

Review of: "The Role of Nation and State Institutions in Nigeria's Economy: An Empirical Review"

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Potential competing interests: No potential competing interests to declare.

The paper assesses the role of national and state institutions in shaping Nigeria's economy. Institutions exist to positively affect the citizenry and the economy at large by creating an enabling environment for businesses to thrive, attracting investments, and fostering domestic economic activities.

Here is a breakdown of my suggestions about how this paper can be improved.

RESEARCH OBJECTIVE

The objective of the paper is - To assess the role of national state institutions in shaping Nigeria's economy. This objective seeks to describe the attributes of national and state institutions in relation to Nigeria's economy.

While a research objective exploring the role of new institutional actors, e.g., informal actors/institutions might be valid, applying the same objective to formal and established institutions seems repetitive.

I say this because the attributes and the typical expectations of institutions are often communicated in mission statements, statutory duties, and functions. Inherently, these institutions exist to positively affect the nation's economy among other things.

A quick example: using National Agency for Food and Drug Administration and Control (NAFDAC) and The Nigerian Ports Authority (NPA), two of the institutions reviewed in the paper. A search on their websites provides information about the mission, statutory functions and duties of these institutions.

NAFDAC: To protect and promote the public health by instituting an effective and efficient regulatory system that ensures only the right quality Food Drugs and other regulated products are manufactured, exported, imported, advertised, distributed, sold, and used.

Now, the findings of the paper reviewed showed that: "NAFDAC's role in ensuring consumer safety, promoting quality standards, attracting investments, facilitating exports, and generating revenue makes it a significant contributor to the Nigerian economy".

NPA: To develop, own and operate ports and harbours. Provide safe and navigable channels. Offer cargo handling and storage service. Maintain Port facilities and equipment. Ensure safety and security.

Findings of the paper reviewed showed that: "The Nigerian Ports Authority's role in trade facilitation, revenue generation, employment creation, infrastructure development, maritime safety, and economic integration makes it a significant

contributor to the Nigerian economy"

Since these formal institutional structures are well established, could the focus shift from WHAT their role is in Nigeria's economy to HOW or WHY (unknown) institutional processes support or impede Nigeria's economy?

We know that institutions play a role in furthering or preventing economic growth (Coase, 1992). By implication, institutions' contribution to Nigeria's economy depends on the extent of the effectiveness and efficiency of their operations and the quality of the regulatory systems in place.

Therefore, I would suggest that a more compelling and timely objective could be: To explore the extent to which national and state institutions play a role in shaping (furthering or preventing) Nigeria's economy.

THEORETICAL FRAMEWORK

There are transaction costs that change institutions as they interact. Institutional theory draws attention away from describing formal attributes of institutions to focusing on the underlying structures of these institutions that affect economic outcomes (Scott, 2014). Beyond institutional roles, these underlying structures are transactions or the mechanisms and rules of conduct (Coase, 1992) that shape an economy.

Although there is a section in the paper for the theoretical framework, the authors were not specific about the theoretical foundation of the research.

I would suggest that the authors develop a conceptual framework for the paper based on institutional theory.

METHODOLOGY

Here are my comments about the research methodology.

RESEARCH DESIGN AND APPROACH

Using a descriptive approach requires that the authors are explicit about every aspect of the design. This helps to establish the validity and reliability of the research design. The authors could improve this by clarifying the following:

- [1] Criteria for selection: basis for selecting articles reviewed, e.g., journal quality, citations, databases, etc.
- [2] How selection and publication bias was handled, considering that the authors used purposive sampling.
- [3] Search strategy: manual or automated, etc.

According to the authors (Table 1), the sampling design considered research published from 2023. However, from Table 2., the oldest article was published in 2012 and only one article in 2023.

Considering the nature of the data sources and collection tool, a sample size of 10 articles is too small to allow confidence about the results.

Although the list of state and national institutions presented in the paper is not exhaustive, how are the articles reviewed representative of this specific sample frame? In addition, the authors seem to design a sample frame using Ajadi (2010).

However, the referenced article only presented a list of Federal and States Government Universities as at July, 2009 (Table 1.1) and a list of Licenced Private Universities in Nigeria and Year Established (Table 1.2). Is there a mistake here?

RESEARCH FINDINGS

In the research findings section (5), the paper seems to have included new aspects to the paper by discussing the dynamics of interactions between national and state institutions. However, there is no apparent link between the data presented and these discussions. Do need to add a second objective?

THE REFERENCES

The authors should check and correct the errors in the references and add article identifiers where applicable.

CONCLUSION

In addition to the aforementioned points, I would like to make the following suggestions.

According to the Office of the Secretary of the Government of the Federation, there are 42 Federal Agencies (OSGF, 2023a) and 45 Federal Ministries (OSGF, 2023b) in Nigeria. That is without considering the ministries and and agencies at each 36 states level. Considering the potential scope, a systematic review or a meta-analysis would be a better approach.

However, since economic institutions shape economic outcomes (Acemoglu et al., 2005). The authors could limit the scope to economic institutions. A good starting point could be the Central Bank of Nigeria and other related institutions (CBN, 2023). Alternatively, the authors could limit the study to a specific institution at a state and national level. However, this recommendations would require making significant changes to the research approach.

Building strong institutions to support long-term growth and development is Nigeria's central challenge (Okonjo-Iweala & Osafo-Kwaako, 2007). This is still an on-going challenge for the country and research seeking to influence policy are critical to overcoming this challenge.

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