

Title of Article: Are there any Feasible Anti-Cyclical Policies for Nigeria in the Era of Global Economic Crisis?

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Abstract: This paper is an empirical examination of the role of Nigerian domestic macroeconomic policies in managing the pro-cyclical effects of externally generated boom-burst cycles. It applies Vector Auto regression (VAR) framework on Nigerian quarterly data from 1970:1 to 2006:4 and estimates the responses of monetary and fiscal measures to unanticipated shocks over different Horizon. The paper concludes that the Nigerian economy is far from converging towards a sustainable equilibrium in the short run but analysis carried far into the horizon indicates that the variables converge uniformly to the steady state equilibrium. The paper suggests that both monetary and fiscal policies could be used to address the current global crisis from domestic perspective. However, authorities must use the right mix of these policies to avoid conflicts.