

# Empirical Determination of the Impact of Ease of Doing Business (EDB) on Tourism Growth and Development in Nigeria: The Need for a More Friendly Business Environment

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**Abstract:** The rationale for this study is to empirically determine the impact of Ease of Doing Business on tourism growth and development in Nigeria. This analysis has become imperative because fact has demonstrated that Nigeria tourism industry lag behind the tourism industry of other Sub-Sahara African countries such as Kenya, South Africa, Ghana, etc despite several efforts by the Nigeria government to correct the trend. A descriptive analysis was adopted in the study utilizing data collected on the variables selected from 2006 to 2016. The analysis showed that Ease of Doing Business negatively impacted on tourism growth within the period under study. It was recommended that government should evolve policies that will make doing business easy in Nigeria to reduce the burden placed on the tourist business because this will lead to the desired growth of the tourism sector.

**Keywords:** Tourism, EDB, Climatic condition, Inflation, Business environment.

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## 1. INTRODUCTION AND BACKGROUND TO THE STUDY

The level of economic growth and development of any country is a measure of that country's ability to efficiently and effectively utilize its natural and human capital endowment. Realizing that no economy can operate in (autarky) isolation the need to interact with other economies becomes inevitable and the ability to easily interact with other countries becomes a serious economic issue. Ease of Doing Business to some extent determines how easily and profitably countries interact for mutual benefit.

Ease of Doing Business essentially ranks economies from 1 to 190; it was created by the World Bank Group. Higher rankings (low numerical value) indicate better, usually simpler, regulations for business and stronger protection of property right. According to Djankov et al, [1], the index averages a country's percentile rankings on ten (10) topics covered in the World Bank's ease of doing business index. The ranking on each topic is the simple average of the percentile rankings on its component indicators.

The World Bank's Doing Business publication is the most well-known benchmarking report. Since 2004, the series has ranked countries according to their performance in relation to select business environment indicators designed to measure the cost in time and money to domestic small- and medium-sized businesses of conducting certain transactions in the course of their normal business life cycle. In 2004, Doing Business reported on 135 countries and five indicators, by 2009, coverage had expanded to 181 countries and 10 indicators. According to Doing Business [2], A nation's ranking on the index is based on the average of ten (10) sub indices listed below;

- Starting a business – Procedures, time, cost and minimum capital to open new business
- Dealing with construction permits – Procedures, time and cost to build a warehouse

- Getting electricity – Procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse.
- Registering property – Procedures, time and cost to register commercial real estate
- Getting credit – Strength of legal rights index, depth of credit information index
- Protecting investors – Indices on the extent of disclosure, extent of director liability and ease of shareholder suits
- Paying taxes – Number of taxes paid, hours per year spent preparing tax returns and total tax payable as share of gross profit.
- Trading across borders – Number of documents, cost and time necessary to export and import
- Enforcing contract – Procedures, time and cost to enforce a debt contract
- Resolving insolvency – The time, cost and recovery rate (%) under bankruptcy proceeding.

The Doing Business data are collected through surveys and consultations with local professionals, including lawyers, business consultants, accountants, freight forwarders and government officials, who routinely administer or advise on legal and regulatory requirements. Respondents provide answers in the context of a standardized case scenario which specifies the legal form of a business, its size, its location and the nature of its operations.

The Nigeria ranking on the Ease of Doing Business has remained very low over the years which have resulted into poor business environment for the Nigeria tourism industry. Despite concerted effort by the Nigeria government to improve the country's Ease of Doing Business, very little progress has been made. The effect of Nigeria's poor Ease of Doing Business has spilled over to other sectors of the economy with much adverse effect on the tourism industry.

The Nigeria Tourism industry has evolved over the years which is partly due to technological advancement that allow people to place reservation online for air tickets, hotel rooms etc. Designing and operating on economic and fiscal policy that will encourage the growth and development of Nigeria tourism industry has been difficult for policy makers in Nigeria because as at present, Nigeria's tourism competitiveness with other African countries is appalling. Apart from the fact that Nigeria's current Ease of Doing Business has negatively impacted on the profit of tourism industries in Nigeria it has equally reduce the industries profitability because it has negatively affected the industries volume of transaction.

Tourism is sensitive to business environment; hence there is the need for a better organized and better coordinated environment for doing business that will ultimately lead to a sustained growth and development of Nigeria tourism.

#### **STATEMENT OF PROBLEM:**

Tourism is the highest foreign exchange earner in some countries with a well developed tourism industry, for example tourism was the highest foreign exchange earner to the economies of Macau, Maldives and British Virgil Island. [3]. Designing and operating a monetary and fiscal policy that would lead to the optimum growth and development of Nigeria tourism industry has always been a challenge to Nigeria policy managers. It is observed that Nigeria tourism competitiveness compared to other African countries is appalling; this can be traced to the business environment within which the tourism sub-sector operates in Nigeria. Tourism industry is very sensitive to business environments and the ease of doing business in Nigeria has not encouraged the desired growth in all the sectors of Nigeria economy, tourism industry being one of the hardest hit sectors.

In the past, efforts to ameliorate the ease with which business activities are being performed in Nigeria has not yielded the desired growth in most of the sectors especially the tourism sub-sector, policies to make the tourism industry perform optimally has been put in place and revised from time to time. However, the goal of a sustainable growth in the tourism industry has eluded the country repeatedly. This repeated failure over the years to attain the desired goal can be traced to the way business activities are performed in Nigeria.

Based on the above premise, this study therefore attempts a descriptive analysis on the attendant impact of Ease of Doing Business on Nigeria's tourism industry with a view to proffer workable solution to Nigeria policy managers that can help to improve Nigeria's Ease of Doing Business which will lead to a tourism industry in Nigeria that will be competitive as well as bringing the desired foreign exchange to Nigeria and ultimately lead to the much needed growth in the country's tourism industry.

## 2. RATIONAL AND SIGNIFICANCE OF THE STUDY

The rationale for undertaking this study is borne out of the desire of the authors to accomplish the under listed objectives that will help the Nigeria policy makers to achieve the desired growth and development in Nigeria tourism industry;

- i. To empirically determine the impact of Ease of Doing Business on the growth of Nigeria tourism industry.
- ii. To examine the various policies that has been put in place by successive government in Nigeria to achieve the needed growth in the Nigeria tourism industry.
- iii. To proffer appropriate suggestions and solutions to the Nigeria policy makers as well as other participants in the tourism industry sub-sector of Nigeria on ways of making the industry to perform optimally.

The study is significant to all stakeholders in the tourism industry through the detailed exposition carried out on the factors that has been militating against the optimal performance of the tourism in Nigeria. The special utilization of empirical information will serve to further convince stakeholders beyond doubt that there is the need for a policy change in the manner tourism business is carried out in Nigeria. The study will also;

- i. Serve as a guide to Nigeria policy managers in evolving adequate and workable policies that will help to achieve the desired growth in the Nigeria tourism sector.
- ii. Help tourism operators in Nigeria by suggesting ways with which they can open up their business to the outside world and to lean better ways of managing their tourism businesses.
- iii. Finally, it will add to the existing literature on ease of doing business and tourism growth. As well, it will add to the growing call for the improvement of Nigeria's tourism industry so that it can add to Nigeria's much needed economic diversification and increase foreign exchange earnings.

### RESEARCH QUESTIONS:

The research questions that are generated in the course of the study which the analysis is poised to answer empirically are;

- i. Is the current state of Nigeria's Ease of Doing Business significantly impacting on the tourism growth in Nigeria?
- ii. If the current state of Nigeria's Ease of Doing Business is actually impacting on tourism growth and development in Nigeria, is such impact positive or negative?
- iii. If Nigeria's Ease of Doing Business is either impacting positively or negatively on Nigeria tourism growth, what action has the government taken in that regards and what have been the outcome or effect of such actions?

## 3. REVIEW OF RELEVANT LITERATURE

The doing business report has its origins in a paper by Djankov et al [1], the paper presented data on the regulation of entry of start-up firms in 85 countries covering the number of procedures, official time and official cost that a start-up must bear before it could operate legally. The main findings of the paper were that "Countries with heavier regulation of entry have higher corruption and larger unofficial economies but no better quality of public or private goods. The study further noted that the countries with more democratic and limited government have higher regulations of entry. According to Doing Business [4], the paper became known because it provided quantitative evidence that entry regulation benefits politicians and bureaucrats without adding value to the private sector, or granting an additional protection.

Doing business is a controversial study, with passionate critics and devoted fans. As recognized by the Independent Evaluation Group of the World Bank, some have questioned the reliability and objectivity of its measurements while others doubt the relevance of the issues it addresses or fear it may unduly dominate countries reform agendas at the expense of more crucial development objectives. [4]. Attention given to the indicators may inadvertently signal that the World Bank Group values less burdensome business regulations more highly than its other strategies for poverty reduction and sustainable development.

According to Snodgrass [5], several limitations are present in the Ease of Doing Business studies and have to be kept in mind when using the study, such as:

- The indicators and measures are referred to the costs, requirements and fees of doing business in the country's larger business city; thus conditions elsewhere within the country may differ.
- To achieve cross-country standardization, respondents are asked to give estimates for a limited liability company of a specific size. Costs for other forms and scales of business may differ.
- Transaction and fees to be cost-out are very specifically defined. The costs of other types of transactions may differ.
- The cost estimates come from individuals identified as expert respondents. Sometimes the estimates given by such individual may differ with other experts and with public officials. If so, the responses are cross-checked for consistency.
- The estimates assume that a business knows what is required and does not waste time. Satisfying regulatory requirements will obviously take longer if the business lacks information or is unable to follow up promptly. A related point here is that Ease of Doing Business may not understand "work-around", "facilitating fees", and "learning time: that speed or delay approvals and causes variation costs.

Nigeria is currently ranked 170 out of 190 countries appraised by the Ease of Doing Business; this is not very good going by the country's desire for rapid economic growth and development. To achieve a better Ease of Doing Business ranking, The Presidential Enabling Business Council (PEBEC) was set up in February 2017 chaired by Vice President Prof. Yemi Osibanjo with representative from a number of ministries including the Ministry of Culture and Tourism. The PEBEC approved a 60-day National Action Plan on Ease of Doing Business in Nigeria. The Action Plan is an inter-ministerial, inter-governmental plan that will be implemented by various MDAs across Nigeria. The mandate of the plan is to; remove critical bottle necks and bureaucratic constraints to doing business in Nigeria and move Nigeria 20 steps upwards in the World Bank (EDB) index.

According to a report by BusinessDay Newspapers [6], the Action plan has eight focus area viz; starting a Business, Construction Permits, Getting Electricity, Registering Property, Getting Credit, Paying Taxes, Trading across boarder and entry and exit of people. Of all the listed action plan Nigeria has performed better in getting credit with a ranking of 44 out of 190 while it has performed worst on Property Registration with a ranking of 182 out of 190, Construction Permit stood at 174/190, Trading across Boarders 181/190, Starting business 138/190, Paying Taxes 182/190, Getting Electricity is 180/190, Enforcing Contracts and Resolving Insolvency is 139/190.

One may note that literature on Ease of Doing Business and tourism are scare. This is mainly due to the fact that most literatures on Ease of Doing Business are aggregative on the entire economy; as such, the index value works for the economy as a whole without any attempt to deliberately analysis its effect on specific sub sectors of the economy. Hence literature on the economy as a whole can be narrowed down to desired sub sector.

Ani [7] in her study among selected countries in Asia found out that Ease of Doing Business has significant effect on Economic growth.

Equally, Ardagria and Lusagi [8] used doing business surveys to construct a cross – national harmonized micro data from a broad sample of developed and developing countries and investigated the heterogeneity of the effect of entry contract enforcement regulation and financial development on both the decision to become an entrepreneur and the level of employment of newly created business. They found that entry regulation moderates the effect of business skills.

Djankov et al [1] found that government regulation of business is an important determinant of growth and a promising area for future research.

Eifet [9] found some evidence of positive impacts of regulatory reforms in countries which are relatively poor (conditional on governance) and relatively well – governed (conditional on income). Relatively poor and relatively well – governed countries grow about 0.4 and 0.2 percent point faster in the year immediately following one or more reforms respectively.

Messaoud and Teheni [10] in their study showed a robust link between regulation indices and economic growth except Trading Across Borders and dealing with Constructions Permits Indices. They further concluded that reforms which improve business environment can help poor nations to grow faster.

Haider [11] on his part established that on average, each business regulator reform is associated with a 0.15% increase growth rate of GDP. Dutz et al [12] found that aggregate Doing Business indicator, as well as its sub-indexes are

positively correlated with product and process innovation for young firms in non OECD countries, the findings further stressed the importance of business environment in stimulating incentives for competition and innovation.

Finally, Loayza et al [13] in their study suggested that heavier regulatory burden reduces growth and increase the size of the informal sector. The negative effects of excessive regulation are aggravated in countries with poor governance.

**TABLE. 1. NIGERIA'S PERFORMANCE IN THE VARIOUS EDB RANKING FOR 2016**

Sub index	DB 2016 Rank	DB 2016 DTF (% points)
Overall	170	44.02
Starting a Business	137	77.19
Dealing with Construction Permits	173	49.61
Getting Electricity	182	29.38
Registering Property	182	31.43
Getting Credit	60	60.00
Protecting Minority Investors	30	65.00
Paying Taxes	182	28.43
Trading across Borders	181	19.93
Enforcing Contracts	139	48.59
Resolving Insolvency	139	30.68

Source; World Bank group doing business 2017

According to UNWTO Guidelines [14], tourism is defined as the activities of persons identified as visitors. A visitor is someone who is making a visit to a main destination outside his/her usual environment for less than a year for any main purpose (including) holidays, leisure and recreation, business, health, education or other purposes.

A UN report [15] identifies three forms of tourism in its recommendations on tourism statistics as follows:

- Domestic Tourism: Involving residents of the given country traveling within this country.
- Inbound Tourism: Involving non-residents traveling in the given country
- Outbound Tourism: Involving residents travelling in another country

The following is a list tourism product provided by the tourism industry in Nigeria:

- I. Accommodation services for visitors
- II. Food and beverage servicing services
- III. Railway passenger transport services
- IV. Road passenger transport services
- V. Water passenger transport services
- VI. Air passenger transport services
- VII. Transport equipment rental services
- VIII. Travel agencies and other reservation service
- IX. Cultural services
- X. Sports and recreational services
- XI. Country-specific tourism characteristics goods
- XII. Country-specific tourism characteristics services

According to an online article in the Sunday Mail [16], the Zimbabwean Minister of tourism and industry Dr Walter Mzembi noted that Government initiated ease of doing business reforms are key to repositioning the country's tourism industry to contribute to the overall economic growth and turn around.

Thotthongkan and Walsh [17] in their study concluded that among other business barriers that affect tourism in Thailand, economic environment (Doing Business) as well adversely affect the Thai tourist industry.

Equally, Asifoddin [18] noted that among the external factors affecting hospitality growth is the economic environment which includes; the interest rate and monetary policies, taxation, inflation rate, economic attractiveness for leisure and business purposes, exchange rate etc. In summary all the above listed factors represent the ease of doing business in any economy.

### Research design:

This study is constructed to empirically determine the impact of Nigeria's Ease of Doing Business on tourism growth and development. The study used the descriptive method; this is because the descriptive method focuses at the present situation (what is). [19]. The descriptive method also describe and interprets what is concerned with conditions and relationship that exist, opinions that are held, process that are going on, effects that are evident or trends that are developing. It is primarily concerned with the present, although it often considers past events and influences as they relate to current conditions. [7].

### Need for a simple model:

A simple model relating tourism to Nigeria's Ease of Doing Business is formulated. According to Saleh [20], a good theory is the end result of a winnowing process. Simple models are not just preferred for their philosophical but for practical reason. Simple models are easier to put to test again in replication and cross-validation studies. Simple models are less costly to put into practice in predicting and controlling the outcome in the future. Simple models are equally easier to understand and appreciate, and therefore have a beauty that their more complex counterparts often lack. Although other relevant control variables are included in the model for us to achieve a robust analysis.

### Model Specification and definition of variables:

To adequately capture the expected significant effects of Nigeria's Ease of Doing Business on tourism growth in Nigeria a simple model relating tourism to Nigeria's Ease of Doing Business is formulated as follows;

$$Y_t = f(x_1, x_2, x_3, x_4)$$

$$\text{Tour} = f(\text{EDB}, \text{INF}, \text{CLIM}, \text{INT})$$

$$Y_t = \alpha_0 - \alpha_1 X_{1t} - \alpha_2 X_{2t} - \alpha_3 X_{3t} - \alpha_4 X_{4t} + U_t$$

$$\text{Tour}_t = \alpha_0 - \alpha_1 \text{EDB}_t - \alpha_2 \text{INF}_t - \alpha_3 \text{CLIM}_t - \alpha_4 \text{INT}_t + U_t$$

Also an Autoregressive (VAR) estimate is specified as follows;

$$\Delta Y_t = f(\Delta x_1, \Delta x_2, \Delta x_3, \Delta x_4, \Delta x_5)$$

$$\Delta \text{Tour} = f(\Delta \text{EDB}, \Delta \text{INF}, \Delta \text{CLIM}, \Delta \text{INT}, \Delta \text{TOUR})$$

$$\Delta Y_t = \alpha_0 - \alpha_1 \Delta X_t - \alpha_2 \Delta X_t - \alpha_3 \Delta X_t - \alpha_4 \Delta X_t + \alpha_5 \Delta X_t + \Delta U_t$$

$$\Delta \text{Tour}_t = \alpha_0 - \alpha_1 \Delta \text{Tour}_{t-1} - \alpha_2 \Delta \text{EDB}_t - \alpha_3 \Delta \text{INF}_t - \alpha_4 \Delta \text{CLIM}_t - \alpha_5 \Delta \text{EDB}_t + \Delta U_t$$

*Tourism* (TOUR): this variable captures all international tourism receipts (expenditures) by international inbound visitors including payments to national carriers for international passports. It also includes any other payment made for goods or services received in the destination country, it also include receipts from same day. This definition represents a standard index for measuring tourism internationally,

*Inflation Rate* (INF): this is measured by the consumer price index to reflect the actual percentage change in the cost of the average consumer of acquiring a basket of goods and services. The Laspeyre's method is adopted in arriving at this value. It is expected to impact on tourism negatively (INF < 0)

*Climate Change* (CLIM): this is determined by the rate of Carbon dioxide (CO<sub>2</sub>) emission per capital (it includes CO<sub>2</sub> produced during consumption of solid, liquid and gas fuel). It represents CO<sub>2</sub> emissions from fossil fuels and other manufacturing activities. This is a global standard index for capturing climate change. It represents one of the standard methods of measuring climate change globally. It is expected to impact on tourism negatively (CLIM < 0).

*Interest Rate* (INT): this is taken as the bank rate that usually meets the short-term and medium-term financial needs of the private sector. It is expected to impact on tourism negatively (LINT < 0)

*Ease of Doing Business*; This represents the ranking of Nigeria on the global ease of doing business ranking, The Ease of doing business index ranks countries against each other based on how the regulatory environment is conducive to business operation, stronger protections of property rights. This variable is expected to be negative because ease of doing business in Nigeria is not at a desirable level to impact on tourism growth positively. (EDB < 0)

#### Data sources:

The data on Ease of Doing Business used in this study were collected from the World Bank portal on Nigeria ranking of Ease of Doing Business. Tourism and climate change data were collected from *Knoeman* online data resources. Finally, data on inflation and interest rate were collected from the Nigeria Central Bank statistical bulletin 2016.

#### Assumptions of the study:

The study assumed that secondary data on the selected variables are valid and highly reliable for statistical treatment and analysis. The use of both Microfit 4.1 and E-views statistical packages in estimating the regression equation further helps to validate the study's reliability. Finally, the model is under the *ceteris paribus* assumption, or holding other variables constant.

#### Interpretation and analysis of the Models:

The result of the ordinary least square estimation is presented in appendix 1 and 2 the set of equation 1 and 2. From the estimation in appendix 1, it can be seen that all the independent variables selected for the analysis are statistically significant at 5% or less. The adjusted R-square of .50183 indicated that the selected independent variables have been able to explain slightly above 50% of the variation in tourism growth in Nigeria within the period under review. The F-statistics of  $F(4,6) = 3.5184$  shows that the analysis is efficient at less than 1%. The DW- statistics of 1.8318 indicated that there is no problem of first order serial correlation.

However to improve on the results especially with respect to the adjusted R-square another estimation using the vector autoregressive (VAR) unrestricted estimate was attempted. From the results, as expected, all the selected independent variables were statistically significant at 5% or less, the adjusted R-square increased to .75571 indicating that the combined effect of all the independent variables used have now been able to explain about 76% of the variation in Nigeria tourism growth within the period under study. The DW-Statistics of 1.1872 indicates that there is no presence of positive first order serial correlation in the analysis. The F-Stats value of 7.1869 shows that the analysis is efficient at less than 1%.

Form the analysis; one can observe that climate change, Ease of Doing Business and interest rate impacted on Nigeria tourism growth negatively while inflation rate and last year tourism activities impacted on tourism growth positively. Specifically, climate change with a coefficient of 3185.9 implies that every ten unit increase in climate change leads to a 31.86 unit decrease in tourism growth in Nigeria within the period under review.

Interest rate equally impacted on tourism growth negatively, with a coefficient of 195.08 indicating that a 10 unit increase in interest rate leads to a 1.95 unit decrease in tourism growth within the period under review.

Nigeria's Ease of Doing Business as expected contributed negatively to Nigeria's tourism growth, with a coefficient of .59443 indicates that as Nigeria's index of Ease of Doing Business goes up Nigeria's tourism growth reduces. Specifically, a 10 unit increase in Nigeria's Ease of Doing Business leads to a 0.05 unit decrease in tourism growth within the period under study.

Surprisingly, inflation rate impacted on Nigeria's tourism growth positively, with a coefficient of 35.8171 indicating that a 10 unit increase in inflation leads to a corresponding 0.35unit increase in tourism growth within the period under review.

This implies that Nigeria's current inflation is mild which is actually good for business in line with the findings of previous researches [21] [22].

Finally, one year the lag value of Nigeria's tourism operation contributed positively to current tourism growth. A 10 unit increase in last year's tourism activities leads to a 0.05 unit increase in current tourism growth within the period under review.

#### **Robustness of the model:**

To ensure that the model is robust enough for the analysis various test were further conducted such as normality test, multicollinearity test, heteroscedasticity test, autocorrelation test and the Granger causality test. The researchers included the Jarque-Bera test to ensure that the errors are normally distributed. The p-value of 0.715790 which is greater than the level of significance of 0.05 indicates that the errors are normally distributed.

The test of serial correlation was also conducted by the researchers to verify if autocorrelation exist in the study. A correlation matrix was adopted using Breush-Godfrey serial correlation LM test, we obtain the p-value of the F-stats of 0.985994 which is greater than the 5% significant level. The hypothesis of no autocorrelation is accepted.

The study also tested the occurrence of Heteroscedasticity by using the White Heteroscedasticity test (no cross terms). The F-stats of 0.835561 obtained is greater than 5% level of significance, this shows that there is no heteroscedasticity in the analysis.

The Granger causality test was also conducted and the result shows that none of the selected variable Granger causes the others. (See appendix 3).

Finally, the significance of the errors was also tested in the study; it applied the Ramsey-reset Test to determine if the findings can be used for policy making. With a p-value of the F-stats for the model as 0.70928 which is greater than 0.05, indicates that the error does not exist and the model can be used for policy making.

#### **4. CONCLUSION**

This study is conducted to empirically determine the impact of Ease of Doing Business on tourism growth in Nigeria, relevant literature on Ease of Doing Business and tourism growth were reviewed. Secondary data on the selected variables were collected from various sources and a descriptive statistical analysis using Microfit 4.1 and E-view econometric packages to estimate the formulated models. Based on the findings of the tested research questions, one can conclude that the current state of Nigeria's Ease of Doing Business negatively impacts on tourism growth within the period under review. The Nigeria Tourism industry has not lived up to expectation compared to other Sub-Sahara African countries like Kenya, South Africa etc.

The analysis further points out that the Nigeria government over the years has attempted to correct and improve on the key variables that are used in measuring Ease of Doing Business such as; ease in starting a business, getting electricity supply, getting credit etc. However, most of the steps taken by the Nigeria government have so far not achieved the desired objectives.

The study equally noted that a lot of criticism has trailed the Ease of Doing Business index especially with respect to its favourable disposition to flexible employment regulations, an area that have been widely criticized. However, it has been widely demonstrated and widely accepted that economies with better Ease of Doing Business perform better in their tourism growth and development as well as other sectors of the economy.

#### **5. RECOMMENDATIONS**

It can be argued that despite the effort that has been mounted by the Nigeria government in the tourism sector over the years, a multi-pronged robustly implemented Ease of doing Business strategy has to be put in place to accelerate the growth and development of the tourism industry in Nigeria, the study therefore recommended that;

Nigeria policy makers should pay particular attention to the tourism sector by working keenly with the sector especially in areas of how to harmonize and streamline the different and multiple policies on fees and levies because those areas particularly affect Ease of Doing Business in Nigeria tourism.



The issue of getting adequate electricity supply has been a very difficult area for tourism growth in Nigeria as most tourism business has to provide alternative power supply for their clients, government should as a matter of priority improve on its electricity supply to ease the financial burden imposed on the tourism business who are left with no other choice but to source for costly alternative power supply.

Finally, there is a need for proper regulatory framework for resolving insolvency and enforcing contract, in Nigeria, this is because the country ranked poorly in that indicator and this has impacted adversely on tourism growth in Nigeria, hence government should redouble effort along this line.

Overall, the study has presented the urgent need for a better and efficient business friendly environment in Nigeria generally and the tourism industry in particular, to enable the country to achieve its desired tourism growth.

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