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Abstract
This study examined the relationship between human capital, diversification and long-term growth in Nigeria between 1980 and 2016. In the study, variables such as the real gross domestic product, exchange rate, physical capital, human capital, agriculture, manufacturing, and service, were employed. The ordinary least squares technique was employed as the econometric method of estimation while other residual diagnostics tests were conducted to ascertain the suitability of the estimated model. In the results presented, it was observed that all the variables were stationary at first difference and that long run relationship exists among the variables going by the Johansen co-integration results presented. The findings show that physical and human capital, agriculture, manufacturing and services have a positive impact on the real GDP in Nigeria. However, the exchange rate had a negative impact on the real gross domestic product in Nigeria. It was therefore recommended that since agriculture was found to have positive and significant impact on long-term growth, commercial banks should be made to make available at least 2% of their annual profits for the development of the agricultural sector and that government should put in place policies aimed at maximally utilising national earnings for the creation of enabling environment for industrial survival to boost manufacturing output in Nigeria.

Key words: Human Capital, Diversification, Long-term Growth.

Introduction
The recent economic crises experienced in most developed and developing nations have called the attention of developmental experts on the need to urgently diversify the economy in order to enhance poverty reduction as well as long-term growth. While the diversification is required for long-term growth, Shobande, Odeleye & Olunkwa (2014) argued that human capital in general and education and health, in particular, are fundamental to advancement and attainment of these objectives. The view of Shobande et al (2014) is consistent with Mankiw, Romer and Weil (1992) that described human capital as investment in education, health, income growth and housing as well as transport and communication that will transform labour to output. Appleton and Teal (1998) describe health and education as key components of human capital that cannot be neglected in diversification process.

Given the importance of human capital to economic diversification and growth
process, policymakers have paid little attention to these issues of fall in the standard of education, poor health care condition, as well as the growing gap between per capita income and the poverty condition of the populace. Also, a cursory look at the education sector in Nigeria clearly shows that basic education is yet to manifest. Edevbaro (1997), opined that despite public spending on education, literacy rate remains strikingly low as compared to other developing nations.

The role of human capital investment in economic diversification is key if improvement in the level of productivity, poverty reduction and unemployment must be solved. Though there are concerns that human capital investment is only a necessary and not sufficient condition to guarantee any meaningful diversification success, there are still embedded arguments regarding the essential components of human capital investment among scholars.

In recent times, the quest for developing countries to develop their human capacity as a strategy for diversifying the economy as well as stimulating accelerative growth has been the interest of development experts and international agencies. Ismaila & Imoughele (2015) asserted that despite the various contributions and public spending on education and health (human capital), the outcome has remained insignificant. Consequently, while the outcome on education and health have remained unimpressive, the Nigerian economy consistently recorded a negative growth in Per capita GNP leading to a recession with an increase in poverty and unemployment.

According to Mitlin (2004), the general level of living tends to be very low for the vast majority of people. This low level of living is manifested quantitatively and qualitatively in form of low income (poverty), inadequate housing, poor health, limited or no education, infant mortality rate, low life and work expectancy. This indicates that the investment in values that will create opportunities for economic freedom have been trapped and diversification effort can only succeed by a cursory review of the education and health sub-sectors. The objective of this study is to determine the relationship between human capital, diversification and long-term growth in Nigeria.

2 Review of Literature

The concept of human capital comprises of education, health and income and all necessary conditions that can enhance and improve productivity in an economy. Schultz (1971) viewed human capital as a key element in improving a country's assets through an increase in productivity and sustainable competitive advantage in a globalized world. In the same vein, Schumacher (1973) recognized human capital as the abilities and skills of the human resource of a nation. Human capital development is the process of acquiring and increasing the number of skills, education and experience critical to growth. The relationship between economic growth and education has been one of the central threads of economic analysis. Both Adam Smith in the 18th century and Alfred Marshall in the 19th century
addressed the question of how individual investments in "education" influence the wealth of nations. Throughout the 20th century, as Krueger and Lindahl (2001) pointed out in their survey of these issues, modern professional economists have been attempting to develop empirical estimates of the relationship between education and economic growth.

According to Temple (1999), human capital development is about recruiting, supporting and investing in people through education, training, coaching, mentoring, internships, organisational development and human resources management. Human capital development recognises that the development and growth of people in organisations and businesses are an important and essential asset to the organisation's future success. Schultz and Paul (1994) defined human capital development as the framework for helping employees develop their personal and organisational skills, knowledge and ability. The focus of all human capital development is on developing the most superior workforce so that the organisation and employees can accomplish their work goals in service to customers. Healthy organisations believe in human capital development and cover all of those bases. More importantly, Schultz and Paul (1994) suggested that the shortage of skilled people can act as a limiting factor on individual organisation and on the economy as a whole. It is in the interest of individual organisations and the nation to maximize their human resource by investing in the skills of its workforce, its human capital. Human capital is a crucial component of an organisation's overall competitiveness. It can be argued that economic growth, employment levels and the availability of a skilled workforce are interrelated. Economic growth creates employment, but economic growth partly depends on skilled human resource organisations. Temple (1999) opined that the concept of human capital encompasses investment in the skill of labour force, including education and vocational training to develop specific skills.

Human capital development involves processes that relate to training, education and other inventions in order to increase the level of knowledge, skills, abilities, values, and social assets of an employee which will lead to the employee's satisfactory performance and eventually on the firm's performance. Rastogi (2000) stated that human capital is an important input for organisations especially for employees' continuous improvement mainly on knowledge, skills and abilities, hence, the definition of human capital as "the knowledge, skills, competencies and attributes embodied in individuals that facilitate the creation of personal social and economic well-being". The rapid development of human capital development has led to greater attention being paid to training. Human capital development is any activity which leads to the improvement in the quality (productivity) of the workers, thus, training is an important component of human capital development. It refers to the training undergone by a person that increases his or her capabilities in performing activities which are of economic value. Doucouliagos (1997) has noted human capital as a source to motivate workers,
Economic diversification is a process of broadening the range of economic activities both in the production and distribution of goods and services. It does not necessarily entail an increase in output but it enhances stabilisation of economies by diversifying their economic base. The issue of economic diversification should be viewed from the perspective of sustainable development to ensure long-term stability of the economy. Viewed from this perspective, it has the capacity to fundamentally strengthen an economy's adaptive capacity and safeguard its long-term prospects in the face of depletion of the basic natural resources and the vagaries of economic fluctuations under the pressure of competition in globalization (Anyachie and Areji, 2015).

Empirical evidence on the relationship between human capital development and economic growth are relatively scarce and few are mostly based on cross-section studies and country-specific of both advanced and developing countries. While there are studies that investigated the impact of particular (functional) categories of public expenditure, Musila and Belassi (2004) explored the relationship between government education expenditure and economic growth for the period 1965-1999. Their result was that education expenditure per worker has a positive and significant impact on economic growth in both long run and short run periods. Nasiru and Usman (2012) established the dynamic relationship between health expenditure and economic growth in Nigeria from 1980-2010. Using ARDL Bounds testing procedure and Granger causality test, the result suggests that there is a long-run relationship between health expenditure and economic growth, indicating that there is causality relationship in at least one direction. They suggested that the government should increase investment in health care provision as a tool of macroeconomic policy because differences in economic growth rates between countries have been significantly explained by health differences, primary and tertiary level of education and the average years of schooling with output per worker. They concluded that a well-educated labour force shows a positive and significant impact on economic growth through factor accumulation and productivity. Romer (1986) found that the impact of education on economic growth is determined by the quantity of inputs to research and development that would afterwards transform to economic growth.

However, Sandar and Macdonald (2009), Gupta, Pattillo & Wagh (2009) Lee and Kim (2009) provided controversial results regarding the growth impact of enrolment rates. They applied fixed-effects and system-GMM estimations, and the result suggested that while secondary education enrolment rates appear important for growth in low-income countries, higher education is the growth-enhancing factor for upper, middle and high-income countries. Benhabib and Spiegel (1994), Bosworth and Collins (2003) in their investigation argue that
initial level of education outcome allow nations to easily absorb imported technology and well-being. Specifically, they found a positive and significant relationship between the initial level of education and subsequent productivity growth. Likewise, Birdsall, Pinckney & Sabot (2001) studied the relationship between economic growth and education in countries with abundant resources and concluded that on the average, these countries expend less for education, than other countries with lesser resources because education, as investment in human capital, has direct and indirect effect on economic output which gives for faster rate of economic growth.

Most of the studies on transmission channels between health outcomes and human capital development estimated full production function that consists of factor considered to be the driver of economic growth. Some of the indicators used to proxy health outcomes in these studies include life expectancy at birth, mortality rate and disease prevalence, such as HIV/AIDS and malaria and these health outcomes are generally found to be channels of achieving economic growth. Evidence of the importance of health for economic growth provided by International Organizations among which is the World Health Organization (WHO) found significant linkages of health improvements to economic growth. Similarly, studies conducted by the Pan American Organization between 1950 - 1995 show long-term impact of life expectancy on economic growth in Mexico and Latin American countries.

Aghion, Angeletos, Banerjee & Manova (2010) reported that a higher initial level and a higher rate of improvement in life expectancy both have a significantly positive impact on per capita GDP growth. Similarly, Bhargava, Jamison, Lau & Murray (2001) assessed the impact of initial health status on growth over a shorter period of five years in a panel of ten countries, they found strong effect only in low-income countries and concluded that improvement in medical science is fuelled by technological progress and part of this progress is reflected in economic growth.

Long-term relationship between economic growth and health outcome in some developed countries was examined by Fogel and Costa (1997), Arora (2001) and Bhargava et al., (2001) who observed that health of the population and innovations in health influenced economic growth and as such should be counted as an integral component of the production function of economies. Barro (2001), Sachs and Warner (1997) as well as Bloom and Williamson (1998) examined the effects of life expectancy on economic growth for a period of 15 to 25 years and they consistently found strong positive direct and indirect impact between infant mortality rate and economic growth. Gallup and Sachs (2000) through series of macroeconomic cross-country studies also found evidence for significant long-term impact (25-30 years) of health (measured by life expectancy) on economic growth in Mexican states.
Tilak (2007), using data for 47 African countries for the period 1999-2004 provided an econometric approach, linking government health expenditures and per capita income to two health outcomes: infant mortality and under-five mortality. Health expenditure was found to have a statistically significant effect on infant mortality and under-five mortality implying that health expenditures are an important contributor to health outcomes.

Theoretical Framework & Methodology
This study is based on the theoretical foundation of the endogenous growth model. The study places emphasis on the role of human capital development in growth process compared to the Solow growth model that states that there is no positive growth in worker per capital, consumption and real wages. This study draws from the influential contributions of Mankiw et al (1992), as well as the works of Lawanson (2011) and Shobande et al (2014) who demonstrated and developed a theoretical model and explanation for estimating the study in Nigeria. This study also drew methodology insight from Keller (2006), Heshmati (2001), Zhang and Casagrande (1998), Barro (1996) among others. There are several reasons for this consideration of Mankiw et al. One of which is that people invest in human capital just as they invest in physical capital. This implies that human capital depreciates at the same rate with physical capital. The model suggested that there is a connection between human capital and growth. However, this study has incorporated two main human capital components (Education and Health) to investigate the link between human capital diversification and long-term growth in Nigeria between 1980–2016. Data was collected from Central Bank of Nigeria statistical Bulletin (CBN, 2016).

Model Specification
The neoclassical Solow growth model used for this study is presented as thus:

\[ Y(t) = A(t)K(t)^{(1-\beta)L(t)^\beta} \]  

Where K and L are capital and labour inputs respectively, \( \alpha = 1 - \beta \) and \( \beta \) are the shares of output (\( Y \)) and \( A \) is an index of production efficiency.

This model is further modified to incorporate the role of human capital development by Mankiw et al (1992) in their influential contribution to the theory of economic growth. They presented an extension of the Solow model to incorporate human capital and stressed the role of knowledge on economic growth. They made three important contributions by postulating that people invest in human capital just like in physical capital and that human capital depreciated at the same constant rate. Physical capital and output were used for consumption or investment, which are represented as

\[ Y(t) = A(t)K(t)^{(1-\beta)H(t)^\beta} \]
Linearized thus as:
\[ \log Y_t = \log A + 1 - \beta \log K_t + \beta \log H_t + \mu_t \]  \hspace{1cm} (3.3)

Where \( Y \) is real GDP and \( K \) is physical capital while \( H \) is human capital, \( \alpha \) and \( \beta \) are parameter coefficients, and \( A \) is efficiency parameter or constant.

The adapted model is:
\[ \ln Y_t = \alpha_0 + \varphi_1 \ln K_t + \varphi_2 \ln H_t + \varphi_3 \ln AG_t + \varphi_4 \ln Mt + \varphi_5 \ln St + \varphi_6 \ln EX_t + \mu_t \]  \hspace{1cm} (3.4)

\( \varphi_1-4 \) are parameter coefficients; \( \mu_t \) is error term and \( t \) is the time period

Where \( Y \) is real GDP and \( K \) is physical capital while \( H \) is human capital. This study incorporated both. \( AG \) is agriculture per capital, \( M \) is manufacturing per capital and \( S \) is service per capital as indicators of diversification, while Real Exchange rate (\( EX \)) is a control variable.

4. Presentation of Results

The presentation of result starts with the unit root test, which is the test of stationarity. This is followed by the Johansen co-integration test of a long-run relationship among the variables. Moreover, the empirical result using the OLS is presented in Table 4.1 and this is followed by the presentation of the post-estimation tests to confirm the suitability of the estimated models.

<table>
<thead>
<tr>
<th>Variable</th>
<th>ADF Tau Statistic</th>
<th>Order of Integration</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Linear Trend)</td>
<td></td>
</tr>
</tbody>
</table>
| \( Y \)  | -4.898091**(0) [-2.948404] | I(1) |}
| \( EX \) | -3.678066**(0) [-2.948404] | I(1) |
| \( K \)  | -7.142075**(0) [-2.948404] | I(1) |
| \( H \)  | -5.319403**(0) [-2.948404] | I(1) |
| \( AG \) | -6.288571**(1) [-2.951125] | I(1) |
| \( M \)  | -6.285952**(0) [-2.948404] | I(1) |
| \( S \)  | -5.843940**(0) [-2.948404] | I(1) |

Note: ** significant at 5%; Mackinnon critical values and are shown in parenthesis. The lagged numbers shown in brackets are selected using the minimum Schwarz and Akaike Information criteria.
The Unit Root test results show that real GDP, exchange rate, physical capital, human capital, agriculture, manufacturing, and service are all stationary at first difference for linear trend test model. This means that the incorporated series in the regression model has no unit root. It also shows that the series is mean reverting and converge towards the long-run path.

**Table 4.2: Unrestricted Co-integration Rank Test (Trace)**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Eigen value</th>
<th>Max-Eigen Statistic</th>
<th>Critical Value (0.05)</th>
<th>Prob.**</th>
</tr>
</thead>
<tbody>
<tr>
<td>None *</td>
<td>0.757745</td>
<td>49.62173</td>
<td>46.23142</td>
<td>0.0209</td>
</tr>
<tr>
<td>At most 1</td>
<td>0.676893</td>
<td>39.54201</td>
<td>40.07757</td>
<td>0.0574</td>
</tr>
<tr>
<td>At most 2</td>
<td>0.521264</td>
<td>25.78122</td>
<td>33.87687</td>
<td>0.3342</td>
</tr>
<tr>
<td>At most 3</td>
<td>0.422135</td>
<td>19.19455</td>
<td>27.58434</td>
<td>0.3997</td>
</tr>
<tr>
<td>At most 4</td>
<td>0.330605</td>
<td>14.04832</td>
<td>21.13162</td>
<td>0.3611</td>
</tr>
<tr>
<td>At most 5</td>
<td>0.233336</td>
<td>9.299724</td>
<td>14.26460</td>
<td>0.2621</td>
</tr>
<tr>
<td>At most 6</td>
<td>0.060359</td>
<td>2.179000</td>
<td>3.841466</td>
<td>0.1399</td>
</tr>
</tbody>
</table>

Trace test indicates 3 cointegrating eqn(s) at the 0.05 level * denotes rejection of the hypothesis at the 0.05 level **MacKinnon-Haug-Michelis (1999) p-values

**Table 4.3: Unrestricted Co-integration Rank Test (Maximum Eigenvalue)**

<table>
<thead>
<tr>
<th>Hypothesized No. of CE(s)</th>
<th>Eigenvalue</th>
<th>Trace Statistic</th>
<th>Critical Value (0.05)</th>
<th>Prob.**</th>
</tr>
</thead>
<tbody>
<tr>
<td>None *</td>
<td>0.757745</td>
<td>159.6666</td>
<td>125.6154</td>
<td>0.0001</td>
</tr>
<tr>
<td>At most 1 *</td>
<td>0.676893</td>
<td>110.0448</td>
<td>95.75366</td>
<td>0.0036</td>
</tr>
<tr>
<td>At most 2 *</td>
<td>0.521264</td>
<td>70.50281</td>
<td>69.81889</td>
<td>0.0441</td>
</tr>
<tr>
<td>At most 3</td>
<td>0.422135</td>
<td>44.72159</td>
<td>47.85613</td>
<td>0.0956</td>
</tr>
<tr>
<td>At most 4</td>
<td>0.330605</td>
<td>25.52705</td>
<td>29.79707</td>
<td>0.1435</td>
</tr>
<tr>
<td>At most 5</td>
<td>0.233336</td>
<td>11.47872</td>
<td>15.49471</td>
<td>0.1837</td>
</tr>
<tr>
<td>At most 6</td>
<td>0.060359</td>
<td>2.179000</td>
<td>3.841466</td>
<td>0.1399</td>
</tr>
</tbody>
</table>

Max-eigenvalue test indicates 1 co-integrating eqn(s) at the 0.05 level * denotes rejection of the hypothesis at the 0.05 level **MacKinnon-Haug-Michelis (1999)
Tables 4.2 and 4.3 show that the trace test indicates that there are three cointegrating equations. Also, the maximum-eigen test shows that there is one cointegrating equation among the variables. We, therefore, reject the null hypothesis of no cointegration at 5% level of significance. The result means that there is a long-run relationship between real exchange rate, real GDP, physical capital, human capital, agriculture, manufacturing, and services between 1980 and 2016 in Nigeria.

Table 3: Long Run Estimates
Dependent Variable: Y

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Statistic</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>11.15684</td>
<td>3.617055</td>
<td>3.084509</td>
<td>0.0044</td>
</tr>
<tr>
<td>K</td>
<td>0.028650</td>
<td>0.017731</td>
<td>0.1615841</td>
<td>0.1173</td>
</tr>
<tr>
<td>H</td>
<td>0.568219</td>
<td>0.074749</td>
<td>7.601700</td>
<td>0.0000</td>
</tr>
<tr>
<td>AG</td>
<td>0.405312</td>
<td>0.102124</td>
<td>3.968806</td>
<td>0.0004</td>
</tr>
<tr>
<td>M</td>
<td>0.235085</td>
<td>0.147853</td>
<td>1.589991</td>
<td>0.1231</td>
</tr>
<tr>
<td>S</td>
<td>0.998030</td>
<td>0.099430</td>
<td>10.03752</td>
<td>0.0000</td>
</tr>
<tr>
<td>EX</td>
<td>-0.057035</td>
<td>0.043118</td>
<td>-1.322779</td>
<td>0.1959</td>
</tr>
<tr>
<td>R-Square</td>
<td>0.963756</td>
<td></td>
<td>F-statistic</td>
<td>106.3620</td>
</tr>
<tr>
<td>Adj. R-square</td>
<td>0.954695</td>
<td>Prob(F-statistic)</td>
<td>0.000000</td>
<td></td>
</tr>
<tr>
<td>Durbin-Watson</td>
<td>1.957387</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Authors' Computation from views 9.

Table 3 indicates that the coefficient of the constant is 11.15684. This means that when other explanatory variables are held constant, the real GDP in Nigeria is 11.15684. Empirical results further indicate that 1% increase in physical capital causes the real GDP to rise by 2.8%. This means that there is a positive relationship between physical capital and economic growth in Nigeria. In the Table also, 1% increase in human capital, while keeping other explanatory variables constant causes the real GDP to increase by about 56%. In addition, the results confirm that human capital positively and significantly enhanced economic growth in Nigeria. Furthermore, it is confirmed by the result that agriculture positively and significantly impacts real GDP in Nigeria. One percent increase in agriculture brings about 40% increase to the real GDP while keeping constant other explanatory variables. Also, 1% increase in manufacturing brings about 23.4% increase to the real GDP while holding the other independent variables constant. However, the result shows that though manufacturing has a
positive impact on economic growth, it is not significant in influencing growth in Nigeria. In the same vein, Table 4.4 shows that the service sector positively and significantly enhanced economic growth in Nigeria and one percent increase in services causes the real GDP to also rise by about 99% while holding other regressors constant. Lastly, the exchange rate has a negative and insignificant impact on the real GDP. One percent increase in exchange rate makes the real GDP decline by about 5.7% while keeping constant other independent variables. Furthermore, $R^2$ (coefficient of determination) shows that about 96.4% variations in the real GDP, is jointly explained by all the explanatory variables, while the adjusted R-square confirmed that after removing the effect of insignificant estimators, about 95% of variations in the real GDP is explained in the model. This means that the model is a good fit. More so, the probability of F-statistic shows that it is significant therefore confirming that the explanatory variables linearly explained changes in the dependent variable, meaning the model is well specified. Then, the Durbin-Watson (DW) statistic of 1.95 suggests that there is no serial correlation in the estimated model.

Discussion of Results

In terms of the implication of results as presented in Table 4.4, it is confirmed that physical capital positively but insignificantly enhanced economic growth in Nigeria. This conforms to apriori expectation because capital investment is expected to positively impact GDP. However, it is not significant because of the low capital accumulation ratio in Nigeria, which has adversely affected the level of capital accumulation and slows down investment in Nigeria. This is in contrast to human capital, which positively and significantly enhanced economic growth in Nigeria. The reason is that the Nigerian economy derives strength from the size of the labour force in the country. Moreover, agriculture positively and significantly impacts the real GDP in Nigeria meaning that the agriculture sector is very important in stimulating growth in the country. Despite the exploration and exporting of crude oil in Nigeria, the agriculture sector still contributes a large portion to Nigeria's GDP, together with the service sector. The manufacturing sector, even though it has a positive impact on economic growth, it is not significant. The reason is that the output of the manufacturing sector remains very small compared to both the service and the agriculture sectors contribution to the GDP in Nigeria. The service sector in Nigeria provides the key impetus for stimulating economic growth. Results in Table 4.4 confirm that it is not only positive but also significant in enhancing economic growth. This is because for a long period now, the service sector in the country has swung to pole position in driving economic growth in Nigeria because of the growing nature of the financial and telecoms sector in the country. Lastly, the exchange rate has a negative impact on the real GDP. This means that an increase in the exchange rate (i.e. currency depreciation) makes growth in Nigeria to fall. The reason is that import becomes more expensive relative to exports and since Nigeria is largely import dependent, it means that cost of production rises, firms in the country
produces less, export less (due to lower production), and GDP falls drastically. This is currently the situation which has thrown the country into recession.

6. Conclusion and Policy Recommendations
The estimated regression results revealed that both physical and human capital, agriculture, manufacturing and the services sector have a positive impact on long-term growth in Nigeria, while exchange rate has a negative impact on economic growth. Therefore, this study concludes that there is a significant positive relationship between human capital, diversification and long-term growth in Nigeria over the study period.

Considering the findings of this Paper, the following policies are recommended in the study: The government should put in place policies aimed at maximally utilising national earnings for the creation of an enabling environment for industrial survival to boost manufacturing output in Nigeria. Since Agriculture was found to have a positive and significant impact on long-term growth, it thus follows that the private sector, especially Banks, should be encouraged to make available at least 2\% of their annual profits for the Agriculture sector. This will not only encourage more investment in the sector but will also serve as an impetus for Agriculture graduates to seek safe haven in the Agriculture sector.

Similarly, since it has been confirmed in the results presented that the manufacturing sector is not too significant, though positive in stimulating long-term growth, exchange rate policies that can help lower production costs of the industrial sector should be embarked upon. The Nigerian government should also create an enabling environment that is suitable for capital investment in order to motivate foreigners to set up their production plants in Nigeria. This will not only increase local production and substitute for imports but will also enhance long-term growth. Since human capital was found to have a positive and significant impact on long-term growth, it then follows that the government should take advantage of the size of the labour force to create employment in order to maximise the potentials of human capital available in the Country.

Finally, since exchange rate has been observed to exert a negative effect on employment growth, it is therefore recommended that the government should expand the capacity of the manufacturers' association of Nigeria to be able to increase local manufacturing with the aim of bringing down the exchange rate and enhancing economic growth in the country.
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