International Journal of Innovation, Creativity and Change. www.ijicc.net
Volume 14, Issue 10, 2020

Analysis of the Role of Fiscal Policy in Achieving Sustainable Development in Iraq After 2003

Esraa said saleh[a], Isam Abdul Khudhur Saud[b], Ali Mahdi Abbas Albairmani[c], [a,b,c]College of Administration and Economics - Al-Mustansiriya University, Email: [a]lsraa_saeed@uomustansiriyah.edu.iq, [b]d_r_assm18@uomustansiriyah.edu.iq, [c]dr_amaal@uomustansiriyah.edu.iq

Currently, the economic development is the requirement of every country around the globe especially for the developing countries and also attain the attentions of well-reputed researchers. Thus, an ongoing article aims to examine the impact of fiscal policy, foreign direct investment, and government expenditure on economic development of Asian counties. The data has been gathered from World Development Indicator (WDI) of the selected twenty Asian countries from 2008 to 2019. The STATA, a secondary data analysis statistical tool has been used by the present study for analysis. The results indicated that fiscal policy, foreign direct investment, and government expenditure have positive along with significant association with the economic development of Asian counties. These findings provided the guidelines to the regulators that they should formulate and force the management to implement the effective policies that should enhance the economic development of the country.

Key words: *Fiscal policy, Foreign direct investment, Government expenditure, Economic development.*

Introduction

The world is witnessing the rapid changes in it. There are multiple stands behind these changes like economic conditions, technological changes, environmental changes etc. These changes are affecting the entire globe in different means. These changes are not only affecting the international but also the national level. With the rapid Over the years, the question of the effectiveness of economic/monetary and fiscal policies has given rise to controversies among researchers having the focus on various findings (Adeniji, Obansa, & Okoroafor, 2018; Ramey & Zubairy, 2018). For instance, the linkage between capital and income was studied by several researchers using a comprehensive data method in multiple countries (Arestis, Şen, & Kaya, 2019; Jaah & Ndanshau, 2017). There are multiple factors associated with the economy of a nation. There are multiple factors plays a vital role in the development of the economy. The present investigation is testing the association between fiscal policy, public spending, public revenue, foreign direct investment and economic development.

Economic management is the term which is getting more attention of the researchers over time. Nations around the globe are much careful about their economies as the direction of the economy decides the future of the nation. The nations invest their maximum efforts and resources to bring their economies in the right directions and if the economy is in the right path then the countries also remain vigilant to keep it on the right track. Economic management is the combination of two economic tools titled as a meteor as well as fiscal policy. Both tools are considered as the backbone of the economy. The right economic and monetary policy results in an improvement in the country's people standard of living. The question is arise here is what is the relationship between monetary and fiscal policy and economic development. The study proposed that there is a positive association reported between fiscal policy and economic development (Nwaogwugwu & Evans, 2016). What is the economic and fiscal policy of any country? It's the government of the country which decided the flow of money within the country by keeping its financial circumstances in view too. As any impala cement in the supply and demand of the money will lead the economy on the wrong path. So, the government will have to make the decision accordingly. Monterey policy is the procedure through the government of any country control the supply of the money within the country. This policy plays a vital role in the entire economy of the nation. As stated earlier that any imbalance in the supply and demand of the money will call the inflation in the country. The inflation call is an alarming situation for the country. The management of public spending is the primary goal of every government. The scans determine, on the other side, whether or not the government can raise expenditure. If the budget is for the prosperity of the public, the government would choose to raise the budget so the country's citizens would gain in the long term. The country invests more on programs that in turn raise cash, which ensures that developed countries invest more in development projects, as in exchange it creates sound profits for the country (Maparu & Mazumder, 2017; Nawaz, Yousaf, Hussain, & Riaz, 2020).

Literature also witnessed that the factors like the fiscal policy are also getting researches attention from a long time but still is a highly considerable topic in the research world. Fiscal policy having its dependence upon the revenue collected by the government and also it is spending from that collected revenue. The revenue collection is a critical topic for all nations around the globe. Fiscal policy also decides the direction of the country economy. Disturbance in the balance between revenue and spending will affect the country economy in both positive as well as negative way. If the revenue collection is more than the spending then the country will lead in the right direction. On the other hand, if the revenue collection is less than the spending then there is an alarming situation for the country. There is a positive association reported between country fiscal policy and economic development (Munir, Rao, & Sana, 2019; Pasichnyi, 2017; Rickman & Wang, 2020).

Another factor which is considered very important in the country development is termed as foreign direct investment. The relationship between foreign direct investment (FDI) and economic growth has attracted foreign direct investment (FDI) Main attention from academics and developing country governments. Economic growth since one of their main focus is on the prioritization of foreign direct investment (FDI) attraction policies during the process of economic growth and development in these countries (Vo & Zhang, 2019). Foreign direct investment (FDI) is commonly observed Mitigates the saving-investment imbalance and offers manufacturing technologies Goods and utilities. Utilities. In addition, foreign direct investment (FDI) increases both tax revenue and human capital (Buckley, Clegg, Wang, & Cross, 2002). From another perspective, it can be said that foreign direct investment (FDI) is one of the key factors in the process of Economic convergence, as long-term gains and relations between various countries are improved. On the one hand, different positive effects of foreign direct investment (FDI) for an economy were discussed, Scholars. Scholars. Foreign direct investment (FDI) not only diversifies the recipient's capital structure but also provides positive results. Externalities such as technology and the dissemination of knowledge. For example, foreign direct investment (FDI) raises spending, thus decreasing the saving-investment distance (Erhieyovwe & Jimoh, 2016). In the other side, the short-term effect of previous experiments is the argument of foreign direct investment (FDI) on economic growth is negative, however in the long-run the impact of foreign direct investment (FDI) on Good economic development. The association between foreign aid, tax decentralization in Pakistan's economic growth for the period 1980-2014 was tested by Asghar, Rehman, and Nadeem (2016). Three-stage last technique econometric squares and find positive Economic effect of international assistance and budgetary decentralization progress. They find two ways between economic factors Fiscal decentralization and growth. Foreign aid and fiscal decentralization are also two-way.

Literature Review

The economy of any country is the combination of multiple sectors. The performance of these sectors decides the direction of the country economy. It’s the economy of any country change the status of a country from developing to develop. The country invests its maximum efforts to bring its economy in the right direction to bring prosperity in its people living. Economic management is the concept where the researchers give greater interest over time. Nations across the world are very cautious with their currencies when the economy decides on the nation's future. The nations placed their utmost energies and energy into placing their economies on the right course, and if the country is in the correct path then the countries would still be careful to hold things on the right road. Economic management is primarily a mixture of two meteorological economic instruments and monetary policy. Both instruments are known as the cornerstone of the economy.

The foreign direct investment (FDI)-economic relationship has been attracted by scholars around the world (Vo & Zhang, 2019). This relationship has been extensively investigated using data from a single country or a sample of many countries. It is widely recognized. Unfortunately, no consensus has been reached on empirical findings among scholars. The effect of foreign direct investment (FDI) on Korea's economic growth during the 1980-2009 period was tested by the (Koojaroenprasit, 2012). The author observed a clear positive impact of foreign direct investment (FDI) on Korea's economic development, although subsequent growth was also positive for human resources, exports and employment. The same finding was also found in Pakistan that international capital flows have a positive long-term impact on economic development (Shahbaz & Rahman, 2010). The foreign direct investment (FDI) growth link also demonstrates that the foreign direct investment (FDI) has a negative effect on economic growth. Konings (2001) tested the association between foreign direct investment (FDI) and economic development and proposed that there is no positive impact of foreign direct investment (FDI) on relevant growth for Poland over 1993–1997 period. The author also claimed that foreign direct investment (FDI) stopped Romania and Bulgaria from rising because they had trade imbalances, monopolies or reverse information and technology transfers. In addition to studies focusing on single-country data, several studies using cross-country data were carried out. Tiwari and Mutascu (2011) also investigate the relationship between foreign direct investment (FDI), foreign trade and economic development and proposed that foreign direct investment (FDI), as well as foreign trade practices, stimulated economic development in 23 Asian countries between 1986 and 2008. Especially when an economy was developed, they found a profound effect of the foreign direct investment (FDI) on growth. Borensztein, De Gregorio, and Lee (1998) also tested the nexus between and proposed that foreign direct investment (FDI) has been a powerful intermediary between technology and economic growth. They also claimed that the position of foreign direct investment (FDI) in an economy would be more productive if the nation had high human resources. There is a high correlations and important causes of economic growth in Arab countries, respectively, between foreign direct investment (FDI) and OLS (Omran & Bolbol, 2003).

Furthermore, a study by Khan and Nawaz (2010) indicated that the degree of financial sector development was essential to the relationship between foreign direct investment (FDI) and economic growth. There is a two-way relation of foreign direct investment (FDI) to economic development for 23 developed countries between 1978 and 1996. They noticed that foreign direct investment (FDI) and economic growth have long passed together or been co-integrated after heterogeneous country effects were enabled (Alfaro, Chanda, Kalemli-Ozcan, & Sayek, 2004). In addition, their empirical findings revealed a bidirectional causality for economies with a higher degree of economic transparency between the two variables, but a unidirectional causality was observed between GDP and foreign direct investment (FDI) for closed economies (Basu, Chakraborty, & Reagle, 2003). A negative one was identified that contributes to an important part of the (unsolved) problem, in comparison to the above positive link between foreign direct investment (FDI) and cross-country economic development. Studies also did not propose foreign direct investment (FDI)-economic growth relationship for 62 countries between 1975 and 2000 (Jyun-Yi & Chih-Chiang, 2008). Likewise, during 1995–1998, Lyroudi, Papanastasiou, and Vamvakidis (2004) found no foreign direct investment (FDI) impact on emerging-market economic growth.

The literature on the term government spending is increasing at rapid growth. Every government around the globe use its best resources to reduce its expenditure but not tries to compromise over its people standard of living. The spending of the government enhances the standard of living of its people. There is an association reported between government spending and its people standard of living (Manasseh, 2019). On the other hand, a large amount of research is available on the relationship between government spending and economic growth. Researchers are off the view that although there is no direct association between government spending and economic growth. On the other hand, a lot of research investigated and proposed that possibility of an indirect relationship between government spending and economic growth do exist (Atems, 2019; Kim, Wu, & Lin, 2018). The government's growth spending connect was a topic field for the intellectual manipulation of comprehensive researchers intending to explore the causal impact. There is an association between the spending of the government and economic growth of the country (Divino, Maciel, & Sosa, 2020; Moh'd al-tamimi). The controlling of government expenses is the prime aim of any government. On the other hand, the scenario decides whether the government will increase spending or not. If the spending is for the prosperity of the people then the government will prefer to increase the spending as it will positively affect the country people in the long run. The government use to spend more on those projects which in turn will generate the revenue i.e. the developing countries invest more in infrastructure projects as in return it will generate a sound amount of revenue for the government.

Revenue is the term which is very important in all aspects of life. There is a high amount of revenue literature regarding country level as well as individual-level do exist (Asih, 2020; Chu, Hölscher, & McCarthy, 2020). At both, the level of revenue is very important. It's the government of any country which is responsible for the wellbeing of its people. The only way to bring prosperity in the lives of the country people is the spending done by the government on them. The only way from which the government can spend on its people is the revenue collected. The most common revenue collection of any government is the tax. A tax is a mandated cash bill or other charge levied on a citizen by a state agency to cover different public expenses. Taxation is a policy instrument of considerable significance. In comparison, several Taxation aspects influence our lives. Tax analysis is therefore quite relevant and essential. Taxation and company are digital. Conditions, development rates and economic structure influence profits, growth rates and tax structure. Taxation also plays a part in stimulating economic development, structural adjustment and improved healthcare. Tax and economic problems are often a hot and fascinating matter. The more the government will collect the revenue the more it has options to spend. The government usually explore ways to collect revenue. Usually, the most common source of any government to collect the revenue is the tax collected from its people. In this context, the governments around the globe encourage tax payments. There is an association reported between revenue collection at the government level and the economic growth of the country (Edewusi & Ajayi, 2019; Ewa, Adesola, & Essien, 2020; Lin & Jia, 2019). Similarly, government revenue is usually considered as an important element of the economy. The relationship between government revenue and economic development was tested by Ofoegbu, Akwu, and Oliver (2016) in the Nigerian context. The data set from 2004 to 2015 was taken to test the relationship. Furthermore, he proposed that government revenue is an instrument of economic development in Nigeria.

Fiscal policy is undeniably one of the government's prized instruments or strategies for monitoring the macroeconomic stability of most developed countries ' economies and achieving it. The rapid situation over the years has generated dispute among researchers with the emphasis on different findings on the topic of the efficacy of economic/monetary and fiscal policies. There is several researchers have examined the nexus between capital and revenue using a detailed data approach in several countries. There are many aspects correlated with a nation's economy. Many variables play a key role in economic growth. This research measures the connection between monetary policy, public expenditure, public income, foreign direct investment and economic growth. Monetary policy is associated with monetary policy and is the central bank’s instrument for controlling and manipulating money supply (Agoba et al., 2019; Agoba, Abor, Osei, & Sa-Aadu, 2020). In essence, monetary policy enforcement is achieved by the expenditure of the Country, where the expenditure is a fiscal policy tool. Fiscal policy as a main strategy discusses strategic behavior by the government in terms of money spending and fiscal levies with the primary goal of shaping balanced economic development, generating jobs and low inflation rates. The goal of fiscal policy is both to promote an economic climate conducive to business development and to ensure that all acts by government conform to economic stability. Moreover, fiscal supremacy is shown if fiscal policy is exogenously imposed on monetary policy in a condition or degree in which the level of public debt can be reduced. The fiscal policy of any country is issued by the central bank of the country. It’s also the central bank of the country which controls it. Fiscal policy is the combination of both revenue and expenses of the government. The fiscal policy controlling authority guide the government of the country regarding keep balance in between its expenses and revenue (Agoba, Abor, Osei, & Sa-Aadu, 2017). In the developing countries usually, central banks issue and control it. The central bank guide the government regarding the amount limit the government must spend on economic activities as well as the sources of the revenue collection in the country. The balance between revenue and expenses is vital. The is an association between the country economic development and the fiscal policy (Munir et al., 2019; Rickman & Wang, 2020).

Research Methods

The purpose linked with the current article is to examine the impact of fiscal policy, foreign direct investment, and government expenditure on economic development of Asian counties. The data has been gathered from World Development Indicator (WDI) of the selected twenty Asian countries from 2008 to 2019. The countries have been selected randomly from Asian subcontinent because the developing countries are the target population of the study and the selected countries are Iraq, China, South Korea, Turkey, Bangladesh, Taiwan, Pakistan, India, Jordon, Singapore, Philippines, Indonesia, Kuwait, Thailand, Malaysia, Iran, Saudi Arabia, Qatar, Yemen, and United Arab Emirates. The variable that has been taken by the study include the economic development that has been used as a predictive variable and measured as the GDP growth (annual percentage) that is also taken by Capuano and Grassi (2019). In addition, fiscal policy has been used as the predictor that is measured as the exchange rate (LCU per US$, period average) and real interest rate in percentage (Tchokote & Ibe, 2016). Moreover, government expenditure has also been used as the predictive variables that are measured as the government expenditure on development (percentage of GDP) (S. Wu, Li, Nie, & Chen, 2017). Finally, foreign direct investment has also been used as the predictive variable that is measured as the FDI net inflows (percentage of GDP) (Alvarado, Iniguez, & Ponce, 2017). These variables along with measurement have been mentioned in Table 1.

Table 1: Variables and measurement

Variable	Measurement	Sources
Economic Development	GDP growth (annual percentage)	(Capuano & Grassi, 2019)
Government Expenditure	Government expenditure on development (percentage of GDP)	(S. Wu et al., 2017)
Fiscal Policy	**(i) Exchange Rate** Exchange rate (LCU per US$, period average) **(ii) Interest Rate** The real interest rate in percentage	(Tchokote & Ibe, 2016) (Tchokote & Ibe, 2016)
Foreign Direct Investment	FDI net inflows (percentage of GDP)	(Alvarado, Iniguez, & Ponce, 2017)

The STATA, a secondary data analysis statistical tool has been used by the present study for analysis because the panel data has been used by the present study. The main feature of panel data is that the panel data offers a huge number of data points and also a characteristic of increasing degree of freedom and reduce collinearity between the constructs. A panel regression model is a diverse model than the time-series and cross-section regression because of double subscript on its constructs such as;

$$Y_{it} = \alpha_0 + \beta_1 X_{it} + \mu_{it} \qquad i = I, \ldots\ldots\ldots\ldots N \quad t = I, \ldots\ldots\ldots\ldots, T \qquad \textbf{(1)}$$

Where i refers to the country while t refers to the time while the panel model employs the one-way error component model mentioned below:

$$\mu_{it} = \mu_i + v_{it} \qquad \textbf{(2)}$$

Where μ_i show the unobservable individual-specific effect and v_{it} show the remainder disturbance. Therefore, the existing study has developed the equation as follow panel:

$$ED_{it} = \alpha_0 + \beta_1 ER_{it} + \beta_2 IR_{it} + \beta_3 GOVTEXP_{it} + \beta_4 FDI_{it} + e_{it} \qquad \textbf{(3)}$$

Where;
ED = Economic Development
i= Country
t = Time Period
ER = Exchange Rate
IR = Interest Rate
GOVTEXP = Government Expenditures

FDI = Foreign Direct Investment

The Hausman test has been executed by the present study to select the appropriate model among the random and fixed model. The fixed-effect model (FEM) estimation is the extension of regression mentioned as under:

$$Y_{it} = \beta_1 + \beta_2 X_{2it} + \beta_3 X_{3it} + \beta_4 X_{4it} + \beta_5 X_{5it} + u_{it} \quad \textbf{(4)}$$

Where
i = i_{th} Cross-sectional Unit
t = t_{th} Time Period

In addition, due to the cross-sectional dependence of the data, because cross-sections (countries) are more than the time series (twelve years), the present study has also executed the robust standard error (Hoechle, 2007). Moreover, another justification for using the robust standard error that the violation of the assumption of the regression that is commonly used by the researchers (Hoechle, 2007).

Results

The results of the study include the summary of the variables along with the correlation matrix and variance inflation factors for the verification of multicollinearity among the constructs. In addition, the findings also include the Hausman test to select the appropriate regression model along with FEM and robust standard error for the testing of the hypotheses. Firstly, the study highlighted the summary of the variables that have been used by the study. The summary includes the number of observations and study has 240 observations (20 countries x 12 years) along with mean, standard deviation, minimum and maximum values of the constructs. These are mentioned in Table 2.

Table 2: Descriptive statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
ED	238	1.62	.572	-.179	3.437
ER	240	1.188	.206	.021	1.771
IR	238	8.601	.616	5.699	9.986
GE	240	.964	1.909	-9.18	5.116
FDI	240	11.01	24.035	-203.023	65.89

The correlation matrix given below has shown the relationships among the constructs. The values have been exposed that no high correlation among the constructs because the values are less than 0.80. In addition, the relationships among all the predictors and predictive variables are positive because of the positive sign associated with values. These are highlighted in Table 3.

Table 3: Correlation matrix

Variables	**ED**	**ER**	**IR**	**GE**	**FDI**
ED	1.000				
ER	0.264	1.000			
IR	0.316	-0.264	1.000		
GE	0.420	0.070	-0.144	1.000	
FDI	0.540	0.185	-0.021	0.752	1.000

The VIF given below has shown the relationships among the constructs. The values have been exposed that no high correlation among the constructs because the values of VIF are less than 10 while tolerance values are also more than 0.10. These are highlighted in Table 4.

Table 4: Variance Inflation Factor (VIF)

	VIF	**1/VIF**
GE	2.986	.335
FDI	2.918	.343
IR	1.149	.87
ER	1.104	.906
Mean VIF	2.039	.

The Hausman test has been examined by selecting the appropriate model and the statistics show that probability values are lower than 0.05 that is the indication of FEM is appropriate. These values are shown in Table 5.

Table 5: Hausman test

	Coef.
Chi-square test value	51.442
P-value	0.000

The FEM has been executed first and the results indicated that fiscal policy, foreign direct investment and government expenditure have positive along with significant association with the economic development of Asian counties because the beta values have a positive sign and probability values are less than 0.05 while the t-statistics are larger than 1.64. These values have been highlighted in Table 6.

Table 6: Fixed Effect Model (FEM)

ED	Beta	S.D.	t-value	p-value	L.L.	U.L.	Sig
ER	1.167	.18	6.48	.000	.812	1.521	***
IR	.578	.064	9.03	.000	.004	.452	***
GE	.058	.025	2.33	.021	.009	.107	**
FDI	.007	.003	2.89	.004	.002	.012	***
Constant	5.046	.645	7.82	.000	3.774	6.317	***
R-squared	0.577		Number of obs		236.000		
F-test	72.156		Prob > F		0.000		

*** *p<.01,* ** *p<.05,* * *p<.1*

In addition, a robust standard error has been executed second and the results also indicated that fiscal policy, foreign direct investment and government expenditure have positive and significant linked with the economic development of Asian counties because the beta values have a positive sign and probability values are less than 0.05 while the t-statistics are larger than 1.64. These values have been highlighted in Table 7.

Table 7: Robust standard error

ED	Beta	S.D.	t	P>t	L.L.	U.L.
ER	1.167	0.156	7.500	0.000	0.841	1.492
IR	0.578	0.084	6.900	0.000	0.054	0.403
GE	0.058	0.014	4.090	0.001	0.028	0.087
FDI	0.007	0.002	3.160	0.005	0.003	0.012
_cons	5.046	0.885	5.700	0.000	3.193	6.899

Discussions and Implications

The results of this paper have indicated that fiscal policy has a positive association with economic development. These results are in line with the previous studies Ocran (2011) the importance of the role of fiscal policy in binging improvement in the rate of economic development in the country has been shown. These results are also approved by the studies Adefeso and Mobolaji (2010) which shed light on the fact that the nature and design of fiscal policy have a close relationship with the improvement in the rate of development in the economy of a country. The results have indicated that government expenditures have a positive relationship with the economic development of a country. These results match with the studies of Samudram, Nair, and Vaithilingam (2009) where it has been made clear that the amount spent by the government in different progressive projects accelerates the rate of development in the economy of a country. These results are also in line with the past studies S.-Y. Wu, Tang, and Lin (2010) which prove that the expenditures have done by the government in the welfare of the country increase the rate of production and employment in the country which is the sign of economic development. The findings of the paper have revealed that foreign direct investment has a positive contribution to the economic development of a country. These results are in line with the past studies Almfraji and Almsafir (2014) the investment made by the foreign investors directly in the business operations and local assets into the country prove to be beneficial in making rapid progress in the economy of the country. These results also agree with those of other studies Omri and Kahouli (2014) which prove that the investments made by foreigners in the local business enterprises are used in economic activities and bring improvement in the growth of the economy.

This paper carries both the theoretical and empirical implications. From the theoretical perspective of implication, this paper is of great importance. It contributes a lot to the literature on economic growth by addressing the contribution of fiscal policy designed by the government authorities to collect taxes, the government expenditures as well as receipts, and investments made by the foreigners in the country's local business enterprises on the economic development of the country. If we talk about empirical implication, the study gives a guideline to the government authorities on how to accelerate the rate of economic growth as this paper discusses the role of fiscal policy, the government expenditures and receipts, and foreign direct investment in the development of the economy of the country. These findings provided the guidelines to the regulators that they should formulate and force the management to implement the effective policies that should enhance the economic development of the country.

Conclusion and Limitations

The results reveal that the fiscal policy designed by the government authorities has a positive relationship with the development in the economy. The paper examines that the rate, nature, and the number of taxes enforceable by the fiscal policy put positive influences on the development of the economy. In addition, the results indicate that government receipts and expenditures are positively linked with the development of the economy. The paper examines that the amount collected by the government in the form of taxes or from other sources is used in different economic activities and thereby brings improvement in the rate of economic development. Similarly, the government expenditures in several progressive economic programs signal the development in the economy. Last but not the least, the foreign direct investment also adds to the economic development of the country as it accelerates the economic activities.

Though the paper has discussed three major constructs of the development in the economy of the country such as fiscal policy, government receipts and expenditures, and the foreign direct investment, yet it has some limitations as many other constructs are to be explored. The future academics are recommended to address these unexplored constructs of economic development. The data has been collected from a particular source the future scholars should collect data in support of the study from more than one source. Besides, this study is bout just Asian countries the future scholars should expand the scope of the study by including other continents too.

REFERENCES

Adefeso, H., & Mobolaji, H. (2010). The fiscal-monetary policy and economic growth in Nigeria: Further empirical evidence. *Pakistan Journal of Social Sciences, 7*(2), 137-142.

Adeniji, S., Obansa, S., & Okoroafor, O. (2018). Monetary policy shocks and stock market prices volatility in Nigeria. *BizEcons Quarterly, 3*(4), 3-26.

Agoba, A. M., Abor, J., Osei, K. A., & Sa-Aadu, J. (2017). Central bank independence and inflation in Africa: The role of financial systems and institutional quality. *Central Bank Review, 17*(4), 131-146.

Agoba, A. M., Abor, J. Y., Osei, K., Sa-Aadu, J., Amoah, B., & Dzeha, G. C. O. (2019). Central bank independence, elections and fiscal policy in Africa. *International Journal of Emerging Markets, 14*(5), 809-830.

Agoba, A. M., Abor, J. Y., Osei, K. A., & Sa-Aadu, J. (2020). Do Independent Central Banks Exhibit Varied Behaviour in Election and Non-Election Years?: The Case of Fiscal Policy in Africa. *Journal of African Business, 21*(1), 105-125.

Alfaro, L., Chanda, A., Kalemli-Ozcan, S., & Sayek, S. (2004). FDI and economic growth: the role of local financial markets. *Journal of International Economics, 64*(1), 89-112.

Almfraji, M. A., & Almsafir, M. K. (2014). Foreign direct investment and economic growth literature review from 1994 to 2012. *Procedia-Social and Behavioral Sciences, 129*, 206-213.

Alvarado, R., Iniguez, M., & Ponce, P. (2017). Foreign direct investment and economic growth in Latin America. *Economic Analysis and Policy, 56*, 176-187.

Arestis, P., Şen, H., & Kaya, A. (2019). Fiscal and Monetary Policy Effectiveness in Turkey: A Comparative Analysis. *Panoeconomicus, 3*(6), 1-24.

Asghar, N., Rehman, H., & Nadeem, M. (2016). Interrelationship between foreign aid, fiscal decentralization and economic growth in Pakistan: An econometric analysis. *Journal of Political Studies, 23*(2), 525-536.

Asih, S. (2020). The effect of the contribution of local taxes, local original income, regional levies and tax revenue sharing on regional spending with economic growth as a moderating variable government and district government. *Accounting And Bussiness Journal, 1*(2), 36-50.

Atems, B. (2019). The effects of government spending shocks: Evidence from US states. *Regional Science and Urban Economics, 74*, 65-80.

Basu, P., Chakraborty, C., & Reagle, D. (2003). Liberalization, FDI, and growth in developing countries: A panel cointegration approach. *Economic Inquiry, 41*(3), 510-516.

Borensztein, E., De Gregorio, J., & Lee, J.-W. (1998). How does foreign direct investment affect economic growth? *Journal of International Economics, 45*(1), 115-135.

Buckley, P. J., Clegg, J., Wang, C., & Cross, A. R. (2002). FDI, regional differences and economic growth: panel data evidence from China. *Transnational corporations, 11*(1), 1-28.

Capuano, C., & Grassi, I. (2019). Imperfect patent protection, licensing, and willingness to pay for the innovation. *Journal of Industrial and Business Economics, 8*, 1-27.

Chu, T. T., Hölscher, J., & McCarthy, D. (2020). The impact of productive and non-productive government expenditure on economic growth: an empirical analysis in high-income versus low-to middle-income economies. *Empirical Economics, 58*(5), 2403-2430.

Divino, J. A., Maciel, D. T., & Sosa, W. (2020). Government size, composition of public spending and economic growth in Brazil. *Economic Modelling, 91*, 155-166.

Edewusi, D. G., & Ajayi, I. E. (2019). The Nexus between Tax Revenue and Economic Growth in Nigeria. *International Journal of Applied Economics, Finance and Accounting, 4*(2), 45-55.

Erhieyovwe, E. K., & Jimoh, E. S. (2016). Foreign direct investment granger and Nigerian growth. *Journal of Innovative Research in Management and Humanities, 3*(2), 22-29.

Ewa, U. E., Adesola, W. A., & Essien, E. N. (2020). Impact of Tax Revenue on Economic Development in Nigeria. *International Business Research, 13*(6), 1-10.

Hoechle, D. (2007). Robust standard errors for panel regressions with cross-sectional dependence. *The stata journal, 7*(3), 281-312.

Jaah, M., & Ndanshau, M. O. (2017). Monetary vs. Fiscal Policy: An Empirical Investigation in Tanzania, 1966–2013. *Tanzania Economic Review Journal, 7*(1), 17-35.

Jyun-Yi, W., & Chih-Chiang, H. (2008). Does foreign direct investment promote economic growth? Evidence from a threshold regression analysis. *Economics Bulletin, 15*(12), 1-10.

Khan, R. E. A., & Nawaz, M. A. (2010). Economic determinants of Foreign direct investment in Pakistan. *Journal of Economics, 1*(2), 99-104.

Kim, D.-H., Wu, Y.-C., & Lin, S.-C. (2018). Heterogeneity in the effects of government size and governance on economic growth. *Economic Modelling, 68*, 205-216.

Konings, J. (2001). The effects of foreign direct investment on domestic firms: Evidence from firm-level panel data in emerging economies. *Economics of transition, 9*(3), 619-633.

Koojaroenprasit, S. (2012). The impact of foreign direct investment on economic growth: A case study of South Korea. *International Journal of Business and Social Science, 3*(21), 1-19.

Lin, B., & Jia, Z. (2019). Tax rate, government revenue and economic performance: A perspective of Laffer curve. *China Economic Review, 56*(23), 1-20. doi: https://doi.org/10.1016/j.chieco.2019.101307

Lyroudi, K., Papanastasiou, J., & Vamvakidis, A. (2004). Foreign direct investment and economic growth in transition economies. *South-Eastern Europe Journal of Economics, 2*(1), 97-110.

Manasseh, C. O. (2019). Oil price fluctuation, oil revenue and well-being in Nigeria. *9*(1), 346-355.

Maparu, T. S., & Mazumder, T. N. (2017). Transport infrastructure, economic development and urbanization in India (1990–2011): Is there any causal relationship? *Transportation research part A: policy and practice, 100*, 319-336.

Moh'd al-tamimi, K. A. Government Spending as a Tool for Economic Growth in the Economy of Jordan. *17*(23), 769-774.

Munir, S., Rao, Z. U. R., & Sana, S. (2019). Financial Development, Fiscal Policy and Economic Growth: The Role of Institutional Quality in Pakistan. *Journal of Finance and Accounting Research, 1*(2), 24-43.

Nawaz, M. A., Yousaf, W., Hussain, M. S., & Riaz, M. (2020). Effect of tourism growth on co2 emissions and economic growth in south asian countries: A panel GMM approach. *Hamdard Islamicus, 43*(1), 406-415.

Nwaogwugwu, I., & Evans, O. (2016). A sectoral analysis of fiscal and monetary actions in Nigeria. *The Journal of Developing Areas, 50*(4), 211-230.

Ocran, M. K. (2011). Fiscal policy and economic growth in South Africa. *Journal of Economic Studies, 38*(5), 604-618.

Ofoegbu, G. N., Akwu, D. O., & Oliver, O. (2016). Empirical analysis of effect of tax revenue on economic development of Nigeria. *International Journal of Asian Social Science, 6*(10), 604-613.

Omran, M., & Bolbol, A. (2003). Foreign direct investment, financial development, and economic growth: evidence from the Arab countries. *Review of Middle East Economics and Finance, 1*(3), 37-55.

Omri, A., & Kahouli, B. (2014). Causal relationships between energy consumption, foreign direct investment and economic growth: Fresh evidence from dynamic simultaneous-equations models. *Energy policy, 67*, 913-922.

Pasichnyi, M. (2017). Empirical study of the fiscal policy impact on economic growth. *Problems and Perspectives in Management, 15*(3), 316-322.

Ramey, V. A., & Zubairy, S. (2018). Government spending multipliers in good times and in bad: evidence from US historical data. *Journal of Political Economy, 126*(2), 850-901.

Rickman, D., & Wang, H. (2020). US state and local fiscal policy and economic activity: do we know more now? *Journal of Economic Surveys, 34*(2), 424-465.

Samudram, M., Nair, M., & Vaithilingam, S. (2009). Keynes and Wagner on government expenditures and economic development: the case of a developing economy. *Empirical Economics, 36*(3), 697-712.

Shahbaz, M., & Rahman, M. M. (2010). Foreign capital inflows-growth nexus and role of domestic financial sector: an ARDL co-integration approach for Pakistan. *Journal of Economic Research, 15*(3), 207-231.

Tchokote, J., & Ibe, I. (2016). The Impact of Monetary and Fiscal Policies on Economic Growth in Nigeria. *International Journal of Social Sciences, 10*(4), 174-191.

Tiwari, A. K., & Mutascu, M. (2011). Economic growth and FDI in Asia: A panel-data approach. *Economic Analysis and Policy, 41*(2), 173-187.

Vo, D. H., & Zhang, Z. (2019). Exchange rate volatility and disaggregated manufacturing exports: Evidence from an emerging country. *Journal of Risk and Financial Management, 12*(1), 1-12.

Wu, S.-Y., Tang, J.-H., & Lin, E. S. (2010). The impact of government expenditure on economic growth: How sensitive to the level of development? *Journal of Policy Modeling, 32*(6), 804-817.

Wu, S., Li, B., Nie, Q., & Chen, C. (2017). Government expenditure, corruption and total factor productivity. *Journal of cleaner production, 168*, 279-289.