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Highlights

After Brexit: Britain ´s Future

COVID-19 a Blessing for Ecommerce

Discovering Thoughts, Inventing Future

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After Brexit: Britain´s Future

By Seguí Alcaraz, Antoni
University of Valencia

Abstract- After 43 years as a member first of the European Community and then the European Union (EU), the United Kingdom decided, in what is assumed to be the most democratic way possible, to leave this relationship. The British public have voted against their own interests.

People across Europe, and indeed throughout the world, are afraid. Above all they are afraid of globalisation, which they believe has brought the threat of the other into their daily lives and has undermined their livelihoods, while benefiting only an elite few. They fear for their safety and their jobs and they are angry with the leaders who have proved incapable of defending their interests.

Keywords: brexit, europe, great britain.

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I. Introduction

The economy is cyclical: it goes through periods of expansion followed by periods of contraction. Technically, deceleration or economic contraction is a reduction in the growth rate of the gross national product (GNP). Economic crisis is frequently associated with all situations that negatively affect the present and future performance of the main economic variables: production, employment, investment, exports and so on. Financial crisis therefore occurs when the banks, or the monetary or financial system perform in a harmful way.

The analysis of the characteristics and consequences of the international financial crisis and their connection with Britain's withdrawal from the European Union (Brexit) alerts us to the serious difficulties and risks that the world economy is currently facing. Despite the various measures introduced to overcome the crisis, by 2016 the European economy had still not recovered; banks such as Uni Credit, HSBC and Deutsche Bank are technically insolvent, yet persist in adopting monetary and financial policies that do not resolve the high and increasing level of world debt, thus fuelling the next international financial crash.

Although economic theory holds that economic crisis is linked to a process of economic recession, the present crisis is multidimensional and therefore can only be understood through a multidisciplinary lens. Indeed, from a global perspective various types of crisis can be distinguished: financial, economic, ecological, a crisis of international governance or of thought (Roelvink and Zolkos, 2015).

In light of the above, the present article aims to examine the main causes that might explain the United Kingdom's withdrawal from the European Union and the possible consequences that it could have for Europe's economic performance. It also analyses the reasons why Britain's exit from Europe could open the way to a series of tensions on the immediate economic, political and social horizon in Europe (Brennan, 2016).

II. Disturbances in the British Economy

Since the beginning of the twenty-first century, several violent and terrorist related events have shocked world public opinion, marked particularly by the attack of 11 September 2001. In the following years, the United States initiated a war against terror in Afghanistan that resulted in 150,000 deaths and 162,000 injured, while the invasion of Iraq by a coalition of European countries and led by the United States caused over a million violent deaths.

In turn, the military invasion of Libya by the United States, France and the United Kingdom resulted in 50,000 deaths. After five years of war Syria is stillhaemorrhaging; 270,000 dead and five million displaced persons (Syrian Observatory for Human Rights, 2018) have left the country, together with its historical and cultural heritage, in ruins.

In Great Britain, the birthplace of the Industrial Revolution, manufacturing jobs accounted for 45% of total employment before the First World War. By 1990, following the introduction of neoliberal policies set in motion by Margaret Thatcher's government, the percentage of manufacturing industry workers had fallen to 25%. In the final decade of the twentieth century and the beginning of the new millennium, globalisation favoured industrial relocation to other parts of the world, with the result that today less than 9%of the British workforce is employed in manufacturing industries (ILO, 2016). It is noteworthy that in the period 1990–2010, Great Britain lost more than three million jobs in manufacturing industries. According to Sachs (2009), globalisation helps one part of the developing world to grow, but leaves millions of people behind.

The United Kingdom, Italy, Spain and France are the European countries with the highest numbers of foreign people living within their borders (Eurostat, 2016). Of a population of 65 million people in the United Kingdom, five million were born in a different country. Between 2009 and 2014 more than a million foreign-born people acquired British citizenship, 59% of whom were originally from Bulgaria, Poland and Romania. In 2014, 64% of the immigrants from India to the European Union obtained British citizenship. The figures for immigrants from Pakistan were 52%, from Nigeria 46%, from China 32% and from the Philippines 28%.

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In this context, United Kingdom citizens demonstrated a range of social behaviours in their decision on whether to leave or remain in the European Union (EU). The majority of the population in Northern Ireland and Scotland voted to remain in the EU, whereas the majority in England and Wales supported the leave option. By age, 56% of voters between the ages of 25 and 49 voted to stay in the EU compared with just 39% of those older than 65. The majority of young people therefore voted to remain in Europe, while older people expressed their wish to leave. In a post-Brexit Europe, young people in the United Kingdom fear that they will lose the right to live and work freely in the 27 countries of the Union: 1.2 million British citizens currently live in other EU countries (Eurostat, 2016).

One notable and pervasive aspect of the Leave Europe campaign was the call to reinstate national sovereignty; its defenders argued that European integration severely affected industrial production and employment. In England, those on the right of the political spectrum warned that immigration had negative repercussions in terms of lowering wages of local workers, driving up housing prices and making cities less safe. Immigration was at the heart of their discourse, not because it directly affects the central inland areas of the country, but because of a fear that their identity would be eroded in a similar way as in the more marginalised neighbourhoods of London, with higher rates of delinquency, poverty and immigrants (Von Rompuy, 2016).

There is no doubt that the majority decision in England to leave the European Union will have a harmful effect on the integrity of the United Kingdom as a whole, since the citizens of Scotland and Northern Ireland voted overwhelmingly to remain (Hindmoor and Taylor, 2015). There is a distinct possibility that Scotland will once again try to gain its independence from the rest of Britain. In the 2014 referendum, the Scots voted in favour of remaining in the UK, essentially because that would guarantee their permanence in the European Union. It is important to note that 62% of citizens living in Scotland voted to remain in the EU, and Nicola Sturgeon, Scotland's First Minister, stated that Scotland cannot leave Europe against the majority will of its population (Bogdanor, 2016). Now, with the United Kingdom on its way out of the EU, it is very likely that Scotland will hold a new independence referendum, with a view to rejoining the EU in the future. The Brexit result reflects a deep division in British society and has sown the seeds for a lurking polarisation that will spread across Europe as a whole (Achen and Bartels, 2016).

Most of the population with lower incomes and educational levels were also in favour of breaking the connection with Europe. The Guardian (2016) reported that the three electoral constituencies with the highest purchasing power voted to remain, while those in the poorest constituencievoted overwhelmingly to leave the European Union.

III. The European Financial Crisis and Brexit

Since the beginning of the crisis in 2007, several measures have been put in place to overcome the economic crisis in Europe: monetary expansion, reduced interest rates, zero interest rates, negative interest rates, the purchase of toxic assets; yet despite all these measures the crisis persists. The United Kingdom's decision to leave the EU occurred in the midst of a severe, prolonged international economic and financial crisis, the effects of which were felt most severely in Europe (Nicolaidis, 2013).

The Eurozone is slowly recovering, although mid-term perspectives are very uncertain (IMF, 2015). In fact, recovery of the European economy is fragile, unemployment is high and several banks have large portfolios of non-performing loans (Bank for International Settlements, BIS, 2015). Furthermore, unemployment, especially among young people, migration and the staggering increase in the numbers of people seeking refuge and fleeing from their countries as a result of war and terrorism, are all aspects that configure and aggravate Europe's multiple crises (Begg et al., 2015).

To improve the balance sheets of the banks and stimulate investment in Eurozone countries, in June 2014 the European Central Bank introduced a policy of negative interest rates. This gave private banks access to free money from the Central Bank, thus improving their financial situation and providing financial capital that, supposedly, must be invested in production activities (Massumi, 2015). However, low interest rates in the United States, Europe and Japan have favoured borrowing, and the negative interest rates have led to the devaluation of the euro due to large investors transferring their capital to other activities in the global economy. As a result, by the end of 2014 credit in euros and dollars granted to non-bank borrowers outside the Eurozone and the United States had risen to 2.3 billion euros and $9.5 billion, respectively (BPI, 2015), and the debt in dollars outside the United States represented a seventh of world GDP (BIS, 2015).

By setting negative interest rates, saving is discouraged in order to stimulate consumption and growth; however, a further aim of this policy is to benefit companies, enabling them to obtain credit at low interest rates for investment. The problem is that individual citizens do not borrow for a very simple reason: they have already accumulated large amounts of debt. Companies, in turn, do not use the loans they are granted to improve production, generate employment and increase productivity, but rather tore purchase their own shares and return the money to their owners. The IMF has confirmed that the reduction of interest rates and other global factors has led to a fourfold increase in borrowing by non-financial companies in the main emerging markets, rising from four billion dollars in 2004 to over 18 billion in 2014 (IMF, 2015), more than the gross national product of the United States.

To solve the difficulties facing banks in the Eurozone, the European Central Bank adopted a monetary expansion policy. Between March 2015 and September 2016, it scheduled the purchase of public and private debt securities to the value of 1.14 billion euros, the equivalent of 60 thousand million euros per month over a 19-month period (Mars, 2015). This money was not invested in production initiatives that generate employment, but rather was used to acquire assets with which to speculate – real estate, bonds and equities – leading to the concentration of income and wealth, which is now in the hands of the richest 1% of the world's population (OECD, 2015).

In June 2016, a few days after the Leave campaign victory in the UK referendum, the Federal Reserve reported that Deutsche Bank and the Spanish Santander Bank were the only two out of 33 banks to fail its stress test against the risk of a possible financial crisis. Deutsche Bank shares then fell dramatically from 24 euros in December 2015 to 14 euros in November 2016. The Italian banks also required "support" for an estimated 360 thousand million euros in past-due loans. In July 2016, Folkerts-Landau, chief economist of Deutsche Bank, stated that immediate financing of 40 thousand million euros was needed to prop up the Italian bank. He also called for a bailout of 150 thousand million euros for the European banks, arguing that just as the United States had helped its banks with 475 thousand million dollars, it was now time for Europe to do the same since "Europe is seriously ill and needs to address very quickly the existing problems, or face an accident […] It is time to change the rules" (Folkerts-Landau, 2016). In consequence, the International Monetary Fund recommended the European Union clean up bank balance sheets, increase fiscal support and introduce reforms to raise growth potential. To offset the risk of stagnation, the IMF report called for reductions in the cost of hiring workers and in "the excessive protection for workers on regular contracts" (IMF, 2016).

There is a major contradiction in the policy of the central banks: on the one hand, because of high household debt, the demand for credit is insignificant; but on the other hand, the banks have no incentive to lend due to the negative interest rates, a situation that has distorted the credit markets by driving real estate speculation (Parvin, 2018). This policy fuels a rentier culture, which directly contradicts aspirations to increase productivity and employment. In addition, the IMF's Global Financial Stability Report (2016) warns that insurance companies have become a new global systemic risk, since at a global level they accumulate total investments of 24 billion dollars in long-term assets and securities. The fall in interest rates has increased insurers' vulnerability to the imbalances of the financial market since if the value of their assets were to fall again, they would not easily be able to underwrite their customers' savings or risks as they did in the past. The lower the interest rates, the more vulnerable insurance companies become, particularly in the United States and Europe (IMF, 2016).

a) *The development of the transition period for the United Kingdom's withdrawal from the European Union*

In legal terms, it is clear what has to be done following the official notification to leave, and that the United Kingdom must make this notification in accordance with its constitutional requirements, even though these requirements are not formally written down. The confusion lies in how the constitution will be interpreted in decisions taken during the withdrawal process. Article 50 is not ambiguous: it clearly sets out that the Member State wishing to withdraw must do so in accordance with its constitutional requirements, (mirroring the conditions set out in Article 49 of the Treaty of the European Union for accession, which uses the same expression).

The purpose of this wording is to prevent an illegal bid by a Member State to break of a commitment without appropriate internal democratic checks and balances. The parallel rationale for both joining and leaving the EU provides a robust and balanced guarantee that lends stability to international legal relations. The uncertainty surrounding compliance with constitutional requirements arises from the absence of a written constitution in the United Kingdom (Vincent, 2015). Britain joined Europe following the approval of the European Communities Act with an absolute majority in 1972, which was later modified and completed with the European Union Act of 2010. The UK Parliament cannot simply repeal the 1972 European Communities Act, since this law, as well as approving accession, provided for the direct effectiveness and primacy of European directives over internal legislation across all British administrative and judicial authorities, and allows British judges to present questions referred, among other provisions. The United Kingdom is bound to fully respect its obligations until the treaty is formally ended, and therefore the law cannot be repealed at this stage (Somin, 2016). The denouncement of or withdrawal from the treaty is performed through the same constitutional procedure by which consent was contracted to the treaty from which the State wishes to withdraw. However, if a withdrawal agreement is negotiated, the UK parliament will ratify (or not) the agreement and repeal the laws of 1972 and 2010. If negotiations fail, withdrawal will take place two years after notification without the intervention of the British Parliament, except for the obligation to repeal membership legislation, which would be a far from democratic move by the United Kingdom. All of this would of course be possible for a British Conservative government that has no confidence in representative democracy and entrusts crucial decisions to referendums (on the modification of parliamentary election legislation to break with the two-party system, on Scottish independence and, most recently, on EU membership). It is assumed that the State will act in good faith and that it will require a reasonable period of time, but that it will not play for time in order to strengthen its negotiating position and tacitly take advantage to create division among Member States. We know who sets the guidelines (the European Council), who forms part of the negotiating team (the Commission), who gives instructions and nominates the head of the negotiating team (the Council), how the agreement is approved (twenty out of twenty-seven votes cast in favour) or how the negotiations are extended (unanimous decision), what an EU international agreement is (i.e. not a mixed agreement and therefore not requiring ratification by all member states), which needs the approval of the European Parliament, and must be connected in some way to the negotiating stage and ratification by the Member State that wishes to leave. We know that if negotiations fail, the default option for relations between the UK and the EU will be World Trade Organisation rules. What we do not know is the material or political content of these rules. Unlike traditional treaties between states, treaties signed by the EU have specifically given citizens certain rights that often modify their legal situation. What direction the conditions of the future relationship will take remains a mystery. And there are signs of logical differences among Member States regarding the options for future relations with and general attitude to the United Kingdom (Figus et al., 2017).

IV. Conclusions

Britain's withdrawal from the European Union will have both positive and negative global and regional consequences. The international financial crisis and Brexit have shown that the neoliberal integration discourse and model facilitate corporate prosperity for transnational companies, but seriously harm citizens' well-being. The United Kingdom's decision to leave the European Union has shaken up the neoliberal integration model that was designed to create favourable conditions for transnational capital, and that has generated profound social inequalities. Although the European Union is expected to maintain its current integration policies, revisiting the options for commercial and cooperation negotiations among countries has become inevitable in the context of Brexit.

If the European Union persists in encouraging European integration through the indiscriminate opening up of markets, it is highly likely that the space will be modified for industrial policies and deindustrialisation will be heightened in certain European countries, especially those from the former Soviet bloc, stimulating asymmetries between the EU and neighbouring regions, which in turn will fuel the intensity of migratory processes and social conflict in the Old Continent (Brown, 2015).

Brexit and the unexpected arrival of Donald Trump in the White House open the doors for a restructuring of the global economy and geopolitics. If protectionist trade barriers are raised, in the medium term exports to the United States from the rest of the world will fall, the consequence of which will be lower circulation of the dollar in the international currency markets and, therefore, depreciation of the US dollar, thus providing favourable conditions for US corporations to increase their export capacity. However, given the huge difference in salaries between emerging economies and the US economy, it will be practically impossible for sectors such as the electronics, automobile or textile industries to return to the USA, but other sectors such as robotics, new software applications, nanotechnology, biotechnology and artificial intelligence may give rise to a new international division of labour in which the USA will seek to occupy a privileged position.

The UK's withdrawal from Europe will have intense repercussions on the application and even the setting up of new important instruments for international litigation in ectors that are closely linked to the internal market, such as intellectual property and financial services. It is important to note that the consequences will be intensified in the field of industrial property since Great Britain will be outside existing EU industrial property rights – which, in the case of EU rulings on brands and design, for example, incorporate their own competency regulations – and will particularly affect the establishment of the unitary patents system and its complex mechanism for solving controversies.

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Impact of Sales Volume (SAV) and Completely Knocked Down (CKD) in Automotive Industry on Economic Growth in Nigeria: 1987-2019

By Oyetunji David Olalere & Muhammad Nuruddeen Isa
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Abstract- This study examined the impact of Sales Volume (SAV) and Completely Knocked Down (CKD) in Automotive Industry in Nigeria using time series data from 1987 to 2019. The objective of this research is to establish the Impact of Sales Volume (SAV) and Completely Knocked Down (CKD) in Automotive Industry on Economic Growth in Nigeria: 1987- 2019. Autoregressive Distributed Lag Model (ARDL) method was used. The findings from the study revealed that Sales volume (LSAV (-1)) at one lag period and Completely knocked down (LCKD) at lag value have significant impact on economic growth while Exchange rate (EXCR) is not significant. Interest rate and inflation rate appear to be statistically significant in determining economic growth at their contemporaneous values. Hence, we conclude that Sales Volume and Completely Knocked Down in Automotive Industry positively impacted on the economic growth in Nigeria over the period under study We therefore recommend that government should encourage an increase in sales volume for the economic growth status to keep enjoying positive contributions to the automotive sector in Nigeria.

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IMPACTOFSALESVOLUMESAVANDCOMPLETELYKNOCKEDDOWNCKDINAUTOMOTIVEINDUSTRYONECONOMICGROWTHINNIGERIA19872019

Impact of Sales Volume (SAV) and Completely Knocked Down (CKD) in Automotive Industry on Economic Growth in Nigeria: 1987-2019

Oyetunji David Olalere [α] & Muhammad Nuruddeen Isa [σ]

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I. Introduction

Dramatic upheavals have been occurring on the global automotive market for a number of years now. Up to around 2000, passenger cars were largely built and sold in the traditional automotive countries such as USA/Canada, the EU15 and Japan/Korea. Since then the balance has shifted fundamentally on the world market on both sides of the economic equation. While demand in the passenger cars appears largely saturated the markets of other regions especially the so-called emerging economies are enjoying strong growth on wheel (2011).

The Nigerian automotive market is mainly divided into two categories "New" and "Used". Used cars form a sizable portion of total imports. The new car segment's profit margin is being eroded by the increasing grey import and patronage as majority of Nigerians have limited means to buy new vehicle from authorized sources. The automotive industry in Nigeria dates back to the early 1960s, when private companies pioneered the establishment of local automotive assembly plants using completely/semi knocked-down parts. The federal government became involved in local automotive production 10 years later after concluding agreements with automobile manufactures in Europe. At that period, the automotive manufacturing plants had installed capacity of 108,000 cars, 56,000 commercial vehicles, 10, 000 tractors, 1,000,000 motorcycles and 1,000,000 bicycles annually. Assuming the industry worked at full capacity, it could provide over 300,000 different jobs, (Nigeria Automobile Council 2009). However, as the country grew into an oil dependent economy in the late 1970s, and the government policy on importation became flexible, automotive manufacturing became difficult and local manufacturing plants could not bear the growing high cost of production and lack of government patronage. As a result, capacity utilization in the automotive industry over the years dropped below expectation with vehicle manufacturing below 10 percent (Nigeria Automobile Council 2009).

In order to revive the automotive industry, federal government established the National Automotive Council (NAC) now National Automotive Design and Development Council (NADDC) to ensure the survival and growth of the Nigerian automotive industry using local, human and material resources. The overall goal was to enhance the industry's contribution to the national economy in terms of regulating the production of automotive in the country. Unfortunately, due to a number of factors, including globalization of the automotive market and the impact of the second used car imports, the capacity utilization in the subsector, which was 90% in 1981, is reduced to 10% in automotive assembly and 40% in components manufacturing, (Onoja, 2011).

National Automotive Council (2007) stated that the total vehicular supply (local product plus imports) was over a million units, about 80% of which were used. There is therefore a scope for new investment in the manufacture of low cost vehicle. Manufacturing Association of Nigeria (2005) opined that total vehicular import stood at 5,1525 units. In 2002 available records show that total import was 114,463 as against registered

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1, 073, 146 registered numbers in 2002, it was 223,664 units as against 702,487 registered numbers.

Since the National Automotive Industry Plan (NAIDP) was announced by the Federal Government in October 2013, the Nigerian automotive industry has witnessed serious interest from global and local automotive brands in setting up and doing business in a very promising sector and this has been a welcome development. Meanwhile, the Nigeria automotive industry should begin to look beyond assemblage of primary production, manufacturing and exportation because we are still trailing behind in consideration of our production capacity, availability of raw materials, political will, technological know-how and market (Jalal, 2014). Government should be applauded for putting in place the National Automotive Industry plan (NAIDP) as this has proactively charted a course for a proper auto policy frame work in the country, shortly before this policy was put in place in 2013, Nigeria and Bangladesh were the only countries in the top 10 by population without a developed automotive road map. The auto sector is a key component in the Nigerian Industrial Revolution Plan (NIRP), the NIRP is a 5-years programme developed by the Ministry of industry, Trade and Investments to help diversify the country's economy and revenue through industry and to increase manufacturing's contribution to GDP to at least 6% this year and finally above 10% by year 2020 and the automotive industry has been classified strategic in this quest. The government believes that Nigeria is well positioned to be a major assembly hub for the International auto companies due to our existing installed auto capacity, large labour force and significant local demand and also a strategic location for export hence government is taking steps to making sure the industry takes its pride of place by providing the necessary regulations, working business environment and even funding in some quotas to support in production and to large their sale margin(Balarabe, 2013).

International automotive companies that are looking at expanding their market base are already stationing in Nigeria because of the massive investment opportunity the country is providing, within a space of four months after the policy was put in place by government and private investment. Arising from this, interest soared to an unexpected level with the announcement of plans by some reputable Original Equipment Manufacturers (OEMs) to establish their assembly plants in Nigeria. It took several years for some automobile manufacturing countries, like South Africa, to attract the level of attention and interest Nigeria got within four months of establishing the auto policy, rather than go to each of the OEMs to convince them to come, like South Africa did, they are lining up to come to Nigeria. It is however realistic to stress that no meaningful economic growth, wealth creation, employment generation and poverty reduction can be achieved in any country without a robust manufacturing sector which is the real sector of the economy.

However, we should nonetheless be grateful for the kind of interest the sector is already generating. It is a known fact that all over the world, big car manufacturers such as Nissan, GM, Toyota, VW produce only 30% of over 2000 parts of the vehicle components outsourcing the remaining 70% to component suppliers to provide thereby creating an avenue for growing local production capacity as well as creating direct employment. It is therefore interesting at this point to look at government's effort in re-establishing the sector, private initiatives in taking advantages of the conducive environment provided by government in support for CKD and to increase sale volume of vehicles in Nigeria, (Odetoro, 1999).

The Nigerian vehicle market, as it is, can support an indigenous automotive industry. National Automotive Council (NAC) had put some policies in place to improve, develop and sustain the market for local automotive industry. According to National Automotive Council (2014), about three quarters of the vehicles sold in Nigeria are used cars, due to the relatively low purchasing power of many Nigerians, as well as a taste for big cars and SUVs. However, vehicle manufacturers have designed strategies for producing affordable vehicle models. For instance, Nissan has re-introduced the Datsun brand as a low cost vehicle for developing countries. They launched it in India in early August and are looking for a manufacturing base to produce it for African countries. Nigeria has the opportunity to be that manufacturing base. The Nigerian auto strategy is to encourage OEMs to focus primarily on assembly of lower end less expensive models in Nigeria, which can be purchased within the same price range of existing used vehicles imported into the country that are typically priced around NGN 1.2 million to NGN 1.5 million. The auto development plan therefore expects higher-end expensive models will continue to be imported into the country, in the initial phase.

The established OEMs usually have vehicle financing schemes in the countries where they operate. NAC will work with OEMs to establish domestic dealership networks, setup captive finance operations, and integrate into the existing banking system in Nigeria. Some banks, including a specific bank that currently finances one third of vehicle purchases in South Africa, are already in a position to support this scheme and have expressed interest, National Automotive Council (2014).

Also, NAC (2014), The Federal Government purchase of vehicles (N6 billion in 2013 budget) is a small percentage of annual vehicle purchase (N550 billion in 2012), patronage of locally produced vehicles provides an example and sends a strong signal to others, by indicating a mark of confidence in the industry. It also shows that government is serious about job and wealth creation and technological development. Hence, following the above background, the paper examined the impact of sales volume and CKD in automobile industry on economic growth in Nigeria. Therefore, following the introduction of this study, the remaining part of this paper is structured as thus; section 2 is the literature review, while section 3 presents the methodology used in the paper. Section 4 presents results and interpretations, while section 5 concludes the paper.

II. Literature Review

Much of the efforts have been exerted by previous authors on the impact of industrial development on economic growth in various countries. These have remained an indelible insight on the evaluation of the sectorial impact of industrial development activities on economic growth. Hence, delving into a few of these studies is a way to go in understanding the trend on the subject matter. Bennett, Anyanwu & Kalu-Alexanda (2015) investigated the effect of industrial development on Nigeria's economic growth 1973 - 2013. They employed PC Give 8.00 version statistical package to analyze these condary data that was collected from the National statistical bulletin. The results revealed that the influence of industrial output on economic growth is not statistically significant, though the sign obtained from its àpriori expectation is positively related to (economic growth) GDP but does not hold strong enough. Savings has a positive relationship and also a significant impact on the economy. Inflation has a negative relationship while net foreign direct investment is positively significant on the impact of economic growth. R-squared shows a 76% increase in GDP. Based on the findings, it is there forere commended that the government and its agencies should ensure political stability and also the implementation of strategic policies that will create fair playing grounds for foreign investors which will also improve the establishment of industries especially the manufacturing industries to encourage industrialization of Nigeria.

Also, Afolabi & Laseinde (2019) examined the impact of manufacturing sector output on economic growth in Nigeria from 1981 to 2016. The study employed secondary data sourced from the Central Bank of Nigeria statistical bulletin for Autoregressive Distributed Lag (ARDL) model and the Granger causality techniques on RGDP, manufacturing capacity utilization (MCU), manufacturing output (LMO), government investment expenditure (GINVEXP), money supply (LM2) and interest rate (INR). Evidence of long-run and short-run relationships among the variables was established. The results showed that MCU has a positive influence on RGDP while LMO also affects RGDP positively. It also showed that GINVEXP has negative effects on RGDP whereas LM2 influenced RGDP positively. Moreover, the result indicated a unidirectional causality between RGDP and MCU, LMO, and LM2. Based on the above, the study suggests the government should intensify efforts to promote socio-economic infrastructural, macroeconomic and institutional framework in Nigeria to provide a favourable environment for external and domestic institutions interactions; so harnessed mobilized funds effectively towards the productive manufacturing sector.

Opoku & Yan (2018) examined the impact of industrialization on economic growth in Africa by employing data for the period1980–2014 from 37. African countries and the generalized method of moments method, the results showed two main interesting outcomes even though industrialization is very muchon the low in the region. First, their results affirm the hypothesis that industrialization is an important booster of economic growth. Second, trade openness further augments the effect of industrialization on economic growth. They also employed alternative measures of industrialization and perform sub-regional/sampling analyses and the results are shown to be robust across. Similarly, Ossadzifo (2018) analyzed the impact of the manufacturing sector one conomic growth through the role of human capital. His data covered Sub-Saharan African (SSA) countries from 1990 to 2015 and used fixed-effects, random-effects, and Hausman-Taylor estimators taking into account the unobservable characteristics of countries by including fixed effects or random effects in the model. The results show that the manufacturing sector through its value-added has a positive impact one conomic growth in SSA countries. Also, the interacting models show that the quality of human capital is an accelerator of the role of the manufacturing sector. The coefficient of the catch-up term is negative and significant in all models indicating that countries with a larger productivity gap relative to China are developing faster than countries closer to China.

Given some of the accounts of literature on industrial development and economic growth presented above, various attempts have also been made to look at sectoral analysis (impact of Automobile Industry on economic growth). Singh (2017) analyzed the growth pattern and economic impact of the automobile industry on the Indian economy. The research study was conducted based on primary as well as secondary sources of data and information published by several governmental and private institutions namely SIAM (Society of Indian Automobile Manufacturers), DIPP (Department of Industrial Policy and Promotion), IBEF (India Brand Equity Foundation), BCG (The Boston Consulting Groups), Ernst & Young, etc. Data were analyzed using a statistical tool like average, Percentage, CAGR (Compound Annual Growth Rate), AAGR (Average Annual Growth Rate), correlation, trend analysis line and bar graph, etc. All variables Exports, FDI, Employment from the automobile industry have a positive impact on the growth of the economy. As a major employment and export generator, GDP contributor, FDI earner, the automobile industry is instrumental in shaping the country's economy.

Also, Saberi (2018) analyzed the role of the automobile industry in the economy of developed countries. The work reflects the extremely high role of the automotive industry in GDP growth and employment generation, the ability of the automotive industry to form a taxable base and revenues of the state budget, As well as the role of the automobile industry in the development of auxiliary industries and the stimulation of scientific and technological progress. Using explorative and descriptive analysis, the study found that the automotive industry contributes to the expansion of the taxable base and revenues of the state budget, develops auxiliary branches, influences scientific and technical progress, testifies to the level of solvent demand and the standard of living of the population of the country and much more. Thus, the effective functioning and development of the auto motive industry are important not only economic but also social significance for any country.

Luo (2005) Carried out a study on the factors affecting sale and production of automotive industry in China. The study discovered that almost all the major global car companies have entered the Chinese automotive market, and more considerably diversified car models have been introduced, in comparison with that oligopoly era before 2005 when there were very few models available. These changes have increased the competition in the domestic market, and driven the companies, including the state-owned firms. Therefore, the study advised the automotive industries to improve their product quality and design, decrease costs, and lower the price in order to increase their sales volume. Lily (2006) The Chinese automotive industry market change. The study revealed that automotive market grew rapidly from December 2001 to 2002, a growth that has been described as "gushing sales". The Chinese people's passion for cars has gathered speed with total vehicle sales reaching 3.38 million in 2002 (up 1 million over 2001), a surge of 37%. In the first half of 2003, vehicle sales were 2.08 million and are expected to top 4 million by the end of the year 2003. The result forecast that the China auto industry will grow by 47% in 2004.

Hence, the conclusion that could be drawn from the above is that there is limited work in the area of automobile industry and economic growth, while from the available ones, only Pehlivanoğlu & Riyanti (2018) considered sales in the automobile industry as one of the two main objectives of this study. He examined the macroeconomic effect of six variables on automobile sales in the top four automobile production countries. These variables are real GDP, GDP per capita, automobile production, inflation, gasoline price, and exchange rate; and the countries selected are China, USA, Japan, and Germany that has the first four highest automobile production countries in the world. The findings show that real GDP, car production, gasoline price have a positive impact on car sales while the change in GDP percapita, inflation, and exchange rate causes the opposite. Some variables in this research based on findings are inconsistent with the previous findings done by other researchers. While for those top countries GDP percapita and gasoline price have different effects on automobile sales. The reason for that situation is because GDP percapita that reflects fluctuation of income perpeople of those countries have no significant effect on the number of automobile sales. Therefore, it is very conspicuous that, to the best of our knowledge, no other study has looked at the impact of sales volumes in the automobile industry as well as Completely Knocked Down (CKD) on economic growth in Nigeria which represents the gap this study seeks to fill.

III. Research Method

a) Model Specification

The model for this study is adapted from the work of Luo (2005) who carried out a study on the factors affecting sale and production of automotive industry in China. The model is modified by including some variables such as Sales Volume (SAV), Completely Knocked Down (CKD) in automotive industry in Nigeria.

$$RGDP = f(SAV, CKDs, EXCR, INTR \,\&\, INFR) \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots 1$$

Equation 1 can be transformed into an econometrics model as thus;

$$RGDP_t = \alpha_0 + \alpha_1 SAV_t + \alpha_2 CKDs_t + \alpha_3 EXCR_t + \alpha_4 INTR_t + \alpha_5 INFR_t + \mu_t \ldots\ldots\ldots\ldots..2$$

Where; $RGDP$ is Real Gross Domestic Product, SAV is the Sales Volume from Automotive Industry; $CKDs$ is Completely Knock Down; $EXCR$ is Exchange Rate; $INTR$ is Interest Rate; $INFR$ is Inflation Rate and μ is the Error Term. Based on the the oretical framework and results from the empirical review, it is expected that α_1 and $\alpha_2 > 0,\ \alpha_4\ and\ \alpha_5 < 0$, while $\alpha_3 > or < 0$.

b) Estimation Techniques

i. *ARDL Model*

ARDL model enables the study to test for Co-integration among the variables in the model through the help of Bound Test. This is done in order to ascertain the level of long run relationship among the variables in

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the model. The Autoregressive Distributed Lag (ARDL) version of the model is formulated as follows:

$$RGDP_t = \alpha_0 + \sum_{i=1}^{a}(\partial_0 \mathrm{RGDP}_{t-1}) + \sum_{i=0}^{b}\partial_1 \mathrm{SAV}_{t-1} + \sum_{i=0}^{b}\partial_2 \mathrm{CKDs}_{t-1} + \sum_{i=0}^{c}\partial_3 \mathrm{EXCR}_{t-1} + \sum_{i=0}^{d}\partial_4 \mathrm{INTR}_{t-1} + \sum_{i-0}^{e}\partial_5 \mathrm{INFR}_{t-1} + \partial_6 \Delta\mathrm{RGDP}_{t-1} + \partial_7 \Delta\mathrm{SAV}_{t-1} + \partial_7 \Delta\mathrm{CKDs}_{t-1} + \partial_8 \Delta\mathrm{EXCR}_{t-1} + \partial_9 \Delta\mathrm{INTR}_{t-1} + \partial_{10} \Delta\mathrm{INFR}_{t-1} + U_t \quad \ldots 3$$

ii. *Error Correction Model (ECM)*

If the series are further co-integrated, then it will be most efficiently represented by an error correction method, which is used to tie short run behaviour of the variables to its long-run values. Engel and Granger (1987) stipulated that the ECM will correct disequilibrium error and is of the form:

$$\Delta Y_t = \alpha_0 + \alpha_1 \Delta X_t + \alpha_{2t-1} + \varepsilon_t \quad \ldots 4$$

Where: Δ denotes the first difference,

U_t is the one period lag value of the residual from the regression equation; α the empirical estimate of the equilibrium term and $\varepsilon$is the error term.The unrestricted ECM model was used from which we obtain efficient lag-length necessary for estimation for ARDL model thus:

$$RGDP_t = \alpha_0 + \sum_{i=1}^{a}(\partial_0 \mathrm{RGDP}_{t-1}) + \sum_{i=0}^{b}\partial_1 \mathrm{SAV}_{t-1} + \sum_{i=0}^{b}\partial_2 \mathrm{CKDs}_{t-1} + \sum_{i=0}^{c}\partial_3 \mathrm{EXCR}_{t-1} + \sum_{i=0}^{d}\partial_4 \mathrm{INTR}_{t-1} + \sum_{i-0}^{e}\partial_5 \mathrm{INFR}_{t-1} + \mathrm{ECM}_{t-1} + U_t \quad \ldots 7$$

IV. Results and Discussion

a) *Descriptive Statistics*

Table 4.1: Descriptive/Summary Statistics

	GDP	SAV	CKD	EXCR	INTR	INFR
Mean	36370.69	4896.758	4087.000	343.9815	18.98030	19.87273
Median	13301.56	5167.000	3866.000	402.2500	17.98000	12.22000
Maximum	153624.6	13307.00	12641.00	787.9800	29.80000	72.84000
Minimum	249.4391	458.0000	89.00000	16.35000	13.54000	4.070000
Std. Dev.	43844.48	3600.183	3482.909	240.2236	3.426449	18.33461
Skewness	1.125983	0.599728	0.670600	-0.075235	1.503383	1.602969
Kurtosis	3.119992	2.628453	2.873655	1.572391	5.117151	4.200904
Jarque-Bera	6.992910	2.168020	2.495325	2.833475	18.59408	16.11528
Probability	0.030305	0.338236	0.287175	0.242504	0.000092	0.000317
Sum	1200233.	161593.0	134871.0	11351.39	626.3500	655.8000
Sum Sq. Dev.	6.15E+10	4.15E+08	3.88E+08	1846636.	375.6977	10757.06
Observations	33	33	33	33	33	33

Source: Authors' Computation, 2020

Table 4.1 presents the descriptive statistics of the followings; GDP, SAV, CKD, EXCR, INTR and INFR. The total number of observations for each of the six variables is 33. GDP assumes the highest average value, followed by SAV, CKD, EXCR, INFR and INTR respectively. Considering the normality status of individual variable's data distribution, the Jarque-Bera tests show that GDP, INTR and INFR are not normally distributed given that the probability of Jarque -Bera tests for each of these variables are significant at 5% i.e less than 0.05, while the variables SAV, CKD and EXCR are normally distributed over the years under study as their Jarque-Bera probability results are greater than 0.05 (5%) level of significance. In line with Jarque-Bera results, Kurtosis also suggests that GDP, INTR and INFR are platykurtic, while SAV, CKD and EXCR are mesokurtic.

b) *Unit Root Test*

Even though unit root test is not a pre-test requirement for bounds testing procedure of exploring co-integration or long-run relationship among the variables of interest which is suitable for mutually co-integrated variables, ordinary I(1) or ordinary I(0) variables, unit root test is still very necessary to examine and ensure that the stationarity property of the explained variable is not I(2) or beyond and the explicative variables are integrated of order zero and one i.e I(0) and I(1) to fulfill the condition provided Pesaran *et al.* (2001). Sequel to the preceding conditions, ADF and PP techniques were employed to explore the stationarity properties of the variables in the specified model. The output of ADF and PP unit root tests are presented in table 4.2.

Table 4.1.2: Unit Root Test Result

Variable	Augmented Dickey-Fuller (ADF) Test			Phillip-Perron (PP) Test		
	Level	1st Diff.	Status	Level	1st Diff.	Status
LGDP	-3.902595***	-3.090387***	I(0)	-3.495721***	-3.068114***	I(0)
SAV	-2.050041	-5.426909***	I(1)	-2.050041	-14.54290***	I(1)
CKD	-1.445540	-5.767458***	I(1)	-1.335029	-11.01312***	I(1)
EXCR	-1.544839	-5.491989***	I(1)	-1.546806	-5.491989***	I(1)
INTR	-4.174370***	-3.224519**	I(0)	-4.407250***	-10.49160***	I(0)
INFR	-3.318211**	-6.158048***	I(0)	-2.949472*	-8.612534***	I(0)
Asymptotic Critical Values						
1%	-3.484198	-3.484198		-3.484198	-3.484198	
5%	-2.885051	-2.885051		-2.885051	-2.885051	
10%	-2.579386	-2.579386		-2.579386	-2.579386	

** implies significant at 1% level and **implies significant at 5% level*

Source: Authors' computation, 2020.

Table 4.2 shows the stationarity properties of the variables in the specified model. Both Augmented Dickey-Fuller and PP Tests produced similar results and present the integrated order of the variables. GDP, INTR, and INFR are integrated of order Zero, while SAV, CKD, and EXCR are integrated of order one. These results confirm the suitability of the ARDL technique of dynamic analysis for the study. Furthermore, the results also justify the importance of the F-bounds cointegration test over other traditional cointegration tests method given that the variables are not integrated of the same order and none of them is integrated of order 2 or beyond.

c) *F-Bounds Test for Cointegration*

To test if the variables have a long-run relationship, the F- Bounds test will be performed. The test involves computing ARDL equation and analyzes if the coefficients for the one-period lagged variables i.e. $\eta j, j = 0,1,2..p$ are jointly zero. Thus, the following hypothesis test will be performed:

$H0 : \eta j = 0 \,\forall\, j$: A Long-run relationship does not exist
$H1 : \eta j\, p = 0$ for some j: A long-run relationships exist

A hypothesis test for each long-run coefficient will also be conducted to evaluate which of the indicators that have a significant relationship. As done in previous research, to reject or fail to reject the null hypothesis, the critical values, as used in Pesaran et al. (2001) will be followed. If the F-statistic falls above the critical values, we assume that there is a long-run relationship between the variables. If it falls below, we reject the notion of a long-run relationship and if it is in between we utilize we assume the result is inconclusive using the F-bounds test, therefore for further confirmation, we can result in using t-ratio.

Table 4.3: ARDL F-Bounds Test for Co-Integration Analysis

F = 70.32228	K= 5	Null-Hypothesis: No long-run relationships exist.
Critical Value	Lower Bound	Upper Bound
1%	3.06	4.15
5%	2.39	3.38
10%	2.08	3.00

Source: Author's Computation Using E-views software, version 10, 2020.

Table 4.3 shows the calculated F-statistic: 70.32228 (Significant at 0.01 and the marginal value with 4.15 as upper bound value). In line with the submission of Pesaran *et al.* (2001), the F-test is greater than the upper bound values at 1%, 5% and 10% respectively, hence the result suggests a rejection of the null hypothesis, and we can, therefore, conclude that there is a long-run relationship among the variables under consideration. Also, it justifies the validity of ARDL technique of analysis for this study.

d) *Model Lag Selection*

There are several methods to select the optimal or efficient lag structure for dynamic model analysis. In this study, the Akaike Information Criterion (AIC) will be employed in determining the lag structure for the specified model. According to Pesaran & Shin (1998), AIC performs better in large samples (i.e more than 30 observations) than SIC.

Table 4.4: Lag Selection Criteria

AIC	BIC	HQ	Adj. R-sq	Specification
-2.812780	-2.211430	-2.616755	0.999209	ARDL(1, 1, 1, 2, 0, 2)
-2.794222	-2.146615	-2.583119	0.999200	ARDL(1, 1, 1, 2, 1, 2)
-2.790627	-2.235535	-2.609681	0.999183	ARDL(1, 1, 0, 2, 0, 2)
-2.782389	-2.181040	-2.586365	0.999185	ARDL(1, 1, 0, 2, 1, 2)
-2.774454	-2.126847	-2.563351	0.999184	ARDL(2, 1, 0, 2, 1, 2)
-2.769337	-2.075472	-2.543155	0.999183	ARDL(2, 1, 1, 2, 1, 2)
-2.762807	-2.300231	-2.612019	0.999135	ARDL(1, 2, 1, 0, 0, 0)
-2.756646	-2.340327	-2.620936	0.999114	ARDL(1, 2, 0, 0, 0, 0)
-2.755763	-2.108156	-2.544660	0.999169	ARDL(1, 2, 1, 2, 0, 2)
-2.754002	-2.106395	-2.542898	0.999168	ARDL(2, 1, 1, 2, 0, 2)

Source: Authors' Computation Using E-views software, version 11, 2020.

From table 4.4, the AIC result shows that the efficient lag structure for the stated model is to follow ARDL (1, 1, 1, 2, 0, 2) specification as the most suitable. However, in this stage of analysis, to avoid the problems of model misspecification, heteroskedasticity, and non-normality of the variables jointly, Pesaran et al. (2001) suggest that the specification can still be adjusted where necessary.

e) ARDL Short-Run and Long-Run Estimation

i. Estimated Short-Run Error Correction Model Estimate

An error correction model for the selected ARDL Model is estimated. Table 4.5.1 presents the results of the estimated ECM corresponding to the long-run model estimates selected using Akaike Information Criterion. The error correction term (ECT) measures the speed of adjustment whereby short-run dynamics converge to the long-run equilibrium path in the model based on the optimal lag selection selected as suggested by the AIC i.e ARDL (1,1,1,2,0,2)

Table 4.5.1: Error correction model specification of the ARDL (1,1,1,2,0,2)
Dependent Variable: D(LGDP)

Variable	Coefficients	Std. Error	T-statistics	Prob
ECT(-1)	-0.069332	0.002706	-25.61916	0.0000***

Source: Authors' Computation Using Eviews software, version 11, 2020.

4.5.2ARDL Estimated Long-Run ARDL (1,1,1,2,0,2)

The Regressand is $LGDP$				
Variable	Coefficients	Std. Error	T-Statistics	Probability
$LGDP(-1)$	1.069332	0.021550	49.62205	0.0000***
$LSAV$	-0.010434	0.032568	-0.320373	0.7524
$LSAV(-1)$	0.069165	0.032525	2.126508	0.0475**
$LCKD$	0.051055	0.021235	2.404223	0.0272**
$LCKD(-1)$	-0.027852	0.021818	-1.276574	0.2180
$EXCR$	2.16E-05	0.000121	0.178138	0.8606
$EXCR(-1)$	0.000186	0.000143	1.302004	0.2093
$EXCR(-2)$	-0.000249	0.000121	-2.064554	0.0537*
$INTR$	0.017024	0.004758	3.578150	0.0021***
$INFR$	0.004663	0.000945	4.934957	0.0001***
$INFR(-1)$	0.000249	0.000954	0.261176	0.7969
$INFR(-2)$	0.001617	0.000925	1.747133	0.0977*
C	-1.536346	0.392837	-3.910897	0.0010***
R Squared = 0.999526 Adjusted R-Squared = 0.999209				
S.E. of Regression = 0.051156 F-statistic (Prob.) = 3160.045 (0.000000)				

Source: Author's Computation Using Eviews software, version 11, 2020.

4.5.3 Post-Estimation Test

Table 4.5.3: Diagnostic Test Results

Tests	F-Statistics	Probability
Serial Correlation	1.121713	0.3500
Specification	0.000150	0.9904
Normality	0.022360	0.988882
Heteroscedasticity	0.611214	0.8062

Source: Author's Computation Using Eviews software, version 10, 2020.

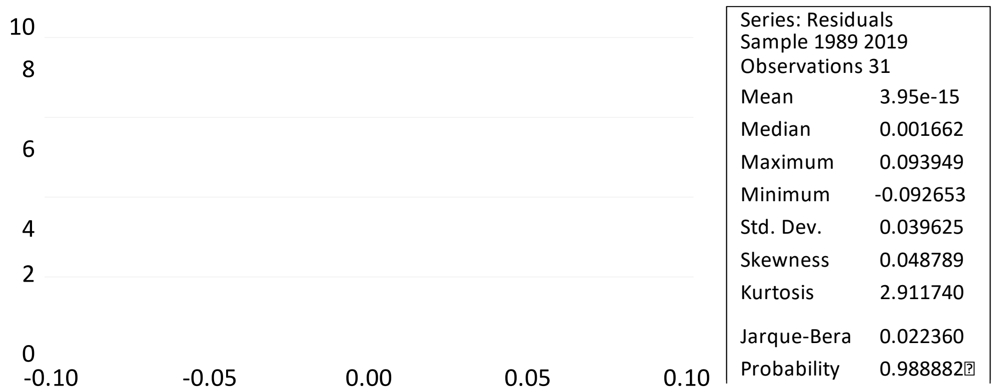

Figure 4.5.3 (A): Normality Test

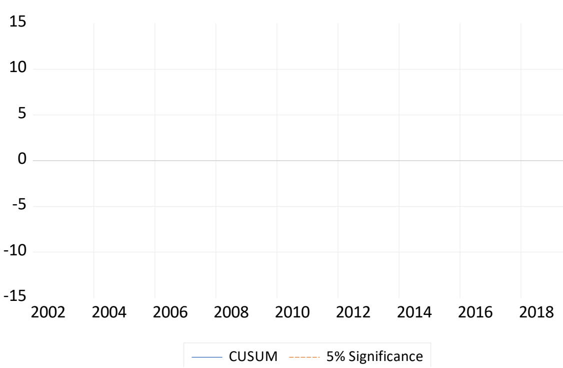

Figure 4.5.3 (B): CUSUM Test

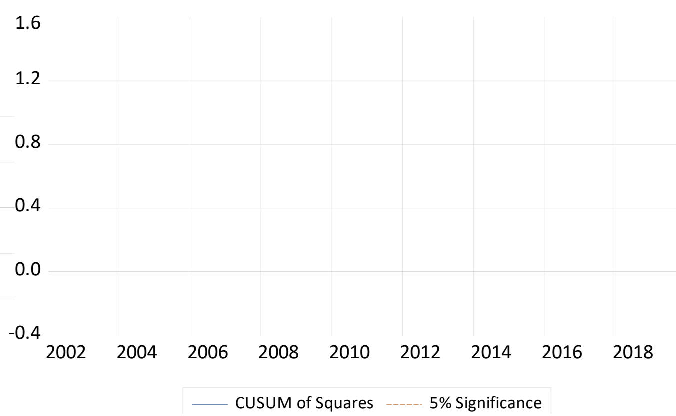

Figure 4.5.3 (C): CUSUM of Squares Test

f) Interpretation of Results

The results presented in Table 4.5.2 shows the coefficients of the independent variables on the impact of Sales Volume and Complete Knocked Down in the automotive industry on economic growth in Nigeria. As a dynamic model with autoregressive property, the one period lag of log of gross domestic product (LGDP) shows a positive and significant impact on the current value of the LGDP, explicitly, a percentage increase in LGDP(-1) brings about 1.069332% change in LGDP. For the policy variables, one-period lag of log of Sales volume (LSAV(-1)) and the contemporaneous value of the log of Complete knocked down (LCKD) are significant in determining the target variable; a percentage increase in LSAV(-1) and LCKD birth 0.069165% and 0.051055% change in the regress and, respectively. Among the control variables, the contemporaneous value of the Exchange rate (EXCR) is not significant, but its two-period lag is negatively related to the target variable at a 10% level of significance; a unit increase in EXCR(-2) leads to a -0.000249% change LGDP. Furthermore, interest rate and inflation rate appear to be statistically significant in determining the target variable at their contemporaneous values. A unit increase in interest rate and inflation rate leads to 0.017024% and 0.004663% change in the log of GDP (LGDP).

From table 4.5.1, the magnitude of the estimated coefficient of the error correction term suggests a speed of adjustment to any disequilibrium in the short run. In other words, the estimated ECM_{t-1} is equal to -0.069332 which states that the departure from the equilibrium is adjusted by 6% per annum. It is also negative, significant, and less than one which means that information from this can be relied upon for policy decisions.

The model was subjected to the post-estimation tests of serial correlation, heteroskedasticity, normality, and stability tests. Jarque Bera test for normality = 0.022360 ($p=0.988882$; i.e. $p>0.05$); Breusch-Godfrey Serial Correlation LM Test = 1.121713 ($p = 0.3500$, i.e. $p > 0.05$); Heteroskedasticity Test using Breusch-Pagan-Godfrey F statistic = 0.611214 ($p = 0.8062$, i.e. $p > 0.05$); specification test using Ramsey RESET test estimated t statistic = 0.000150 ($p = 0.9904$, i.e. $p > 0.05$).

The post-estimation results imply that the model's residuals were normally distributed, devoid of a significant presence of serial correlation, free from heteroscedasticity threats, not fraught with a severe threat of multicollinearity and properly specified or not mis-specified. These properties are desirable properties of OLS models. Since our model exhibit all the desirable properties of OLS, we conclude that our model is very reliable for economic analysis and forecasting.

Also, the stability of the model is evidenced by the results of the stability test using CUSUM and CUSUM square tests as indicated in the diagram in figure 4.2.4 (B) and 4.2.5 (C). Since the residual plots did not fall outside the 5% significant boundaries, the estimates are deemed stable over the period.

V. Conclusion and Recommendation

In conclusion, the estimated model reveals that the target variables i.e Sales Volume and Completely Knocked Down are positively related to the economic growth in Nigeria over the period under study. However, it is noteworthy that the instantaneous effect of SAV is not statistically significant i.e, the current value of Sales Volume appears insignificant in determining current value. However, the one-period lag value of Sales volume is significant in determining the behavior of the economic growth in its current period but Completely Knocked Down in its contemporaneous value remains significant in explaining the economic growth.

There is no doubt that sales volume is keyed to the survival of the automotive industry. Many automotive companies opined that, average prices of vehicles would have been declining if they can make sales in volumes. Unfortunately, sales volumes are declining over the years leading to increasing average prices of vehicles due to unabsorbed overhead expenses. It becomes impossible to achieve economies of scales and deletion programme that would have increased local contents. There is even capacity underutilization. Due to rising prices, many cannot afford new vehicles and this results in buying used vehicles. The thriving automotive plants in 1970s have become moribund in few years past and turned to mere warehouses for used vehicles. Having discovered the nature of the relationship in the model, it is therefore recommended that government should encourage automotive sector in Nigeria to thrive through increase in sales volume and CKD so as to impact more on national economic growth leading to favourable balance of trade and payments. Furthermore, Completely Knocked Down should also be encouraged as its positive impact on the economic growth in Nigeria is significant. If government can review tariff regime in favour of CKD and against SKDs and fully built vehicles, ensure that vehicle finance scheme is established and functional so as to make people have access to credit facilities at a single digit rate, then sales volume will be boosted and economic growth in Nigeria through automotive industry shall be significant.

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Is COVID-19 a Blessing for Ecommerce: A View from Bangladesh

By Md Shahnur Azad Chowdhury, Sultana Akter, Mustafa Manir Chowdhury, Syed Mohammad Hasib Ahsan & A. B. M. Yasir Arafat

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Keywords: *ecommerce, covid-19, bangladesh, coronavirus.*

GJMBR-B Classification: JEL Code: L81

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Is COVID-19 a Blessing for Ecommerce: A View from Bangladesh

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Keywords: ecommerce, covid-19, bangladesh, coronavirus.

I. Introduction

Electronic Commerce can be defined as an electronic trading of commodities or services through an electronic media like internet. E-commerce is the business environment in which information for buying, selling and transportation of goods and service move electronically. Currently ecommerce plays a significant role in the growth of economy around the globe. The China-based e-commerce giant, Alibaba, is acquired by Daraz, a global online marketplace in south Asia making ecommerce stores in Pakistan, Bangladesh, Nepal, Sri Lanka and Myanmar. Recently, it has become one of the foremost e-commerce business in Bangladesh, started at first by Rocket Internet and provided more than three million products at affordable price over the country. Ecommerce application getting much popularity due to the easy accessibility of smart phone and Mobile internet. The 365 days, 24 hours and 7 days service and also cash on delivery service make ecommerce flourish to customer and also very lucrative to entrepreneur.

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II. Covid-19 and E-commerce

Corona virus (CoV) is a collection of viruses that can cause serious illness starting from the common cold to serious coughing with lunges infection. There are many kinds of coronavirus such as MERS-CoV (middle east respiratory syndrome, SARA-CoV (severe acute respiratory syndrome) and COVID-19 etc. Among 7 species, SARA-CoV-2 can cause diseases in human body. In December 2019, there are several warnings about atypical pneumonia in Wuhan, Hubei Province, China were delivered to the WHO (World Health Organization). Later on, January 2020, Chinese authorities confirmed that they had identified a new virus and the virus was a new type of coronavirus. This new virus was temporarily named "2019-nCoV". Currently, the virus is renamed Severe Acute Respiratory Syndrome Corona Virus 2 or SARA-cov.2. the diseases caused by this virus has been named Coronavirus disease (COVID 19).

On January 30, 2020, the outbreak of the disease was declared as Public health Emergency of International concern (PHEIC) and on march 11, 2020, the WHO declared COVID-19 as a global pandemic.

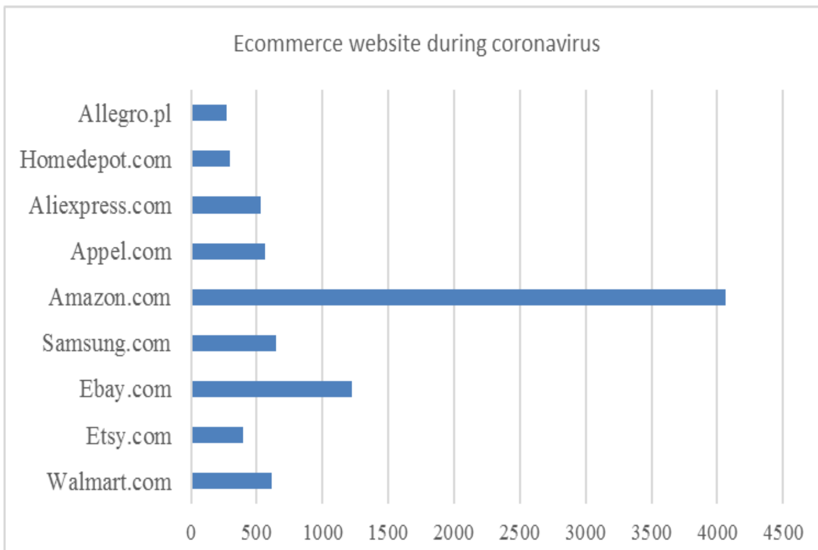
The virus mainly spread through respiratory droplets from the lungs of corona affected person, which travels one meter (3feet) away from the infected person through sneezing or coughing. when the infected person is less than 1 meter away, the virus is spread by contact with that respiratory droplets, or by holding the surface of the spread of the droplet or any utensils (such as a table, chair, door handle etc.) and touching the nose, mouth or eyes with empty hands can cause infections.

Bangladesh Health Division enacted various kind of laws in the public interest to deal with coronavirus. Govt announced almost three months lock down to prevent spread out of the diseases.

People bought necessary household belongings at once before lockdown started. Some smart and careful people bought those from online platform. After lockdown, people also tried to avoid crowded and gathering places except emergency situation. Gradually People have become habituated with online platform to meet daily necessities.

The Covid 19 issue stimulus the whole electronic commerce around the globe; it has changed the nature of business activities. According to researcher there is about 52% consumers have tried to avoid gathering places like physical shopping. Additionally, some people approx. 36% are avoiding outdoors transection until they take the vaccine of COVID 19. Customer perception on different product has been changed due to the effect of Coronavirus, means the necessity of some product is get very high while other products became less necessitated (Andrienko, 2020). Overall transection of ecommerce has increased because of pandemic situation as people are now avoiding to go outside, maintaining social distance and starting buying daily necessities and performing job responsibilities from their residence. Thus, online grocery shop Walmart increases 74% during corona crisis. By this time Face book Z, google and you tube are updating their features so that they can connect more users in single time. Also, Facebook is now adding another app messenger to connect 44 persons that is challenging to the Zoom app.

Below graph shows the top ten ecommerce site during pentameric situation.



The figure shows Amzon.com is in highest position among 10 sites while allegro.pl, apple.com, Samsung.com etsy.com. etc are in lowest position. Next position to Amazon is ebay.com. It is mentionable that amazon, e-bay etc. sell all type of products including daily necessary household products. But other sites like Samsung, allegro, apple.com produce fashionable, entertaining items which do not create demand during corona period.

The product like one-time hand-gloves, bidet, toiletries, bread machine, puzzle, refrigerator, air cleanser, stationary bike, yoga mat, exercise ball, treadmill and exercise equipment are creating more demand rather than other type of product like jewelry item, cloths, television, laptop and watch etc. Number of ecommerce customers have been risen in developed countries and also in developing countries due to pandemic such as Thailand, Singapore, Pakistan, and Bangladesh etc. Pakistani e-commerce was taken places in 2000 with limited users, it was only 3% of total population but in 2020 during corona period it is reported that e-commerce customers have raised 15% in Pakistan [5].

III. The Evolution of Ecommerce

Basically, the history of ecommerce was started from 1969 with limited application. Gradually, it became as revolution with the development of internet scope. In the late 90s, ecommerce was renewed by launching the first online shopping site named ‘Book Stacks Unlimited’ by Charles M. Stack. Some web browser tools were introduced through which ecommerce functions would be done as it was run on windows platform.

1995 to 2005: This period had brough epidemic changes in the age of ecommerce. Amazon, eBay and PayPal were introduced who become giant later. Another giant ALIBABA was started its operations at 1999 with $25m capital. Another new idea about advertisement PPC (Pay Per Click) was introduced with the help of google Ad Words.

2005 to 2009: The E-Commerce giant amazon extended new feature amazon prime membership for attacking new customers. Google launched online wallet payment system. During this period many applications were develop for E-Commerce users like Facebook, YouTube, Instagram, twitter etc. were used as the tools for E-Commerce users.

2017 to present: A significant change is observed during this period the purchasing behavior of people have changed. They are preparing online shopping then going outdoor. Small business and retailers have enjoyed social media platform as it reduces operating cost.

a) Evolution of e-commerce in Bangladesh

The history of E-Commerce in Bangladesh is not very primitive. In late 90s – People used E-Comers to send gifts to other. This service was limited to some area.

2000-2010: The E-Commerce started with payment gateway, deliver system and customer education etc. The first payment system SSL COMMERCEZ was lunched to support business. At the end of this period E-Commerce service like Ajkerdeal, Rokomari, Akhoni, etc. was started their work which E-Commerce became enrich.

2011-2015: During this period, tremendous development has been seen in delivery industry like HUNGRYNAKI, Sheba.XYZ and Chaldal.com etc. providing food, grocery, daily necessary product, fashion, jewelry, salon, travel, electronics item etc. Creating online marketplace was taken place during this period like bikroy.com.

2016-Present: The great change during this period some company has started their E-Commerce ingenuity like, Pran, Edison group, BTI, Transcom, ACI, Epylion, Meenabazar etc. Recently Facebook become a big market place for small to large entrepreneur. Even, an individual can participate in this big place simply creating a Facebook page instead of creating web page. Daraaz, the today's ecommerce giant in Bangladesh, also meeting shopping needs during this period.

IV. Trends of Ecommerce in Bangladesh During Covid-19

Though covid-19 is pandemic for the whole world, but it is blessing for e-commerce entrepreneur. Many small entrepreneurs or individual are started their business in virtual platform appearing as ecommerce companies now. As a result, due to covid-19 pandemic, the growth of ecommerce transection is increasing 10 times than normal situation. [According to the Agamir Bangladesh]

It is an ecommerce era where people staying in one country are making product of other country and sell them to other country. This opportunity is becoming very effective during corona period as people avoid outdoor affairs.

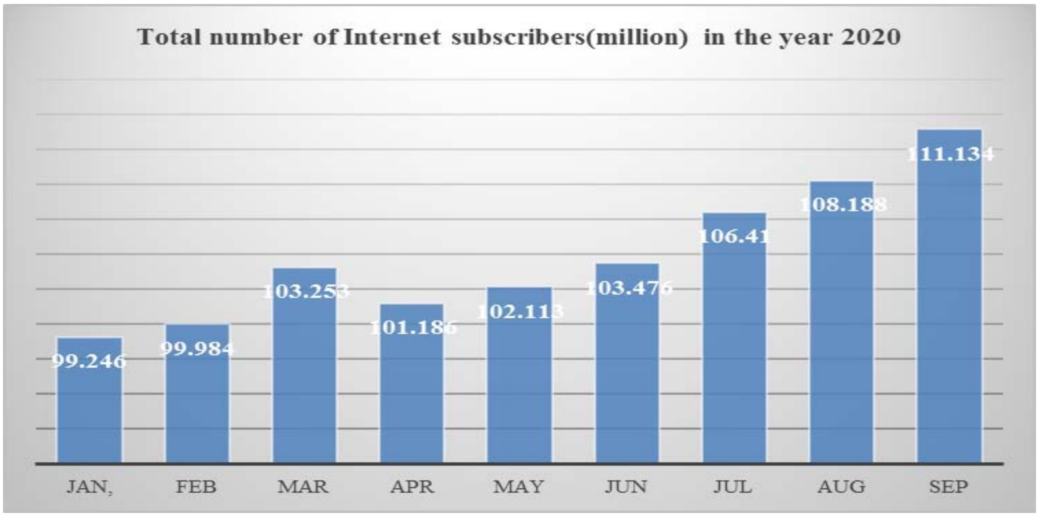
The general secretary of e-Commerce Association of Bangladesh (e-CAB), Md Abdul Wahed Tomal opines about 5 lakh people will get employment opportunity within two years through ecommerce in Bangladesh. He added that due to the covid 19 crisis, 85 percent of e-commerce companies were closed down two months ago, but now are able to resume their operations and has been able to create a lot of demand to the customers.

Now e-commerce platforms are more customer-friendly as customers can observe the reviews of consumers on a product or the service of a business before ordering something from them. From the customer reviews, e-commerce companies can also measure the acceptability of product towards the customers immediately. Increase of android based cell phone, better internet accessibility and development of the ICT division have heightened ecommerce sector by capturing a lot of entrepreneurs and customers.

In last 3 three years, the social media Facebook brought a new look for e-commerce transection. Anybody can get a Facebook entrepreneur by opening a Facebook page only. An individual with small capital can penetrate to this sector without facing any difficulty. Payment scheme COD (cash on delivery) is more preferable than other in Facebook ecommerce. Today The number of entrepreneurs from facebook has exceededabout1.5 lakh already in Bangladesh. Nevertheless, by taking this advantage some fraudulent and false entrepreneurs can enter this sector and can cause hazard and spoil the customers' belief on e-commerce. Statistics shows the size of the homegrown e-commerce transection has expanded to $2,077 million in 2020 but it was $1,648 million in 2019.

Commerce Minister Tipu Munshi opines that there is no way to delivering products to the people through e-commerce to prevent the outburst of Covid-19 pandemic. So, cooperation from every corner are needed to solve problems occurring in e-commerce company. The minister requested to e-commerce entrepreneurs to run business with honesty and ensure the consumer is not to be cheated.

Following graph shows the total number of internet subscribers in Bangladesh during COVID 19 period.



Source: BTRC website (up to September, 2020)

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V. E-commerce and Bangladesh

Ecommerce activities are increasing rapidly in our country. Many new sites are arriving in every month. According to an article "A report on ecommerce trends in Bangladesh", have published by kaymu.com.bd, the development of ecommerce is increasing slowly in Bangladesh. According to the mantic of kaymu.com.bd that the transection of ecommerce will be increasing 10% at least in every year.

The customer of ecommerce is mainly from urban city where 80% from Dhaka, Gazipur and Chittagong. Among them 35% from Dhaka, 39% from Chottogram and 15% from Gazipur. The other two cities are Narayangong near to Dhaka and Sylhet metropolitan area. 75% of ecommerce users are in the age of 18-34.

In 2016, ecommerce transection was increased 72% which is the most expectable growth in the history of Bangladesh ecommerce. According to statistics of Bangladesh bank, total 3.59 billion taka (USD 50 million) has been transected through the platform of ecommerce in 2016 but BDT it was 2.16 billion (USD 30 million) in 2015. The number of credit card users became more than debit card users in the country and the number of internet users was 60 million which is about 1/3 part of our population.

Only gaining some primary knowledge about ICT and ecommerce, anybody can connect directly with this new way of business without any third party. In this regard, the process of implementation of digital Bangladesh will become speedier. Manufacturing multidimensional and exportable items, product customization, market expansion and other activities will be velocitious to the whole country.

VI. Recommendations & Conclusion

Covid-2019 changes the behavior of human. Covid-2019 changes the platform of business. In general sense, man has resistance to change. Due to covid-19, people forcefully have to change their lifestyle, such as eating behavior, clothing behavior (wearing mask), maintaining social distance, change in public communication etc. People started to depend on virtual environment very much as going outsides become risk for health. Staying home, all types of affairs has been done on virtual platform like–shopping affair, entertainment affair, education affair etc. all are done from home. To meet the shopping affair E-Commerce act as a bridge between shopping matter and human. A lot of E-Commerce service provider take places as a pathway for E- shopping. According to BTRC report, number of internet subscription are increased during COVID-19 period. But in total subscriber, only very limited are using internet for online purchase. Rest of the subscribers use internet for job, education and other purpose.

Since there is a limitation to go out during corona, people only buy necessary and emergency products such as food item, grocery item, medicine item etc. from ecommerce platform. But other products like fashionable item, electronics item etc become less demanding to the customers. So, all ecommerce sites cannot be profitable equally. Some ecommerce services are growing while other get suffer.

Due to the limitation of network spectrum in rural area, people cannot enjoy ecommerce teste. Only people living metropolitan area enjoys ecommerce benefit.

Since becoming online entrepreneur is much easier, penetration of many dishonest and fake entrepreneur is also easier. Today so many fake pages have been launched on Facebook. As a result, customers are suffering and facing many dangers. Government and ICT should take necessary steps to make laws.

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An Assessment of the Impact of Land Taxation on Land Resources Development in Ogun State Nigeria

By Orekan, Atinuke Adebimpe
Bells University of Technology

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Keywords: *land and property, taxation, land resources development, abeokuta south.*

GJMBR-B Classification: *JEL Code: R30*

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Keywords: land and property, taxation, land resources development, abeokuta south.

I. Introduction

It is widely accepted that a country's potential for economic development is largely influenced by its real (physical) estate resources endowment (de soto, 2000). Land is the main natural resources, and it constitutes the collective assets of a nation and its citizens. The health and wellbeing of every nation to a large extent is a reflection of the efficient management of its real estate resources. Land based taxes often forms bulk of government revenue which relates to monies mobilised from real estate resource base in the economy. Generally, resources of government come from revenue generation and this can be from external or internal sources.

One of the major roles of government of any nation is to cater for the welfarism of the people. This which include the economic and environmental development of the people through efficient management of man-made and natural resources. According to Oyedele, (2016), he opined that the primary aim of any government is to provide an enabling environment for the people through ensuring that there is adequate security, giving hope to the downtrodden and providing succor to the vulnerable. Government is the body that is constituted or put in place by the people to provide a level playing ground for every resident. For government to achieve all of these, land which is a major asset of any nation should be under a suitable administration and management.

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Land and its appurtenances are controlled by governments because they are basic to wealth creation and are seen by everybody as a basic need. It is the medium that generates the basic needs of man: food, housing and clothing and it is the base for other living activities, social interaction, education, transport, health etc. To ease government's ability in providing the needed social and economic infrastructure such as education, transport and health, citizen of every nation needs to contribute and support government through tax payment. Land tax can then be referred to as a recurrent tax on the ownership of undeveloped or developed land, excluding any development made on land (Franzen and Mc Clucskey 2017). Land taxes can be classified into two: Property tax and Land charges. Examples of land charges are ground rent, land use charges and fees such as: survey, registration and search, valuation, application, application, re-grant, change of purpose and occupancy permit. Property tax is a charge levied compulsorily on interest in ownership and use of landed properties. This includes: tenement rate, probate tax, capital gains tax, capital transfer tax, stamp duties, withholding tax, severance tax, betterment/development tax and site-value tax. It is a major avenue for realising income for local and state authority. This revenue can be for government to bear the cost of providing and maintaining social services.

Land taxation's role has also been recognised as a main drive in the reinforcement of domiciliary resource mobilisation and thereafter to look for ways of extending the tax base and enhancing tax governance (Atta-Mills 2002, Teidi 2003 and Oloyode 2010). This means that the resources from land such as taxes is often used in financing of urban infrastructure and if so, it has impacts on the fiscal and non-fiscal policies. It is therefore, not out of tune, for governments all over the world, to develop and improve the land resources of the states and manage them effectively for the benefits of the generality of the people.

Families in advanced world relied upon local governments for sustenance and development of their areas. Benton (2009) states that the last tier of government (local governments) are the most numerous, pervasive and relied upon of the family of governments in the United States. The provision and maintenance of infrastructure depends on the resources and income mobilised at the local government and this cost a huge amount of money. He further revealed that in 2002, the summation of expenditure in countries, local government areas, towns, special districts and school districts measured up to $1.14trillion and as at 2017 the total US government spending is $13.16 trillion. Ukairu (2011) made it known that in Nigeria available information reveals that tax ratio to Gross Domestic Product (GDP), using the 2009 index is approximately 6%, where countries like Canada, Australia, USA, UK, South Africa and China have 33%, 30%, 28%, 39%, 27%, and 17% respectively. This indicates that land taxes have the potential to generate revenue if they are well administered and transparent.

Many authors have dealt with land taxes in various ways, but most have not delved into ways in which land taxes can contribute to the nation's GDP in terms of revenue generation. Brandon and Bruce (1999) undertook comparative analysis of Agricultural property taxation in Nebraska. The study only concentrated on one element of property taxation (i.e. land) neglecting land and building. Property taxation was not linked to how it is capable of generating revenue in any country. Whereas Olowu (2002) gives a good insight to a comparable analysis of local government usage of property tax in four countries, his study did not provide an insight into the major components of property (land) taxation and how they can be used in property taxation to generate revenue.

In Nigeria, absence of good tax policy system, lack of comprehensive land registration policy and unavailable information on taxation on land resources development are major setbacks identified by some authors. Also information on the significant impact of land taxes on land development are often unavailable and not in a manner that can be used for further discussions especially in the study area. In view of this, this study is centered to fill the identified gaps in knowledge on the significant impact of taxation on land resources development in Ogun state, using Abeokuta South as a case study.

II. Literature Review

a) *Concept and Nature of Land and Property Based Taxes*

Land-based taxes are the charges, levies, rates and rents paid on land, (either developed or undeveloped) to governments for income generation and wealth redistribution. It also served as a form of government control over land. It is the responsibility of land-owners to pay taxes on them and it is the duty of a responsible government to collect taxes on land and its appurtenances as at when due.

The Food and Agriculture Organisation (FAO) (2002) defines property tax as an annual tax imposed on real property usually by reference to an advalorem tax base (i.e., the tax is calculated according to the value of the property). Such taxes have been in existence for millennia and their benefits are well known. They are transparent, cheap to administer, efficient to collect and well understood by the taxpaying public. They are administratively feasible in virtually any circumstances and, being locationally fixed, are particularly suitable as a source of locally generated revenue for local governments.

It is a known fact that Property taxation has rightly been identified as a major tool in the strengthening of domestic resource mobilization and consequently, the search for ways and means of expanding the tax base and also strengthening tax administration. According to Ajayi, (2008), Olowu, (2002) & Adedokun, (2012), it is considered a veritable source of revenue for financing developmental as well as people oriented programs in virtually all countries, irrespective of whether they are classified as developed or developing economies. (Ezemma (2013) affirmed that property taxes are beneficial when they are used to finance services that provide corresponding benefits. When services are not provided, the taxes become onerous. It is therefore agreed that a well-defined property tax laws alone cannot guarantee the success of tax collection effort. Therefore tax administration must receive far greater attention if the goals of tax reforms and policies are to be achieved in the face of ever growing economy.

b) *Forms of Property /Land– Based Taxes*

In Nigeria, the commonly property based-taxes that exist are; Transfer Taxes, Capital Gains Tax, Inheritance and Gift Taxes and Withholding Taxes, Property Rating, Development Tax, Land Use Charge, Betterment Tax and Planning Charges (Ogbuefi, 2004 & Tomori, n. d).

1. *Transfer Taxes:* Tomori (n. d.) reported that there are three main components of transfer taxes or fees, which are based on declared property value, stamp duty, assignment fees and title registration.

a. *Stamp Duty:* Stamp duty is a levy charged on any document presented to Stamp Duty Office by individuals or corporate bodies. It is used to signify government's seal or any contractual agreement or deed and the rate chargeable varies according to Document. This is collectable by both Federal and State Governments. The Federal Board of Internal Revenue is charged with the collection of stamp duty on transactions between corporate bodies while transactions involving individuals are performed by the state.
b. *Consent Fees:* These are charges imposed on Assignor by virtue of the provision of the Land Use act of 1978 which vested land in the State Governor. The charges vary from 10% to 15% of the open market value of the property or the total consideration.
c. *Title Registration Fees:* The Land title Registry collects a fee of between 2% to 5% of the reported price on record the new ownership title into land registry book. This tax is chargeable by both state and local governments, and also at the federal government level (Ogbuefi, 2004).

2. *Capital Gain Tax/Profit Tax:* This is presently chargeable at 10% on Capital gains arising from disposal of assets. The Act defines chargeable assets as meaning all forms of property whether situated in Nigeria or not and including:

a. Options, debts and incorporeal property generally;
b. Any currency other than Nigerian currency; and
c. Any form of property created by the person disposing of it, or otherwise coming to be owned without being acquired. In respect of assets outside Nigeria and
d. Disposed by non-resident individual
e. Trustee of any trust or settlement, or
f. A company whose activities are managed and controlled outside Nigeria.

CGT is chargeable on that part of the gains (if any) received or brought into Nigeria when they are dealt with "Capital loss on disposal of any asset is not deductible from capital gains on disposal of any other asset even if both are of the same type (Tomori, n. d.). According to Ogbuefi (2004) the Capital Gains Tax Decree of 1967 is the major legislation on CGT. The law applied at first to the FCT of Lagos. By the Finance (miscellaneous) Taxation Provision Decree of 1967, the CGT Tax Decree became retrospectively applicable throughout Nigeria in 1975.

3. *The Withholding Tax on Rent:* This tax is chargeable on rental income of individuals or corporate Bodies. The tax is collectable by both the Federal and State Governments. The Federal Government collects the tax due on properties rented by corporate Bodies and residents of federal Capital territory, Abuja. State Governments collect tax due on rents of individuals resident in their states. The enabling law is section 68 of Personal Income Law Decree No. 104 of 1993 as amended by Finance (Miscellaneous taxation Provision) Decree No. 39 of 1996. It states thus: "Where a rent becomes due or payable to a person, the payer of rent shall at the date when the tax is paid or credited, which ever first occurs, deduct there from tax at the rate of 10 percent of gross rent and shall forth with pay over to the relevant tax authority, the amount so deducted" (Tomori, n.d.).
4. *Inheritance and Gift Taxes:* The amount of inheritance and gift taxes varies according to numerous factors, including the tax group to which the taxpayer belongs, the relationship to the person making the request or gift, the value of real property being inherited or received, and the exempt threshold amounts. The closer the relationship, the lower the taxes while the higher the value of the subject property, the higher the tax (Tomori, n. d.).
5. *Betterment Tax:* A betterment levy is a tax that the state collects on a plot of land that its actions have in some way made 'better'. For instance, if building roads, metros or airports with public money leads to an appreciation in land prices in the vicinity of the seprojects, then landowners enjoy a windfall gain (Gupta, 2007). The charge payable according to section 4(3) of Lagos Town Planning Ordinance, Cap.95 of the laws of Federation of Nigeria, 1958, is 50% of the actual value gained. The tax is based on the value gained by the property by determining the value of the property before and after the development works and charging 50% of the enhanced value (Ogbuefi, 2004).
6. *Planning Rates:* According to Ogbuefi (2004), it's a type of land taxation imposed on developers of landed property by various town planning authorities in their respective planning areas. It is usually collected from applicants intending to develop land orlay out parcels of land, or change uses of existing buildings to new ones (e.g. a residential building being converted to commercial use).
7. *Land Value Tax:* In fact, a tax cadastre needs to record only such information about boundaries, ownership and improvements. In essence, a land tax or site valuation tax is a levy on the unimproved value of land. It is an ad valorem tax on land excluding the value of buildings and other capital improvements. A land/location value tax (LVT), also called a site valuation tax, split rate tax, or site-value rating, is a levy on the unimproved value of land. It is an ad valorem tax because unlike property taxes, it disregards the value of buildings, personal property and other improvements. A land value tax is

different from other property taxes, because these are taxes on the combination of land, buildings and improvements to the site. The land value tax takes into account the effects of location on land value such as proximity to public roads, schools, hospitals, access to electric power, etc. or of improvements made to neighboring land, such as proximity to shopping complex, security post, bus stations, pristine parks and recreation facilities.

The philosophical basis for levying the land value tax derives from the fact that the appreciation in value of land is created by the combination of public works and the collective actions of the community and therefore belongs to the community. The economic argument for land taxation stems from the fact that, if income from labor, buildings or machinery and factories are taxed, people are discouraged from constructive investments and enterprise and effective developments are penalized due to the disincentive effects of the excess burden of taxation.

8. *Road Tax:* Road tax, known by various names around the world, is a tax which has to be paid on a motor vehicle before using it on a public road.
9. *Tenement Rates:* It is a tax charge on a real property and is payable at local level for raising the required revenue to carry out specific developmental projects. The tax is aimed at promoting the total well-being of inhabitants of the local community (Oyegbile, 1996). Franzsen (2002) also reports that property tax is an annual tax on the ownership (or occupation) of immovable property (i.e. land and/or buildings) and serves as an important source of local government revenue in many countries in the world. Tenement rate is statutory revenue that is provided under the constitution of the Federal Republic of Nigeria as part of the revenue collectable by the local government councils. The forth schedule of Section 7 of the Nigerian constitution provides that the local governments access, demand and collect tenement rates from owners of properties that are existing in the area council. However, lack of capacity to efficiently collect this tax coupled with corruption, has led to the collection of this property tax by some state governments. These state governments rely on inefficiency on the part of the local government administrators to effectively and efficiently collect tenement rates as an excuse for hijacking this function from the local government authority. A supporter of local government autonomy will see it as greed on the part of the state governors and a way to sniff life out of local councils. After all, the state governments are not efficient in some areas and the federal government continues to recognize them. What the local governments need is capacity development. The hijacking of this tax collection function by the state governments has led to Land Use Charge.
10. *Land Use Charge:* Land Use Charge is payable annually on the value of all real properties situated in Lagos (Lagos state is presently the only state administering this tax in Nigeria). The Law makes each local government the collecting authority within its territory. However, section 1(3) provides that each local government may by written agreement delegate the collection of rates and assessment of privately owned houses or tenement to the State (Sanni, 2010). As reported by Olawande (2010) the payment of the Land Use Charge (which is to be based on the annual capital sum) is to be paid by the owner.

Land Use Charge is the consolidation of some (not all) property and land-based rents, rates, taxes and charges payable under various land-based and property laws such as Land Rates Laws (Land Use Act 1978, Chapter L5, Laws of the Federation of Nigeria 2004, Part II, Section 10 (a) and (b) and Osun State Land Law, Sections 13 and 14, Chapter 150), the Neighbourhood Improvement Charge Law (Osun State Land Law, Section 15, Chapter 150), Tenement Rates Law (the Local Government Act of 1976) in the state into a new and composite land-based and property charge. Aside this Land Use Charge, inheritance tax at 10 per cent of the capital value of the property to be inherited will still be paid to the Probate Registry of state high courts for the purpose of procuring "Letter of Administration" from the governor or else, the management of the property by the heirs or administrators or successors-in-title becomes illegal. In some countries, capital transfer tax is 40 per cent of the value. Land Use Charge is a global best practice in property taxation in which some of the land-based and property taxes, charges and rates like ground rent, neighbourhood improvement levy, tenement rate etc are consolidated, billed and collected as a one-off charge for ease of payment by property owners. This is based on the fact that it will be cheaper and easier to charge some related and annual property and land-based rents, rates and levies together and shared between the concerned stakeholders (state and local governments). In Scotland, United Kingdom, this Land Use Charge plus waste management levy, water rate and security tax is called Council Tax. Land Use Charge efficient administration is a good way of generating employment and income for some people who are in charge of determination of amount due, collection and punishing defaulters. The Law makes each local government the collecting authority within its territory. However, section 1(3) provides that each local government may, by written agreement, delegate the collection of rates and assessment of privately owned houses or tenement to the State.

The consolidation of these taxes and rents makes it efficient, effective and economical for the government to collect and property owners to pay their bills. Every land-based and property charge, rate and rent law envisage that there will be defaulters (for example, Section 18 of the Osun Land Use Charge Law, March 2016) and clearly states penalties. Land Use Charge is an unavoidable tool of poverty reduction, income generation and environmental repair in that all land uses (residential, transport, commercial, industrial, recreation etc.) and property development have intrinsic problems of desertification and/or environmental pollution and depletion of land constituents.

c) The Roles and Impacts of Land/Property Based Taxesonland Resources Development

Taxes on land and property have both fiscal and non-fiscal impacts (Richard & Slack, 2002). Various authors have written on the benefits of different types of land-based and property taxes. Some studies have focused on rural land taxation (Bird, 1974, Strasma *et al.,* 1987), some on urban property taxes (Bahl & Linn, 1992), and some on land value taxation as opposed to property taxation more generally (Andelson, 2000, Mc Cluskey & Franzsen, 2001). These roles are:

1. Land-based taxes are means of wealth redistribution. Since housing is a basic right of all human beings, it is pertinent that government encourages every resident to have access to land and property. This can only be done through efficient land-based taxes.
2. Land-based taxes are means of controlling development: Human beings are useless without control. Land-based taxes are used to control physical development. For example, converting residential to commercial use may attract heavy taxes.
3. Source of Revenue: Taxes on land and property are at best minor revenue sources in all countries. For the developing countries, these taxes accounted for 0.4% of GDP and about 2% of total tax revenues in the 1990s, down slightly from earlier decades, although the equivalent share for the OECD countries remained at a bit more than 1% of GDP and about 4% of all tax revenues throughout the period. According to Nwannekanma (2017), "in spite of the challenging financial crisis in the country and its attendant effect on businesses, the Lagos State government has announced a revenue performance of N20.7 billion from land administration in the last one-year".
4. Property taxes are important sources of sub national revenue in many countries, and more so in developing than in developed or transition countries. In terms of sub national taxes (instead of sub national revenues, in the 1990s, property taxes accounted for 40% of all sub national taxes in developing countries, 35% (up from 30% in earlier decades) in developed countries, although only 12% in transition countries. In the same period, property taxes financed a bit more than 10% of subnational expenditure in developed and developing countries, although little more than half that much in transition countries.
5. Property taxes are much more important in rich (OECD) countries than in developing or transition countries. For example, the highest property tax to GDP ratio (4.1%) was in Canada, followed by the United States (2.9%), and Australia (2.5%): it is likely not a coincidence that all three is rich federations. On the other hand, the lowest ratio recorded (0.01%) was also in a rich federal country (Austria), and some developing and transition countries (South Africa, Latvia) had relatively high (over 1%) ratios, so there is clearly more to it than simply wealth. Countries like Nigeria has 0.001% ratio.
6. Autonomous expenditure decisions: Local governments are able to make autonomous expenditures because of land-based income they are able to generate. None of these characteristics has changed much in recent decades, with the exception of a relative decline in the importance of land-based taxes as a share of subnational revenue (and expenditure) in developing countries. Dependence on property taxes as a source of local government revenue varies across jurisdictions depending upon many factors, such as the expenditure responsibilities assigned to local governments, the other revenues available to them (such as intergovernmental transfers, user fees, and other taxes), the degree of freedom local governments have with respect to property taxation, the size and growth of the tax base available to them, and their willingness and ability to enforce such taxes.

The impacts of land-property based taxes include primarily efficient land management and administration and secondarily employment generation and revenue to the governments. Through land-property based taxes, local governments will be able to monitor and control physical development within its jurisdiction, create employment, forestall abandoned property redistribute wealth, developments and generate income. Human beings are generally greedy and are the only animals that exhibit multi-territoriality, that is, the trait of having control over one abode at a time. Without control human beings are oppressive and will have more than what they can use if they have the resources. This is why there are minimum and maximum standard in housing developments in countries like United Kingdom, Egypt and Rwanda. The level of efficiency of collection of land-property based taxes is correlated with the level of civilization of governments. While the percentage of success of collection in countries like United States of

America and United Kingdom are over 85%, it is lesser than 1% in Nigeria. Lagos State has success rate of less than 30%, Rivers has 22%, Ogun has 10%, Oyo has 3%., while states like Taraba, Yobe, Adamawa, Borno, Kebbi and Zamfara has 0%.

d) Challenges of Land and Property -Based Taxes in Nigeria

The level of non-compliance amongst taxpayers call for a major concern. Government should concentrate on the tax compliance amongst the tax payers, if it expects any improvement in the revenue. Ahmed (2007), from his own study revealed that there is a major difference in tax compliance behaviour and tax knowledge amongst people. People with adequate awareness and knowledge about tax seem to see it as a civil responsibility and they comply with its laws and policy, unlike the non-knowledgeable ones. Ordinarily, no one would be interested in paying tax unless government adopts policies and strategies and review laws that would make people to comply with it. Wenzel (2007) and Murphy (2008) from their own study opined that tax is like a bitter-pill which no one would be willing to swallow. In view of this tax laws most especially in Nigeria should be such that it is understood by everyone. It should be direct and very clear to enable citizen see it as a moral obligation of uplifting one's nation.

Orekan, (2019), also discussed that corruption is one of the challenges in Nigeria. Local governments do not give proper accounts of the amount collected as revenue from land and properties within its jurisdiction. Lack of capacity to collect land-based taxes by local governments because of the unqualified staff and cost of collection, and litigation from disagreements from payers is major challenges. Example is Attorney General of Lagos State vs Airtel Nigeria Limited. This is a litigation with originating summon in 2011 arising due to the fact that Airtel disagreed to pay levies on its private parking lot in Victoria Island. In an appeal CA/L/311/2013 which judgment was given on Wednesday, July 12, 2017. The governments must engage professionals' estate surveyors and valuers if they want to achieve efficiency without multiple taxations. For example, some properties are entitled to pay capital gain taxes without government knowing. Stamp duties payment has also being stopped after NIPOST stamps are no more used for agreement and capital transfer tax is not efficient because most inheritors of properties do not collect Letter of Administration from Probate Registry of High Courts.

III. Research Methodology and Study Area

a) Research Method

A quantitative approach was adopted in this study, using questionnaire and a semi structured interview as an instrument for data collection. The target population of the study were the Estate Surveyors and Valuers and the government officials at the Bureau of Lands and Survey. Eighty–six (86) number questionnaires were administered to 15 estate surveyors and valuers practicing in Abeokuta South LGA, out of which seventy-five (75) were used while interview was conducted amongst four (4) senior cadre staff at the lands department, in the Bureau of lands and survey. The purpose of the interview was to identify the various forms of land-based taxes existing in the study area and the significant impact it has on land resources development. The questionnaires administered to property owners through the estate valuers will elucidate the opinion of the respondent on the significant impact of taxation on resources development in Abeokuta South in Ogun state.

b) Study Area

Abeokuta South local government area is usually referred to as the premier local government owing to the historic eminence of that geographical entity as the traditional seat of the local or Native Authority in Egba since 1898 as well as the seat of the government of Ogun state that came into existence in 1976. Abeokuta South LGA has its headquarters at Ake and the Abeokuta North local government has its headquarters at Akomoje. Abeokuta South LGA is mainly inhabited by the Egba Ake stock. The Local government has about 35KM of tarred roads scattered within the area. The tarring of these roads is mainly through direct labour by the works and housing department of the local government. The local government has housing estates at Asero and along old Owode road. The Local Government is divided into 15 wards.

IV. Data Presentation and Discussion of Findings

Table 4.1: Respondents Opinion on the Forms of Land and Property Based Tax in Abeokuta South

Forms of Land and Property Based Tax	Option
Consent fee	Available
Stamp-duty	Available
Title Registration fee	Available
Capital gain tax	Not available
Withholding tax on rent	Not available
Inheritance and gift tax	Not available

Betterment tax	Not available
Planning rate	Available
Tenement rate	Available
Land use charge	Not available
Land value tax	Not available

Source: Field work

From the interview conducted amongst the government officials at the Bureau of Lands and survey, it was revealed that the various forms of land and property based tax are; stamp duty, consent fee, title registration fee, planning rate, tenement rate are the land and property based taxes levied on the residents in the Abeokuta South. This implies that since Abeokuta South is the premier local government in Ogun State, it shows that the same land and property based tax levied in Abeokuta South local government will be levied across other local government area in the State. The table also revealed that capital gain tax, withholding tax on rent, inheritance tax or gift tax, betterment tax, land use charge and land value tax does not exist in Abeokuta South local government area.

Table 4.2: Respondent Opinion of the Effectiveness of Land and Property Based Tax in Abeokuta South

Land and Property Based Tax	N	Sum	Mean	Ranking
Stamp duty	75	43	4.30	1st
Consent fee	75	19	1.90	3rd
Title registration fee	75	33	3.30	2nd
Planning rate	75	16	1.60	5th
Tenement rate	75	18	1.80	4rd

Source: Field Work, 2020

Findings from the table above show the effectiveness of land and property based tax in Abeokuta South. From the result of the questionnaires administered to the estate surveyors, it revealed that stamp duty ranked first with a mean of (4.30) as the most effective land and property based tax. Title registration fee ranked second with a mean of (3.30), consent fee ranked third with a mean of (1.90), Tenement rate, consent fee and planning rate ranked fourth and fifth respectively with a mean of (1.80) and (1.60). Tenement rate, Consent fee and planning rate were not effective due to lack of inconsistency, enforcement and continuity in the administration of the taxes on property owners.

Table 4.3: Respondents Opinion on the Impact of Land and Property Based Tax on Land Resources Development

Impact	Frequency	Ranking
To a great extent	04	4th
To considerable extent	15	3rd
To moderate extent	19	2nd
To a low extent	37	1st
Total	75	100

Source: Field Work, 2020

Findings from the table above show respondents' opinion on the impact of land and property based tax on land resource development. It revealed that to a low extent was ranked 1st, moderate extent is ranked 2nd and considerable extent is ranked last and no option for a great extent. It can be deduced from the result of the finding that 50% of the respondent which represents average opined the impact of land and property based tax on land resources development is at a low extent.

Table 4.4: Respondents opinion on the cause of low effect of property and land based taxes on resources development

S/no.	Option	Frequency
1.	Lack of appropriate tax policies	4
2.	Ignorance (property owner/government)	8
3.	Poor assessment & Valuation problems	4
4.	Corrupt practices	6

Source: Field Work, 2020

From the interview conducted amongst the estate surveyors and valuers on the response to the effect property tax on resources development, it was revealed that ignorance on the part of tax payers and government has the highest effect, followed by corrupt practices amongst the tax authority. Amongst the government officials, it was also noted that inappropriate tax policies and poor assessment of properties have negative effect on resource on resource development.

V. Conclusion

In Nigeria, land and property based taxation has the potential to build resources at all levels of government in Nigeria but it has proven difficult to administer as a result of inconsistency in government policy. To ensure effective utilization of land and property based tax policies in Nigeria, the government needs to adopt a vibrant legal and administrative structure that will hasten documentation of land transactions so as to assist the government in implementation towards sound revenue mobilization for municipal development. Also corrupt and sharp practices amongst the tax authority and tax payers need a serious attention through formulation and review of tax laws.

Prior to other studies on property taxation, there appears to have been an accord from this study, the importance of property taxation on revenue generation. This can be confirmed from studies of Nwannekanma (2017), Bell and Lim (2010), Ajayi (2008), Olowu (2002) and Adedokun (2017). These studies have revealed that tax is an important source of government revenue all over the world. The amount of internal generated revenue do not meet up with the proposed revenue and the expenditure. Bahl and Martinez-Vazque (2008) have further revealed that developed countries have depended on property tax in service delivery, using an econometric analysis of the determinant of variations in the property tax share of the GDP. In conclusion, land taxation has the potential for improvement if all or some of the major impediments are taken care off by the government and policy makers. Proper policy choices, good tax administration and tax law enforcement would bring a good tax system to the states.

VI. Recommendations

1. Government should formulate workable policy to resuscitate property based taxes such as capital gain tax, betterment or gif tax, withholding tax etc.
2. Inconsistency in governments at both local and state level, lack of human capacity to efficiently manage land-based taxes and over-dependence of government on non-land-based incomes like natural resources should be given adequate attention and addressed.
3. Explore ways of using the mass media to publicize such things as new tax laws, taxpayers' annual return obligations, the penalties for evasion, the enforcement activities which are conducted, the type of people who are caught trying to avoid their tax paying responsibilities, etc.
4. Corrupt-free and efficient administrative machinery with personnel who are adequately trained, well-equipped and motivated would enable the State to make appreciable progress in revenue implementation.

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E-Commerce and Future

By Swatick Majumder
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Abstract- In this paper we would be getting to know the basics of Ecommerce and how it has benefited us from past several decades and how its continuing to benefit us along with its various practical implementations, how it is shaping our economy, how it helps in career opportunities and how it is becoming a new trend. As it has its share of positive results, there are some negative outcomes which we will be getting to know and how it can be resolved.

Keywords: economy, career, new trend.

GJMBR-B Classification: JEL Code: L81, F43

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I. Introduction–e-Commerce

Ecommerce is the passageway of doing business over the internet ranging from delivering goods and services to customers and consumers to sharing of knowledge and experience as well as keeping a track on the growth and downfall of the business on its daily basis. As the Going Concern Concept accounting says that a business entity runs for a foreseeable amount of time and can only be dissolved by the owner wishes to, which goes the same for Ecommerce Business. Ecommerce Business requires a website for its run as well as its registration along with a bank account and payment method for its establishment. It is the most convenient form of business as it can be done from home with proper access to internet and a device to access the internet.

II. How to Get Started

1. *Get a Business Plan/Model:* In Order to start any Ecommerce business, first we need is a business plan or model which can be: 1. B2C where business delivers to consumers. (Amazon, google). 2. B2B where business delivers to businesses. (G. E). 3. C2B where consumers deliver to business. (Fiverr). *4.* C2C where consumers deliver to consumers. (eBay, olx).
2. *Build an Ecommerce Website:* In order to carry out business over the internet, we must create our own ecommerce business website which can either be made for a fee or for free depending on where we make it. Various Domains like Go Daddy gives us access to create our own website.
3. *Register the Business:* Just like traditional business, an Ecommerce business must register itself to be recognized by the government of the state, country and by governments around the world (in case of trade).
4. *Opening up a Bank Account:* Since its an Ecommerce business we are carrying out, the payments we give or receive has to be done with a bank account by opening up a current account for business from any bank.
5. *Setting up a payment Gateway:* An Ecommerce business must have various options of paying for the consumers or business. This payment gateway ranges from payment with debit/credit cards, net banking and mobile payments to cash on delivery or pay on delivery.
6. *Market Your Business:* A busines for its recognition needs to be recognized by different businesses and local people which can be done by various promotional strategies like advertisement, Banners, posters, newspaper or magazine article etc.

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III. E-commerce as the New Trend

Situations like pandemic (Covid-19) has given rise to Ecommerce businesses. Not only existing Ecommerce business has given a spurge in the economy, but the creation of new Ecommerce businesses has taken place in recent times delivering health and hygiene products like face masks, hand sanitizers, fresh fruits and vegetables etc. but how can people trust this New Ecommerce business? People with Ecommerce business knows the trends in the market and how consumer/customers behavior prevails both in short and long term, as a result, new Ecommerce business tends to catch up with the ongoing trends and situations and delivers the right products and services to the people in need. With the Introduction of social media, Ecommerce businesses has becomes more easier to market their products and services and help consumers and customers make easy use of it by just visiting their website from social media channels (Instagram, Facebook).

IV. Recent Growth in Ecommerce

1. *Banking Sector:* Various banks like SBI, Axis, HDFC etc., has their own mobile banking facilities like SBI Yono, Axis Mobile, where customers can access their account through their phone allowing them to make payments on loans and bills, open new accounts on savings or demat/trading account, view their transaction statements, updating KYC even changing their debit/credit card pin code. Statistics shows that roughly 7 billion people would be having mobile devices out of which 3 billion would be using mobile banking. The mobile banking apps showed a record $581 billion on revenue on 2020 and $503 billion of payments done through mobile banking.

UK shows 74% of its people using mobile banking for their everyday needs.

2. *Grocery and Food:* Big Basket, an online Grocery delivery business along with Grofers has been in the peak of delivering high quality groceries and personal care products at times where it was not available in the local markets. Zomato and Swiggy took the duty of delivering not only foods from restaurants but also delivered groceries to the door step on the same day. Big Basket were able to generate 84% of new customers in 7 months from January to July and were also able to retain 50% of its existing customers. It invested $100 million on binstant which generated 20% increase in revenue. Personal care needs increased to 50%-140% as a result of people staying at home more often.
3. *Household Supplies and Clothing:* Though there were financial Constraints among people, Shopping is a trend that never went out of fashion. With people staying at home, Business like Amazon, Myntra were able to deliver clothing and household supplies like utensils, Electronics etc. at their door step when having to go to shop outside became a risk. Amazon reported its revenue at 37% to $96.1 billion with net income at $6.3 billion, earnings per share of $12.37 for its 3rd quarter whereas the 4th quarter reported at a range of $112 billion and $121 billion.

V. Marketing Analysis of Ecommerce

As Trends tends to differ country wise and time wise, its important that both traditional business as well as ecommerce business cope up with this change in order to attract more customers and get the customer value. Various Businesses uses different marketing strategies from promotional strategy to pricing and distribution strategy.

1. Zomato has a Zomato pro membership subscription with a price at Rs.1800 a year where it gives the customers access to more restaurants for delivery as well as getting additional discounts on every order which the normal Zomato membership doesn't provide.
2. Amazon with its prime subscription of a reasonable price of Rs.999 a year allowing its customers to not only stream movies and music but also access of faster delivery on their products as well as discounts. Furthermore, Amazon with its 'End of Reason' Sale gives additional discounts from 50-80% that attracts more customers toward itself.
3. HDFC bank debit/credit card holders can enjoy benefits such as online travel loan, online discounts and cashback offers from variety of ecommerce business like Zomato, Ola, Big basket, Paytm, Book my show etc. Cashback on any Mobile Wallets benefit from HDFC banks gives its customers a brighter view on its consumption and savings pattern.

VI. C2B – the new Method of Doing Business

Suppose you're running a business having but you have certain tasks that cannot be done by the employees working under you for first, their specialization does not fall under that category, second, they don't know how to do it. So, what can we do in such situations? Websites like Fiverr, an online freelancing service business that allows users to interact with other users in order to carry out tasks for a certain sum of money. If your business is lacking in financial accountants, instead of hiring a permanent accountant in order to save money in terms of income, the owner of the business can use Fiverr to search for candidates who are sound in financial accounting. The owner can simply put up an ad on the site for request of an accountant who can prepare ledgers, BRS etc. for a certain sum of money in return. The user on the other hand can willingly participate on accepting the task given by the owner of the business on preparing the ledgers, BRS etc.

C2B business (Fiverr) provides almost anyone who doesn't want to pursue corporate level job, to work for a certain task in order to gain an income they can carry out multiple tasks at any time. The work ranges from designing a website or an app to designing logos for brands or business. The works in Fiverr includes Creative Writing, Music and Video Editing, hiring someone to play Video Games with as well as for Coaching and Therapy Sessions.

However, C2B business is not acknowledged by all as its not a real job but more of a freelancing (A job where you are your own boss) hence it does not provide benefits like insurance, incentive, etc. which are usually provided by corporate companies like Sony, Google etc. C2B business provides an experience like internship in order to know test your knowledge and skills for which you are being paid for in return.

VII. Advantages of Ecommerce Business

1. *Simple to set up:* Setting up an Ecommerce Business is simple by just creating a website, designing a logo for your business, add payment options along with the products and its ready to go. Apart from that, one must have keen knowledge on social media, internet of things and AI if expansion chances ever appears.
2. *Sustainability:* Unlike traditional form of business where capital on land, building, plant and machinery are required, a lot of resources is saved on making an online business just from home. However, in case of clothing business or electronic business, one requires a warehouse (Capital as Building) in

order to store the goods to be delivered on another time (In terms of large scale selling/distribution).

3. *Diverse in Nature:* An Ecommerce Business is diverse in the sense that it has a lot of growth opportunities both in domestic and international market where people might be interested on buying goods from business that is not available in their own country or state thus creating a global competition.

VIII. Disadvantages/threats to Ecommerce Business and how can it be Solved

1. *Internet Fraud:* Most Ecommerce Businesses are endangered by Internet hackers or scammers. The IP address of the site and the internet are vulnerable for hackers to get access to the site and cancel orders, use bank details to carry out illegal transactions etc. A Firewall or VPN can restrict the site from being open for hackers to interfere as it acts as a protective barrier between the hackers and the business website. Online Scammers have rose to 50% in India, Ireland and Spain whereas its at 40% in USA and 80% in Poland leading to almost $43 billion lost in online scams.
2. *Server Issues:* Once the business expands and people starts buying in bulk, the website faces server issue leading to the website getting crashed or stop loading for the customers which happens when a lot of users try to enter to the site and place order in a short period of time. Online Businesses like Comicsense.xyz, flipkart etc. faced major server issues during the times of Black Friday Sale when customers where placing orders in huge amounts. Employing Proper Programmers who has knowledge on Java, python can program the website to run smoothly in order to avoid server issues.
3. *Accidental Issues- Delay in Delivery:* Goods when in motion during shipping are vulnerable to accidents like Vehicle crash, Loose packaging leading to goods lost in seas, delay in paperwork transit can delay products from reaching to the customers on time resulting on losing customer values and numbers. Proper Insurance Benefits can compensate the business from the loss and refunds to customers can secure the business from not losing further clients or customers.

IX. Conclusion

When viewing Both the positive and negative outcomes of ecommerce business, its safe to say that the only limitations of starting and running an ecommerce business lies on one's ability to understand the market, have appropriate knowledge and the courage to carry it in the long run which is similar to having a startup business after collecting funds. Once everything is in order, business is ready to go and bloom while giving the competitors a hard time on keeping up with the rise of new businesses.

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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:

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

What to stay away from:

- Do not discuss or infer your outcome, report surrounding information, or try to explain anything.
- Do not include raw data or intermediate calculations in a research manuscript.
- Do not present similar data more than once.
- A manuscript should complement any figures or tables, not duplicate information.
- 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.

- You may propose future guidelines, such as how an experiment might be personalized to accomplish a new idea.
- Give details of all of your remarks as much as possible, focusing on mechanisms.
- 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.
- 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?
- 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.

Please read the following rules and regulations carefully before submitting your research paper to Global Journals Inc. to avoid rejection.

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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