG(RECEX)	0.122566	0.057534	2.130345	0.0428
ECM(-1)	-0.277891	0.066183	-4.198836	0.0003
R-squared	0.446787	Mean dependent var		0.206456
Adjusted R-squared	0.382955	S.D. dependent var		0.104968
S.E. of regression	0.082454	Akaike info criterion		-2.029576
Sum squared resid	0.176767	Schwarz criterion		-1.842750

Log-likelihood	34.44365	F-statistic	6.999387
Durbin-Watson stat	1.812494	Prob(F-statistic)	0.001326

In this result, the error correction term appeared with statistically significant coefficient with the appropriate negative signs as is required for dynamic stability. The value of the coefficient of the error correction term is 0.277891 showing that the speed of adjustment from short-run equilibrium to long-run equilibrium is 27.79%. All the variables are statistically significant except government capital expenditure (CAPEX). The value of the R2 which is 0.446787 showing that about 44.68% variation in the dependent variable (GDP) were explained by changes in the explanatory variables (CAPEX and RECEX),

and since the probability value of the F-statistic is less than 0.05, the model was a good fit and the explanatory variables jointly exerted a statistically significant effect on the dependent variable (GDP). The Durbin-Watson value of 1.812494 shows weak autocorrelation.

V. Summary, Conclusion and Recommendation

a) Summary

The study examines the impact of government expenditure on the economic growth of Nigeria within the period 1985 - 2015. In our introduction, a comprehensive background statement to the study was given, stating the identified problems as well as the objectives of the study. The research hypotheses were also stated as well as the significance of the study. We also reviewed the various theories associated with our study and that of empirical study as well as stating our model for the analysis and the variables with the sources and methods of data analysis. We adopted the Ordinary Least Squares method of estimation, as well as stating our analysis of results, our discussions on findings. We, therefore, make a summary of major findings and present our recommendations drawing inferences from our study to proffer necessary solutions or policy statements for policymaking.

VI. Summary Of Major Findings

Our major findings include:

i. Government capital expenditure has a positive and significant impact on economic growth in Nigeria, implying that an increase or decrease in government capital expenditure will have a significant impact on the economic growth of Nigeria at least for the period under study.
ii. Government recurrent expenditure has a positive and significant impact on economic growth in Nigeria, which invariably means that an increase or decrease in government recurrent expenditure will have a significant impact on the economic growth of Nigeria at least for the period under study

a) Conclusion

Based on major findings, the study concludes that the government's recurrent and capital expenditures have a significant impact on the economic growth of Nigeria.

b) Recommendations

Given our findings, the following recommendations are made:

i. The government should increase its capital expenditure by way of increasing its investment on the health sector, education sector, and agricultural sector, as well as construction of roads and bridges and provisions of better telecommunication services.
ii. The government should also increase its recurrent expenditure on salaries, transfer payments and welfare services to enable the population to go into the production of goods and services.
iii. While embarking on expenditure, the government should instill fiscal discipline in her expending by initiating far-reaching effective internal control measures and discourage all expenditures on non-productive activities and investments at all tiers of governments.
iv. The independent corrupt practices commission and other related crimes commission should be reformed and modernized to ensure transparency in all government spending.
v. That the CBN's Monetary and Fiscal policies should advocate a lower interest rate to encourage investors to borrow for investment in the production of good and services.
vi. That, monetary authorities and the government to maintain a stable exchange rate to encourage investment both at home and abroad.
vii. The government should give more attention to human capital development.

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Appendix: 1

Nigeria's Data on RECEX, CAPEX and GDP

YEAR	RECEX	CAPEX	GDP
1985	7.58	5.46	192.27
1986	7.7	8.53	202.44
1987	15.65	6.37	249.44
1988	19.41	8.34	320.33
1989	25.99	15.03	419.2
1990	36.22	24.05	499.68
1991	38.24	28.34	596.04
1992	53.03	39.74	909.8
1993	136.73	54.5	1259.07
1994	89.97	70.92	1762.81
1995	127.63	121.14	2895.2
1996	124.49	212.93	3779.13
1997	158.56	269.65	4111.64
1998	178.1	309.02	4588.99
1999	449.66	309.02	5307.36
2000	461.6	239.45	6897.48
2001	579.3	438.7	8134.14
2002	696.8	321.38	11332.25
2003	948.3	241.69	13301.56
2004	1110.64	351.25	17321.3
2005	1321.23	519.47	22269.98
2006	1390.1	552.39	28662.47
2007	1589.27	759.32	32995.38
2008	2117.36	960.89	39157.88
2009	2127.97	1152.8	44285.56
2010	3109.38	883.87	54612.26
2011	3314.57	918.55	62980.4
2012	3325.16	874.83	71713.94
2013	3689.6	1108.39	80092.56
2014	3426.9	783.12	89043.62
2015	3831.95	818.37	94144.96

Source: CBN Statistical Bulletin

Appendix 2

Unit Root Result

VARIABLES	ADF STATISTIC	5% CRITICAL LEVEL	ORDER OF INTEGRATION
GDP	-3.059393	-2.9750	1(2)
RECEX	-7.313748	-3.5731	1(1)
CAPEX	-3.487046	-2.9705	1(1)

Appendix 3

Co integration Test Result

Date: 08/23/19 Time: 14:23
Sample: 1985 2015
Included observations: 29
Test assumption: Linear deterministic trend in the data
Series: GDP RECEX CAPEX
Lags interval: 1 to 1

Eigenvalue	Likelihood Ratio	5 Per cent Critical Value	1 Per cent Critical Value	Hypothesized No. of CE(s)
0.798665	77.63853	29.68	35.65	None **
0.554454	31.15777	15.41	20.04	At most 1 **
0.233524	7.712591	3.76	6.65	At most 2 **

Appendix 4

Regression Result

Dependent Variable: LOG (GDP)
Method: Least Squares
Date: 08/23/19 Time: 16:24
Sample: 1985 2015
Included observations: 31

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.802672	0.145332	19.28459	0.0000
LOG(CAPEX)	0.223007	0.099104	2.250240	0.0325
LOG(RECEX)	0.822257	0.085253	9.644882	0.0000
R-squared	0.985427	Mean dependent var	8.681600	
Adjusted R-squared	0.984386	S.D. dependent var	2.033611	
S.E. of regression	0.254109	Akaike info criterion	0.189656	
Sum squared resid.	1.807993	Schwarz criterion	0.328429	
Log-likelihood	0.060335	F-statistic	946.7009	
Durbin-Watson stat	0.884350	Prob(F-statistic)	0.000000	

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L'entreprise camerounaise face aux financements octroyés par les Institutions internationales et les États étrangers*

By Francis Womdjou

Abstract- One can observe that inside States around the world, the meetings between enterprises, international institutions and foreign States become the occasion to conclude partnership aims to develop and to give international recognition to local enterprises. By doing so, Cameroonian enterprises may stand before financial sources coming from international institutions and foreign States. In fact, this situation let come in light a major opposition between communication and economic cooperation. In other words, is the meeting between enterprises an occasion to prepare an event with international institutions and foreign States or is this meeting an occasion to put in place mechanisms in favor of economic cooperation to ease the development of cameroonian enterprises?

GJMBR-B Classification: JEL Code: E22

LENTREPRISECAMEROUNAISEFACEAUXFINANCEMENTSOCTROYESPARLESINSTITUTIONSINTERNATIONALESETLESETATSETRANGERS

L'entreprise camerounaise face aux financements octroyés par les Institutions internationales et les États étrangers*

(ou Mettre l'entreprise camerounaise à quel niveau?)

Francis Womdjou**

Résumé- Les rencontres deviennent de plus en plus fréquentes au sein des États entre entreprises, institutions internationales et États étrangers à l'occasion des regroupements économiques dans les objectifs avoués de faciliter la conclusion des partenariats entre les différentes parties pour le développement et la visibilité internationale des activités de l'entreprise. Ce faisant, ces rencontres placent, face aux financements, l'entreprise camerounaise devant les institutions internationales et les États étrangers. En réalité, ce qui semble en opposition ici, c'est l'événementiel en matière de communication et la coopération économique. En d'autres termes, la rencontre entre plusieurs entreprises place-t-elle celles-ci en présence d'un événement en préparation par les Institutions Internationales et les États étrangers ou prépare-t-elle celles-ci à entrer en coopération économique pour le développement de l'entreprise camerounaise ?

Motclés: Etat - financement - entreprise - budget - international – étranger.

Abstract- One can observe that inside States around the world, the meetings between enterprises, international institutions and foreign States become the occasion to conclude partnership aims to develop and to give international recognition to local enterprises. By doing so, Cameroonian enterprises may stand before financial sources coming from international institutions and foreign States. In fact, this situation let come in light a major opposition between communication and economic cooperation. In other words, is the meeting between enterprises an occasion to prepare an event with international institutions and foreign States or is this meeting an occasion to put in place mechanisms in favor of economic cooperation to ease the development of cameroonian enterprises?

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*Cette proposition a pour base le Projet de recherche doctorale de l'auteur, ainsi que de son sous-Projet doctoral "Argument public de l'entreprise camerounaise: la transparence". En Annexe de l'article, il est proposé une présentation schématique du Calendrier budgétaire de l'État au Cameroun.

**Titulaire d'une thèse rétrospective (2011) et prospective (2013) en droit, l'auteur a effectué, grâce à une Bourse de l'Agence universitaire de la Francophonie (AUF), un Master en Droit de la coopération économique et affaires internationales à l'Université nationale du Vietnam, puis un stage à l'ambassade du Cameroun en Chine. Grâce au diplôme de Master délivré par l'Université Toulouse 1 Le Capitole, il a engagé une formation doctorale à la Faculté de droit de l'Université Laval. Il y détient une thèse, rétrospective et prospective, en droit. francis.womdjou@gmail.com; franciswomdjou@yahoo.fr; franciswomdjou@hotmail.com

Introducation

Les rencontres entre les entreprises se présentent de plus en plus comme des occasions pour celles-ci de nouer des contacts et d'échanger avec des institutions Internationales et les États étrangers. Comme prétexte à ces rencontres, il est mis en avant le besoin pour les entreprises de promouvoir leurs activités en se donnant plus de visibilité tant en interne qu'au niveau régional et international. Il peut aussi être question pour les entreprises d'espérer trouver des solutions aux problèmes qui se posent à leurs activités tant au niveau de la production, de la transformation ou encore de la distribution. Face à cette situation, en matière de commerce et d'industrie, des mutations sont observées, principalement au niveau de l'Union Africaine. Tout récemment, le Commissaire de l'Union africaine au Commerce et à l'Industrie, en lançant la Semaine africaine de l'industrialisation[1], a attiré l'attention sur un changement de paradigme en cours sur le continent en mettant en avant le concept de chaînes de valeur[2]. Rendant compte des propos de ce haut responsable de l'Union africaine, monsieur Albert Muchanga, la Note d'information publiée à cet effet, pour rendre compte de ses propos, indique: "*He pointed out that one key reason why the early efforts at promoting industrialization just after the independence of most African countries failed, was that there was more*

[1] La Semaine de l'industrialisation de l'Afrique était lancée sous le thème : "Promoting Regional Value Chains in Africa: A Pathway for Accelerating Africa's Structural Transformation, Industrialization and Pharmaceutical Production", Addis Abeba, 21 novembre 2008, https://au.int/en/pressreleases/20181121/african-union-commission-launches-first-africa-industrialization-week-promote (accès le 21 février 2019). L'Agence de presse chinoise Xinhua rend compte de cet événement en langue française, en proposant une traduction du thème en ces termes : "Promouvoir les chaînes de valeur régionales en Afrique : une voie pour accélérer la transformation structurelle, l'industrialisation et la production pharmaceutique en Afrique", http://french.peopledaily.com.cn/Afrique/n3/2018/1123/c96852- 95214 95.html(accès le 21 février 2019)

[2] Au Cameroun, la notion de chaîne de valeur est déjà évoquée dans des décretsprésidentiels d'habilitation en matière financières. Il en est ainsi des décrets pris pour le "financement du Projet d'Infrastructure Agricole et de Développement des Chaînes de Valeurs au Cameroun", Voir Documents, www.prc.cm

focus on import substitution industrialization anchored on importation of raw materials in many countries instead of export led industrialization. The Commissioner recalled the theme of the forum and explained that the paradigm is shifting as Africa is now focused on the development of regional value chains that will supply a larger market space under the African Continental Free Trade Area (AfCFTA), in addition to using the regional value chains to more competitively link Africa to global value chains. He echoed the fact that through the development of regional value chains, industrialists will engage in cross border production of final and intermediate products to exploit large economies of scale offered by the AfCFTA[3]". Ce qu'il faut relever dans le compte-rendu des propos du Commissaire de l'Union africaine, en plus du changement du paradigme, c'est la récurrence à l'usage des mots industrialisation, importation, exportation ainsi que la référence aux matières premières. Avec le changement de paradigme évoqué, il s'agit de produire pour exporter en saisissant l'opportunité de l'entrée prochaine annoncée de la zone de libre échange continentale africaine notamment la récente adoption par l'Union africaine[4] (UA) d'un Accord portant création d'une zone de libre-échange continentale africaine le 21 mars 2018 à Kigali au Rwanda. Et pour marquer les changements à venir, cela commence par la dénomination des activités de promotion de la production de l'entreprise africaine. En d'autres termes, cela se traduit par le "glissement" ou mieux le passage de la Journée à la Semaine. Et c'est vers la Chine qu'il faut se tourner pour apprécier l'ampleur des mutations en cours. En Chine, en effet, il est devenu une tradition pour le corps diplomatique africain accrédité à Beijing d'organiser une Journée[5] de l'Afrique pour commémorer la naissance de l'Organisation de l'Unité Africaine (OUA), institution qui deviendra par la suite, par changement de dénomination, Union africaine (UA). S'appuyant donc sur l'usage de mot Journée en Chine, des communicateurs événementiels ont tenté de donner un autre sens aux Journées africaines en Chine. C'est dans cette perspective qu'il convient de ranger des initiatives comme celles des Journées Économiques Industrielles et Commerciales de l'Afrique en Chine, sans lendemain palpable! Il s'agissait, en fait, de projet de rencontres événementiels, montés par des communicateurs, visant à faciliter le déplacement d'entreprises camerounaises, en particulier, et africaines en général vers la Chine. Mais la récente organisation par la Chine de la China International Import Expo[6] (CIIE), c'est-à-dire une rencontre avec les entreprises des pays vers lesquels la Chine se tournent pour ses importations, est venu doucher à froid les ambitions des promoteurs des Journées économiques, industrielles et commerciales de l'Afrique en Chine. Or, le paradigme annoncé en faveur des chaînes de valeur, suggère de ne plus faire référence à la dénomination des Journées mais de Semaine.

En réalité, ce qui semble en opposition ici c'est l'événementiel en matière de communication et la coopération économique. En d'autres termes, la rencontre entre plusieurs entreprises place-t-elle celles-ci en présence d'un événement en préparation par les Institutions Internationales et les États étrangers ou prépare-t-elle celles-ci à entrer en coopération économique pour le développement de l'entreprise camerounaise ?

Au Cameroun, il se tient, à intervalle presque régulier[7], un Salon international de l'entreprise, de la PME et du partenariat de Yaoundé[8], plus connu comme étant le Salon Promote. Ce qu'il faut noter, de prime abord, c'est la périodicité de la tenue de ce Salon. Depuis son lancement en 2002, il se tient tous les trois ans. Ce fut ainsi le cas jusqu'en 2017. Cette périodicité a été revue à deux ans avec l'organisation en 2019 de la 7ème édition de ce Salon. Le thème central de cette édition est fort évocateur, en laissant interrogateur sur l'objectif réel poursuivi par les organisateurs: placer l'entreprise camerounaise devant les Institutions Internationales et les États étrangers? Le thème, en lui-même, se décline comme suit: "Climat des affaires et développement durable[9]". De l'argumentaire qui y est proposé, il se dégage un besoin exprimé de changement, allant dans le sens de l'institutionnel et du juridique : "Sous ce thème, toutes les parties prenantes

[3] The African Union Commission launches the first Africa Industrialization Week to Promote Regional Value Chains Development in Africa, https://au.int/en/pressreleases/20181121/african-union-commission-launches-first-africa-industrialization-week-promote (accès le 21 février 2019). La Dépêche de l'Agence de presse Xinhua propose une version traduite en français de ces propos: "Une des raisons essentielles pour lesquelles ont échoué les premiers efforts pour promouvoir l'industrialisation, juste après l'indépendance de la plupart des pays africains, était le fait que l'accent était mis davantage sur une industrialisation de substitution des importations, ancrée sur les matières premières dans beaucoup de pays, plutôt que sur une industrialisation tournée vers l'exportation (...) ce paradigme évolue car l'Afrique se concentre aujourd'hui davantage sur le développement de chaînes de valeur régionales qui approvisionneront un plus vaste marché dans le cadre de la zone de libre-échange continentale (ZLEC) africaine, et utilise nos chaînes de valeur régionales pour relier de manière plus compétitive l'Afrique aux chaînes de valeur mondiales"

[4] Le texte de l'Accord est disponible sur le site web de l'Union africaine, https://au.int/sites/default/files/treaties/36437-treaty-consolidted_text_on_cfta-_fr.pdf (accès le 11 décembre 2019)

[5] Le corps diplomatique africain en Chine célèbre la Journée de l'Afrique, http://french.xinhuanet.com/2018-05/26/c_137208439.htm (accès le 21 février 2019)

[6] China International Import Expo (CIIE), https://www.ciie.org/zbh/en/ (accès le 21 février 2019)

[7] L'initiative est à sa 7ème édition en 2019, après celles de 2002, 2005, 2008, 2011, 2014, 2017 et 2019.

[8] Salon Promote, https://www.salonpromote.org/ (accès le 21 février 2019)

[9] Thématique Salon Promote 2019, https://wwwsalonpromote.org/apropos(accès le 21 février 2019)

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sont invitées à jouer chacune sa partition dans PROMOTE par la promotion de l'amélioration du cadre réglementaire, législatif et institutionnel de nature à créer un climat propice aux investissements et à l'initiative privée, la stimulation de l'innovation, la diversification économique passant des secteurs traditionnels à des produits et services à plus haute valeur ajoutée, l'amélioration de la compétitivité et l'évolution vers des économies fondées sur les services et la connaissance, la création de marchés plus intégrés pour améliorer la taille des marchés nationaux, une nouvelle dynamique de coopération Sud–Sud et Sud–Nord[10]". Depuis 2002, l'entreprise camerounaise participe à ce Salon sous différentes thématiques[11], et d'ailleurs, les articles de presse produits à cet effet montre une satisfaction plus ou moins affirmées des entreprises qui y prennent part. Pour l'édition 2019, un Guide du visiteur a été publié. Ce Guide du visiteur présente l'articulation des sous-thématiques qui accompagnent le déroulement du Salon pendant plus de huit jours. En face de l'entreprise camerounaise, pour la grande majorité, il se présente à l'examen que la thématique générale ainsi que les sous-thèmes permettent de placer devant celle-ci des Institutions Internationales comme le Programme des Nations Unies pour le Développement[12] (PNUD) qui assure la coordination du système des Nations Unies à l'intérieur d'un pays comme le Cameroun et l'Union européenne[13] (UE). En plus de ces deux Institutions Internationales, pour ne citer que ces deux institutions grandement visibles dans le Guide du visiteur, des États étrangers se présentent aussi devant les entreprises, et vice-versa. À ce niveau, il convient de citer la Journée Grande-Bretagne[14], la Journée Suisse[15], Ambassade d'Israël[16], le Pavillon France, la Belgique, l'Algérie[17]. S'il est évident qu'il s'agit donc d'un Salon international de l'entreprise, de la Petite et Moyenne Entreprise (PME), la question qui en découle d'elle-même se situe au niveau de la nature du partenariat qui serait mis en oeuvre entre les différents acteurs présents.

Une première hypothèse est celle d'un événement en préparation par les Institutions Internationales et les États étrangers pour lequel un partenariat est recherché chez l'entreprise camerounaise. L'intérêt autour de ce partenariat recherché serait au niveau formel et avoué de la mise à disposition des financements au profit de l'entreprise camerounaise pour sa promotion et son développement. La méthodologie déployée par les différents acteurs consiste à développer une argumentation[18] en lien avec sa nature institutionnelle,

[10] Ibidem. Le début de l'argumentaire est assez explicite sur la volonté de changement: "l'engouement et l'engagement des entreprises étrangères et des institutions internationales justifient d'édition en édition le label « international » de cette manifestation, véritable laboratoire où les parties prenantes venant de plus de 30 pays du monde sont confrontées à l'exigence de la compétitivité, visa pour l'accès aux marchés internationaux, et au défi de la mondialisation. Pour s'arrimer à la situation internationale changeante, PROMOTE se réinvente en un centre de réflexions et se positionne sur le thème « Climat des affaires et développement durable"

[11] Thématique de la première édition de Promote (2002), "Les défis de l'industriel en Afrique, l'investissement, la délocalisation", http://www.cameroon-info.net/article/yaounde-accueille-promote-2002-jusquau-8-decembre-80793.html (accès le 22 février 2019) Thématique de la deuxième édition de Promote (2005), "L'émergence du gouvernement d'entreprise en Afrique centrale", http://www.cameroon-info.net/article/promote-2005-cest-parti-95271.html (accès le 22 février 2019) Thématiques de la troisième édition de Promote (2008), "le développement rural, le compagnonnage et la sous-traitance, les modalités de partenariat entre les secteurs public et privé, la problématique éditoriale en Afrique…" , http://www.cameroon-info.net/article/salon-de-lentreprise-promote-2008-sur-les-startings-blocks-116367.html) (accès le 22 février 2019) Thématique de la sixième édition de Promote (2017), "Le savoir faire n'est rien sans le faire savoir", https://africabusinessinsider.news/2016/08/17/promote-2017-6eme-salon-international-de-lentreprise-de-la-pme-et-du-partenariat-de-yaounde-yaounde-cameroun-11-19-fevrier-2017/ (accès le 22 février 2019)

[12] La sous-thématique où intervient le PNUD est "Innovation jeune et opportunités d'affaires: l'approche du Youth Connekt"; il intervient aussi sous deux autres sous-thématiques: L'inclusion financière pour réduire les inégalités et accélérer l'émergence du Cameroun" et "Le secteur privé: moteur clé dans la réalisation des ODD au Cameroun".

[13] La sous-thématique où intervient l'UE concerne la Coopération Cameroun-Union européenne répartit en deux sous-thèmes, à savoir "État des lieux de la mise en oeuvre de l'Accord de Partenariat Économique" et "Le climat des affaires camerounais: Perspectives et opportunités"

[14] "Partnering for industrial growth"

[15] "Dialogue entre le Cameroun et la Suisse: formation, entreprise et compétitivité"

[16] "Séminaire activités MASHAW au Cameroun"

[17] L'ambassadeur d'Algérie au Cameroun intervient sous le thème : "Les opportunités d'affaires en Algérie et au Cameroun et comment asseoir un partenariat entre les deux pays"

[18] Ouverture de Promote 2019, Célestin Tawamba interpelle le Gouvernement sur la question des devises, https://www.legicam.cm/index.php/p/celestin-tawamba-interpelle-le-gouvernement-sur-la-question-des-devises (accès le 27 février 2019)"L'occasion s'est prêtée pour attirer l'attention de tous sur l'inquiétude des chefs d'entreprises face à l'épineux problème de pénurie des devises. Déjà inquiétés par le faible taux de réalisation (32%) du Programme des réformes économiques et financières de la CEMAC (PREF-CEMAC), entré en vigueur en décembre 2016 et des multiples crises sécuritaires, cette pénurie de devises « met à mal la crédibilité des entreprises auprès des fournisseurs. Elle dégrade les risque-pays de la sous-région, et tend à détourner les institutions en assureurs-crédit de nos entreprises. Elle expose nos entreprises à des risques réels importants au regard de la protection de leurs actifs du fait de la non-effectivité du paiement des primes dues aux compagnies de réassurance internationales. (...) Pour en sortir, le Président Tawamba recommande « l'examen en urgence de la question des devises. Il importe en effet que soient prises des mesures établissant des priorités dans le choix des opérations faisant l'objet d'ordres de transfert. Aussi arbitraire qu'il pourrait être, l'établissement de telles priorités est absolument stratégique, le temps nécessaire de passer un cap critique, afin d'éviter des difficultés en chaîne préjudiciables aux entreprises et à l'économie en général."; Colloque, Appel à "État d'urgence industrielle", https://www.legicam.cm/index.php/p/appel-a-letat-durgence-industrielle (accès le 27 février 2019) "Répondant aux cris de cœur de ces (...) iindustriels, Monsieur Gabriel DODO NDONKE, Ministre de l'Industrie, des Mines et du Développement Technologique a réaffirmé l'engagement du Gouvernement à accompagner et soutenir les

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quitte à obtenir le rapprochement souhaité face à l'éventualité des financements à octroyer ou octroyés[19]. Le recours à l'épistémologie renseigne qu'il s'agit d'une préoccupation de transition mettant, côte à côte, des démarches informelles et formelles. Ces financements appellent à effectuer une recherche sur les sources de financement (1), avant d'aborder la négociation du financement de l'entreprise (2).

1. Les sources de financement de l'entreprise

Au sein de l'État, par la dénomination, la loi des finances peut apparaître de prime abord comme contenant des dispositions en faveur du financement de l'entreprise. Il ne s'agit pas de passer en revue toutes les lois de finances. La recherche se limite aux lois des finances pour les années 2018 et 2019. Il s'agit de dispositions les plus récentes donnant des indications assez fraîches et pertinentes afin de mieux saisir la question de l'entreprise camerounaise face aux financements étrangers. Il en est ainsi pour la loi N°2017/021 du 20 décembre 2017 portant loi des finances de la République du Cameroun pour l'exercice 2018[20] et de la loi N°2018/022 du 11 décembre 2018 portant loi des finances de la République du Cameroun pour l'exercice 2019[21]. La loi peut donc apparaître comme un premier élément susceptible de permettre de constater les prévisions de financement de l'entreprise (1.1). Et, en toute logique juridique, après la loi, c'est le décret qui peut être celui du Président de la République ou celui du Premier Ministre. En matière financière, la recherche s'oriente le plus vers le décret présidentiel habilitant un ministre ou ratifiant une habilitation. Il peut donc s'agir d'un décret pris au profit d'une entreprise. La loi et le décret (1.2) peuvent se lire comme des sources indiquant le financement de l'entreprise. À ces deux sources, il convient de réserver quelques développements sur l'ordonnance du président de la République susceptible d'intéresser directement ou indirectement le financement de l'entreprise (1.3).

1.1. La loi

La loi des finances de l'État pour l'année organise le budget de la Nation en prévoyant les recettes d'une part, et d'autre part les dépenses. Sur ces deux points, l'examen de la loi de finances pour l'année 2018 et pour l'année 2019 permet de découvrir cet instrument comme source du financement de l'entreprise. Cela se constate au niveau des prévisions des recettes et des dépenses.

1.1.1. La prévision des recettes

La loi des finances pour l'exercice 2018 prévoit un chapitre cinquième sur les emprunts et la trésorerie de l'État. À cet effet, le Gouvernement est autorisé à négocier et éventuellement à conclure au cours de l'exercice 2018, à des conditions sauvegardant les intérêts financiers de l'État, ainsi que sa souveraineté économique et politique, des emprunt concessionnels de 150 milliards de francs CFA et des emprunts non concessionnels de 436 milliards de francs CFA (article 15). La loi des finances pour l'exercice 2019 porte ce montant à 500 milliards de francs CFA (article 57). Il peut s'agir des négociations soit avec les institutions internationales, soit avec les États étrangers. Il peut aussi s'agir de négociation avec les grandes entreprises privées ou multinationales. En plus de l'autorisation de négocier et de conclure, le Gouvernement est habilité à recourir à l'émission des titres publics notamment les obligations du Trésor pour des besoins de financement des projets de développement pour un montant maximum de 260 milliards de francs CFA (article 16). Cette disposition de la loi des finances interpelle en premier lieu les institutions internationales en charge du développement, ainsi que les États étrangers intervenant dans le soutien aux actions de développement proposées par l'État du Cameroun.

1.1.2. La prévision des dépenses

Les crédits, éventuels, en faveur de l'entreprise doivent être recherchés dans les programmes, objectifs et indicateurs des crédits du budget. Dans la loi des finances de 2018 et de 2019, ces données sont indiquées sous forme de tableaux.

Il convient d'abord de porter l'attention sur les prévisions de dépenses du ministère des petites et

initiatives privées aussi bien à travers la politique industrielle du Gouvernement qu'en mobilisant les stratégies globales et les autres politiques sectorielles pour les mettre au service de cette cause commune. Les nouvelles ambitions industrielles du pays ont été déclinées dans le Plan Directeur d'Industrialisation (PDI) avec une priorisation structurée en trois sanctuaires industriels nationaux (agro-industrie - énergie – numérique) ; cinq piliers industriels (foret/bois - coton textile/confection/cuir - mines/métallurgie/sidérurgie - hydrocarbures/pétrochimie/raffinage - chimie/pharmacie) ; et deux socles à l'émergence (infrastructures - financement). Pour lui, l'heure est désormais à l'action et cette initiative du GICAM est un modèle dans le sens du partenariat public-privé que le Gouvernement considère comme condition de succès de l'émergence industrielle du Cameroun"; Rubrique Annonce: "Parité des principales devises étrangères et monnaie de la zone franc", www.patronat-ecam.com (accès le 27 février 2019)

[19] Dans un entretien accordé à Cameroon Tribune, le Gouverneur de la BEAC a communiqué sur la question des devises: "Il ne s'agit nullement d'une pénurie de devises dans la communauté. La situation de stabilité externe de notre monnaie est confortable. Le taux de couverture extérieure de la monnaie s'est établi à 61, 97% au 31 janvier 2019, contre 57,46% à la fin décembre 2017, correspondant à environ trois mois d'importation. La Banque Centrale dispose donc de devises en quantité suffisante pour répondre à tout moment aux besoins des économies des États membres de la CEMAC." Cameroon Tribune du 04 mars 2019, en lignehttps://www.camero on-tribune.cm/article.html/24445/fr.html/-il-ny-pas-de-penurie- (accès le 08 mars 2019)

[20] Loi des finances 2018, https://prc.cm/fr/multimedia/documents/6120-loi-de-finances-rep-du-camer-exercice-2018-fr (accès le 04 mars 2019)

[21] Loi des finances 2019, https://prc.cm/fr/multimedia/documents/6832-loi-no-2018-022-du-11-12-2018-loi-de-finances-2019 (accès le 04 mars 2019)

moyennes entreprises, de l'économie sociale et de l'artisanat. Dans ce ministère, il est prévu trois (03) programmes, à savoir:

- Promotion de l'initiative privée et amélioration de la compétitivité des PME;
- Promotion de l'économie sociale et de l'artisanat;
- Gouvernance et appui institutionnel du sous-secteur des petites et moyennes entreprises, de l'économie sociale et de l'artisanat.

Que ce soit en 2018 ou en 2019, l'objectif à atteindre pour le programme de promotion de l'initiative privée et amélioration de la compétitivité des PME reste identique, à savoir "densifier et garantir la compétitivité du tissu des PME camerounaises" avec comme indicateurs "proportion des PME accompagnées au processus de mise à niveau" (la loi de finances de 2018 ne parle que de proportion des PME mise à niveau), "taux d'accroissement du chiffre d'affaires des PME mises à niveau". Les crédits alloués à cette dépense s'élève 5 358 715 de francs CFA (Cinq milliards trois cent cinquante huit millions sept cent quinze francs CFA). Ce qui est une augmentation en comparaison à la dotation de 2018 qui s'élevait à 3 466 761 francs CFA (trois milliards quatre cent soixante six millions sept cent soixante un francs CFA).

Il convient aussi de porter l'attention sur les prévisions de dépenses du ministère de l'emploi et de la formation professionnelle. Dans ce ministère, il est prévu trois (03) programmes, à savoir:

- Promotion de l'emploi décent;
- Développement de la formation professionnelle:
- Gouvernance et appui institutionnel dans le sous-secteur emploi et formation professionnelle.

En ce qui concerne le programme "promotion de l'emploi décent", l'objectif est de "promouvoir l'emploi décent pour la population active". Et l'indicateur du programme est le "nombre d'emploi créés et recensés par an". Ce programme bénéficie d'une dotation budgétaire en 2019 de l'ordre de 2 611 540 francs CFA (deux milliards six cent onze millions cinq cent quarante francs CFA) en hausse par rapport à la dotation de 2018 (1 842 007). Pour ce qui concerne le programme "développement de la formation professionnelle", l'objectif vise à "accroître l'employabilité de la population active en adéquation avec les besoins du système productif". Et l'indicateur du programme est "nombre d'apprenants encadrés dans le cadre d'une formation professionnelle". La dotation budgétaire allouée à ce programme en 2019 connaît une baisse par rapport à celle de 2018. La nouvelle dotation de crédit s'élève à 13 166 122 francs CFA (treize milliards cent soixante six millions cent vingt deux francs CFA) contre 14 557 764 francs CFA (quatorze milliards cinq cent cinquante sept millions sept cent soixante quatre francs CFA) en 2018.

Quant au ministère du travail et de la sécurité sociale, il dispose de trois (03) programmes en lien directe avec le travailleur et l'employeur. Les programmes de ce ministère sont les suivants:

- Promotion de la sécurité sociale pour le plus grand nombre;
- Amélioration de la protection du travail;
- Gouvernance et appui institutionnel du sous-secteur travail et sécurité sociale.

L'objectif du programme "promotion de la sécurité sociale pour le plus grand nombre" est "d'améliorer la couverture et le fonctionnement du système de sécurité sociale en vigueur au Cameroun". Et comme indicateur du programme c'est la "proportion active de la population intégrée dans le système de sécurité sociale". Pour ce qui est du programme "amélioration de la protection du travail", l'objectif poursuivi est de "promouvoir le travail décent dans tous les secteurs d'activité. L'indicateur du programme se décline comme suit: "proportion des travailleurs dont les entreprises appliquent les principes du travail décent". La dotation budgétaire allouée à ce programme s'élève à 1 999 920 francs CFA (un milliard neuf cent quatre vingt dix neuf millions neuf cent vingt francs CFA), en hausse par rapport au crédit prévu en 2018 qui s'élevait à 1 773 356 francs CFA (un milliard sept cent soixante treize millions trois cent cinquante six francs CFA).

Il est donc possible de constater que la loi, notamment la loi des finances camerounaise, octroie des financements au profit de la promotion de l'entreprise en général, et en particulier au profit des Petites et Moyennes Entreprises (PME). C'est donc dire que face aux financements octroyés ou à octroyer par les institutions internationales ou les États étrangers, et intégrés dans le budget de l'État, des crédits peuvent être dégagés en faveur du financement de l'entreprise. C'est donc dire que la source du financement de l'entreprise peut être légale: la loi servant à accueillir les financement octroyés ou à octroyer par les institutions internationales ou les États étrangers. Et les principaux ministères dont les programmes permettent de recevoir et de redistribuer ces financements sont, entre autres, le ministère de l'emploi et de la formation professionnelle, le ministère du travail et de la sécurité sociale, le ministère des petites et moyennes entreprises, de l'économie sociale et de l'artisanat. Le ministère des finances, ainsi que celui de l'économie, de la planification et de l'aménagement du territoire n'interviennent généralement dans le processus que lorsqu'il s'agit d'acter sur la base d'un décret présidentiel d'habilitation.

1.2. Le décret présidentiel d'habilitation en matière financière

Le décret présidentiel d'habilitation en matière financière est un acte pris par le Président de la République habilitant un ministre en exercice à signer au nom du Cameroun des accords de prêts ou de financement. Il s'agit généralement du ministre de l'économie, de la planification et de l'aménagement du territoire (MINEPAT) ou ministre des finances (MINFI). Ce qu'il convient de dire dès l'abord c'est qu'il s'agit des accords de prêts pour un financement spécifique. Il ne s'agit donc pas de prêts généraux. Le bénéficiaire direct de l'habilitation de financement est clairement indiqué dans ledit décret. Il peut par exemple s'agir d'une entreprise, d'un projet de développement. Une revue des décrets présidentiels d'habilitation pour l'année 2018 et 2019 permet de saisir toute l'importance de cette technique juridique de financement susceptible d'être octroyé au profit des entreprises ou de tout autre projet de développement.

Source: www.prc.cm

Année	Référence du décret	Institution étrangère	Montant du financement	Destination du financement	Signatur e
Janvier 2018	N°2018/073 du 29 janvier 2018	Société générale	Accord de prêt d'un montant de 5 millions de dollars US, soit environ 3 milliards de francs CFA	Études de faisabilité et de conception du Projet de réhabilitation et d'extension de capacité du système de traitement et de distribution d'eau pour les villes de Buéa, Tiko et Mutengene	MINEPAT
Février 2018	N°2018/087 du 02 février 2018	Association Internationale de Développement (IDA)	Accord de prêt d'un montant de 19,9 millions de droits de tirages spéciaux (DTS), soit environ 16,6 milliards de francs CFA	Financement additionnel du Projet de renforcement des Capacités du Secteur Minier (PRECASEM)	MINEPAT
Février 2018	N°2018/088 du 02 février 2018	Recourir à l'émission des titres publics	Montant maximum de deux cent soixante milliards (260 000 000) de francs CFA	Financement des projets de développement inscrits dans la loi des finances de la République du Cameroun pour l'exercice 2018	MINFI
Février 2018	N°2018/091 du 02 février 2018	Société Générale	Convention de crédit-acheteur d'un montant de 140, 065 millions d'euro, soit environ 91,88 milliards de francs CFA	Financement du Projet de renforcement et de stabilisation des réseaux de transport d'électricité de la ville de Douala	MINEPAT
Année	Référence du décret	Institution étrangère	Montant du financement	Destination du financement	Signature
Février 2018	N°2018/092 du 02 février 2018	Société Générale	Convention de crédit financier d'un montant de 25,578 millions d'euros, soit environ 16,77 milliards de francs CFA	Financement du Projet de renforcement et de stabilisation des réseaux de transport d'électricité de la ville de Douala	MINEPAT
Février 2018	N°2018/093 du 02 février 2018	Société Internationale Islamique de Financement du Commerce (ITFC), organe spécialisé du Groupe de la Banque Islamique de Développement	Accord de prêt MOURABAHA d'un montant de 68 millions d'euros, soit environ 44,6 milliards de francs CFA	Financement des importations du pétrole brut de la Société Nationale de Raffinage (SONARA)	MINEPAT

Avril 2008	N°2018/246 du 13 avril 2018	Banque Africaine de Développement (BAD)	Accord de prêt d'un montant de 33 320 000 euros, soit environ 21,860 milliards de francs CFA	Financement partiel du Projet de construction du pont sur le fleuve Logone entre les villes de Yagoua au Cameroun et de Bongor au Tchad	MINEPAT
Avril 2018	N°2018/247 du 13 avril 2018	Fonds Africain de Développement (FAD)	Accord de prêt d'un montant de 9 739 000 unités de compte, soit environ 7,790 milliards de francs CFA,	Financement partiel du Projet de construction du pont sur le fleuve Logone entre les villes de Yagoua au Cameroun et de Bongor au Tchad	MINEPAT
Mai 2018	N°2018/299 du 08 mai 2018	Fonds de l'OPEP pour le Développement International	Accord de prêt d'un montant de 13 millions de dollars US, soit environ 7,8 milliards de francs CFA	Financement du Projet d'électrification rurale, Phase II	MINEPAT
Novembr e 2018	N°2018/688 du 20 novembre 2018	Association Internationale du Développement (IDA)	Accord de crédit d'un montant de 6,6 millions d'euros, correspondant à 8 millions de dollars US, soit environ 4,3 milliards de francs CFA	Financement additionnel de la troisième phase du Programme National du Développement Participatif (PNDP III)	MINEPAT
Année	**Référence du décret**	**Institution étrangère**	**Montant du financement**	**Destination du financement**	**Signature**
Novembr e 2018	N°2018/690 du 21 novembre 2018	RAFFEISEN BANK INTERNATIONAL	Accord de prêt d'un montant de 5 millions d'euros, soit 3 279 785 000 francs CFA	Financement de la construction du Centre de Formation Professionnelle de Nanga Éboko	MINEPAT
Décembr e 2018	N°2018/799 du 19 décembre 2018	Banque Arabe pour le Développement Économique de l'Afrique (BADEA)	Accord de prêt d'un montant de 10 millions de dollars US, soit environ 6 milliards de francs CFA	Financement du Projet d'accroissement des capacités des usines de la Société de Développement du Coton (SODECOTON)	MINEPAT
Décembr e 2018	N°2018/802 du 20 décembre 2018	Association Internationale du Développement (IDA)	Accord de crédit d'un montant de 20,8 millions d'euros, équivalent à 25,36 millions de dollars US, soit environ 13,6 milliards de francs CFA	Financement additionnel du Projet Filets Sociaux	MINEPAT
Décembr e 2018	N°2018/807 du 28 décembre 2018	Association Internationale du Développement (IDA)	Accord de crédit d'un montant de 100 millions de dollars US, équivalent à 80,3 millions d'euros, soit environ 52,7 milliards de francs CFA	Financement du Programme d'Appui à la Réforme de l'Éducation au Cameroun (PAREC)	MINEPAT

Année	Référence du décret	Institution étrangère	Montant du financement	Destination du financement	Signature
Février 2019	N°2019/078 du 22 février 2019	Association Internationale du Développement (IDA)	Accord de crédit d'un montant de 142,7 millions d'euros correspondant à 160 millions de dollars US, (soit environ 93,6 milliards de francs CFA), sous forme de prêt	Financement du Projet de Développement des Villes Inclusives et Résilientes	MINEPAT
Février 2019	N°2019/079 du 22 février 2019	Association Internationale du Développement (IDA)	Accord de Crédit d'un montant de 24,9 millions d'euros soit environ 13,6 milliards de francs CFA	Financement du Projet d'Assistance Technique pour le Développement de l'Hydroélectrique de la Sanaga	MINEPAT
Mars 2019	N°2019/108 du 04 mars 2019	Fonds Africain de Développement (FAD)	Accord de Prêt d'un montant de 4,467 millions d'UC, soit environ 3,6 milliards de francs CFA	Financement du projet d'études et de "préparation d'un programme d'approvisionnement en eau potable et d'assainissement en milieu rural.	MINEPAT
Mars 2019	N°2019/144 du 22 mars 2019	ECOBANK Cameroun	Convention de crédit d'un montant de vingt-cinq milliards (25 000 000 000) de francs CFA, avec option pour une augmentation jusqu'à soixante milliards (60 000 000 000) de francs CFA	Financement partiel du Plan d'Urgence Triennal pour l'Accélération de la Croissance Économique	MINFI, avec faculté de délégation
Mars 2019	N°2019/149 du 22 mars 2019	Les emplois des ressources découlant des émissions des titres publics sont soumis à l'approbation préalable du Président de la République	Émissions des titres publics, notamment les obligations du Trésor, d'un montant de deux cent soixante milliards (260 000 000 000) de francs CFA	Financement des projets de développement inscrits dans la loi des finances de la République du Cameroun pour l'exercice 2019	MINFI, avec faculté de délégation
Juillet 2019	N°2019/375 du 11 juillet 2019 (Les dispositions de l'article premier et deuxième du décret n° 2019/149 du 22 mars 2019 susvisé sont modifiées et complétées ainsi qu'il suit)	Les emplois des ressources découlant des émissions des titres publics sont soumis à l'approbation préalable du Président de la République	Émissions des titres publics, notamment les obligations du Trésor, d'un montant de trois cent cinquante milliards (350 000 000 000) de francs CFA	Financement des projets de développement inscrits dans la loi des finances de la République du Cameroun pour l'exercice 2019	MINFI, avec faculté de délégation

Mai 2019	N°2019/238 du 15 mai 2019	Association Internationale du Développement (IDA)	Accord de Crédit d'un montant de 26,5 millions d'euros, équivalent à 31 millions de dollars US, soit environ 17,38 milliards de Francs CFA	Financement du Projet d'Amelioration de l'Efficacite de la Dépense Publique et du Système Statistique	MINEPAT, avec faculté de délégation
Juillet 2019	N°2019/341 du 03 juillet 2019	Agence Française de Développement (AFD)	Accord d'Octroi d'un crédit d'un montant de 100 millions d'euros soit environ 65,6 milliards de FCFA	Financement de la tranche 2019 du Prêt de Soutien Budgétaire (PSB)	MINEPAT, avec faculté de délégation
Octobre 2019	N°2019/538 du 07 octobre 2019	Association internationale de développement (AID)	Accord de Crédit d'un montant de 179,5 millions d'euros, équivalent à 200 millions de dollars US, soit environ 117,744 milliards de francs CFA	Financement de la deuxième opération d'Appui aux Politiques de Développement au Cameroun	MINEPAT, avec faculté de délégation
Octobre 2019	N°2019/540 du 11 octobre 2019	Banque Africaine de Développement (BAD)	Accord de Prêt d'un montant de 17,96 millions d'euros,soit environ 12 milliards de francs CFA	Financement partiel du projet d'aménagement de la Route Nationale N"11, la«Ring Road»	MINEPAT avec faculté de délégation
Octobre 2019	N°2019/579 du 31 octobre	Fonds International de Développement	Accord de Crédit d'un montant de vingt huit	Financement additionnel de la	MINEPAT, avec faculté
	2019	Agricole (FIDA)	millions (28 000 000) de dollars US, soit environ seize milliards cinq cent quarante huit millions (16 548 000 000) de francs CFA	deuxième tranche du Programme de Promotion de L'Entrepreneuriat Agropastoral des Jeunes (PEA-Jeunes)	de délégation
Octobre 2019	N°2019/580 du 31 octobre 2019	Fonds Koweïtien pour le Développement ·Economique Arabe (FKDEA)	Accord de Crédit d'un montant de quinze millions (15 000 000) de dollars US, soit environ huit milliards huit cent soixante cinq millions (8 865 000 000) de francs CFA	Construction de la route Olama -Kribi, tronçon Bingambo-Grand-Zambi	MINEPAT, avec faculté de délégation
Octobre 2019	N°2019/581 du 31 octobre 2019	Fonds d'Abu Dhabi pour le Développement (FADD)	Accord de Crédit d'un montant de douze millions (12 000 000) de dollars US, soit environ sept milliards quatre vingt douze millions (7 092 000 000) de francs CFA	Construction de la route Olama-Kribi, tronçon Bingambo - Grand-Zambi	MINEPAT, avec faculté de délégation
Novembre	N°2019/588 du 04 novembre	Deutsche Bank	Crédit-Acheteur (CESCE Individual Loan Agreement ILA 2-A) d'un montant 13	Financement du Projet d'aménagement touristique et	MINEPAT, avec faculté

2019	2019	d'Espagne	769 673, 20 d'euros, soit environ 9 032 905 619,20 francs CFA	économique du Lac Municipal de Yaoundé (Phase I)	de délégation
Novembre 2019	N°2019/589 du 04 novembre 2019	Deutsche Bank d'Espagne	Crédit Commercial (CESCE Individual Loan Agreement ILA 2-B) d'un montant 5 493 830,03 d'euros, soit environ 3 603 952 499,68 francs CFA	Financement du Projet d'aménagement touristique et économique du Lac Municipal de Yaoundé (Phase I)	MINEPAT, avec faculté de délégation
Décembre 2019	N°2019/671 du 12 décembre 2019	Banque Africaine de Développement (BAD)	Accord de Prêt d'un montant de 80 400 000 d'euros, soit environ 52 742 400 000 de francs CFA	Financement de la troisième phase du Programme d'Appui à la Compétitivité et la Croissance Économique	MINEPAT, avec faculté de délégation
Janvier 2020	N°2020/018 du 09 janvier 2020	Banque Européenne d'investissement	Contrat de financement d'un montant de 11,370 millions d'euros, soit environ 7,4 milliards de francs CFA	Prise en charge de la participation du Cameroun au Capital/Action de l'Agence pour !'Assurance du Commerce en Afrique (ACNATI)	MINEPAT, avec faculté de délégation
Janvier 2020	N°2020/038 du 21 janvier 2020	Banque Islamique de Développement (BID)	Accord de vente à tempérament N° 2	Mise en œuvre du Projet d'élimination de la transmission du VIH/SIDA de la mère à l'enfant au Cameroun	MINEPAT, avec faculté de délégation

Année	Référence du décret	Institution étrangère	Montant du financement	Destination du financement	Ratification
Mars 2019	N°2019/105 du 04 mars 2019 (Ratifiant le décret n°2018/417 du 20 juillet 2018 habilitant le Ministre de l'Economie,de la Planification et de l'Aménagement du Territoire, à signer avec la Banque Islamique de Développement (BID)	Entre la République du Cameroun et la Banque Islamique de Développement (BID)	Ratification de l'Accord de prêt d'un montant de 3,55 millions de Dinars Islamique correspondant à 4,990 millions de dollars US soit environ 3,22 milliards de francs CFA	Financement du Projet d'infrastructure Agricole et de Développement des Chaînes de Valeurs au Cameroun	Président de la République
Mars 2019	N°2019/106 du 04 mars 2019 (Ratifiant le décret n° 2018/418 du 20 juillet 2018 habilitant le Ministre de l'Économie, de la Planification et de l'Aménagement du Territoire, à signer avec la Banque Islamique de Développement (BID)	Entre la République du Cameroun et la Banque Islamique de Développement (BID)	Ratification de l'Accord de prêt d'un montant de 15,720 millions de Dollars US, soit environ 10,15 milliards de francs CFA	Financement du Projet d'Infrastructure Agricole et de Développement des Chaînes de Valeurs au Cameroun	Président de la République
Mars 2019	N°2019/107 du 04 mars 2019 (Ratifiant décret n°2018/419 du 20 juillet 2018 habilitant le Ministre de l'Economie, de la Planification et de l'Aménagement du Territoire, à signer avec la Banque Islamique de Développement (BID)	Entre la République du Cameroun et la Banque Islamique de Développement (BID)	Ratification de l'Accord de financement Lives and Livelihood Fund et Vente à Tempérament d'un montant de 33 millions de Dollars US, soit environ 21,3 milliards de francs CFA	Financement du Projet d'Infrastructure Agricole et de Développement des Chaînes de Valeurs au Cameroun	Président de la République
Juin 2019	N°2019/306 du 18 juin 2019	Entre la République du Cameroun et	Ratifiant l'Accord de crédit n° 6223-CM d'un montant de 20,8	Financement additionnel du Projet Filets Sociaux	Président de la République

		l'Association Internationale de Développement (IDA)	millions d'Euros, soit environ 13,6 milliards de francs CFA, conclu le 09 avril 2019		
Juin 2019	N°2019/310 du 18 juin 2019	Entre la République du Cameroun et l'Association Internationale de Développement (IDA)	Ratifiant l'Accord de crédit n°6216-CM d'un montant de 80,3 millions d'Euros, soit environ 52,7 milliards de francs CFA, conclu le 09 avril 2019	Financement du Projet d'Appui à la Réforme de l'Éducation au Cameroun (PAREC)	Président de la République
Juillet 2019	N°2019/376	Entre la République du Cameroun et l'Association Internationale de Développement (IDA)	Ratification de l'Accord de crédit N° 6140-CM, d'un montant de 26,5 millions d'euros, équivalent à 31 millions de dollars US, soit environ 17,38 milliards de francs CFA, conclu le 16 mai 2019	Financement du Projet d'Amélioration de l'Efficacité de la Dépense Publique et du Système Statistique	Président de la République
Octobre 2019	N°2019/519	Entre la République du Cameroun et le Fonds Africain de Développement (FAO)	Ratification de l'Accord de Prêt N° 2100150040144, d'un montant de huit millions (8 000 000) d'Unités de Compte, soit environ six milliards deux cent quatre- vingt-un millions neuf cent soixante-huit mille (6 281 968 000) de francs CFA, conclu le 07 mai 2019	Financement du Projet d'Appui à la Réinsertion Socio-économique des groupes vulnérables dans le bassin du Lac Tchad	Président de la République
Janvier 2020	N°2020/033	Entre la République du Cameroun et la Banque Africaine de Développement (BAD)	Ratification de l'Accord de Prêt N° 2000200004657 d'un montant de 80 400000 euros, soit environ 52 742 400 000 de francs CFA, conclu le 19 décembre 2019	Financement partiel de la troisième phase du Programme d'Appui à la Compétitivité et la Croissance Économique	Président de la République
Année	**Référence du décret**	**Institution étrangère**	**Montant du financement**	**Destination du financement**	**Publication**
Mars 2019	N°2019/136 du 13 mars 2019	Entre la République du Cameroun et la Banque Internationale pour la Reconstruction et le Développement (BIRD)	Accord d'indemnité relatif à l'octroi des garanties de paiement et de couverture à hauteur de 300 millions de dollars US, soit environ 257 millions d'euros, équivalent à 169 milliards de francs CFA, conclu le 12 décembre 2018	Financement du Projet de construction de l'aménagement hydroélectrique de Nachtigal-amont	Le Président de la République ordonne la publication au Journal Officiel du texte de l'Accord

Juin 2019	N°2019/305 du 18 juin 2019	Entre la République du Cameroun et l'Association Internationale de Développement (IDA)	Ratifiant l'Accord de crédit n° 6223-CM d'un montant de 20,8 millions d'Euros, soit environ 13,6 milliards de francs CFA, conclu le 09 avril 2019	Financement additionnel du Projet Filets Sociaux	Le Président de la République ordonne la publication au Journal Officiel du texte de l'Accord
Juin 2019	N°2019/311 du 18 juin 2019	Entre la République du Cameroun et l'Association Internationale de Développement (IDA)	Ratifiant l'Accord de crédit n°6216-CM d'un montant de 80,3 millions d'Euros, soit environ 52,7 milliards de francs CFA, conclu le 09 avril 2019	Financement du Projet d'Appui à la Réforme de l'Éducation au Cameroun (PAREC)	Le Président de la République ordonne la publication au Journal Officiel du texte de l'Accord

Ainsi, la loi et le décret présidentiel d'habilitation en matière financière permettent de constater que, sur le plan formel, des crédits de financement sont prévus. Le régime financier[22] est clairement connu. Mais entre la prévision et la réalisation effective c'est-à-dire les décaissements effectifs, eu égard aux exigences de transparence et de bonne gouvernance[23], la réalité est souvent toute autre. Cette réalité tient d'abord au calendrier[24] budgétaire de l'État dont la mise en oeuvre peut, ensuite, nécessiter et déboucher sur l'adoption d'une ordonnance. En fait, il semble que l'entreprise soit amenée à recourir à la négociation soit directement, soit par l'intermédiaires des structures mises en place.

1.3. L'ordonnance comme source intermédiaire entre la loi et le décret en matière financière

Relativement à la loi N°2017/021 du 20 décembre 2017 portant loi des finances de la République du Cameroun pour l'exercice 2018[25] et de la loi N°2018/022 du 11 décembre 2018 portant loi des finances de la République du Cameroun pour l'exercice 2019[26], deux ordonnances respectives ont été prises: d'abord l'ordonnance n°2018/004 du 20 décembre 2018 modifiant et complétant certaines dispositions de la loi des finances de la République du Cameroun pour l'exercice 2018, ensuite l'ordonnance n°2019/001 du 29 mai 2019 modifiant et complétant certaines dispositions de la loi N°2018/022 du 11 décembre 2018 portant loi des finances de la République du Cameroun pour l'exercice 2019. L'examen de l'ordonnance comme source intermédiaire entre la loi et le décret en matière financière montre que cet instrument peut être justifié par la nécessité de financer l'entreprise d'une part, et d'autre part, pour faciliter les autorisations d'engagement et les autorisations de paiement.

1.3.1. L'ordonnance modifiant et complétant la loi des finances

L'ordonnance n°2018/004 du 20 décembre 2018 modifiant et complétant certaines dispositions de la loi des finances de la République du Cameroun pour l'exercice 2018 comprend un seul article qui modifie l'article trente neuvième bis de la loi de finance de 2018, en lien direct avec le financement de l'entreprise. Cet article est ainsi libellé comme suit: "Article 1er: Les dispositions de la loi n°2017/021 du 20 décembre 2017 portant loi de finances de la République du Cameroun pour l'exercice 2018, sont modifiées et complétées ainsi qu'il suit:

"Article Trente-Neuvieme Bis.-(Nouveau)

[22] Sur la nouvelle loi portant Régime Financier de l'État et des autres entités publiques, voir https://www.prc.cm/fr/multimedia/documents/6580-loi-n-2018-012-du-11-juillet-2018-portant-regime-financier-de-l-etat-et-des-autres-entites-publiques (accès le 08 mars 2019)

[23] Sur la nouvelle loi portant Code de transparence et de Bonne Gouvernance dans la gestion des Finances Publiques au Cameroun, voir https://www.prc.cm/fr/multimedia/documents/6579-loi-n-2018-011-du-11-juillet-2018-portant-code-de-transparence-et-de-bonne-gouvernance-dans-la-gestion-des-finances-publiques-au-cameroun (accès le 06 mars 2019)

[24] Voir à cet effet, le décret n°2019/281 du 31 mai 2019 fixant le Calendrier budgétaire de l'État,https://prc.cm/fr/multimedia/documents/7492-decret-n-2019-281-du-31-mai-fixant-le-calendrier-budgetaire-de-l-etat (accès le 11 juin 2019)

[25] Loi des finances 2018, https://prc.cm/fr/multimedia/documents/6120-loi-de-finances-rep-du-camer-exercice-2018-fr (accès le 04 mars 2019)

[26] Loi des finances 2019, https://prc.cm/fr/multimedia/documents/6832-loi-no-2018-022-du-11-12-2018-loi-de-finances-2019 (accès le 04 mars 2019)

Le Ministre des Finances est autorisé à prendre toutes les actions requises et à signer tous documents en vue de la cession de gré à gré à la société Africa50, de 50% des actions détenues par la République du Cameroun dans le capital de la société Nachtigal Hydro Power Company pour un prix déterminable maximum de 6 000 000 (six millions) d'euros[27]". L'ordonnance apparaît ainsi comme une source intermédiaire de financement de l'entreprise entre la loi et le décret. Comme le décret, l'ordonnance est une prérogative constitutionnelle du président de la république au même titre que le décret; à la différence du décret, l'ordonnance prise en modification et en complément de la loi de finances continue ou cesse de produire d'effet légal selon que le Parlement n'a pas refusé ou refuse de l'accepter.

En réalité, l'objectif de l'ordonnance est de faciliter les autorisations d'engagement et de paiement, en modifiant et en complétant la loi de finances.

1.3.2. L'ordonnance autorisant l'engagement et le paiement

Ce qu'il convient de dire de prime abord c'est que l'ordonnance du 29 mai 2019 modifie et complète les dispositions des articles 51, 52, 53, 54, 56, 59 et 60 de la loi n°2018/022 du 11 décembre 2018 portant loi de finances de la République du Cameroun pour l'exercice 2019. Ces changements à la loi de finances concernent donc les conditions générales de l'équilibre budgétaire et financier et les moyens des politiques publiques et dispositions spéciales.

Sur les conditions générales de l'équilibre budgétaire et financier, les dispositions relatives à l'équilibre des ressources et des emplois peuvent être résumées dans le tableau suivant:

Tableau: Dispositions relatives à l'équilibre des ressources et des emplois

Chapitre	Montant équilibré	Observation
Évaluation des ressources budgétaires	5 212 000 000 000 francs CFA	En hausse
Chapitre	Montant équilibré	Observation
Plafonds des ressources budgétaires de l'État	5 212 000 000 000 francs CFA	En hausse
Équilibre budgétaire Recettes nettes budget général : Dépenses budget général :	3 648,6 milliards de FCFA 4 110,0 milliards de FCFA	Solde (capacité/besoin de financement, solde global, solde de référence de la CEMAC) négatif
Financement global et habilitation Besoins de financement : Ressource de financements : Émission des titres publics (obligations du Trésor) :	1 536,4 milliards de FCFA 1 536,4 milliards de FCFA 350 milliards de FCFA	Il s'agit des montants des ressources et des charges de trésorerie concourant à la réalisation de l'équilibre financier Financement des projets de développement

Source : www.prc.cm

[27] Sur l'Ordonnance N° 2018/004 du 20 décembre 2018 modifiant et complétant certaines dispositions de la loi n°2017/021 du 20 décembre 2017 portant loi de finances de la République du Cameroun pour l'exercice 2018, voir https://prc.cm/fr/multimedia/documents/6913-ordonnance-no-2018-004-du-20-12-2018 (accès le 11 juin 2019)

Pour ce qui est des crédits ouverts au budget général en ce qui concerne les politiques publiques et les dispositions spéciales, l'ordonnance prévoit les montants des autorisations d'engagement et des crédits de paiement ouverts sur les programmes concourant à la réalisation des objectifs assortis d'indicateurs. Ces autorisations et ouvertures d'engagement et de paiement devrait donc faciliter la négociation du financement de l'entreprise au bénéfice de celle-ci prévu dans la loi de finances.

2. La négociation du financement de l'entreprise

Face au financement octroyés ou à octroyer par les institutions internationales ou les États étrangers, l'entreprise camerounaise déploie la stratégie de la négociation pour argumenter en faveur de la prise en charge financière de ses projets. Il a été observé que l'entreprise camerounaise déploie sa stratégie de négociation en direction de l'État, sur la base d'un partenariat public-privé, en faisant référence à l'octroie de financement par la France. En réaction, l'État mobilise sa posture d'établissement public pour négocier le financement octroyé ou à octroyer, quitte à le redistribuer à l'entreprise camerounaise, public comme privé, sans véritable distinction sous le couvert de la mise à niveau de l'entreprise. C'est donc dire qu'il existe un cadre pour la négociation du financement de l'entreprise (2.1). Il s'agit du partenariat public-privé qui, dans l'objectif des parties, peut représenter l'activité permanente de mise à jour de l'entreprise en tenant compte de l'évolution scientifique et technique(2.2) .

2.1. Le cadre de la négociation du financement de l'entreprise: le partenariat public-privé autour de la formation professionnelle

Il existe, sur le site web du Conseil d'Appui à la Réalisation des contrats de Partenariat (CARPA) une compilation de textes juridiques[28] proposée comme étant le cadre juridique des contrats de partenariat au Cameroun. Cependant, dans une interview qu'il a récemment donné dans les colonnes du quotidien Cameroon Tribune, le président du CARPA a eu à relever les difficultés tant sur le plan juridique que technique auxquelles font face le projets de partenariat public-privé au Cameroun. Il déclare, en substance, qu'au "*plan juridique, il y a, entre autre, le problème du champ d'application du régime des contrats de partenariat, avec notamment le risque d'interpréter diversement la notion de grande envergure. Il y a également le problème de la multiplicité des textes avec la coexistence des lois sectorielles dont l'enchevêtrement ne favorise pas toujours des effets de la loi portant régime des contrats de partenariat au Cameroun. Au plan technique et opérationnel, il y a l'insuffisante préparation des projets, et à la difficultés à gérer les offres spontanées. Initiés par des privés sans prise en compte des priorités définies par les administrations sectorielles compétentes*[29]."

Il convient cependant de dire, dès l'abord, que le contrat de partenariat ainsi présenté n'est pas le cadre de la négociation du financement développé par l'entreprise camerounaise. Celle-ci fait recours à la notion de partenariat public-privé, mais sans que les données disponibles et rendues publiques n'inclinent à indiquer que la démarche rentre dans le schéma des phases de passation des contrats de partenariat au Cameroun[30]. Relativement à la formation professionnelle, l'entreprise camerounaise et l'État représenté par le ministère de l'emploi et de la formation professionnelle (MINEFOP) ont plutôt opté par la conclusion de cadre de partenariat de négociation (2.1.1)afin de mettre en place des Centres de formation professionnelle sectoriel (CFPS) (2.1.2). Il s'agit d'une approche qui ne va pas à l'encontre de la nouvelle loi sur formation professionnelle au Cameroun dont la section 2 traite du financement de la formation professionnelle[31].

[28] Cadre juridique des contrats de partenariat au Cameroun, http://www.ppp-cameroun.cm/sites/default/files/field/documents/lois-et-textes-dapplication-sur-le-cadre-juridique-des-contrats-de-partenariat-_0.pdf (accès le 06 mars 2019)

[29] Cameroon Tribune du 05 mars 2019, disponible en ligne, https://www.cameroon-tribune.cm/article.html/24479/fr.html/-on-besoin-davoir-projets-dune-plus-grande-dimension- (accès le 06 mars 2019)

[30] Sur ce schéma voir http://www.ppp-cameroun.cm/ppp2017/node/65 (accès le 08 mars 2019)

[31] L'article 49 de la loi N°2018/010 du 11 juillet 2018 régissant la formation professionnelle au Cameroun dispose: "(1) L'État assure, en partenariat avec les autres acteurs de la formation professionnelle, le financement de la formation professionnelle.

(2) Les sources de financement de la formation professionnelle proviennent:

- Des dotations budgétaires et subventions spécifiques;
- Des appuis des collectivités territoriales décentralisées;
- Des ressources propres des structures de formation, générées par les prestations et frais de formation exigibles;
- Des contributions diverses;
- De toutes autres ressources affectées par la loi.

(3) Les modalités de recouvrement et de gestion des ressources financières prévues à l'alinéa 2 ci-dessus sont fixées par voie réglementaire. ", https://www.prc.cm/fr/multimedia/documents/6578-loi-n-2018-010-du-11-juillet-2018-regissant-la-formation-professionnelle-au-cameroun (accès le 08 mars 2019)

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2.1.1. Les cadres de partenariat de négociation

En date du 19 février 2009, le ministère de l'emploi et de la formation professionnelle (MINEFOP) et le Groupement Inter-patronal du Cameroun (GICAM) ont eu à signer une convention de partenariat. C'est dans trois (03) documents cadres de partenariat signé le 31 octobre 2012 entre le MINEFOP et le GICAM qu'il est possible de prendre connaissance de cette information. Il s'agit d'abord du Cadre de partenariat pour le développement de la formation professionnelle dans le secteur de l'agroalimentaire[32], puis du Cadre de partenariat pour le développement de la formation professionnelle dans le secteur de la maintenance industrielle[33], et enfin du Cadre de partenariat pour le développement de la formation professionnelle dans le secteur du transport et de la logistique[34]. Il convient de souligner que ces actes interviennent bien avant la loi du 11 juillet 2018 régissant la formation professionnelle au Cameroun. Au sein de ces cadres, la négociation s'articule autour des points ci-après:

- Au niveau du préambule, il convient de mentionner "les orientations du Document Stratégique pour la Croissance et l'Emploi et la politique de développement de la formation professionnelle menée par le MINEFOP , qui vise notamment à lutter contre le chômage des jeunes et le sous-emploi; à développer et valoriser les ressources humaines de l'entreprise; à créer une dynamique partenariale avec les professionnels en les associant à la planification et à la gestion de la formation dans le but de renforcer l'adéquation formation-emploi du dispositif de formation et d'insertion; à adapter le cadre institutionnel et réglementaire des établissements de formation dans un souci de professionnalisation accrue des activités de formation;
- Le Contrat de Désendettement et de développement (C2D);
- Le Protocole Spécifique de Partenariat, qui sera détaillé en temps opportun.

L'article 05, identique aux différents cadres de partenariat pour le développement de la formation professionnelle, traite de la concertation. Il est ainsi libellé comme suit: "Les parties décident de se concerter régulièrement, et cela à plusieurs niveaux: 1. Dans le cadre de la Commission Nationale de la Formation, de l'Apprentissage et de la Qualification Professionnels; 2. Dans le cadre des réunions de pilotages et de coordination du projet "Centre de Formation Professionnelle Sectoriel (CFPS)".

2.1.2. La négociation du financement de l'entreprise pour les Centres de formation professionnelle sectoriel (CFPS)

La négociation du financement de l'entreprise autour des Centre de formation professionnelle sectoriels a donné lieu le 16 mai 2018, à une rencontre entre le MINEFOP représenté par le ministre en charge de ce département ministériel et le GICAM, et, en présence de l'Ambassadeur de France au Cameroun et du Directeur de l'Agence Française de Développement (AFD). Cette rencontre a débouché sur le renouvellement du "protocole d'entente qui les lie depuis 2012 dans le cadre du projet de création des Centres de Formation Professionnelle Sectoriels (CFPS)[35]". Le compte-rendu de l'atelier de formation des formateurs des CFPS, qui servait de prétexte pour la négociation des financements octroyés par un État étranger, en l'occurrence la France, est assez explicite sur la question du financement: "Prenant la parole, l'Ambassadeur de France au Cameroun, (...), a réitéré l'engagement de son pays dans le projet et souhaité que ce dernier avance à un rythme plus soutenu. Rappelons que la création des CFPS est financée par l'Agence Française de Développement, dans le cadre du Contrat de Désendettement et de Développement (C2D) entre la France et le Cameroun[36]". Il convient de souligner que cette démarche de l'entreprise camerounaise est à la limite de ce que prévoit l'article 40 de la loi du 11 juillet 2018: "L'État peut conclure des accords internationaux encourageant la coopération et la mobilité internationale dans le domaine de la formation professionnelle". La seule référence au C2D ne suffit pas pour fonder le cadre de négociation comme indiqué dans les différents préambule. Il faudrait en plus un accord spécifique entre la France et le Cameroun relativement à la formation professionnelle, qui y inclut, des dispositions sur la formation en alternance et à distance. En réalité, il s'agit, dans cette démarche d'avant garde, de mettre à jour les compétences des intervenants au sein de l'entreprise.

[32] Cadre de partenariat dans le secteur de l'agroalimentaire, https://www.legicam.cm/wp -content/uploads/2017/07/Protocole-de-partenariat-GICAM-MINEFOP-Agro-alimentaire.pdf (accès le 07 mars 2019)

[33] Cadre de partenariat dans le secteur de la maintenance industrielle, https://www.legicam.cm/wp-content/uploads/2017/07/Protocole-de-partenariat-GICAM-MINEFOP-Maintenance-industrielle-1.pdf (accès e07 07 mars 2019)

[34] Cadre de partenariat dans le secteur du transport et de la logistique, https://www.legicam.cm/wp-content/uploads/2017/07/Protocole-de-partenariat-GICAM-MINEFOP-Transport-Logistique.pdf (accès le 07 mars 2019)

[35] Formation professionnelle, Le partenariat public-privé s'intensifie, https://www.legicam.cm/index.php/p/le-partenariat-public-prive-sintensifie(accès le 07 mars 2019)

[36] Ibidem

2.2. *La négociation du financement de l'entreprise pour prévenir l'informalisation de l'emploi de l'économie formelle et la mise à jour des compétences*

Avec la Recommandation n°204[37] de l'Organisation internationale du Travail (OIT), un triple objectif a été mis en place pour faciliter et promouvoir, mais aussi pour prévenir. Elle vise ainsi à orienter les membres de l'Organisation Internationale du Travail (OIT) pour:

- Faciliter la transition des travailleurs et des unités économiques de l'économie informelle vers l'économie formelle tout en respectant les droits fondamentaux des travailleurs et en offrant les possibilités de sécurité du revenu, de subsistance et d'entrepreneuriat; (1. a)
- Promouvoir la création d'entreprises et d'emplois décents, leur préservation et leur pérennité dans l'économie formelle, ainsi que la cohérence entre les politiques macroéconomiques, d'emploi, de protection sociale et les autres politiques sociales; (1.b)
- Prévenir l'informalisation des emplois de l'économie formelle. (2.c)

La préoccupation[38] visant à mettre à niveau l'entreprise camerounaise vise-t-elle, en réalité, à prévenir l'informalisation des emplois et des unités de production?; s'agit-il en réalité d'éviter un retour à l'informel ou la tentation de se retrouver avec des situation d'emploi à l'informel pour des entreprise évoluant déjà dans une économie formelle? Mettre à niveau l'entreprise camerounaise vise-t-elle donc à prévenir l'informalisation des emplois de l'entreprise évoluant dans l'économie formelle? Comment la loi camerounaise peut-elle saisir cette opportunité qu'offre la Recommandation n°204 pour la réalisation de l'objectif de prévention? Il s'agit de la question du développement de l'entreprise (2.2.1) qui devrait aller de paire avec celle de la mise à jours des compétences (2.2.2), à travers ce qui se présente comme étant la mise à niveau de l'entreprise afin de prévenir l'informalisation des emplois de l'entreprise formelle.

2.2.1. *La question du développement de l'entreprise camerounaise*

La loi n°92/007 du 14 août 1992 portant Code du Travail en République du Cameroun a mis sur le même pied d'égalité le travailleur et l'employeur. L'alinéa 1 de l'article 1er du Code du Travail est assez explicite sur l'objet de la loi: "la présente loi régit les rapports de travail entre les travailleurs et les employeurs ainsi qu'entre ces derniers et les apprentis placés sous leur autorité[39]." En réalité, le Code du Travail n'est pas uniquement le code du travailleur encore moins uniquement le code de l'employeur; c'est un code qui régit, à la fois, les rapports entre travailleur et employeur. En ce qui concerne le travailleur, il existe au niveau international, l'Organisation Internationale du Travail (OIT) qui s'occupe de toutes questions liées à la promotion et à la protection des droits du travailleur. En le faisant, elle met en place une démarche associant à la fois employeur et gouvernement afin que toute solution trouvée en faveur du travailleur soit facilement et immédiatement appliquée au niveau de l'État en général, et de l'entreprise en particulier. S'il est ainsi évident que le travailleur est placé au niveau de l'Organisation Internationale du Travail (OIT), la quête du niveau où mettre l'entreprise reste une préoccupation permanente.

Déjà, l'Union Européenne (UE) avait mis en place, en direction de certains pays d'Afrique, Caraïbe et Pacifique (ACP), dont le Cameroun, une initiative de Centre de développement de l'entreprise (CDE). Il existe très peu d'information et de documentation relativement à cette initiative. L'idée générale est de faciliter le développement des activités de l'entreprise en mobilisant à cet effet des moyens financiers et techniques en plus des services de conseils. Contre toute attente, en revanche, ce qui revient le plus à la lecture, c'est la fermeture ordonnée pour le Centre pour le développement de l'entreprise. Dans un communiqué[40] datant, en effet, du 09 février 2015, en provenance de Bruxelles, il est possible de prendre connaissance de ce que "Les États Membres de l'UE et les États ACP ont conclu un accord sur la fermeture ordonnée du CDE en date des 19 et 20 juin 2014 à Nairobi, lors de la 39ème réunion du Conseil des

[37] Économie informelle. Des nouvelles solutions pour sortir de l'informalité: une nouvelle norme de l'OIT face au piège de l'économie informelle, Analyse 23 juin 2015, https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_377785/lang--fr/index.htm (accès 21 janvier 2019)

[38] Il existe un Arrêté n° 221 CAB/PM du 16 décembre 2011 du Premier Ministre (selon le site web du BMN) mettant en place un Bureau de Mise à Niveau des Entreprises Camerounaises (BMN). Le site web du BMN est https://bmncameroon.org/fr/ À l'onglet Espace Média, la rubrique Magazine propose le Rapport d'activité 2017, disponible uniquement en anglais. Le Chairperson of the Steering Committee indique (page 6) indique "The competitive selection of eighty five enterprises into the National Upgrading Programme by the Steering Committee (SC); The signing of many Conventions; The approval of Upgrading plans; Several supports to management system within many enterprises; The extended upgrading activities in the Far North Region." Dans la suite du Rapport, il est évoqué quelques entreprises en processus de mise à jour: "12 enterprises upgraded (Government financing); 19 enterprises upgraded (AFD financing)" (page 27).

[39] Loi portant Code du Travail du 14 août 1992, https://www.ilo.org/dyn/natlex/docs/WEBTEXT/31629/64868/F92CMR01.htm (accès le 05 février 2019)

[40] Fermeture ordonnée pour le Centre pour le développement de l'entreprise (CDE), http://www.acp.int/fr/content/fermeture-ordonnee-du-centre-pour-le-developpement-de-lentreprise-cde (accès le 04 février 2019)

Ministres ACP-UE". D'après le même communiqué, cette fermeture doit avoir lieu au plus tard en fin 2016: à cet effet, "le Conseil des ministres ACP-UE, toutefois, a assuré que "les projets d'appui au secteur privé, mis en œuvre par le CDE dans les pays et régions ACP, seront menés à leur terme". C'est le cas, par exemple, des Programmes d'appui au développement du secteur privé (PADSP), actuellement exécutés par le CDE au Botswana, au Cameroun, en Côte d'Ivoire, en Haïti, en République du Congo et en République démocratique du Congo (RDC)[41]".

Face, à cette situation surprise, le Cameroun a engagé des négociations avec l'Union Européenne afin d'obtenir un amendement à la décision de fermeture dans l'objectif de relancer ou de réactiver le soutien par l'Union Européenne au secteur privé camerounais. À cet effet, le Cameroun a dépêché à Bruxelles un envoyé spécial en la personne de son ministre en charge des petites et moyennes entreprises (PME). Le compte-rendu[42] fait par l'ambassade du Cameroun en Belgique et à l'Union Européenne montre que cet objectif a été atteint. Pourtant, dans les pays développés, l'invocation du Centre de développement de l'entreprise intervient dans un contexte de promotion qualifiée d'agressive. L'annonce de la fermeture des CDE de l'UE et la réaction du Cameroun viennent rappeler cette donnée historique. À Winnipeg au Canada, par exemple, le Centre de développement de l'entreprise s'insère dans une dynamique d'ensemble d'offensive ou agressive impliquant le Conseil de développement industriel et l'Economic Development Corporation. L'encyclopédie canadien, qui retrace cette évolution, situe bien le contexte du développement de Centre de développement de l'entreprise: "La ville fait appel depuis longtemps à la pratique de la promotion agressive. Dès 1906, en effet, le Winnipeg Development and Industrial Bureau fait la promotion des industries manufacturières et du commerce. En 1925, il devient l'Industrial Development Board (Conseil de développement industriel) et exerce ses activités jusqu'à la constitution du Centre de développement de l'entreprise de Winnipeg, en 1979. La vocation de ce centre est d'attirer à Winnipeg des industries de haute technologie. En 1991, on crée la Winnipeg 2000 Economic Development Corporation, un organisme autonome favorisant le développement économique et commercial. Maintenant, cet organisme cherche à attirer les investisseurs et fournit un soutien au milieu des affaires[43]."

En réalité, cette situation du Centre de développement de l'entreprise traduit, à suffisance, l'échec de transposition au niveau tropical de la proposition de l'Union européenne. C'est donc au niveau national tant pour ce qui est du développement de l'entreprise que de la mise à jour des compétences qu'il faudrait envisager la prévention de l'informalisation des emplois de l'économie informelle. La démarche du Bureau de la Mise à Niveau des Entreprises peut être une piste à explorer. Encore faudrait-il qu'il s'agisse de mettre à niveau[44] l'entreprise informelle, individuelle ou collective, ainsi que la protection du travailleur. En tout cas, cela peut contribuer à la sécurisation[45] de la coopération économique et affaires internationales.

2.2.2. La négociation des financements pour la mise à jour des competences

Le Bureau de la Mise à Niveau des Entreprises[46] (BMN) au Cameroun a eu à publier son Rapport[47] d'activité pour le compte de l'année 2017, dans sa version bilingue, en langue française et anglaise. À la lecture de ce Rapport, il apparaît que cet établissement public se présente comme un intermédiaire pour négocier les financements à reverser aux entreprises engagées dans le processus de mise à niveau. En réalité, la lecture du Rapport laisse bien apparaître que sous le couvert de mise à niveau, il s'agit en fait de mettre à jour les compétences au sein des entreprises bénéficiaires, notamment par des formations dispensées par des consultants et experts, la mise à disposition des équipements, en plus de l'accompagnement au quotidien.

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[41] Ibidem

[42] Cameroon an EU sign CDE Convention Amendment to relaunch private sector, 20 July 2015, https://www.cameroon.be/en/news/mission-to-the-eu/626-signing-of-the-cde-convention-amendment-between-the-eu-and-cameroon (accès le 04 février 2019) "On Thursday the 16th of July 2015, following four days of intense negotiations, an Amendment to the jointly sponsored ACP-EU Convention for the creation and running of the CDE was signed between Cameroon and the European Union in Brussels, Belgium (...) Having initially included the CDE-managed projects in its national budgetary allocations for the previous year, Cameroon was able to obtain an EU accord for the transfer of the unused funds to the institution that will henceforth carry out the ongoing CDE-sponsored projects of her fledgeling Small and Medium-Sized infrastructure"

ervices%20de%20D%C3%A9veloppement%20de%20l%E2%80%99Entreprise%20-%20Rapport%20Final (accès le 21 mars 2019)

[46] Site web de la BMN, https://bmncameroon.org/ (accès le 07 mars 2019)

[43] The Canadian Encyclopedia, https://www.thecanadianencyclopedia.ca/fr/article/winnipeg-2 (accès le 04 février 2019)

[44] Mohamed Lamine Dhaoui, Guide méthodologique: Restructuration, mise à niveau et compétitivité industrielle, ONUDI, Vienne, 2002, https://www.unido.org/sites/default/files/2009-04/Guide_methodologique_restructuration_mise_a_niveau_et_competitivite_industrielle_0.pdf (accès le 21 mars 2019)

[45] Gerhard. J. Ebert, David Wounfack, Étude de l'Offre et de la Demande en Service de Développement de l'Entreprise, Rapport final, (Programme d'Appui à l'Amélioration de la Compétitivité de l'Économie Camerounaise (PACOM), ONUDI, 27.12.2014, https://open.unido.org/api/documents/4699289/download/Etude%20de%20l%E2%80%99Offre%20et%20de%20la%20Demande%20en%20S

[47] Bureau de Mise à Niveau des Entreprises/ Enterprises Upgrading Office, Rapport d'activités 2017, 52 pages (version en français) et 48 pages (version en anglais)

Pour ce qui est de la négociation des financements avec les partenaires au développement, comme le prévoit le Rapport, il y est formulé les observations suivantes: "la question du financement pérenne des activités de mise à niveau des entreprises fait l'objet de réflexion en cours au niveau du Gouvernement. La convention du PACOM 10ème FED et l'AFD dans le cadre du 3ème C2D sont jusqu'à présent les seuls financements acquis des Partenaires au développement. En attendant l'aboutissement des démarches à engager auprès de la BEI et de la SFI par la DGEPIP[48]". C'est donc dire qu'il faut être patient, à ce niveau, afin de prendre connaissance des résultats des réflexion en cours engagées par le Gouvernement de la République.

Annexe:

Calendrier budgétaire de l'État (Décret n°2019/281 du 31 mai 2019)

Matières du processus d'élaboration	Année N-1	Année N	Année N+1	Dates de l'échéance	Auteur et Nature de l'Acte
Paiement après forclusion		Paiement par le comptable après la fin de l'exercice	Période compléme ntaire ne peut excéder 30 jours	30 janvier N	Comptable
Conférences de report				28 février N : 31 mars N :	Rapport du Ministre en charge des finances Décret de report du Premier Ministre, article 47, alinéa 2
Revue des activités		Programmer ou reprogrammer les activités dans les Cadres des Dépenses à Moyen Terme (CDMT)		28 février N	Rapport transmis au Ministère en charge de la programmation et au Ministère des finances par les Responsables des programmes et Contrôleurs de gestion
Revue des		Décret n°2018/4992/PM du 21 juin 2018 fixant les règles régissant les			Rapport sur la maturation de nouveaux projets et leur inscription dans le CDMT transmis aux Ministères en charge des

[48] Rapport d'activités 2017, Op. Cit., p. 18

projets d'investissement public		processus de maturation des projets d'investissement publics		31 mars N	investissements publics et des finances par les organes constitutionnels, les départements ministériels et autres entités publiques
Revue de la performance		Comité Interministériel d'Examen des Programmes (CIEP) suivant texte particulier du Premier ministre		31 Mars N: Rapport Annuel de Performance (RAP)	Rapport transmis au Ministère en charge de la programmation et au Ministère des finances par les Responsables des programmes et Contrôleurs de gestion
Projections triennales initiales des dépenses	Élaboration des CDMT sur la base du Cadrage Budgétaire à Moyen Terme (CBMT) produit en année N-1 et portant sur les années N à N+2	Examen, vérification et validation technique, en vue de la production des CBMT des années N+1 à N+3		15 avril N	Transmission des projections aux ministères en charges de la programmation et des finances
Cadrage macroéconomique et Cadrage Budgétaire à Moyen Terme (CBMT)		Texte particulier du Premier ministre, Chef du Gouvernement		31 mai N : première version du CBMT 10 juin N : session de Cabinet pour ajustement et validation de la première version du CBMT 20 juin N : transmission au Parlement du document de Cadrage macroéconomique et du Cadrage budgétaire	Organisation du Débat d'Orientation Budgétaire (DOB) au Parlement

Matières du processus d'élaboration	Année N-1	Année N	Année N+1	Dates de l'échéance	Auteur et Nature de l'Acte
Circulaire de Préparation du Budget de l'État		Texte du Président de la République	Dispositions pratiques pour l'élaboration du budget de l'État	25 juin N	Après la tenue du DOB, le Premier Ministre, Chef du Gouvernement, sur proposition du Ministre en charge des finances, communique aux Chefs des organes constitutionnels, aux Chefs des départements ministériels et aux responsables des entités publiques, les enveloppes triennales de dépense, article 29
Actualisation des programmations triennales initiales des dépenses		Notification des enveloppes triennales des dépenses par le Premier Ministre, Chef du Gouvernement		15 juillet N	Transmission des CDMT actualisés pour les années N+1, N+2, N+3 au Ministère en charge de la programmation et au Ministère en charge des finances par les Chefs des organes constitutionnels, des départements ministériels et les Responsables des entités publiques
Consultations publiques		En prélude à l'actualisation du cadrage macroéconomique et budgétaire		15 juillet N	Recueil des avis des parties prenantes, notamment des acteurs économiques, sur les mesures fiscales et non fiscales à introduire dans le projet de loi de finances N+1, article 32
Matières du processus d'élaboration	Année N-1	Année N	Année N+1	Dates de l'échéance	Auteur et Nature de l'Acte
Conférences Élargies de Programmation budgétaire et de la performance associée		Examen des réalisations N-3, N-2, N-1 et les projections N+1, N+2, N+3, article 31		31 juillet N	Conférence sous la tutelle des Ministères en charge de la programmation et des finances
		Notification des plafonds des crédits pour l'année N, par le		20 août N	Cadrage macroéconomique et

		Premier Ministre, Chef du Gouvernement			budgétaire actualisé
Conférences budgétaires		Suite à la notification des plafonds des dépenses annuelles, les organes constitutionnelles, les départements ministériels et les entités ministériels procèdent à la préparation de leur projet de budget et de leurs Projets de Performance Annuelle (PPA), qu'ils transmettent pour examen dans le cadre des conférences budgétaires, accompagnés des Projets de Rapports Annuels de Performance (RAP) de l'année N-1, article 35		1er au 20 septembre N	Sous la responsabilité du Ministre des finances
Finalisation et approbation du projet de loi de finance		Article 14 et 15 de la loi n° 2018/012 du 11 juillet 2018 fixant le régime financier de l'État (projet de loi de finances, documents et annexes)		Dernier jeudi du mois de septembre de l'année N : session spéciale du Conseil de cabinet d'examen et d'adoption	Transmission des documents approuvés à la Présidence de la République pour suite de la procédure législative
Dépôt du projet de loi de finance initiale au Parlement				15 octobre de l'année N	Poursuite de la procédure législative pour l'adoption de loi de finances de l'année N+1
Matières du processus d'élaboration	**Année N-1**	**Année N**	**Année N+1**	**Dates de l'échéance**	**Auteur et Nature de l'Acte**
Circulaire sur l'exécution de la loi de finances				31 décembre de l'année N	Ministre en charge des finances
Rapport trimestriel sur l'exécution du budget				45 jours après la fin de chaque trimestre	Ministre en charge des finances
	Rapport sur l'exécution du budget	Arrêt des engagements et ordonnancements sur le budget		4 mois suivant la fin de l'exercice budgétaire N-1 30 novembre N pour les engagements 31 décembre N pour les ordonnancements	

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China Economic Growth Rate and its Prediction after COVID-19 Eruption

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Abstract- Any vacillations in the Chinese economy agitate the whole world financial system; in attendance, China become necessitate of era. Before 1960 the Chinese economy was a very unhinged and declining. After 1960 with effective headship, the China inhabitants work hard with harmony and constantly and, afterward 1980, the economy enhance up cultivate 2019. But now, in 2020, molest of Novel Corona's virus concerned the Chinese economy, and immobile, present is a great effort to conquer this dilemma. We have tried to elucidate the significance of the Chinese economy and constancy in this revise by using forecasting techniques using the ARIMA model. The research illustrates the outcomes of seven years of potential of the Chinese economy since 2020 to 2026 after the assault of this novel corona's virus. This research also compares times series techniques with the ARIMA model for receiving future forecasting of GDP of a country.

Keywords: *chinese economy, times series data, an ARIMA model, future forecasting, GDP rate.*

GJMBR-B Classification: *JEL Code: F43*

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China Economic Growth Rate and its Forecast after COVID-19 Eruption

Yousaf Ali Khan [α], Muneeb Ahmad [σ], Mohammad Saiyedul Islam [ρ], Weiying Ping [Ѡ] & Chonghui Jiang [¥]

Abstract- Any vacillations in the Chinese economy agitate the whole world financial system; in attendance, China become necessitate of era. Before 1960 the Chinese economy was a very unhinged and declining. After 1960 with effective headship, the China inhabitants work hard with harmony and constantly and, afterward 1980, the economy enhance up cultivate 2019. But now, in 2020, molest of Novel Corona's virus concerned the Chinese economy, and immobile, present is a great effort to conquer this dilemma. We have tried to elucidate the significance of the Chinese economy and constancy in this revise by using forecasting techniques using the ARIMA model. The research illustrates the outcomes of seven years of potential of the Chinese economy since 2020 to 2026 after the assault of this novel corona's virus. This research also compares times series techniques with the ARIMA model for receiving future forecasting of GDP of a country.

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I. Introduction

China is the greatest economy, and the variances of the Chinese economy, of some other under creating nations likewise varies, because the generation of local and also numerous extravagance items are made by China for these nations. An enormous amount of their exchange relies upon Chinese imports. It tends to be said that now China becomes a monetary need of this world. The reasons of reliance of the world on Chinese items is that the production cost of these items is excessively low, even a few nations purchase numerous items from Chinese brokers because wherein cost they produce these items on that value they are selling those items imported China after paying import obligation, conduit charges, city duties, and every single other use. After 1960 Chinese economy supports up bit by bit, and after 1980, the Chinese economy development accelerates, and till 2019 development rate is too high. In any case, presently, in 2020, there is an obstacle made for the development of the Chinese economy known as novel coronas virus. The infection will have just a constrained negative financial effect. Its impact on The Chinese GDP development rate in 2020 is probably going to be little; maybe decay on the request for 0.1 rates point. In the quarter of 2020 will maybe bringing down development by one rate spot on a yearly principle. The consequence on humankind GDP growth will be much slighter (WEI, 2020) the Chinese's economy is more likely than not developing beneath that rate, and that the combined impacts of the present general wellbeing emergency will occur in general constrain the development rate yet inferior in close to tenure (Magnus, 2020). As Chinese individuals and China Govt. as of now had confronted such a sort of unforeseen occasion like coronas virus, which upset their economy in the past, they generally face these difficulties boldly and remained before all obstacles of movement joined together. The effect of the 2019-nCov disease (crown infection) explained in brief declare market analysts; however, inexorably portable Chinese populace chances the sickness spreading over the coming weeks (Howes, 2020). The Chinese economy isn't relied upon to endure an enormous or in any event, enduring hit, yet financial specialists are hesitant to put a gauge may be it will spread. Prof; Hu thought, effect starting of SARS was rational as well as didn't keep going extensive, cutting China's quarterly GDP progress by 2% rate focuses as of 11.1% every year to 9.1% throughout the second from last four months (Domm, 2020). China's "actual" GDP could be level, or even fall in January-March, because of the endeavors to contain the spread of the coronas virus, plant shutdowns, and frightful purchasers (BEAMISH, 2020). China's financial system has gotten increasingly incorporated toward remainder of world, and dynamic exchange happens whenever openings emerge (Chen T., 2013).

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II. Literature Review

A significant arrangement thought to expand pattern for the model of the information (Elsayir, 2018). Past expert determining, these redresses can help basic monetary leadership by private entertainers and approach producers. For the situation strategy making, a progressively refined picture of thing to come can improve full-scale prudential approaches. The wasteful utilization of data and the related blunders in basic leadership could clarify monetarily essentialness total variances (Aromí, 2017). New worldwide monetary "vulnerability" and macroeconomic information "shock" factors are, without a doubt, valuable, as they contain considerable negligible discerning substance for GDP development in EM economies, as appeared through a progression of continuous anticipating tests (Cepni, 2018). 1) Slowing the maturing pattern through relocation and pre-birth list strategies; 2) upgrading work power support through work advertise arrangements; and 3) expanding work efficiency by increasing human being resources and the prosperity of the workers, just while putting resources into mechanical development. Concerning the approach, al-however China has as of late loosened up its one-youngster strategy, open reaction, and the long haul sway on populace maturing are still of extraordinary vulnerability (Chi Leung Kwok, 2018). China fabricating vitality utilization will keep on indicating development patterns. It will arrive at 2.58 billion heaps of average energy. It preserves give indicators to plan of administration vitality procedure that supported development of financial matters in China (Cheng, 2015). In the following 30 years, during which China will confront fast populace maturing, keeping up consistent financial development calls for persistent and generous improvement in labor profitability. Our gauge of work profitability important to meet distinctive monetary development targets demonstrates that keeping up a yearly GDP development pace of 7% in excess of the period 2015–2045 (Chen, 2018). China's populace continued expanding in the previous sixty years, whereas its development ratio indicated descending pattern. Attributable, Chinese implementation of the single-kid strategy, gender proportions obtained twisted plus quantity of matured people expanded quickly (Naiming Xie, 2018). The significant pretended by a well-created lawful framework and require an improvement in the legitimate condition in Chinese securities exchanges. A superior created lawful framework could function admirably as an alleviating factor for one-sided estimates because in a superior created legitimate framework (Shengnian Wang, 2017). China's development is based on a huge arrangement of irregular characteristics segment, natural, monetary, social, and political. Chinese pioneers have been long mindful of this awkward nature and attempted to review them. Huge segments of the decision elites, especially the nearby governments and the SOEs, have personal stakes in those irregular characteristics, while a portion of the lopsided characteristics themselves are pivotal for the arrangement of China's progressively quick needs (Vuving, 2012). Further efficiency development will most likely require relentless and supported upgrades in the working of the key establishments of China's market economy and that will be more earnestly to achieve than were prior endeavors that basically included disassembling the old framework. These new endeavors require making as good as ever organizations beginning with the money related framework increasingly significant as time goes on (PERKINS, 2006). The idea of twofold patterns and offers help to basic leadership in business, particularly in tasks the board and showcasing. The conventional solitary sculpts and preset burden mix draws near, the original strategy may be deal with all kinds of instance arrangements devoid of confusing the sculpt construction (Luo, 2017). The gauging model utilizes dynamic factors and blended recurrence information and can completely and viably large scale, monetary and money related data, in this way, bringing about great estimate execution. The examination gives valuable references to the China government to situate GDP development targets, particularly throughout the present basic time monetary rebuilding as well as overhauling plus change of financial development model (Yu Jiang, 2017). Accord figures are the determinant of the conjecture mix in the period of their discharge, recommending that the peripheral data substance of the DFM estimates has gotten somewhat low for some nations. Therefore, the advantages from utilizing a mixed plot when estimated against new Consensus conjectures' presentation have commonly decreased after some time, and are for the most part, little or missing for all nations aside from Italy and Japan since 2008 (Winter, 2018). Specialists may utilize this quantitative data and assess the specialists' estimates in line up considers through individuals created by also foundation (on behalf of occurrence, IMF) or different reviews (consent finances or the review of expert predictors) (Wohlrabe, 2019). Misconstrue the quality of the auxiliary connections between the diverse macroeconomic factors. Multivariate gauges assist decide to what degree estimates genuinely mirror forecasters' private assurance. At the end of the day, multivariate figures can enable the market to frame increasingly precise evaluations of the anticipated factors (Deschamps, 2014).

III. Methodology

a) *TIME Series Models*

i. *AUTO-regressive Model*

A period arrangement is grouping of estimations of the equivalent erratic(s) completed after some moment. Let us initially consider the issue where we have a y-variable estimated as a period arrangement, Y a proportion of temperature, with estimations yearly. To stress with estimated values after some moment, we use "t" because a subscript instead of the standard thing "I," i.e., Y_t implies Y estimated in time period *t*. An auto-backward replica is a point at which an incentive from a period arrangement is on past qualities since to equivalent time arrangement. In support of instance, Y_t on Y_t-1:

$$Y_t = \beta 0+\beta\, y_t-1+\varepsilon t \tag{1}$$

Right now, the reaction variable in the past times, and the blunders have our typical suspicions about mistakes in a straightforward, direct relapse model. The request for an auto-relapse is the quantity of promptly going before esteems in the arrangement to anticipate the incentive right now. In this way, the previous model is a 1st request auto-relapse, composed like *AR (1).* In the event that we need to anticipate *Y* this year *(Y_t)* utilizing estimations of worldwide hotness in past 2 years (Y_t-1, Y_t-2), at that point the auto-backward model is given:

$$Y_t = \beta_0+\beta_1 Y_t-1+\beta_2 Y_t-2+ \epsilon_t \tag{2}$$

This model is a 2nd request auto-relapse, composed as AR (2), because incentive by time **t** is anticipated, as of the qualities on occasion t−1 and t−2t−2. All the more by and large, a kth-request auto-relapse, composed as AR(k), is a various straight relapse wherein the estimation of the arrangement whenever t is a (direct) capacity of the qualities on occasion *t−1,t−2,… ,t−kt−1,t−2,… ,t−k.*

- An **MA model** simply means that the time series is a function of the error from previous periods.

- A MA(q) **moving average model** of order q can be written as:

$$Xt = \mu + \varepsilon t + \theta 1\varepsilon t - 1 + \theta 2\varepsilon t - 2 + \cdots + \theta q\varepsilon t - q$$

where μ is the mean of the series, the θ1, ..., θq are the parameters of the model and the εt, εt_1,..., εt_q are white noise error terms. The value of q is called the order of the MA model.

Figure 3.1: Moving average model

b) *Auto-backward Integrated Moving Average Model ARIMA (p,d,q)*

1. Definition (Production Method) GDP an ARIMA model, is a class of measurable models for dissecting and gauging time arrangement information:

AR: Auto-regression; a model that uses the perceptions along with several numbers of loose perceptions.

I. Incorporated. The consumption of dissimilarity of crude perceptions (for example subtracting, a perception from a perception at the past time step) the instance arrangement inactive.

MA: Moving Average. A replica that employs the dependence among an insight remaining an affecting normal mock-up practical to slacked perceptions.

A average certification is utilized for ARIMA (*p,d,q*) anywhere the strictures are subbed by whole figure characters to quickly display the exacting an *ARIMA model*.

The limitations of the *ARIMA model* are distinguished as tracked:

p: The number of sagging observations considered for the model, similarly described the relaxed request.

d: The circumstances that the crude perceptions the intensity of variation.

q: The amount of the affecting window.

c) *Stationary*

Ordinary hypotheses in numerous time series methods are to the figures are stationary. A stationary procedure has the possessions to the mean, variation, and auto-correlation structures do not modify more than time. Stationary can be distinct in accurate arithmetical requisites, however in favor of our principle we denote a horizontal emerge series, lacking tendency, steady variation in excess of occasion, a invariable auto-correlation organization more than occasion and no interrupted variations.

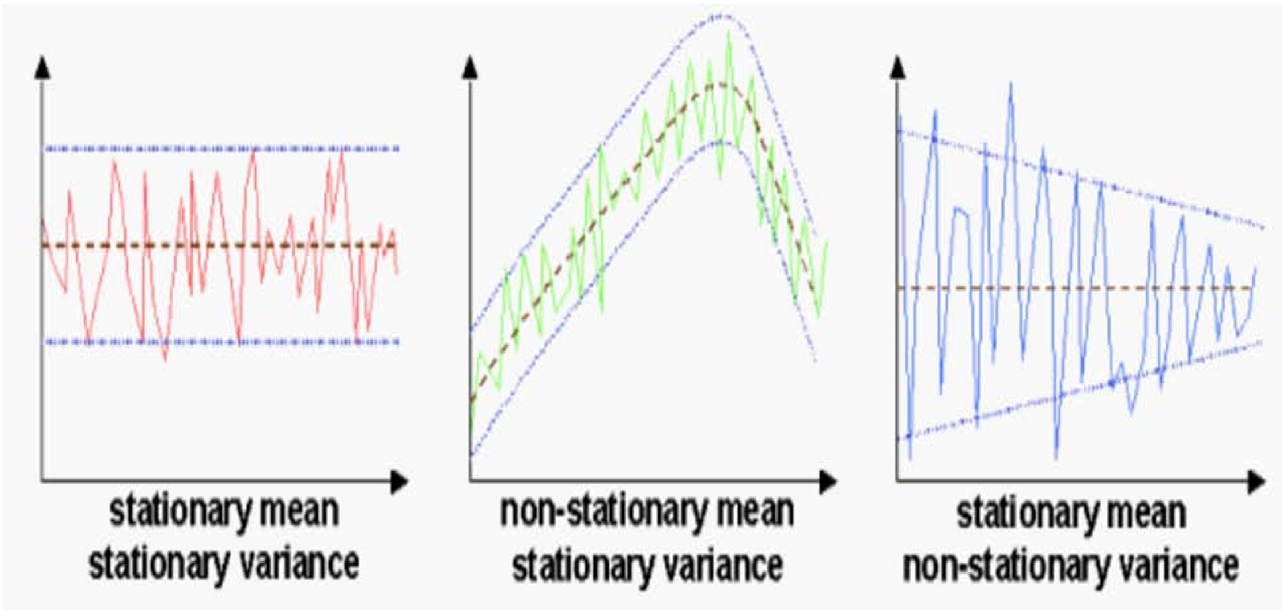


Figure 1: Illustration of stationary and non- stationary time series

IV. Empirical Results

a) *Definition (Use Method) GDP*

Method 1: From the perspective of production

GDP = ∑ final product (goods & service) x currency price

= ∑ final product (C+V+M)

= ∑the full value of final product

2. Definition (Distribution Method) GDP

Method 2: From the perspective of distribution GDP = Consumption of fixed capital + Labor compensation + Net production Tax + Surplus

Method 3: From the perspective of use GDP = Consumption + Investment+ Net export

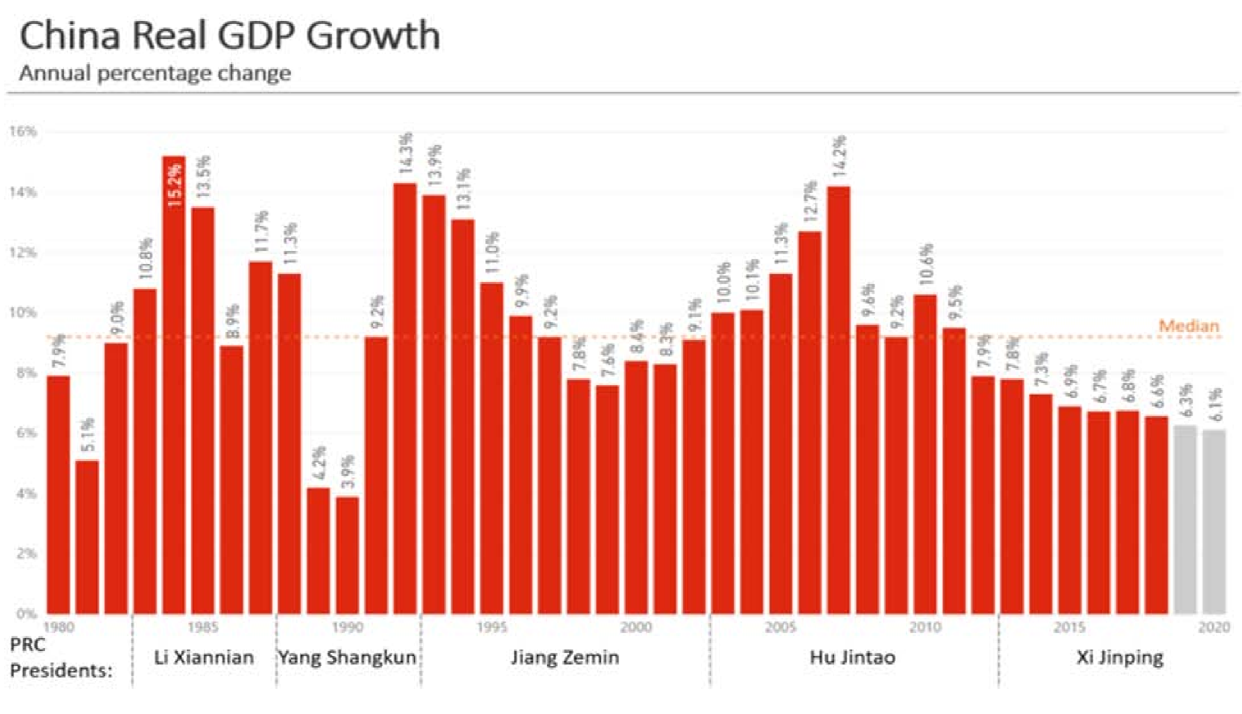


Figure 2: China Real GDP Growth 1980-2020: GDP growth rate according to Chinese Presidents during their presidential time periods

Table 4.1: GDP growth rate of China from 1961-2019

Years	GDP growth (annual %)	Years	GDP growth (annual %)
1961	-27.27	1991	9.294076
1962	-5.58	1992	14.21616
1963	10.3	1993	13.86758
1964	18.18	1994	13.05216
1965	16.95	1995	10.94923
1966	10.65	1996	9.928372
1967	-5.77	1997	9.230769
1968	-4.1	1998	7.837614
1969	16.94	1999	7.667486
1970	19.3	2000	8.491508
1971	7.06	2001	8.339911
1972	3.81	2002	9.130646
1973	7.76	2003	10.0356
1974	2.31	2004	10.11122
1975	8.7200	2005	11.39578
1976	-1.57000	2006	12.71948
1977	7.57000	2007	14.23139
1978	11.66664	2008	9.654289
1979	7.60000	2009	9.399813
1980	7.806691	2010	10.63614
1981	5.172414	2011	9.536443
1982	8.934426	2012	7.856262
1983	10.83521	2013	7.757635
1984	15.13917	2014	7.297666
1985	13.4434	2015	6.900205
1986	8.939709	2016	6.700000
1987	11.68893	2017	6.900000
1988	11.23452	2018	8.4921314
1989	4.185868	2019	9.35624039
1990	3.907114		

Table 4.1: Represents the historic record of china economic growth rate from 1961 to 2019

Source of GDP data of China from 1961-2019 is World Bank nationalized balance sheet data and OECD National financial statement statistics records.

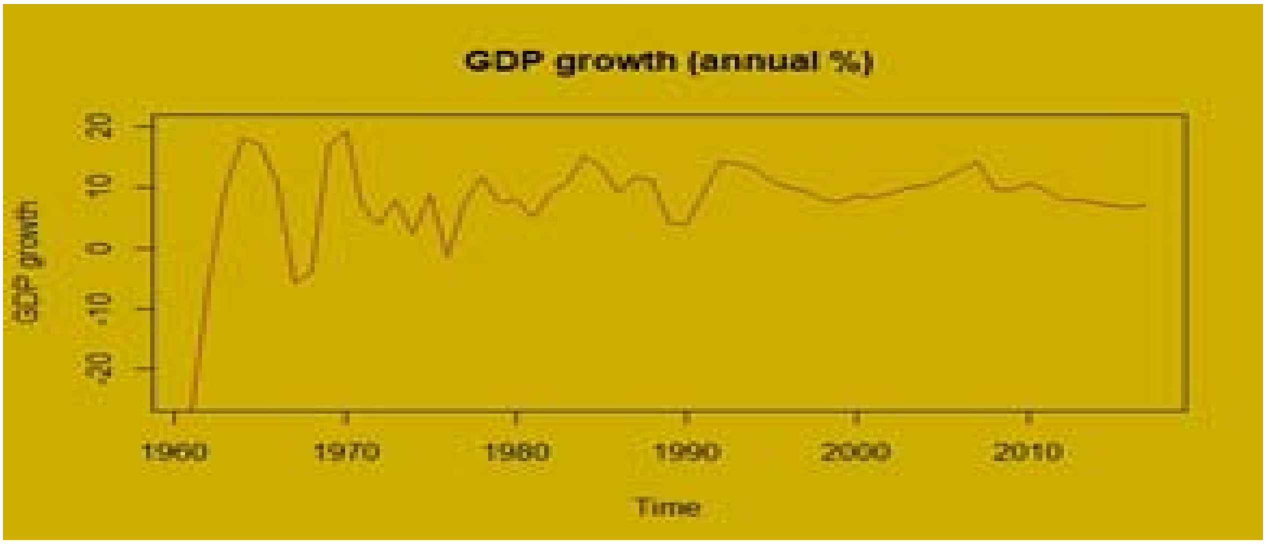
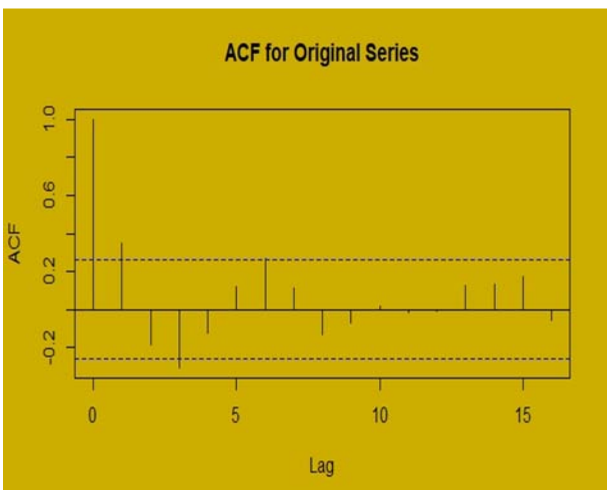


Figure 3: Time series plot of China Economic growth rate (GDP) from 1961-2019

ACF (Auto Correlation Function) of Original Series

PACF for Original Series



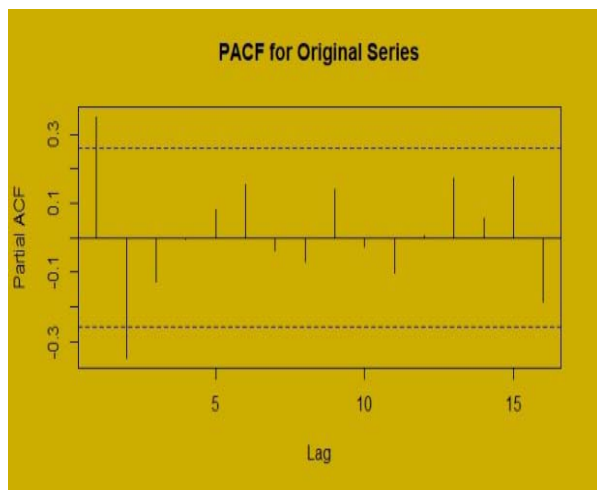


Figure 4: Auto Correlation Function and Partial Auto Correlation Function of Original series

ACF (Auto Correlation Function) and PACF (Partial Auto Correlation Function) for suggesting appropriate time series model for the data. Both ACF and PACF suggesting that the original series will be stationary on first difference, so stationary of the original series was obtained by first differencing and is shown is figure 4.

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Stationary Time Series

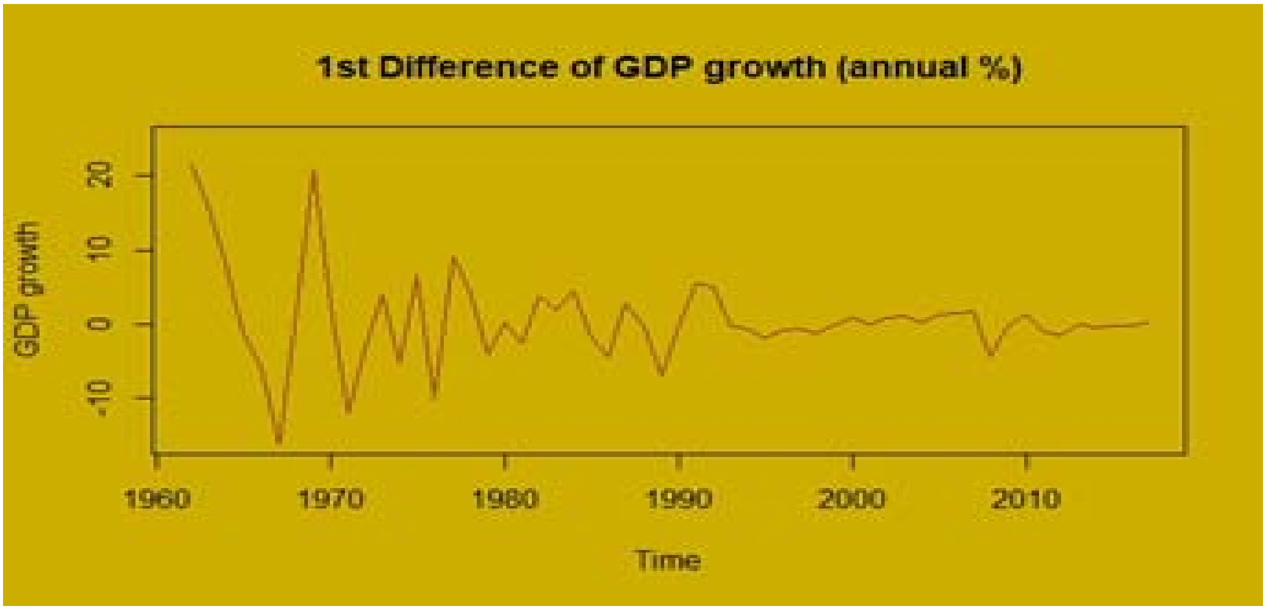

Figure 5: Stationary series after differencing

b) Searching and comparing the Best time Series model for GDP data

Search of the best model start from ARIMA of order (1, 1, 1). All possible models we consider for economic growth rate are show in table 2 below.

Table 4.2: Showing all possible fitted models along with AIC

Model	Log Likelihood	AIC
ARIMA(1,1,1)	-179.99	365.98
ARIMA(1,1,2)	-180.52	369.03
ARIMA(1,0,2)	-175.62	361.24
ARIMA(2,0,2)	-173.74	355.48
ARIMA(2,1,2)	-172.1	354.19
ARMA(2,0,1)	-172.21	354.43

On the Basis of AIC ARMIA (2, 1, 2) is selected as the best fitted model for GDP data, Estimates of the Fitted (Best) Model Using R software ARIMA (x = Data1, order = c (2, 1, 2)

Coefficients:

ar1 ar2 ma1 ma2

0.8429 -0.6593 -1.9832 0.9999

s.e. 0.1398 0.1364 0.0826 0.0829

Sigma ^ 2 estimated as 24.89: log likelihood = -172.1, AIC = 354.19

Training set error measures:

ME RMSE MAE MPE MAPE MASE

Raining set -2.009486 4.944522 3.225457 102.2416 239.7996 0.6219477

ACF1 Training set -0.002787185

ACF and PACF after making the series

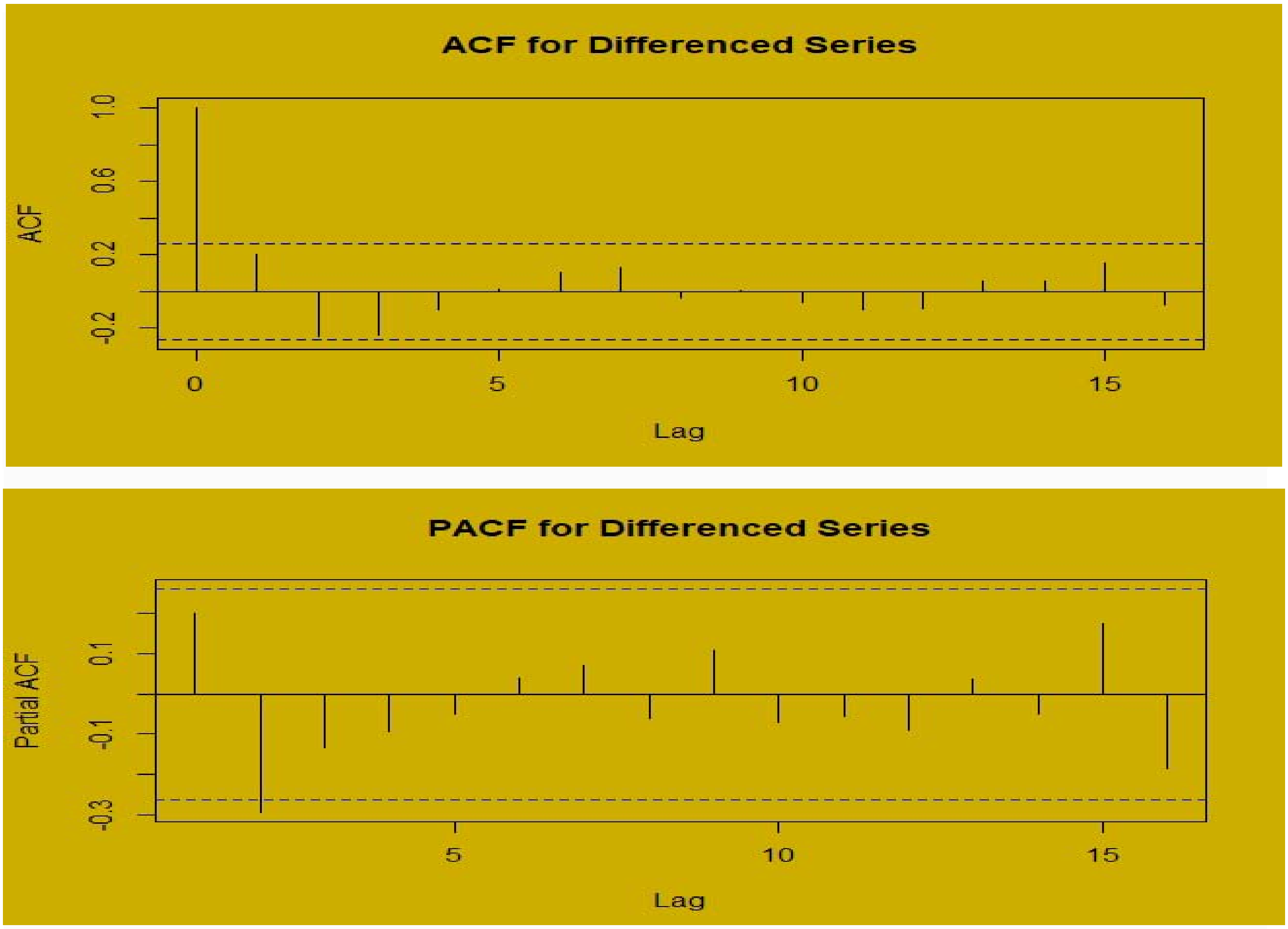

Figure 6: ACF and PACF of (stationary series) after differencing

c) Future forcast of china GDP for coming 10 years

Using the selected ARIMA model on the basis of AIC (Akaike Information Criteria) which is ARIMA (2, 1, 2) the seven year forecasts were obtained which is shown in Figure 7 below and the forecasted value is represented in table 4.3 below.

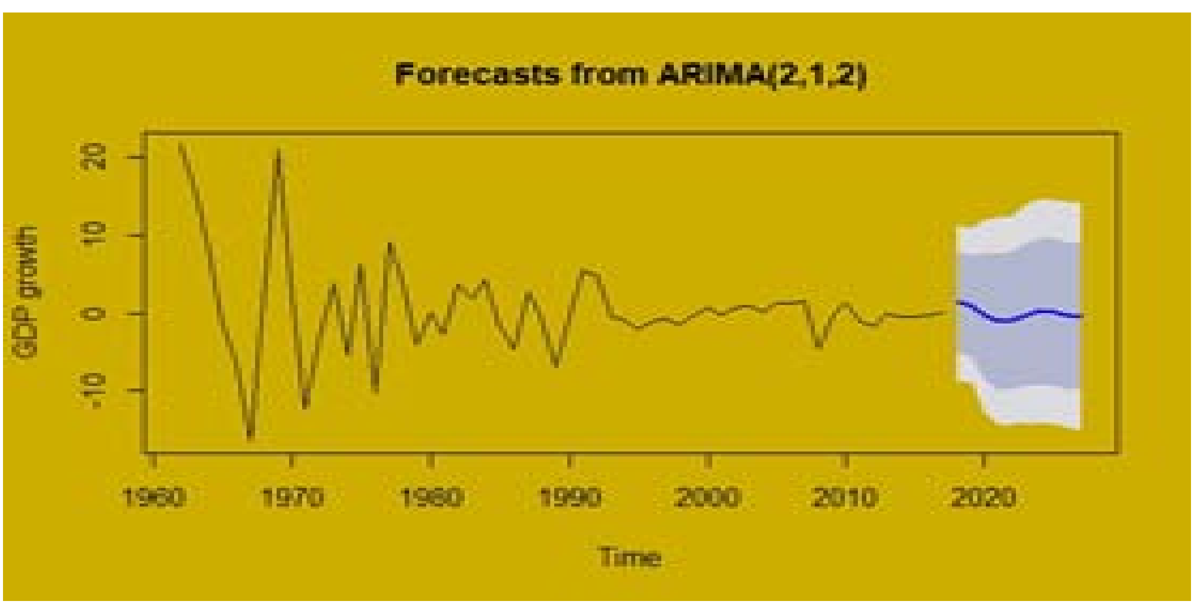

Figure 7: Future forecast of china economic growth Rate

Table 4.3: Future Forecast of china GDP

Years	Forecast Value
2020	-0.3333646
2021	-1.0785525
2022	-0.8514384
2023	-0.168686
2024	0.2570986
2025	0.1658679
2026	-0.1917575

V. Conclusion

China encounters a record 19.3% yearly development rate in 1970. Just in ten years from 1960-70 china support the economy from negative to positive and gained a colossal ground. By changes in nation financial matters with the progression, China encountered a high GDP rate as all things considered approximately 10%. Accomplishing such a high GDP rate for such a long time makes China monetarily increasingly stable nation on the planet, and one of the fundamental explanations of getting consideration of the world. We see from the future foresting that the GDF of china is progressively steady and reliable. Consistency in the GDP pace of China is the sign of a progressively stable economy. My Point of perspectives about dropping GDP rate of China centers from most recent few years on industrialization, China building up generation units in outside nations because of which the remote surplus is expanding step by step, innovative involvement, need improvement in the accessible pointer, need to build up new marker to bring the running system under GDP account. Changing nation financial aspects may likewise cause lower GDP rate. Chinese people are a very hard workers and devotees to their destiny, these people will come over the problem of this novel Coronas virus, and the whole world will be learned from them how to face difficulties with courage, unity, and hope of betterment.

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The corresponding author should mention the name and complete details of all co-authors during submission and in manuscript. We support addition, rearrangement, manipulation, and deletions in authors list till the early view publication of the journal. We expect that corresponding author will notify all co-authors of submission. We follow COPE guidelines for changes in authorship.

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Appealing Decisions

Unless specified in the notification, the Editorial Board's decision on publication of the paper is final and cannot be appealed before making the major change in the manuscript.

Acknowledgments

Contributors to the research other than authors credited should be mentioned in Acknowledgments. The source of funding for the research can be included. Suppliers of resources may be mentioned along with their addresses.

Declaration of funding sources

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Preparing your Manuscript

Authors can submit papers and articles in an acceptable file format: MS Word (doc, docx), LaTeX (.tex, .zip or .rar including all of your files), Adobe PDF (.pdf), rich text format (.rtf), simple text document (.txt), Open Document Text (.odt), and Apple Pages (.pages). Our professional layout editors will format the entire paper according to our official guidelines. This is one of the highlights of publishing with Global Journals—authors should not be concerned about the formatting of their paper. Global Journals accepts articles and manuscripts in every major language, be it Spanish, Chinese, Japanese, Portuguese, Russian, French, German, Dutch, Italian, Greek, or any other national language, but the title, subtitle, and abstract should be in English. This will facilitate indexing and the pre-peer review process.

The following is the official style and template developed for publication of a research paper. Authors are not required to follow this style during the submission of the paper. It is just for reference purposes.

Manuscript Style Instruction (Optional)

- Microsoft Word Document Setting Instructions.
- Font type of all text should be Swis721 Lt BT.
- Page size: 8.27" x 11'", left margin: 0.65, right margin: 0.65, bottom margin: 0.75.
- Paper title should be in one column of font size 24.
- Author name in font size of 11 in one column.
- Abstract: font size 9 with the word "Abstract" in bold italics.
- Main text: font size 10 with two justified columns.
- Two columns with equal column width of 3.38 and spacing of 0.2.
- First character must be three lines drop-capped.
- The paragraph before spacing of 1 pt and after of 0 pt.
- Line spacing of 1 pt.
- Large images must be in one column.
- The names of first main headings (Heading 1) must be in Roman font, capital letters, and font size of 10.
- The names of second main headings (Heading 2) must not include numbers and must be in italics with a font size of 10.

Structure and Format of Manuscript

The recommended size of an original research paper is under 15,000 words and review papers under 7,000 words. Research articles should be less than 10,000 words. Research papers are usually longer than review papers. Review papers are reports of significant research (typically less than 7,000 words, including tables, figures, and references)

A research paper must include:

a) A title which should be relevant to the theme of the paper.
b) A summary, known as an abstract (less than 150 words), containing the major results and conclusions.
c) Up to 10 keywords that precisely identify the paper's subject, purpose, and focus.
d) An introduction, giving fundamental background objectives.
e) Resources and techniques with sufficient complete experimental details (wherever possible by reference) to permit repetition, sources of information must be given, and numerical methods must be specified by reference.
f) Results which should be presented concisely by well-designed tables and figures.
g) Suitable statistical data should also be given.
h) All data must have been gathered with attention to numerical detail in the planning stage.

Design has been recognized to be essential to experiments for a considerable time, and the editor has decided that any paper that appears not to have adequate numerical treatments of the data will be returned unrefereed.

i) Discussion should cover implications and consequences and not just recapitulate the results; conclusions should also be summarized.
j) There should be brief acknowledgments.
k) There ought to be references in the conventional format. Global Journals recommends APA format.

Authors should carefully consider the preparation of papers to ensure that they communicate effectively. Papers are much more likely to be accepted if they are carefully designed and laid out, contain few or no errors, are summarizing, and follow instructions. They will also be published with much fewer delays than those that require much technical and editorial correction.

The Editorial Board reserves the right to make literary corrections and suggestions to improve brevity.

Format Structure

It is necessary that authors take care in submitting a manuscript that is written in simple language and adheres to published guidelines.

All manuscripts submitted to Global Journals should include:

Title

The title page must carry an informative title that reflects the content, a running title (less than 45 characters together with spaces), names of the authors and co-authors, and the place(s) where the work was carried out.

Author details

The full postal address of any related author(s) must be specified.

Abstract

The abstract is the foundation of the research paper. It should be clear and concise and must contain the objective of the paper and inferences drawn. It is advised to not include big mathematical equations or complicated jargon.

Many researchers searching for information online will use search engines such as Google, Yahoo or others. By optimizing your paper for search engines, you will amplify the chance of someone finding it. In turn, this will make it more likely to be viewed and cited in further works. Global Journals has compiled these guidelines to facilitate you to maximize the web-friendliness of the most public part of your paper.

Keywords

A major lynchpin of research work for the writing of research papers is the keyword search, which one will employ to find both library and internet resources. Up to eleven keywords or very brief phrases have to be given to help data retrieval, mining, and indexing.

One must be persistent and creative in using keywords. An effective keyword search requires a strategy: planning of a list of possible keywords and phrases to try.

Choice of the main keywords is the first tool of writing a research paper. Research paper writing is an art. Keyword search should be as strategic as possible.

One should start brainstorming lists of potential keywords before even beginning searching. Think about the most important concepts related to research work. Ask, "What words would a source have to include to be truly valuable in a research paper?" Then consider synonyms for the important words.

It may take the discovery of only one important paper to steer in the right keyword direction because, in most databases, the keywords under which a research paper is abstracted are listed with the paper.

Numerical Methods

Numerical methods used should be transparent and, where appropriate, supported by references.

Abbreviations

Authors must list all the abbreviations used in the paper at the end of the paper or in a separate table before using them.

Formulas and equations

Authors are advised to submit any mathematical equation using either MathJax, KaTeX, or LaTeX, or in a very high-quality image.

Tables, Figures, and Figure Legends

Tables: Tables should be cautiously designed, uncrowned, and include only essential data. Each must have an Arabic number, e.g., Table 4, a self-explanatory caption, and be on a separate sheet. Authors must submit tables in an editable format and not as images. References to these tables (if any) must be mentioned accurately.

Figures

Figures are supposed to be submitted as separate files. Always include a citation in the text for each figure using Arabic numbers, e.g., Fig. 4. Artwork must be submitted online in vector electronic form or by emailing it.

Preparation of Eletronic Figures for Publication

Although low-quality images are sufficient for review purposes, print publication requires high-quality images to prevent the final product being blurred or fuzzy. Submit (possibly by e-mail) EPS (line art) or TIFF (halftone/ photographs) files only. MS PowerPoint and Word Graphics are unsuitable for printed pictures. Avoid using pixel-oriented software. Scans (TIFF only) should have a resolution of at least 350 dpi (halftone) or 700 to 1100 dpi (line drawings). Please give the data for figures in black and white or submit a Color Work Agreement form. EPS files must be saved with fonts embedded (and with a TIFF preview, if possible).

For scanned images, the scanning resolution at final image size ought to be as follows to ensure good reproduction: line art: >650 dpi; halftones (including gel photographs): >350 dpi; figures containing both halftone and line images: >650 dpi.

Color charges: Authors are advised to pay the full cost for the reproduction of their color artwork. Hence, please note that if there is color artwork in your manuscript when it is accepted for publication, we would require you to complete and return a Color Work Agreement form before your paper can be published. Also, you can email your editor to remove the color fee after acceptance of the paper.

Tips for writing a good quality Management Research Paper

Techniques for writing a good quality management and business research paper:

1. Choosing the topic: In most cases, the topic is selected by the interests of the author, but it can also be suggested by the guides. You can have several topics, and then judge which you are most comfortable with. This may be done by asking several questions of yourself, like "Will I be able to carry out a search in this area? Will I find all necessary resources to accomplish the search? Will I be able to find all information in this field area?" If the answer to this type of question is "yes," then you ought to choose that topic. In most cases, you may have to conduct surveys and visit several places. Also, you might have to do a lot of work to find all the rises and falls of the various data on that subject. Sometimes, detailed information plays a vital role, instead of short information. Evaluators are human: The first thing to remember is that evaluators are also human beings. They are not only meant for rejecting a paper. They are here to evaluate your paper. So present your best aspect.

2. Think like evaluators: If you are in confusion or getting demotivated because your paper may not be accepted by the evaluators, then think, and try to evaluate your paper like an evaluator. Try to understand what an evaluator wants in your research paper, and you will automatically have your answer. Make blueprints of paper: The outline is the plan or framework that will help you to arrange your thoughts. It will make your paper logical. But remember that all points of your outline must be related to the topic you have chosen.

3. Ask your guides: If you are having any difficulty with your research, then do not hesitate to share your difficulty with your guide (if you have one). They will surely help you out and resolve your doubts. If you can't clarify what exactly you require for your work, then ask your supervisor to help you with an alternative. He or she might also provide you with a list of essential readings.

4. Use of computer is recommended: As you are doing research in the field of management and business then this point is quite obvious. Use right software: Always use good quality software packages. If you are not capable of judging good software, then you can lose the quality of your paper unknowingly. There are various programs available to help you which you can get through the internet.

5. Use the internet for help: An excellent start for your paper is using Google. It is a wondrous search engine, where you can have your doubts resolved. You may also read some answers for the frequent question of how to write your research paper or find a model research paper. You can download books from the internet. If you have all the required books, place importance on reading, selecting, and analyzing the specified information. Then sketch out your research paper. Use big pictures: You may use encyclopedias like Wikipedia to get pictures with the best resolution. At Global Journals, you should strictly follow here.

6. Bookmarks are useful: When you read any book or magazine, you generally use bookmarks, right? It is a good habit which helps to not lose your continuity. You should always use bookmarks while searching on the internet also, which will make your search easier.

7. Revise what you wrote: When you write anything, always read it, summarize it, and then finalize it.

8. Make every effort: Make every effort to mention what you are going to write in your paper. That means always have a good start. Try to mention everything in the introduction—what is the need for a particular research paper. Polish your work with good writing skills and always give an evaluator what he wants. Make backups: When you are going to do any important thing like making a research paper, you should always have backup copies of it either on your computer or on paper. This protects you from losing any portion of your important data.

9. Produce good diagrams of your own: Always try to include good charts or diagrams in your paper to improve quality. Using several unnecessary diagrams will degrade the quality of your paper by creating a hodgepodge. So always try to include diagrams which were made by you to improve the readability of your paper. Use of direct quotes: When you do research relevant to literature, history, or current affairs, then use of quotes becomes essential, but if the study is relevant to science, use of quotes is not preferable.

10. Use proper verb tense: Use proper verb tenses in your paper. Use past tense to present those events that have happened. Use present tense to indicate events that are going on. Use future tense to indicate events that will happen in the future. Use of wrong tenses will confuse the evaluator. Avoid sentences that are incomplete.

11. Pick a good study spot: Always try to pick a spot for your research which is quiet. Not every spot is good for studying.

12. Know what you know: Always try to know what you know by making objectives, otherwise you will be confused and unable to achieve your target.

13. Use good grammar: Always use good grammar and words that will have a positive impact on the evaluator; use of good vocabulary does not mean using tough words which the evaluator has to find in a dictionary. Do not fragment sentences. Eliminate one-word sentences. Do not ever use a big word when a smaller one would suffice.
Verbs have to be in agreement with their subjects. In a research paper, do not start sentences with conjunctions or finish them with prepositions. When writing formally, it is advisable to never split an infinitive because someone will (wrongly) complain. Avoid clichés like a disease. Always shun irritating alliteration. Use language which is simple and straightforward. Put together a neat summary.

14. Arrangement of information: Each section of the main body should start with an opening sentence, and there should be a changeover at the end of the section. Give only valid and powerful arguments for your topic. You may also maintain your arguments with records.

15. Never start at the last minute: Always allow enough time for research work. Leaving everything to the last minute will degrade your paper and spoil your work.

16. Multitasking in research is not good: Doing several things at the same time is a bad habit in the case of research activity. Research is an area where everything has a particular time slot. Divide your research work into parts, and do a particular part in a particular time slot.

17. Never copy others' work: Never copy others' work and give it your name because if the evaluator has seen it anywhere, you will be in trouble. Take proper rest and food: No matter how many hours you spend on your research activity, if you are not taking care of your health, then all your efforts will have been in vain. For quality research, take proper rest and food.

18. Go to seminars: Attend seminars if the topic is relevant to your research area. Utilize all your resources.

19. Refresh your mind after intervals: Try to give your mind a rest by listening to soft music or sleeping in intervals. This will also improve your memory. Acquire colleagues: Always try to acquire colleagues. No matter how sharp you are, if you acquire colleagues, they can give you ideas which will be helpful to your research.

20. Think technically: Always think technically. If anything happens, search for its reasons, benefits, and demerits. Think and then print: When you go to print your paper, check that tables are not split, headings are not detached from their descriptions, and page sequence is maintained.

21. Adding unnecessary information: Do not add unnecessary information like "I have used MS Excel to draw graphs." Irrelevant and inappropriate material is superfluous. Foreign terminology and phrases are not apropos. One should never take a broad view. Analogy is like feathers on a snake. Use words properly, regardless of how others use them. Remove quotations. Puns are for kids, not grunt readers. Never oversimplify: When adding material to your research paper, never go for oversimplification; this will definitely irritate the evaluator. Be specific. Never use rhythmic redundancies. Contractions shouldn't be used in a research paper. Comparisons are as terrible as clichés. Give up ampersands, abbreviations, and so on. Remove commas that are not necessary. Parenthetical words should be between brackets or commas. Understatement is always the best way to put forward earth-shaking thoughts. Give a detailed literary review.

22. Report concluded results: Use concluded results. From raw data, filter the results, and then conclude your studies based on measurements and observations taken. An appropriate number of decimal places should be used. Parenthetical remarks are prohibited here. Proofread carefully at the final stage. At the end, give an outline to your arguments. Spot perspectives of further study of the subject. Justify your conclusion at the bottom sufficiently, which will probably include examples.

23. Upon conclusion: Once you have concluded your research, the next most important step is to present your findings. Presentation is extremely important as it is the definite medium though which your research is going to be in print for the rest of the crowd. Care should be taken to categorize your thoughts well and present them in a logical and neat manner. A good quality research paper format is essential because it serves to highlight your research paper and bring to light all necessary aspects of your research.

Informal Guidelines of Research Paper Writing

Key points to remember:

- Submit all work in its final form.
- Write your paper in the form which is presented in the guidelines using the template.
- Please note the criteria peer reviewers will use for grading the final paper.

Final points:

One purpose of organizing a research paper is to let people interpret your efforts selectively. The journal requires the following sections, submitted in the order listed, with each section starting on a new page:

The introduction: This will be compiled from reference matter and reflect the design processes or outline of basis that directed you to make a study. As you carry out the process of study, the method and process section will be constructed like that. The results segment will show related statistics in nearly sequential order and direct reviewers to similar intellectual paths throughout the data that you gathered to carry out your study.

The discussion section:

This will provide understanding of the data and projections as to the implications of the results. The use of good quality references throughout the paper will give the effort trustworthiness by representing an alertness to prior workings.

Writing a research paper is not an easy job, no matter how trouble-free the actual research or concept. Practice, excellent preparation, and controlled record-keeping are the only means to make straightforward progression.

General style:

Specific editorial column necessities for compliance of a manuscript will always take over from directions in these general guidelines.

To make a paper clear: Adhere to recommended page limits.

Mistakes to avoid:

- Insertion of a title at the foot of a page with subsequent text on the next page.
- Separating a table, chart, or figure—confine each to a single page.
- Submitting a manuscript with pages out of sequence.
- In every section of your document, use standard writing style, including articles ("a" and "the").
- Keep paying attention to the topic of the paper.

- Use paragraphs to split each significant point (excluding the abstract).
- Align the primary line of each section.
- Present your points in sound order.
- Use present tense to report well-accepted matters.
- Use past tense to describe specific results.
- Do not use familiar wording; don't address the reviewer directly. Don't use slang or superlatives.
- Avoid use of extra pictures—include only those figures essential to presenting results.

Title page:

Choose a revealing title. It should be short and include the name(s) and address(es) of all authors. It should not have acronyms or abbreviations or exceed two printed lines.

Abstract: This summary should be two hundred words or less. It should clearly and briefly explain the key findings reported in the manuscript and must have precise statistics. It should not have acronyms or abbreviations. It should be logical in itself. Do not cite references at this point.

An abstract is a brief, distinct paragraph summary of finished work or work in development. In a minute or less, a reviewer can be taught the foundation behind the study, common approaches to the problem, relevant results, and significant conclusions or new questions.

Write your summary when your paper is completed because how can you write the summary of anything which is not yet written? Wealth of terminology is very essential in abstract. Use comprehensive sentences, and do not sacrifice readability for brevity; you can maintain it succinctly by phrasing sentences so that they provide more than a lone rationale. The author can at this moment go straight to shortening the outcome. Sum up the study with the subsequent elements in any summary. Try to limit the initial two items to no more than one line each.

Reason for writing the article—theory, overall issue, purpose.

- Fundamental goal.
- To-the-point depiction of the research.
- Consequences, including definite statistics—if the consequences are quantitative in nature, account for this; results of any numerical analysis should be reported. Significant conclusions or questions that emerge from the research.

Approach:

- o Single section and succinct.
- o An outline of the job done is always written in past tense.
- o Concentrate on shortening results—limit background information to a verdict or two.
- o Exact spelling, clarity of sentences and phrases, and appropriate reporting of quantities (proper units, important statistics) are just as significant in an abstract as they are anywhere else.

Introduction:

The introduction should "introduce" the manuscript. The reviewer should be presented with sufficient background information to be capable of comprehending and calculating the purpose of your study without having to refer to other works. The basis for the study should be offered. Give the most important references, but avoid making a comprehensive appraisal of the topic. Describe the problem visibly. If the problem is not acknowledged in a logical, reasonable way, the reviewer will give no attention to your results. Speak in common terms about techniques used to explain the problem, if needed, but do not present any particulars about the protocols here.

The following approach can create a valuable beginning:

- o Explain the value (significance) of the study.
- o Defend the model—why did you employ this particular system or method? What is its compensation? Remark upon its appropriateness from an abstract point of view as well as pointing out sensible reasons for using it.
- o Present a justification. State your particular theory(-ies) or aim(s), and describe the logic that led you to choose them.
- o Briefly explain the study's tentative purpose and how it meets the declared objectives.

Approach:

Use past tense except for when referring to recognized facts. After all, the manuscript will be submitted after the entire job is done. Sort out your thoughts; manufacture one key point for every section. If you make the four points listed above, you will need at least four paragraphs. Present surrounding information only when it is necessary to support a situation. The reviewer does not desire to read everything you know about a topic. Shape the theory specifically—do not take a broad view.

As always, give awareness to spelling, simplicity, and correctness of sentences and phrases.

Procedures (methods and materials):

This part is supposed to be the easiest to carve if you have good skills. A soundly written procedures segment allows a capable scientist to replicate your results. Present precise information about your supplies. The suppliers and clarity of reagents can be helpful bits of information. Present methods in sequential order, but linked methodologies can be grouped as a segment. Be concise when relating the protocols. Attempt to give the least amount of information that would permit another capable scientist to replicate your outcome, but be cautious that vital information is integrated. The use of subheadings is suggested and ought to be synchronized with the results section.

When a technique is used that has been well-described in another section, mention the specific item describing the way, but draw the basic principle while stating the situation. The purpose is to show all particular resources and broad procedures so that another person may use some or all of the methods in one more study or referee the scientific value of your work. It is not to be a step-by-step report of the whole thing you did, nor is a methods section a set of orders.

Materials:

Materials may be reported in part of a section or else they may be recognized along with your measures.

Methods:

- Report the method and not the particulars of each process that engaged the same methodology.
- Describe the method entirely.
- To be succinct, present methods under headings dedicated to specific dealings or groups of measures.
- Simplify—detail how procedures were completed, not how they were performed on a particular day.
- If well-known procedures were used, account for the procedure by name, possibly with a reference, and that's all.

Approach:

It is embarrassing to use vigorous voice when documenting methods without using first person, which would focus the reviewer's interest on the researcher rather than the job. As a result, when writing up the methods, most authors use third person passive voice.

Use standard style in this and every other part of the paper—avoid familiar lists, and use full sentences.

What to keep away from:

- Resources and methods are not a set of information.
- Skip all descriptive information and surroundings—save it for the argument.
- Leave out information that is immaterial to a third party.

Results:

The principle of a results segment is to present and demonstrate your conclusion. Create this part as entirely objective details of the outcome, and save all understanding for the discussion.

The page length of this segment is set by the sum and types of data to be reported. Use statistics and tables, if suitable, to present consequences most efficiently.

You must clearly differentiate material which would usually be incorporated in a study editorial from any unprocessed data or additional appendix matter that would not be available. In fact, such matters should not be submitted at all except if requested by the instructor.

Content:

- o Sum up your conclusions in text and demonstrate them, if suitable, with figures and tables.
- o In the manuscript, explain each of your consequences, and point the reader to remarks that are most appropriate.
- o Present a background, such as by describing the question that was addressed by creation of an exacting study.
- o Explain results of control experiments and give remarks that are not accessible in a prescribed figure or table, if appropriate.
- o Examine your data, then prepare the analyzed (transformed) data in the form of a figure (graph), table, or manuscript.

What to stay away from:

- o Do not discuss or infer your outcome, report surrounding information, or try to explain anything.
- o Do not include raw data or intermediate calculations in a research manuscript.
- o Do not present similar data more than once.
- o A manuscript should complement any figures or tables, not duplicate information.
- o Never confuse figures with tables—there is a difference.

Approach:

As always, use past tense when you submit your results, and put the whole thing in a reasonable order.

Put figures and tables, appropriately numbered, in order at the end of the report.

If you desire, you may place your figures and tables properly within the text of your results section.

Figures and tables:

If you put figures and tables at the end of some details, make certain that they are visibly distinguished from any attached appendix materials, such as raw facts. Whatever the position, each table must be titled, numbered one after the other, and include a heading. All figures and tables must be divided from the text.

Discussion:

The discussion is expected to be the trickiest segment to write. A lot of papers submitted to the journal are discarded based on problems with the discussion. There is no rule for how long an argument should be.

Position your understanding of the outcome visibly to lead the reviewer through your conclusions, and then finish the paper with a summing up of the implications of the study. The purpose here is to offer an understanding of your results and support all of your conclusions, using facts from your research and generally accepted information, if suitable. The implication of results should be fully described.

Infer your data in the conversation in suitable depth. This means that when you clarify an observable fact, you must explain mechanisms that may account for the observation. If your results vary from your prospect, make clear why that may have happened. If your results agree, then explain the theory that the proof supported. It is never suitable to just state that the data approved the prospect, and let it drop at that. Make a decision as to whether each premise is supported or discarded or if you cannot make a conclusion with assurance. Do not just dismiss a study or part of a study as "uncertain."

Research papers are not acknowledged if the work is imperfect. Draw what conclusions you can based upon the results that you have, and take care of the study as a finished work.

- o You may propose future guidelines, such as how an experiment might be personalized to accomplish a new idea.
- o Give details of all of your remarks as much as possible, focusing on mechanisms.
- o Make a decision as to whether the tentative design sufficiently addressed the theory and whether or not it was correctly restricted. Try to present substitute explanations if they are sensible alternatives.
- o One piece of research will not counter an overall question, so maintain the large picture in mind. Where do you go next? The best studies unlock new avenues of study. What questions remain?
- o Recommendations for detailed papers will offer supplementary suggestions.

Approach:

When you refer to information, differentiate data generated by your own studies from other available information. Present work done by specific persons (including you) in past tense.

Describe generally acknowledged facts and main beliefs in present tense.

The Administration Rules

Administration Rules to Be Strictly Followed before Submitting Your Research Paper to Global Journals Inc.

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Segment draft and final research paper: You have to strictly follow the template of a research paper, failing which your paper may get rejected. You are expected to write each part of the paper wholly on your own. The peer reviewers need to identify your own perspective of the concepts in your own terms. Please do not extract straight from any other source, and do not rephrase someone else's analysis. Do not allow anyone else to proofread your manuscript.

Written material: You may discuss this with your guides and key sources. Do not copy anyone else's paper, even if this is only imitation, otherwise it will be rejected on the grounds of plagiarism, which is illegal. Various methods to avoid plagiarism are strictly applied by us to every paper, and, if found guilty, you may be blacklisted, which could affect your career adversely. To guard yourself and others from possible illegal use, please do not permit anyone to use or even read your paper and file.

Criterion for Grading a Research Paper (Compilation) by Global Journals

Please note that following table is only a Grading of "Paper Compilation" and not on "Performed/Stated Research" whose grading solely depends on Individual Assigned Peer Reviewer and Editorial Board Member. These can be available only on request and after decision of Paper. This report will be the property of Global Journals.

Topics	Grades		
	A-B	**C-D**	**E-F**
Abstract	Clear and concise with appropriate content, Correct format. 200 words or below	Unclear summary and no specific data, Incorrect form Above 200 words	No specific data with ambiguous information Above 250 words
Introduction	Containing all background details with clear goal and appropriate details, flow specification, no grammar and spelling mistake, well organized sentence and paragraph, reference cited	Unclear and confusing data, appropriate format, grammar and spelling errors with unorganized matter	Out of place depth and content, hazy format
Methods and Procedures	Clear and to the point with well arranged paragraph, precision and accuracy of facts and figures, well organized subheads	Difficult to comprehend with embarrassed text, too much explanation but completed	Incorrect and unorganized structure with hazy meaning
Result	Well organized, Clear and specific, Correct units with precision, correct data, well structuring of paragraph, no grammar and spelling mistake	Complete and embarrassed text, difficult to comprehend	Irregular format with wrong facts and figures
Discussion	Well organized, meaningful specification, sound conclusion, logical and concise explanation, highly structured paragraph reference cited	Wordy, unclear conclusion, spurious	Conclusion is not cited, unorganized, difficult to comprehend
References	Complete and correct format, well organized	Beside the point, Incomplete	Wrong format and structuring

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