

Dr hab. Krzysztof Wach, Prof. UEK
Habilitation Doctor Degree in **Economics**
Doctor Degree in **Management Science**
Associate Professor of Cracow University of Economics

Krakow, 15 April 2019

Cracow University of Economics
Faculty of Economics and International Relations
Department of International Trade
ul. Rakowicka 27, 31-510 Kraków, Poland

Review of the doctoral dissertation of

Mr Adewale Otukoya

entitled "**The Role of Entrepreneurship in the Economic Development of Nigeria**" written under the scientific supervision of Prof. UG, dr hab Anna-Maria Nikodemaska Wołowik and the auxiliary supervision of Dr Tomasz Beliński at the Faculty of Economics at the University of Gdańsk in the scientific discipline of economics

(The original version of the review has been prepared in Polish)

1. GENERAL EVALUATION

The basis for preparing the review is in the formal scope of the resolution of the Faculty Council of Economics at the University of Gdańsk dated on 28 March 2019 and the letter signed by Prof. UG, dr hab. Monika Bąk, the Dean of the Faculty of Economics at the University of Gdańsk, and in the substantive scope, the Act of 14 March 2003 on academic degrees and the academic title, and on degrees and title in the field of art (Dz. U ., 2003, No. 65, item 595 with later Amendments).

The reviewing dissertation entitled "The Role of Entrepreneurship in the Economic Development of Nigeria" should be assessed positively. The study includes a proper review of the literature, as well as an analysis of secondary sources, and - most importantly - own primary research conducted by a PhD Candidate, it all constitute a contribution to the

development of the discipline. The submitted doctoral dissertation prepared by Mr Adewele Otukoya in my opinion should be viewed positively.

Substantive assessment of doctoral dissertation has been made with respect to the six criteria, i.e.:

- 1) the importance of the topic,
- 2) the applied methodology,
- 3) the used literature,
- 4) the applied structure,
- 5) detailed assessment of individual parts of the dissertation,
- 6) the language and other formal aspects.

2. SUBSTANTIVE EVALUATION

2.1. Significance of the research issue raised in the dissertation reviewed

The mainstream economic literature basically ignores entrepreneurship as one of the variables in its models, not to mention the role of entrepreneurship in economic growth and socio-economic development. New theories developed over the past few decades underline the need to take into account the theories and models of economic factors also hardly perceptible, that is no way to quantify them. Entrepreneurship is one of such variables, even though - as the research domain - experiencing its flourishing for several decades. Entrepreneurship is most often investigated in the field of management, less often by economists. The main reason, as already mentioned is its quantification, hence economic publications too often simplify their models in entrepreneurship for self-employment, the sector of small and medium-sized enterprises (SMEs), which, of course, from the point of view of the theory of entrepreneurship is unjustified and distorts the phenomenon of entrepreneurship. However, considering the fact that most of the economic models analyzed only a few variables assuming *ceteris paribus*, that even such imperfect treatment of entrepreneurship is to be very welcomed in economics and economic models.

There are some good reasons for selecting this subject for the doctoral dissertation. Firstly, despite these apparent shortcomings in the literature indicated above, the role of entrepreneurship in the economy, especially in economic development, the problem is

undertaken by many researchers for several decades. Unfortunately, due to poor opportunities to quantify entrepreneurship the results of numerous empirical studies remain inconclusive, hence the choice of the dissertation topic is fully justified. Secondly, while in the literature a lot of attention was paid to the economies of developed countries, especially the American, or European, so much the problem of the impact of entrepreneurship on economic growth in African countries definitely requires further study, and this means that taken in the doctoral dissertation subject is justified by economic reality.

Mr Adewale Otukoya in his doctoral dissertation research combines two threads, i.e. entrepreneurship theory and the theory of economic growth / economic development. It can therefore be concluded that the theme selected by the PhD Candidate is a part of the current problems of international economics (Sub-Saharan Africa from the perspective of Polish researchers). This PhD thesis is therefore an attempt to supplement the literature on new topics, through examining their relationships.

2.2. Research methodology (Assumptions, Objectives, hypotheses, methods)

The reviewing dissertation can be put in the alternative mainstream research rooted in economic growth in the theory of entrepreneurship, that is, in the discipline of "economics".

The **main objective** of this work is to present the contributions entrepreneurship That can make in the economic development of Nigeria through the review of previous researches on the link between entrepreneurship and economic growth. In order to achieve the main goal the Author sets two specific objectives (p. 20):

- O1:** *suggests the role of the government in the development of policies are conducive which is the entrepreneurial development and Eventually the country's economic development.*
- O2:** *explores the importance of culture, religion and other factors on entrepreneurship activities and how these factors can help or Provide barriers to the economic development of the country*

Both the main goal, and what specific objectives are basically adopted properly and fully developed, having read the whole thesis allows me to say that they have been achieved by the PhD Candidate. While the objectives are correct, but they remain at a very high level of generality. While the primary purpose relates to empirical research, whereas the other two objectives refer to theoretical chapters or final conclusions. Moreover, in my opinion, the role of policy supporting entrepreneurship and economic growth was not shown sufficiently.

In his dissertation, the PhD Candidate puts five research questions:

- RQ1: *Whether there are relationships between entrepreneurial activities and economic development?*
- RQ2: *What processes can be developed to help in the selection of the most qualified entrepreneurs for the schemes being sponsored by different government organizations in Nigeria?*
- RQ3: *What policies can implement the Nigerian government is create an entrepreneurial environment That Will Facilitate economic development in Nigeria?*
- RQ4: *What are the roles of dry factors as culture, religion, innovation and other environmental factors play in economic development and Their effect on entrepreneurship?*
- RQ5: *What are the critical enablers and barriers for entrepreneurs in Nigeria?*

The indicated research questions are basically correct but very general. Research questions should not be questions of "whether" type (this note refers to the first research question). The second and third research question are rather futuristic-looking in nature and relate more to phases of the application of research results, than to the research process.

From a methodological point of view, the use of quantitative approach in the study of economic absolutely requires to put the research hypotheses, which in this work are missing. In a quantitative approach, the research questions are used as justification for the subject of work and as an introduction to hypotheses building and developing, while in the qualitative approach the research questions replace the hypotheses.

The PhD Candidate used acceptable range of different research methods and techniques typical in applied economics and economics research. The main tool is the analysis and critique of economic literature. The PhD Candidate has made the analysis of existing data (secondary data) using statistical methods and tools, such as descriptive statistics, and regression analysis. The PhD Candidate also performed the questionnaire survey on the relatively large sample (n = 2082). As for the evaluation of the methodological workshop of the PhD Candidate it meets the main criteria of the doctoral thesis.

2.3. Used bibliography

Literature is chosen correctly. It includes 142 books and 129 articles in scientific journals (altogether 271 items), as well as numerous reports and Internet sources.

Literature uses both positions – the latest as well as older items. Although the literature is chosen correctly, in my opinion it could be used more intensively in the theoretical part of the dissertation. All references are in English. Evaluating the selection of literature in terms of quality it is correct. It should be noted that the literature meets the criteria for qualification at the level of doctorate.

2.4. Structure of the dissertation

The reviewed dissertation including the annexes (the questionnaire survey and tables of statistical data) consists of 253 standard pages of the manuscript (including the dissertation text on 183 pages, i.e. pp. 10-193), and in terms of the volume is correct.

The work consists of four chapters, of which the first and sixth chapter are of analytical and empirical character, and the remaining chapters are in the vast majority of the theoretical nature including the overview of introducing the basic concepts and making the review of research on the undertaken subject. The dissertation is a theoretical and empirical. In my opinion, the internal structure of the individual chapters should be changed as follows: The first chapter should concern the socio-economic development (currently Chapter 2). The second chapter should relate to conditions of economic development (currently Chapter 4). The third chapter should address entrepreneurship (currently Chapter 3). The fourth chapter should refer to innovation (currently Chapter 5). The fifth chapter should include the economic profile of Nigeria (currently Chapter 1). The sixth chapter, as it is at present, should contain the results of empirical research. This chapter can also be divided into two by creating a separate methodological chapter.

2.5. Detailed assessment of Particular chapters of the dissertation

In terms of substantive evaluation this dissertation deserves a positive evaluation. The work consists of an introduction, six substantive chapters, and a conclusion.

The introduction, using a systematic and in-depth research overview, shows the essence of the problem and justifies the reasons for its choice. It discusses also objectives and research questions, as well as limitations and implications of the research. Traditionally, the introduction discusses the structure of work. As for formal criteria and the content the introduction is correct.

Chapter 1. (*Social-economic and historical overview of Nigeria*, pp. 25-51) concerns the socio-economic profile of Nigeria. This chapter serves as an introduction, and the elaboration of statistical data obtained from various sources. In fact, the first four sections are of a statistical report's nature, only the last (fifth) section contains references to certain basic literature. The content of this chapter is definitely needed and justified, in my opinion, however, it should be concluded between the theoretical and empirical parts of this thesis, as it is based on existing data and concerns the empirical aspects of the economy. In my opinion, the first chapters of each doctoral dissertation (also this dissertation) should be firmly embedded in economic theory and previous studies, the results of prior empirical research.

Chapter 2. (*Literature review on economic development*, pp. 52-72) concerns economic development in theoretical aspects, moreover is supported by data derived from international statistics. In this chapter I miss the discussion on measures of economic growth, economic development, and socio-economic development. Literature raises numerous controversies about the individual measures, especially the traditional ones. The literature goes on a discussion on the superiority of economic development over economic growth, but there is also a classification distinguishing of quantitative growth and qualitative growth. I believe that these issues are crucial to the theme adopted by the PhD Candidate and these issues are missing in this chapter. The overview of various economic concepts, contained in the work, takes into account the important theories, however, is rather sketchy, and many theories are missing. Within the macroeconomics theories connecting entrepreneurship with growth are three groups of such theories, namely: (i) wealth-based theories, (ii) technology-based theories and (iii) knowledge-based theories. In my opinion, detailed discussion on numerous concepts developed under the mentioned theories would be highly desirable (see Wach, 2015; Parker, 2004, 2009). However, the evaluated chapter contains important concepts. The dissertation discusses the economic development from the classical economics, neoclassical economics, structural changes models (SCM) perspective, as well as from the neocolonial approach (which is fully justified in the case of Nigeria), as well as contemporary theories developed in the 20th century, including, among others, the theory of sustainable economic development, the theory of gravity. It should be noted that these are general theories – theories of growth in general,

*At this point, I would like to ask **the first question** to the PhD Candidate, perhaps during a public defense there will be a good opportunity for such a discussion - it would be good to*

complete what is missing in the dissertation: Which macroeconomic theories include entrepreneurship as a factor in economic growth? Please mention a few or several various concepts.

Chapter 3. (*Theories of Entrepreneurship*, pp. 73-93) is devoted to theoretical foundations of entrepreneurship in the history of economic thought. It refers to such classical authors as Cantillon, Schumpeter, and Say, unfortunately, in this chapter the focus is placed on the practical aspects of entrepreneurship and micro level (entrepreneurship in the firm). The main issue of this dissertation concerns the macroeconomic level and in this chapter, it would be nice to improve the visibility of economic theories (not management as it is now) concerning entrepreneurship including those theories that combine entrepreneurship and economic growth and, in principle, with the economic development (social and economic development). I miss here the discussion on features and function of entrepreneurship in economics, not only in management. In economics entrepreneurship comes to function as a fourth factor of production, what is more entrepreneurship as a function of the market (Kirzner, von Mises, Baumol) or detailed references to the work of Schumpeter revealing economic development and the business cycle in the context of the theory of entrepreneurship. Theories presented by the PhD Candidate in this section are embedded in theories of management science and relate to the firm, not the economy.

Chapter 4. (*Chosen conditions of economic development*, pp. 94-108) refers to conditions of growth. The Author discusses the five selected by himself factors such as (i) culture, (ii) religion, (iii) population growth, (iv) immigration, (v) corruption. One can feel the scarcity of several aspects. Firstly, there is no justification why the PhD Candidate leaned on those, and not on other factors, which in my opinion should be preceded by a discussion of these five selected factors. Secondly, in my opinion, this chapter would gain if the typology of factors stimulating economic growth (from the literature) would be added. This can be found in textbooks of advanced macroeconomics. Despite these criticisms the PhD Candidate makes a correct review of his chosen factors correctly by referring to the numerous authors and the results of previous empirical research in this field. It can be assumed that the PhD Candidate selected the factors which are important in the case of Sub-Saharan African countries, which include Nigeria.

Chapter 5. (*The importance of innovation*, pp. 109-133) deals with the subject of innovation. Unlike the previous chapters, this chapter is preceded by a more than 7-page

introduction. In my opinion it should be the first section. What is more the introduction takes into account both theoretical and practical issues. In my opinion the fifth chapter follows directly from the third chapter on entrepreneurship, so it should be designed in a different place. I assume that the Doctoral Candidate himself is aware of that fact, as he in the introduction to this chapter refers to Schumpeter's creative destruction (by the way, creative destruction and not creative distinction as the PhD Candidate uses). This chapter also present entrepreneurship measures reducing them merely to the issues related to research and development (R&D) and innovation.

Chapter 6. (*Relationship between entrepreneurship and economic development-empirical research results*, pp. 134-180) is empirical and reveals the impact of entrepreneurship on economic development of Nigeria. Here outlined the basics of the methodological approach used in the study, although in my opinion they are not exhaustive, unfortunately. In the next two sub-sections - as determined by the Author himself - the primary data, but for the PhD Candidate (and other researchers) they are secondary data gathered by research consortiums. Moreover, the Author of conducted a questionnaire survey on a sample of 2,082 respondents (In this case it is indeed the primary data).

When discussing their own research and Author of the survey used mainly descriptive statistics for results discussion while so rich empirical material deserves a more sophisticated statistical methods. For existing data (secondary data) OLS regression was used for the years 1980-2015. Unfortunately, in my opinion the selection of independent variables to the regression model should be more thoughtful. Entrepreneurship was – by the PhD Candidate – quantified using five variables such as (i) the level of credits to the private sector, (ii) the level of credits to small and medium-sized enterprises, (iii) the share of credits for small and medium-sized enterprises in total credits , (iv) inflation rate, (v) interest rate. These are the financial criteria, and some of them are only macroeconomic variables, as the latter two (not entrepreneurship variables). According to my knowledge, typical measures of entrepreneurship used in the similar study, include for example: the share of self-employment in the economy, the rate of entrepreneurship, that is the number of enterprises per 1,000 inhabitants, and spending on research and development (R&D), total early-stage entrepreneurial activity (TEA). The use of these measures allow for visualization of the impact of entrepreneurship on the economy of Nigeria. While the measures applied by the PhD Candidate rather relate to factors affecting the entrepreneurship *per se*, but also affecting

overall economic growth. Thus, the result of regression do not fully coincide with the target and adopted objective. In this chapter, I miss also the broader scientific discussion, the reference of their research results to studies of other authors.

*At this point, I would have the **second question** to the PhD Candidate: Why while constructing a regression analysis model such variables were adopted and no other variables? Why was classic measure of entrepreneurship omitted?*

*My **third question** to the PhD Candidate concerns the measures of entrepreneurship. Please characterize measures of entrepreneurship used in empirical studies in economics, having in mind their different dimensions (input measures, output measures).*

The conclusion includes all required elements. It summarizes the main findings. It refer to the assumed purposes and objectives. In a detailed manner it discussed the implications of the empirical research presented in the dissertation, which is rare in the such works and should be emphasized *in plus*, and which was one of the specific objectives of the doctoral dissertation. I miss the limitations of research, but they were discussed in the introduction. The Author has devoted much space to suggestions on further empirical research directions.

2.6. Language and editorial aspects of the dissertation

The dissertation is correctly written, it uses appropriate terminology typical for economics. It suitably prepares biographical references. Nevertheless, the work is not free from misspellings or grammatical mistakes, which are, of course, in each study, but do not detract from its merits. For example, on p. 21 in the first research question does not apply the question form (it has an indicative form).

To conclude, from the linguistic and formal point of view, the reviewed doctoral dissertation can be assessed satisfactorily, there are some minor mistakes and shortcomings. Generally, it should be assumed that the terminology used by the PhD Candidate is correct, appropriate to the discipline of economics.

3. CONCLUSIONS AND FINAL CONCLUSION

The synthetic reference to the evaluation criteria applicable for doctoral dissertation at the Faculty of Economics of the University of Gdansk, according to documents and guidelines provided to me, are presented in the following table:

1. Assessment of the merits	
a) accuracy of the undertaken research problems and its originality	Undertaken research is very important, especially for economic practice. Literature still does not provide a clear answer, so the choice of subject is appreciated, despite the fact that the subject is not innovative.
b) obtained results and their significance for science and practice	The results are satisfactory, although the selection of variables for regression analysis reduces their potential significance.
c) correct formal language, style and punctuation	The thesis is correct linguistically and formally.
2. Assessment of methodological aspects	
a) selection of literature, the ability to use sources	The selection of literature is correct in terms of both quantity and quality. Used references should be intensified in the theoretical part of the dissertation.
b) problems and hypotheses formulation (incl. research assumptions)	The research problem has been properly identified and formulated.
c) accuracy of methods and research tools selection, the ability to use them	Methods and research tools are adequate for the dissertation, but a few mistakes were committed.
d) the correctness of the structures and content design	The internal structure has its shortcomings mentioned in this review.

Source: own study based on § 2, pt. 3, para. 1-2 of the Contract.


The reviewed doctoral dissertation in my opinion meets the statutory criteria set out in article 13, paragraph 1 of the Act of 14 March 2003 on academic degrees and titles and on degrees and title in art (Dz. U. of 2003., No. 65, item. 595, as amended later), i.e. .:

- The reviewed dissertation is an original solution of the scientific problem, which is the impact of entrepreneurship on economic development in Nigeria.
- The reviewed dissertation shows a general theoretical knowledge of the PhD Candidate in the discipline of economics, especially in the theory of entrepreneurship.

- The reviewed dissertation confirms the PhD Candidate has the ability to independently conduct scientific work in the future.

Recapitulating, I believe that the reviewed doctoral dissertation of Mr. Adewale Otukoya entitled "The Role of Entrepreneurship in the Economic Development of Nigeria" meets the statutory requirements quoted above and on this basis I apply to the Council of the Faculty of Economics at the University of Gdańsk for its admission to the public defense.

Written in Krakow on 15 April 2019

A handwritten signature in black ink, appearing to be 'K. W. O.', written in a cursive style.