



SDI Review Form 1.6

Journal Name:	<u>British Journal of Economics, Management & Trade</u>
Manuscript Number:	Ms_BJEMT_20202
Title of the Manuscript:	TRADE OPENNESS AND GOVERNMENT EXPENDITURE NEXUS IN NIGERIA: A BOUNDS TEST COINTEGRATION APPROACH
Type of the Article	

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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.

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PART 1: Review Comments

	Reviewer's comment	Author's comment <i>(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)</i>
<u>Compulsory</u> REVISION comments	The level of the writing is not at the standards of an international academic journal. The language is a little poor. In row 161 you're using "Rexp" and "Cexp" as a combination of "Gexp". So you cannot have those three terms within the functional representations as (4), (5) and (6) as "Gexp" is super-collinear with both "Rexp" and "Cexp". The usage of the references is in appropriate especially when citing a reference within the manuscript you're using reference numbers within square brackets in place of the surnames of the authors with the publication dates. The numbering of every single title is also missing. You should have sequential numbering starting from 1 for the introduction part and end with an appropriate number for the conclusion section. In row 63, capitalize every single word of the title In row 160 I would suggest you to place a new title as "4. Econometric Analysis". Have the next section to be sub section presented in the section of "Measurement of variables and Data Source" as "4.1 Measurement of variables and Data Source". Add the next subsection to be "4.2 Methodology" followed by "4.3 Estimation Technique".	The results of diagnostic test shows there is no correlation (see page 14). More also some studies has also combined Rexp, Cexp and Gexp. See Aregbeyen and Ibrahim (2014) This has been corrected. This has been done. This has been done This has also been done



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	In row 161 the “openness” concept is an extensive concept so use the functional representation for openness as “Topen” in place of “Open”. In row 170, you may change the “equation 1” as “Eq. (1)” and apply this representation to the rest of equations within the manuscript. In row 179, add to the end of the sentence “long-run form as” In row 180, the coefficient α_4 for “Exch_t” is missing. There are some repetitions in expressions, statements and incomplete, long or redundant sentences. For instance you’re repeating the statement of “This study adopted” in row 183, 188 and 191 “.We also adopted” and so forth. Also, in row 263 “That is, to test for the presence of the unit roots or non stationarity” is another incomplete sentence and so on. In row 201, you must refer Eq. (5) in place Eq. (1). In the same row you must change the statement of “the following model” as “the following unrestricted Error Correction Model” In row 202, what do you mean by “for each country” In row 214, what do you mean by “unrestricted Error Correction Model in equation 12”. Where is equation 12? In row 208, you must change “(p+1)k” as “(p+1)^k”	This has been done This has been effected. This has been done. The missing coefficient is now included This is corrected. This is effected. Corrected It was a mistake. It should be eq.7 Corrected
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	In row 205, there is no need for subscript of the error term to have the number 1. Instead use the error term as ε_t. The long run model presented in row 231 and 232 must not have the delta operator. The error correction model given in row 238 and 239 must have the error correction term as "ECT_{t-1}" in place of "ECM_t". I have no idea about the information presented between row 240 and 248, so cite for those information to justify yourself. The explanation in row 264 about the unit roots (ADF, KPSS) is not true. The null hypothesis in ADF is in reverse direction of the null hypothesis of KPSS. So in ADF test the null hypothesis is constructed as the series is non-stationarity; whereas the null in KPSS test is constructed to be stationary. This distinction is generally used for cross-check. Also, the authors should correct "PP" expression to "KPSS". In Table 1, add the term "trend" to every single word "linear". Before you present Table 2, you should get the stationarity results of the residuals obtained from the bound testing model to go further. Or perhaps you may add those results within Appendix and mention about it within the manuscript. A key assumption in the ARDL / Bounds Testing methodology of Pesaran et al. (2001) is that the errors of equation 7 must be serially	Corrected Delta has been removed. Corrected It has been referenced see Pinn et al (2011) This has been corrected Corrected I used microfit and it will generate both the upper and lower bound without requesting for any information. It is when you are using E-view that you have to generate the residual. Microfit was built by Pesaran et al.
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	independent. As those authors note (p.308), this requirement may also be influential in final choice of the maximum lags for the variables in the model. Moreover, as a cross-check, you may also perform a "Bounds t-test" of $H_0 : \theta_0 = 0$, against $H_1 : \theta_0 < 0$. If the t-statistic for Opent-1 in equation (7) is greater than the "I(1) bound" tabulated by Pesaran et al. (2001; pp.303-304), this would support the conclusion that there is a long-run relationship between the variables. If the t-statistic is less than the "I(0) bound", you should conclude that the data are all stationary. Move the diagnostic test and stability test results to the Appendix section. In row 342, the term "CUSCUM" must be replaced with "CUSUM". The conclusion part is poor. You must support why the econometrics findings are important with the economic and political suggestions.	If the long run results generated by Microfit is inconclusive then someone can cross-check. But I think there is no need for this in this case. This has been done. This has been done. This is has been corrected
<u>Minor</u> REVISION comments		
<u>Optional/General</u> comments		