



SDI Review Form 1.6

Journal Name:	British Journal of Economics, Management & Trade
Manuscript Number:	Ms_BJEMT_31334
Title of the Manuscript:	CURRENT ACCOUNT DEFICIT DYNAMICS IN KENYA: EVIDENCE FROM TIME-SERIES DATA (1980-2014)
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.

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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)
<u>Compulsory</u> REVISION comments	The paper states about the current account balance issue and sustainability deficit, what does sustainable there means and in economic you have to quantify how much CAD is beard by an economy. The paper tests the twin deficit hypothesis - which states that any fiscal shock that worsens the budget deficit also deteriorates the current account balance. This creates a whole confusion in this paper. The paper is not written well there is lot of grammatical mistakes. The paper has used methodology but did not give methodology equation for that, give and estimation equations and unit root equations. The contribution of the paper to the existing literature is not clear. As pointed out in the Literature review section of the paper, multiple studies have explored the CAD relationship for various developed and developing countries (including Kenya). The authors have not sufficiently highlighted their contribution to the literature. It would have been good to see some summary statistics on the main variables used, such as the mean, standard deviation - only a figure is provided of these variables across time. The results of cointegration has 8 cointegrating equation that is serious problem, in econometrics when data becomes stationary after first differencing we assume there will be cointegration in the long run, but it is quite opposite, you need to bring an explanation for that. Change the format for table like cointegration table, you don't have to give Eigen value in the table, make it simple for readers. Give table numbers which I find nowhere.	Sustainability is well explained , read line 45. -the study is not testing twin deficit hypothesis, this is just one of the theoretical underpinnings on drivers of current account balance What is methodology equation? Is it the empirical model or theoretical model?in this case, the empirical model is just ok. That kind of cointegration is expected in macroeconomic variables, see Sims(1980). Theory guides in noemalization. We have reviewed more studies as suggested All tables have bean labelled appropriately
<u>Minor</u> REVISION comments		
<u>Optional/General</u> comments		