



SDI Review Form 1.6

Journal Name:	<u>British Journal of Economics, Management & Trade</u>
Manuscript Number:	2013_BJEMT_8612
Title of the Manuscript:	Foreign direct inflows and Economic growth nexus in Kenya: cointegration and causality analysis
Type of the Article	

General guideline for Peer Review process:

This journal's peer review policy states that **NO** manuscript should be rejected only on the basis of '**lack of Novelty**', provided the manuscript is scientifically robust and technically sound.

To know the complete guideline for Peer Review process, reviewers are requested to visit this link:

(<http://www.sciencedomain.org/page.php?id=sdi-general-editorial-policy#Peer-Review-Guideline>)



SDI Review Form 1.6

PART 1: Review Comments

	Reviewer's comment	Author's comment (if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)
Compulsory REVISION comments	Abstract The abstract should be written in accordance of acceptable standards in terms of the content and length. The researcher should throw away all unnecessary paragraphs and state the key issues of the research. Introduction -The paper has to be situated in a particular theoretical framework which is missing in the introduction. -Looking at the title one can hardly find the problem statement . Whilst the researcher has justified why the research need to be conducted, has not tried to zero in on Kenya. -The objective of the study is conspicuously missing In general the introduction needs to be well motivated Literature Review -The title is on capital flows and growth in Kenya. While the researcher has tried to review some literature on FDI, portfolio and debt, more could be done on the theoretical underpinnings of those three components of capital flows. More importantly growth theory and the theory linking the two variables is also missing. Data and methodology -Capital flows data is very delicate more particulary FDI	Abstract has been rewritten The problem is implicit in the introduction part

	data. The researcher should dedicate a section on how the variable capital flows was compiled. It is worrisome to note that in the literature section the researcher defines capital flows as the summation of FDI portfolio and debt creating flows. Yet in the model that the researcher adopted it is the summation of FDI portfolio and AID. - The model has not been reviewed anywhere but has just been adopted from nowhere, this is not acceptable. Results On page 6 there is a reference of a hypothesis which cannot be found in the earlier sections. -Granger causality tests should be in the appendix for reference - There is a possibility of multicollinearity of regressors which might be causing the variables to be insignificant this has to be checked and appropriate methodology used. -With the inclusion of a lagged variable in the equation , OLS might not be the appropriate estimation technique. - The tables in the paper should be properly referred to in the text. Reference All citations should appear in the reference	Correction has been made VECM has been used instead of initial OLS
Minor REVISION comments	- the definition of capital flows need to appear maybe as a footnote in the introduction for reader's ease of understanding -Numbering of tables -There is need for proper citation of sources data used in graphs and tables -All the unit root tests should be in the appendix	
Optional/General comments		