

Military Expenditure-Economic Growth Dynamics: Fresh Insights from Sub-Saharan Africa

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ABSTRACT

The study assesses Sub-Saharan Africa's economic growth-military spending nexus with a special bias towards impact and causality. The study focuses on 38 sub-Saharan African economies in the 1990-2021 era. The empirical evidence of the study is based cross-sectional dependence and homogeneity tests, nonlinear estimation and granger non-causality techniques. The study established that military expenditure adversely impacts growth in the sub-region, and that a bidirectional causal relationship exists in the military expenditure-economic growth relationship. The study complements the relatively scanty and extant literature on the impact and causality permeating the dynamics in military expenditure and its influence on economic performance. Policy implications and mix from the study has far-reaching application in highly security-vulnerable regions in the world.

Keywords: Military, Africa, Reverse causality, Panel, Growth, Expenditure

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