Role of the Nigerian Army in Land Restoration Agenda: A Management Perspective

BALAMI, Emmanuel Luke, PhD

Department of Management,
Faculty of Arts, Management and Social Sciences,
Nigerian Army University, Biu
E – Mail: emanuel.luke@naub.edu.ng, Phone No: +234 8031365735

BADAR, Salihu Mamman

Department of Management,
Faculty of Arts, Management and Social Sciences,
Nigerian Army University, Biu

DANGABAR, Lydia Ezekiel

Department of Management,
Faculty of Arts, Management and Social Sciences,
Nigerian Army University, Biu

Abstract

Land restoration and climatic change nexus have attracted global attention, being closely connection to food and water security. In Nigeria, apart from desertification, and deforestation, social upheavals have up-scaled resourcescarcity for land restoration. This is a review paper about North-Eastern Nigeria which attempts to address Army intervention as a panacea to three identified areas of land restoration. This article is based on extant literature relating to the concepts of global army interventions on land restoration. Specifically how the Nigerian Army can be involved in activities that concerns land restoration within the context of the objectives of this article. The objectives include- relationship between clearance of unexploded ordinances by the Army for the safety of returnees and land restoration; restoration of land to its productive capacity due to desertification, deforestation, erosion and leaching through tree planting by Army and thirdly, to assess the involvement of Army in restoring land to rightful owners who were forcefully displaced.This article is expected to shade more light on the significance of the Nigerian Army in land restoration. Related literatures on this topic were reviewed to provide background for expected empirical studies. Underpinning theories include stakeholder, Social Identity, Social Exchange and Social Learning Theories. Findings from this study reveals that the need to engage the Nigerian Army in activities that will lead to land restoration such as detection and clearance of unexploded ordinances, greening related activities like tree planting and the return of forcefully displaced persons (FDP) to their ancestral homes, is necessary and of national interest. The study therefore recommends that Nigeria through the Ministry of Defence should set up a center for bomb and mine disposal technology. This centre will be managed by a project management team who will work with local community officials in areas affected to survey and decontaminate unexploded ordinance.

Keywords: Key words: Land restoration, food and water security, Army, forcefully displaced persons (FDPs)

INTRODUCTION

Because of the significance of land on animate and inanimate matter, land assumes a central focus on environmental processes. For example, its impact on biodiversity, water, energy, trace gas emissions, carbon cycling, and a wide range of socio-economic and ecological processes that affect livelihoods and economic development (Abbas, 2009). However, despite the value attached to land and its significance to human existence, recent conflicts in the study area (North East Nigeria) indicates loss of viable arable lands in being exposed to undisposed explosives (unexploded ordinances). Unexploded ordinances pose threat to human life, especially armypersonnel who may be involved in land clearing activities and also forcefully displaced people (FDP) who are attempting to return to their native homes to continue nomadic and agricultural related activities. Such environments are also unsafe for human and animal habitation, tourists and other human activities. While there are, several achievements attained by the Nigerian government, nongovernmental organisationsand development partners to combat land degradation and desertification such as those enumerated and discussed below.

Creation of public awareness on the threat of desertification, land degradation and deforestation through sustained radio and TV jingles,print media campaigns, seminars, conferences and workshops. Other efforts include, National Action Plan to Combat Desertification which is in the process of being mainstreamed into the country's development plans and policies. Large degraded lands have been rehabilitated through afforestation, oasis rehabilitation, sand dune fixation and rangeland conservation. Also, livelihoods of millions of people have been improved through the provision of drought amelioration infrastructure, promotion of alternative means of livelihoods and popularization of alternative sources of energy (Country Report to the Rio+20 Summit, 2012). These include initiatives to expand sustainable land and water management (SLWM) targeting landscapes and vulnerable areas in the Sahel and West Africa. Also, Nigeria's Drought Preparedness Plan, National Policy on Erosion and Flood Control, National Water Policy and National Forest Policy. From the foregoing, it suffice to posit that despite all these noble efforts in the form of government policies and donor agency's contributions,future productivity is uncertain as long as the available scarce lands remain saturated with undisposed explosive devices which hampers rehabilitation of returnees, the evacuated lands being grabbed by land grabbers, and the remaining lands are degraded. Yet, there are scarce empirical studies on the role of the Army in land restoration in Northeast Nigeria. This review therefore, is intended to serve as a pointer for empirical studies to be performed on this subject in Northeast Nigeria. The aim of this paper is to establish the need for the commitment of the Nigerian Army in land restoration especially in areas affected by insurgency and the use of different technologies to establish the presence of unexploded devices and to curtail the risksthat these unexploded ordinances in the north east landscapes can cause.

LITERATURE REVIEW

Conceptual Clarifications

Some key conceptual clarifications are enumerated below which includes the following;

i. Engaging: The Cambridge English Dictionary defines engaging as "To employ someone and also to interest someone in something and keep them thinking about it".
ii. Nigerian Army: Is "The largest component of the Nigerian Armed Forces and is responsible for land warfare operations.
iii. Land: The Merriam-Webster Dictionary defines land as "The solid surface of the earth and also a portion of the earth's solid surface distinguished by boundaries or ownership".
iv. Restoration: The Cambridge English Dictionary defines restoration as "The act or process of returning something to its earlier good condition or position, or to its owner".
v. Agenda: The Cambridge English Dictionary defines agenda as a "List of matters to be discussed at a meeting". In this context, an item of global relevance.

Functions of the Nigerian Army

The Nigerian Army Council (NAC) governs the Nigerian Army as an institution, while its (Army's) main functions are governed by the Nigerian Constitution. However, being mandated to protect the State and its people, the Army goes beyond its primary duties to deliver its people (vide Section 217 (2c)),this section empowers the President to call upon the Armed Forces to suppress insurrections and the Armed Forces to act in aid of civil authorities to restore order when need arises. Part III Supplemental C - Armed Forces of the Federation*Section 217*: There shall be armed forces for the Federation which shall consist of an army, a navy, an Air Force and such other branches of the Armed Forces of the Federation as may be established by an Act of the National Assembly; and The Federation shall, subject to an Act of the National Assembly made in that behalf, equip and maintain the Armed Forces as may be considered adequate and effective for the purpose of:

i. Defending Nigeria from external aggression,
ii. Maintaining its territorial integrity and securing its borders from violation on land, sea, or air,
iii. Suppressing insurrection and acting in aid of civil authorities to restore order when called upon to do so by the President, but subject to such conditions as may be prescribed by an Act of the National Assembly; and
iv. Perform such other functions as may be prescribed by an Act of the National Assembly.

The Nigerian constitution has therefore adequately made provision for the Armed Forces to intervene in areas occupied by citizens and to weigh in when and where need arises either combat or in a manner civil (socioeconomic). Especially that the Constitution declares the Nigerian State is based on the principles of democracy and social justice", providing for justice in social, economic, politicaland equal opportunities and dignity for its people. The Constitution particularly emphasized on environmental sustainable development, as seen in Article 20 (sub-section 2) of the Constitution which states that; "the State shall protect and improve the environment and safeguard the water, air and land, forest and wild life of Nigeria". Key challenges of sustainable development are discussed and attempts to overcome these challenges analyzed. Derived from this constitutional provision is the National Environment Policy of 1999 which provides for the promotion of environmental sustainability as a key policy document. Guided by this provision, the Federal Government, agencies, parastatalsand nongovernmental organisations have over the years considered issues such as forestry, biodiversity, pollution control, land degradation, water management, climate change, marine and coastal environment, clean energy, and environmental crime.

However, Nigeria's rapidly growing population is putting serious pressure on its environmental resources, the already visible impact associated with the destruction of the natural resource are seen on land, water and air.Closely connected to this is the issue of insurrection, insurgency which different schools of thought have connected to religion, scarce resource sharing likewater,land and other natural resources. Another issue of concern is deforestation, erosion and climate change and its impact on security advanced by academics and researchers, whopurported that climate change threatens water and food security, which is manifested in shortage ofresources to allocate, resulting in forced migration with attendant rise in tension. Therefore, considering the number and space of involvement by both government and nongovernmental agencies that are concerned with environmental issues, the construct 'Land Restoration' has evolving characteristic that makes itdynamic and fluid.As such, this study attempt to operationalised Land Restoration (LR) as being derived from the term restore. The construct 'restore'in some instances is used loosely, for example, a party in a divorcecase may be requested by friends or acquaintance to restore the relationship, not minding the numerous consultations and decisions that actors outside the immediate family must be heard before decisions are taken especially in a collective society like ours. Similarly, to restore a land (settlement or farmland) nowadays and especially in a region afflicted by enemies of the State and other related insurrections, myriad of factorsneed to be taken into consideration before decisions are taken. Such factors include safety of returnees, donor agencyfield workers and government personnel who are likely to be involved in the welfare and rehabilitation of Forcefully Displaced Persons (FDPs), afforestation and land reclamation government officials, such individuals need to be given high priority in terms of their security. Therefore, the lead agency in such venture (safety) who are first to be considered are the Army, which have its component specialised in such operations,for example, the Nigerian Army Ordinance Corps. The effort of trained Army in demining community'slands including farmlands and access roads under careful supervisionwill create an enduring trust and safety of personnel involved in tree planting. Farming and other land related activities like construction and the host community livelihood.

The Army Component in the Land Restoration Agenda

Apart from combat approach to reintegration and environmental resuscitation especially in locations that fall in the dry lands, desert encroachment and theatres of counter insurgency, several organisations in particular Non-Governmental Organisations (NGOs) have proffered solutions which can be classified into three main categories. These programs aim at strengtheninglocal conflict prevention and mitigation systems, programs aimed at restoring local governance andbasic services, and programs aimed at fostering social cohesion and ensuring the reintegration offormer combatants (Brechenmacher, 2019). The Nigerian Army has indicated its willingness to contribute to 'GREEN' through the establishment of an institution of higher learning by commencing the first green University in West Africa at Biu Borno State (Nigerian Army University, Biu). In line with the greening agenda, the Nigerian Army University Biu expected to be the first green university in Africa with a plan for 10-15 million trees has commence the initiative by planting10,000 assorted trees. It is expected that each lecturer and student of the university will plant 10trees each year as part of its green canopy and the University has also reserve some portion of land on its campus as a 'GreenZone'. However, there are still fears concerning the magnitude of effort shown toward mine clearing and undisposed/buried explosives being remnants in a war theatre, which can be source of danger to

both agents of the State and the civil populace especially returnees of Forcefully Displaced Persons (FDP) (Trust, 2014; Owen, McNamara & Panchal, 2018).

Despite the efforts of the Army under Federal Government directives which have endured so much to ensure an egalitarian and peaceful society and rehabilitation of Forcefully Displaced Persons (FDPs). Extant literature and practices have not shown adequate studies done to assess the involvement of the Nigerian Army in the aspect of land restoration, especially lands suspected to be clogged with unexploded devices in Northeastern Nigeria. The demand for the Nigerian Army to be involved in environmental issues like land restoration is not a new phenomenon. For example, the call by the government of the United States to involve its Army in environmental stewardship issues-is as late as 1990s, where ecosystem restoration was formally stated as primary mission of the United States (US) Corps of Engineers civil works program. The Corps' objective in ecosystem restoration planning is to contribute to National Ecosystem Restoration (NER)(Mollenhaeur, 2014; U.S. Senate, Committee on Environment & Public Works, 2002). Currently, environmental restoration is a significant emerging part of the US Army Corps of Engineersportfolio. As part of the Corps engagement, ithas developedmodel for evaluation of environmental impact assessment for the benefit of projects alternatives (Panel on River Basin & Coastal Systems Planning, 2004; US Army Corps of Engineers, 2011).

This study seeks to highlight the dangers in the implementation of land restoration initiatives without adequately ensuring the safety of the landed resources, especially with regards to buried explosives. It is without doubt that areas recovering from war conflicts and insurgency are prone to undisposed explosives, as the insurgent members and counter insurgency personnel could both employ such devices to attack and to deter. The likelihood of abandoning such devices abound (Mallenhaeur, 2014). Therefore, volunteers and community returnees are highly exposed, thus, it is paramount to factor the Army particularly the Corps of Engineers in land restoration especially in Northeastern Nigeria as they are trained in locating and appropriate disposal of explosives. The army has been involved in regular combat practices and holding joint exercises in vast arable lands/forests in Northern Nigeria that deter insurgents and other enemies of the State who may claim such locations as safe haven. This act of the Army will develop confidence in the community members inhabiting such areas of concern (Cowley & Stichebaut, 2012), and warm rapport will be built between the Army and the people looking for safety. Also since many of displaced persons may not desire to go back to places they were dislocated the Federal Government can encourage model cities by building Army barracks in the vast uninhabited lands where the ordinary man will not want to dwell. The presence of the Army in such places will engender relative peace,thus, lands will be opened for people to go and dwell and access safe lands for agro allied purposes. This will serve as the Army's socio-economic approach to Land Restoration (LR).

Record of UXO

Following the trend of global upheavals, experience has shown that wherever there are conflicts especially to some particular magnitude involving state counterforce like the police and the military conventional explosives and/or improvised explosive devices (ied) are left in the theatre of war (Manning, 2014). For example, during WW11 there has been massive bombing which had devastating impact on geographical locations and landscapes across many countries,like the two archaeological centers of Pompeii and Vulci in Italy (citation). The extent of the bombing was so heavy that until today archaeologist excavate these bombs during their digs. This has constituted hazards to the people living around the area as the remaining unexploded bombs become danger and threat to their lives. These explosives pose threat to human existence and make such lands unsafe for habitation, agriculture and other human activities. For example, an estimated 15,160 tons of unexploded bombs in the archaeological area of Pampeii and Vulci in Italy (Frost &Sullivan, 2017). Similarly, an estimateof 10-15% of aerial bombs used in World War II (WWII) failed to detonate as was intended (Barone, 2019). Other records reveal that about 12m acres of land has been rendered unsafe across the country of Italy. Such areas remain contaminated with dangerous unexploded ordinances that remain under the surface of the earth [Cowley, 2012]. Data from the US defence ministry reveals that about 60,000 bombs are found in Italy every year most of which dates back to WW11,(Cowley, 2012). Cambodia also has records of unexploded ordinance, lots of Cambodia's lands are contaminated with cluster munitions, land mines and other weapons as a result of civil War (Trust, 2014). It is estimated that about 2.7m tons of ordinance, 80,000 cluster bombs with about 26m sub-munitions which failed to explode are scattered across Vietnam lands and about one quarter of the cluster bomb-lets failed to explode (US, Office of under Secretary, 2016). According to

United State military, from 1964-1973 about 580,000 bombing runs and drops over 2m tons of cluster munitions and over 270m cluster bombs on a small land locked country which is more than the amount dropped on Germany and Japan combined in the world war 1 and 11 and it was estimated that one third of these munitions failed to explode (White House, 2016). Accordingly, the Laos government made a claim that 75-80million sub-munitions or bomb-lets were still remaining from the cluster bombs released covering over one third of the country's land area (http.//legaciesofwar.org).

During WW11, the British Royal Air force developed an aerial renaissance to provide photo and information to identify locations (Cuttini, 2016). However, similar technologies have not been deployed to locate unexploded ordinance locations as land excavation and other related works led to the accidental discovery of unexploded bombs [Shepherd, 2016]. Where discovery of such unexploded devices are left to chance, human activities including animal movements are at risk (Trust, 2014). The involvement of the military in land restoration by the use of specific accident preventive analysis in theatres of war to detect and detonate the unexploded bombs is inevitable. Those who work on the farms and construction sites are at risk of the unexploded ordinances. The problem of reclamation and restoration of such lands is more expensive, however, the two exemplified case ofPampeii and Vulci in Italy is closely related to North Eastern Nigeria. The area of the North East was bombed by the insurgent elements and their allied forces during invasion of settlements (). Also at danger are the inhabitantswho are involved in the protection and conservation (the civilian joint task force) and farmers in this location (Omenma, Onyishi, &Okolie, 2020; Fedele, Gaiaschi, Hughes, & Pesaro, 2020).

METHODOLOGY

This study takes an exploratory research design in its methodological framework. Given the peculiarity of the issues in question, the research effort employed Google and other search engines to search for related journal articles, magazines, and reports by nongovernmental organisations, developments partners and online library depositories. The literature search include search by topic and also by specific objectives of this study. The search also include search by key words and concepts. These literature sources provided secondary data and the analysis result assisted in arriving at conclusions about the necessity of employing the services of the Army in land restoration primarily in areas that have experienced insurgency and other forms of insurrection.

RESULT AND DISCUSSIONS

Critical analysis of the reports of the experiences of countries that experienced wars and insurgencies from World War1 to date, thathave shared similarities with Northeast Nigeria shows that they have common featuresof deposit of unexploded ordinances - threat to human and animal life. That, both insurgents and the state machinery are involved in the use of explosives and that both parties also contribute to abandoned deposits of unexploded ordinances used to attack or used as deterrents. And if conscious efforts are not employed to uncover and detonate such devices, some can be active for years and cause threat to life. In all cases, countries that have had such experiences relied mostly on the State Security apparatus for detection and clearance of such abandoned explosives.Because of the size of land covered by such unexploded devices, magnitude of cost, needed expertise and process for handling such devices, it is only the government that has the resources to meet such a huge demand and most importantly, security being the number one constitutional responsibility of the State.

The detonation of unexploded ordinance as a process of land restoration has become a global concern since many countries and multinational organisations and development partners have been affected in one way or the other by these unexploded devices. For example, the Vietnamese government in collaboration with the Ministry of National Defence create an agency of national steering committee saddled with the responsibility of clearing post war unexploded ordinance and toxic chemical consequences, the office is also known as office 701. This office was created on 8th March 2018 with the mandate to address issues of unexploded ordinance in the country (Mine Action, 2018). The office 701 works with members of communitiesand private organizations to decontaminate the Vietnamese land of abandoned explosives for public safety, to make the environment secure and also to promote socio-economic development.

Closely connected to Vietnam's office 701, Vietnam's National Defence declared some area of lands as contaminated and not suitable for visit and should be surveyedfor contamination of unexploded ordinance. Usually, such areas are villages and inhabited by civilian population. The Ministry of National Defence is the host government agency responsible for the coordination of all other agencies like Vietnam National Mine Actioninvolved in this task and custodian of field data (Vietnam, 2019). And also develop plans and to coordinate international cooperation for unexploded ordinance clearance (Vietnam, 2018). The Nigerian Ministry of Defence should therefore be saddled with the responsibility of coordination of the Nigerian Army and other partner agencies that will be in involved in evaluation of risks in the Northeast and will be of importance to map the risks of unexploded ordinances in the Northeast. There needs to be real time map of these dangerous ordinances hidden in the subsoil with precise location and high level resolution. The outcome of this study will be of importance, both in terms of protecting the safety at work of people that are involved on research and use of farmlands and for the improvements that this research would bring in terms of cultural resource management for the satellite activities.

CONCLUSION AND RECOMMENDATION

Extant literature has shown therefore that the need to engage the Nigerian Army in activities that will lead to land restoration such as detection and clearance of unexploded ordinances, greening related activities like tree planting and the return of forcefully displaced persons (FDP) to their ancestral homes is necessary and of national interest. Especially that Nigeria has lost a number of the members of the armed forces, staff of donor agencies (NGOs) and members of the civil community to explosives. Again, these activities by Nigerian Army will immensely contribute to the government effort in returning displaced persons to their ancestral homes. The use of remote sensing for detectingrisks close to densely populated areas is of paramount importance to map the risk of unexploded ordinances and automobiles that are carrying such devices due to activities of the insurgents, particularly in Northeastern Nigeria and other areas in Nigeria with similar problems.

The following recommendations become necessary and should be observed as matter of serious concern as relates to the life of aid workers, Federal, State and personnel of partner agency. As in other affected countries, Nigeria through the Ministry of Defence should set up a center for bomb and mine disposal technology. This centre will be managed by a project management team who will work with local community officials in areas affected to survey and decontaminate unexploded ordinance (Vietnam, 2018). Apart from the use of field evaluation techniques to determine presence of unexploded ordinance and how to evacuate them by the Army Engineering corps, there is the need to work with local informants to guide and provide some necessary intelligence information. The team members should be made up of Management experts that can employ appropriate techniques in working with civil community members. As the Army contributes to land restoration, the outcomeshould be enshrined in the Nigerian Army Engineers corps' mandateto serve as a guide to officers and men of the Engineering Corps present and future.
While it is obvious that the Army especially the Engineering Corps will be overstretched, the National Assembly should consider it paramount that the survival of Nigeria firstly is the measure of safety. Therefore, an Act of Parliament should be enacted to provide for recruitment of more Army Personnel especially in such affected areas.
Continuous joint security organisation exercises in areas that are recovering from insurrections or insurgencies and areas liable to attacks in order to build confidence in the community remnants and also to enforce stabilisation of society.

In line with the dictates of the Nigeria Constitution Section 217 (2c),the Nigerian Army is expected to synergise with the Civilian Communities to address issues of national interest. This Nigerian Army is expected to adopt a paradigm shift in their approach to issues involving the civilian populace. This study therefore recommends advanced training forArmy Officers whose principles of engagement as it relates socioeconomic interest, like land restoration and other community based operational models to be guided by relevant underpinning theories. For example, Social theories, Social Psychology and Management Theories,if community members are expected to be subservient. A target specific Information Motivation Behavioural (IMB) skills model can be used among communities and the Army to engender harmonious relationship in Nigeria's troubled areas if well harnessed and appropriately employed. This model has been used instudies such as; "The use of mosquito-treated net among pregnant women in North-East Nigeria", to encourage adoption of mosquitoes net, so as to reduce cases of malaria among the study

population.Suffice to say, this model will go a long way in helping the Nigerian Army in securing vital intelligence information from the communities in the neighbourhood of theatre of operation.

Reference

Abbas, I.I. (2009). An Overview of Land Cover Changes in Nigeria 1974 – 2005. *Geography and Regional Planning*. 2 (4); 62 – 65.

Awosika, L. (2008). Sustainable Management of the Nigeria Coastal and Marine Environment: Important Ingredient for Achieving Millennium Goals by 2015. *Paper Presented at the First National Summit on the Environment, Abuja, Nigeria*.

Barone, P. M. (2019). Bombed Archaeology: Towards a precise identification and a safe Management of WW11 Dangerous Unexploded Bombs. *Heriage, 2(4).*

Basel on CRS research trip to Vietnam, (2019).

BBC News, 'Global warming "biggest threat"', 9 Jan. 2004 Available at:*http://news.bbc.co.uk/2/hi/science/nature/3381425.*

Boldoli, C., Knapp, A. &Overy, R. Bombing, *States and peoples in Western, 1940-1945 Continuum*; Norfolk, UK, 201.

Brechenmacher, S. (2019). Stabilizing Northeast Nigeria after Boko Haram. *Carnegie Endowment for International Peace.*

Ceraudo, G. &Shepherd, E. J. (2010). Italian Aerial Photographic Achieves; Holdings and case studies. In landscape through the lens; Aerial Photograph and the Historic Environment. Cowley, D. C.Standring, R. A. &Abicht, M. J., (Eds.). Occasional Publication of the Aerial Archaeological Research Group No. 2; Oxbow: Oxford, UK.

Country Report to the Rio+20 Summit, (2012). Nigeria's Path to Sustainable Development Through Green Economy. *UN Conference on Sustainable Development.*

Cowley, D. C. &Stichebaut, B. S. (2012).*Historic Photographic achieves; for European Archaeology*. Eur. J. Archeal.

Cowley, D.C., Ferguson, L. & Williams, W. (2016). *The Aerial Reconnaissance Archives; A Global Ariel Photographic collection. In Archaeology from Historical Aerial and statistics Archieves*; Hanson, W. S. &Oltean, I. A. (Eds.). Springer.

Cuttini, R. (2016).*Italian World War 1 Aerial photographs for landscape Study and public engagement in conflict landscape and archeology from above Stichelbaut*, B. &Cowley, D. (Eds.).Ashgate; Oxfordshire, UK; pp. 265-278.

Fedele, G., Gaiaschi, Z., Hughes, H., & Pesaro, A. (2020). Public History and Contested Heritage: Archival Memories of the Bombing of Italy. *Public History Review*, 27, 1-18

Federal Republic of Nigeria (1999). *Constitution of the Federal Republic of Nigeria*: Federal Government Press, Abuja

Federal Ministry of Environment (2008): *Managing the Nigeria Environment for Sustainable Developmen*t: Challenges and Opportunities.

Kohler, Florent; Kotiaho, Janne S.; Bhagwat, Shonil A.; Navarro, Laetitia; Reid, Robin S.; Wang, Tao, Desrousseaux&Maylis. (2018). *Concepts and perceptions of land degradation and restoration. In: Montanarella, Luca, Scholes, Robert, Brainich& Anastasia*. (Eds.).The IPBES assessment report on Land Degradation and Restoration. IPBES, pp. 53–134,

Legacies of war leftover unexploded ordinance, http.//legaciesofwar.org

Levy, M. A. (1995). 'Is the environment a national security issue?',*International Security* 20, 1995, pp. 35–62.

Mine action, (2018). Vietnam national mine action center, reports on explosive remnant of war contamination in Vietnam.*Landmine & Cluster Munitions, MONITOR.*

New office on post war bomb. Mine recovery setup, 2018

Nzegbule, E.C. (2012) Rio+20: How Nigeria Can Attain Sustainable Economic Environment Growth. *The Guardian Newspaper, 7th May. P.49*.

Office of the Under Secretary of Defense for acquisition Technology and Logistics, (2016). *Reports of the Defense Science Board Task Force on Unexploded Ordinance*; Penny Hill Press; Damascus, MD, USA.

Oladipo, E. O., (2008b). Climate Change and Sustainable Livelihood: Greening Options for Nigeria. *Paper Presented at the First National Summit on the Environment, Abuja, Nigeria*.

Omenma, J.T., Onyishi, I.E. &Okolie, A. M. (2020). A decade of Boko Haram activities: the attacks, responses and challenges ahead. *Secur J 33, 337–356*.
https://doi.org/10.1057/s41284-020-00231-9

Otaiku, A. A. (2018) Military Role in the Nigerian Constitution: An Exposé of law and Security Impact on Development. *International Journal of Scientific and Research Publications*, 8 (11) doi.org/10.29322/IJSRP.8.11.2018.p8388 www.ijsrp.org

Owen, M., McNamara, A. M. & Panchal, J. (2018). The Risk of Unexploded Ordinance on Construction Sites in London. *Environmental Geotechnics.* Doi:10.1680/jenge.18.00049

Panel on River Basin & Coastal Systems Planning, (2004). *River Basins and Coastal Systems Planning Within the U.S. Army Corps of Engineers*. The National Academies Press. ISBN 978-0-309-09220-3/DOI 10.17226/10970.

Parliament of Nigeria. "*Nigerian Armed Forces Act, 1994*" International Red Cross. March 2015.

Serageldin, I. (1994).*Making development sustainable. inSerageldin, I and Steer, A*. (ed.) Making Development Sustainable: From Concepts to Action. The World Bank. 1 - 6.

Shay, C. (2008). Cluster munitions in the sport light as groups seek ban on bombs, phnom Penh post. Lanmind and cluster munition monitor, Cambodia mine action. http;//www.the-monitor.org

Shepherd, E. J. (2016). *Mapping unexploded ordinance in Italy, the role of World War 11 aerial photographs*. In conflict landscapes and archaeology from above; Stichelbaut, B., Cowley, D. Eds; Ashgate; Oxfordshire, UK; pp. 205-278.

Stichelbaut, B., &Cowley, D. (Eds.). (2016). *Conflict Landscapes and Archaeology from Above* (1st ed.). Routledge. https://doi.org/10.4324/9781315259659

Stoddart, H., Riddlestone, S. &Vilela, M. (2011) Principles for a Green Economy Tide online (2008). *Stake holders seek solution to oil spillages*.

Frost, A. & Sullivan, R., (2017). The effect of explosive remnants of war on global public Health: a systematic mixed-studies review using narrative synthesis. *The Lancet Public Health, 2(6).*

The amount of U S Ordinance dropped on Cambodia was more than the amount the allies dropped on Germany and Japan combined during World War 11 FEB 2013 and Christopher Shay, cluster munitions in the sport light as groups seek ban on bombs, phnom Penh post, 2008.

Trust, H. (2014) History of mine laying in Mozambique.
UNEP (2011) Green Economy: *Pathways to Sustainable Development and Poverty Reduction*

US Army Corps of Engineers, (2011). *Environmental Programs*. Website fact sheet.

U.S. Senate, Committee on Environment and Public Works. (2002). *Water Resources Development Act Issues*. U.S. Government Printing Office, Washington, D.C. Available at http://www.senate.*gov/~epw/107th/Flowers_061802.htm* [accessed February 17, 2004].

Vietnam national mine action center, reports on explosive remnant of war contamination in Vietnam, 2018.
Williams A. Ahmed-Gamgum . Herdsmen and Farmers Conflict in Nigeria: Another Dimension of Insecurity.*Journal of Public Administration and Social Welfare Research*3.
White House, (2016). 'Remarks by President Obama to People of Loas,' September 6, 2016.

Effect of Firm Attributes on Stock Returns of Quoted Consumer Goods Companies in Nigeria

CHRISTOPHER, David Mbatuegwu

Nigerian College of Accountancy,
Kwall, Plateau State
E – Mail: mbatuegwuchidi@gmail.com, Phone No: +234 8032946967

MBATUEGWU, Florence Akuchi

Favour Eye Clinic,
Rukuba, Road Jos,
Plateau State
Phone No: +234 8064673658

ORISAKWE, Lawrence, Chinedu

E – Mail: Chinedum.orisakwe@yahoo.com, Phone No: +234 8023047197

Abstract

This study examines the Effect of Firm Attributes on Stock Returns of Quoted Consumer Goods Companies in Nigeria. The study adopted the descriptive and ex-post facto research method and positivist research philosophy to address the research problem. Findings from the study reveals that firm size has a positive insignificant statistical influence on stock returns of the listed consumer goods sector suggesting that the size of a firm contributes positively towards the level of stock returns. Based on the result, such contribution is insignificant in determining or predicting the level of stock returns of consumer goods companies in Nigeria. This finding implies that the size of the company does not necessarily; influence the level of stock returns. This assertion can hold because according to CAPM, small companies will get higher returns. Investments in these companies can be considered to be at the highest level of risks and are deserved to earn higher returns. The study therefore recommends that Securities and Exchange Commission (SEC) subject the recorded earnings of the consumer sector to stress quality checks regularly to protect investors and prospective investors from potential rip-offs.

Keywords: Firm attribute, Stock returns Quoted consumer companies, Nigeria

INTRODUCTION

Although much of the world's attention is focused on COVID-19's immediate and direct impact, its indirect consequences, such as the state of the economy, may have long-term professional liability implications. Companies raise funds from the money and stock markets to meet their operational needs. The organization will raise funds by selling stock and bonds on the capital market. For investors, the stock market is a place to put their money in the hope of making a profit. According to Gitman (2015), investing in the form of shares would have incentives in the form of dividends and capital gains. Information applicable to capital market conditions is something that capital market participants would search for to make investment decisions. The company's policy on return distribution is one of the pieces of information needed in the capital market. The announcement of investor returns includes details on potential business earnings. For management, the payment of investment returns can be seen as an optimistic indicator to the market about the company's future, while for investors; stock returns are a perfect way to see how much uncertainty and what return rates can be predicted over time (Ali, 2017). Stock market returns are the profits or gains that investors make from investing in the stock market. Trading in the secondary market is the most popular way to generate stock market returns. An investor can gain a stock market return by purchasing a stock at a lower price and selling it at a higher price in the secondary market. As a result, stock returns from equity investments can fluctuate due to changes in stock prices, which are the result of a variety of factors, the effects of which can be positive or negative. These factors may be internal/firm-specific or external/macro. Firm characteristics and a variety of other considerations are examples of internal factors. Interest rates, world oil prices, international reserves, inflation rate, money supply, gross domestic product, and export production are examples of

external influences. Internal variables can be managed, changed, and perfected by the organization, and as a result, it is likely to provide benefits to stakeholders (Kazeem, 2015).

This study, therefore, provides a measurement of stock returns variation that is caused by firm attributes. For instance, firm attributes such as size, leverage, and profitability can be used to predict the variations in stock returns. Firm size is one of the first empirically documented firm characteristics associated with realized stock returns (Banz 1981). Given that Nigeria as a developing market has diverse structure and institutional features from developed stock markets, and because investors are interested in getting more insights into the activities of consumer goods companies in the country because of the indispensability of their products in the Nigerian market it is imperative to find out whether stock returns in Nigeria respond differently to effects of firm-level attributes. This study, therefore, examines the determinants of stock returns of quoted consumer goods companies in Nigeria. The need to ensure a steady return on stocks for publicly traded companies cannot be overemphasized. Over the past few years, there are increasing researches surrounding the issues related to the determinants of stock returns. Limited empirical studies analyzed this issue. Existing empirical evidence is based mainly on data from developed countries. For example, Kim and Sorensen (1986), Bhandari (1988), Friend and Lang (1988), Titman and Wessels (1988), Lucas and Mc Donald (1990), La Porta, Lopez-de-Silanes, Shleifer and Vishny (2000), HovaKimian et al (2001), Baker and Wurgler (2002), Welch (2004), Dimitrov and John (2008), Korteweg (2009) focus on united states and Japanese manufacturing corporations without serious empirical review in developing economies. Thus, there is a conspicuous gap in the empirical research on stock returns of corporate firms, especially in Nigeria. Researchers in Nigeria are interested in firm-level attributes and their effect on stock returns. Many scholars have attempted to investigate the factors that influence the stock returns of publicly traded companies (Amadi & Odubo, 2002; Osamwonyi, 2003; Uwabanmwen & Obayagbona, 2012; Umar & Musa, 2013; Olowoniyi & Ojenike, 2013; and Kazeem, 2015). Despite their strategic importance to the Nigerian economy, the studies centered primarily on the financial sector, excluding the manufacturing sector and, in particular, consumer goods companies. This study analyzed all consumer goods companies listed on the Nigerian stock exchange from 2010 to 2019. It will also shed light on the determinants of stock return of Nigerian consumer goods companies. Given the foregoing, the hypothesis underlying this study is stated thus;

HO$_1$: Firm attributes have no significant effect on stock returns of quoted consumer goods companies in Nigeria.

LITERATURE REVIEW

Conceptual Framework

Firm Attributes

Companies can be differentiated from each other based on certain characteristics they possess. Such characteristics are referred to as firm attributes – which exist at the firm's level and have the potential to influence the decisions of the managers in the firm. Shehu and Farouk (2014) defined firm attributes as variables at the firm level that affect the decision of the firm both internally and externally over time. Such variables include size, leverage, growth, value, profitability, capital structure, and others. Those attributes of the firm are usually unique to a specific company and they usually portray certain perceptions in the mind of the user of information regarding the performance and future of the firm. Some of the attributes are discussed hereunder include firm size, profitability, leverage, and liquidity.

Firm Size

Firm size is one of the first empirically documented firm characteristics associated with realized stock returns (Banz 1981; Reinganum 1981; Keim 1983). Fama and French (1992) consider the size effect the most prominent. Investors can see the level of the company's stock return through the size of the company, because the larger the size of the company, the greater the rate of stock return to investors. A large company indicates that the company

has a lot of assets that can be used to provide a return to investors. This is consistent with the studies conducted by Ernayani and Robiyanto (2016) and Sudarsono and Sudiyatno (2016) that firm size affects stock return contradiction to the Capital Asset Pricing Model (CAPM). Furthermore, Small companies are riskier than big companies. For example, some types of risk associated with small businesses can be thought of difficult to approach financing sources, lower market share, or less reputable brand names. According to CAPM, small companies will get higher returns. Investments in these companies can be considered to be at the highest level of risks and are deserved to earn higher returns. However, there is an assumption that needs to be made in this study. The risk levels of firms also depend on the risks of the industry as well as the projects that the companies are undertaking. Hence, big companies can also bear the higher risk if they are in a risky industry. The assumption is that this study will neglect factors that make big companies riskier than smaller companies. With the assumption, CAPM can successfully support the hypothesis of small firms can bring higher profits where high risks investments should be compensated with higher returns.

Consequently, investigators such as Banz (1981) and (Fama and French, 1992) have also found a strong relationship between company size and returns. Smaller firms appear to generate higher returns than larger firms. Again, the interpretation of these results is controversial. The excess returns of small firms can be interpreted as inefficiency, but they also may represent compensation for bearing risk. Smaller companies may be far more sensitive to economic shocks than are larger firms. Firm size is one of the most acknowledged determinants of stock return. It is commonly measured by either the natural logarithm of assets or sales or employees. Larger firms are associated with having more diversification capabilities, the ability to exploit economies of scale and scope, and also being highly formalized in terms of procedures. Shaheen and Malik (2012) described firm size as the quantity and array of production capability and potential a firm possesses or the quantity and diversity of services a firm can concurrently make available to its clients. Firm size plays a significant and crucial role in explaining the kind of relationships the firm has within and outside its operating environment. Babalola (2013) argued that the larger a firm is, the more influence it has on its stakeholders, and so large firms tend to outperform small firms.

Profitability

The profitability of the firm is another dimension of the firm's characteristics focused on in this study. EPS (Earning per share) usually has a significant positive influence on market return as shown in many past types of research. This indicates that the higher the firm's EPS, the higher the market-adjusted return and abnormal return that can be resulted by the firm's stock because a higher EPS means higher profit obtained from every dollar price earned by the firm. Investors/shareholders consider current earnings, future earnings, and earnings stability are important, thus they focus their analysis on the firm's profitability. They concern about the financial condition which will affect the firm's ability to pay a dividend and avoid bankruptcy. Also, profitability, which is frequently used as a measure of financial performance, is one of the main objectives for the existence of many companies. Profit is an essential prerequisite for any company operating in today's increasingly competitive and globalized market. Also, profit does not only serve as a means of attraction to investors; it also improves the level of solvency, and thus, strengthens consumers' confidence (Ismail, 2013). The concept of profitability is fundamental to both accounting and economic theories. Since it is an offshoot of income, it also has its foundation from the famous Hicks' concept of income. Using the Hicksian approach, profit can be explained as the maximum value which can be consumed at a given period without tempering with "well-offness" (Glautier, Underdown& Morris, 2011). This definition has been staunchly supported by economists. It provides a sound basis for appreciation of what actually constitutes income and hence, profit.

Again, profitability refers to the difference between the profit amount obtained from the assets and the expense of the liabilities. In the literature, profitability is stated as a function of both micro and macro determinants. Micro variables consist of the accounts in the balance sheet and income statement. Therefore, they are also named bank-specific variables. On the other hand, macro variables are not related to the internal process of the banks, but they affect profitability in a significant way. Size, capital, risk management, expense management, marketable securities, etc are generally considered micro variables (Gungor, 2007). Profit can also be conceived as the residual

arising from netting revenue realized against the cost consumed (Igben, 2009). Again, this definition suffers general acceptance as economists do not subscribe to what they call arbitrary allocation of cost to realized revenues as accountants do. The implication of this is that profitability can be explained in various ways.

The concept, profitability, depicts the financial success of a venture. It is used to refer to the ability of an entity to make a profit. Profit is what is left of the revenue a business generates after it pays all expenses directly related to the generation of the revenue, such as producing a product, and other expenses related to the conduct of the business activities. According to the Institute of Chartered Accountants of Nigeria (ICAN) (2014), profit refers to the total income earned by the enterprise during the specified period, while profitability refers to the operating efficiency of the enterprise. An enterprise can make a profit on sales. This also implies the ability of an enterprise to get sufficient return on capital and employees used in business operation. To the financial manager, profit is the test of efficiency and measure of control (Oko, Ugwunta&Agu, 2013). To the owners, it is a measure of the worth of their investment; to the creditors, it is used as the margin of safety; to the government, it is a measure of taxable capacity and a basis of legislation; and to the country, profit is an index of economic progress, national income generated and the rise in the standard of living (Oko, Ugwunta&Agu, 2013).

Firm Age

The length of time of existence of the company is the age of a company. According to Ofuan and Izien (2016), the time interval during which a being or thing has existed is the age. Shumway (2001) revealed that some are of believing that listing age, should define the age of the company, however, he is of the view that a firm's age should be defined as the number of years of incorporation of the company. Shumway (2001) argues that listing is a defining moment in a company's life, hence, age listing has become more economical. His argument is set straight from the viewpoint of the company as a legal personality. This is based on the belief that as a legal person, a company is born through incorporation (Gitzmann, 2008, Pickering, 2011). Again, firm age is widely added as a determinant of stock returns (e.g. Custódio& Metzger, 2014; Lin & Chang, 2011). Firm age is an important factor in determining stock returns. This is because as firms grow older, they are characterized by a lower rate of failure and low costs to obtain capital (Koh, Durand, Dai & Chang, 2015), and they have the experience to negotiate favorable debt capital to increase returns. The reverse is true for young firms in the birth stage (Stepanyan, 2012). The fact is as listed firms become older and closer to the maturity stage in their firm life cycle, they acquire more business experience to make effective capital structure decisions and do utilize debt to increase returns. Firm age plays an important role in the firm's decisions to seek debt capital. Specifically, most older companies use more debt in their capital structure to take advantage of the benefits of an interest tax shield to maximize shareholders' returns.

Also, the life-cycle model of the firm can explain the relationship between firm age and shareholders' returns. Firms closer to maturity have substantial experience (Stepanyan, 2012) and make effective capital structure decisions by maximizing the benefits of a debt interest tax shield emphasized in Modigliani and Miller's (1963) theory. As firms move from the birth to the growth stage or closer to maturity, they face lower costs of debt (Koh et al., 2015) and can increase debt to take advantage of an interest tax shield benefits to increase shareholders' returns. Returns increase because firms can deduct interest on debt before taxes are paid (Bhandari, 1988; Modigliani & Miller, 1963); fewer taxes mean more shareholders' returns. We assume that as firms grow older, they seek external finance via debt. In line with this reasoning, Custódio and Metzger (2014) link firm age to stock returns. More specifically, they use firm age as a proxy for firm life cycle, and their results confirm a direct and positive relationship between firm age and return measures.

Empirical Review

Chabachib, Hersugondo, Ardiana, and Pamungkas (2020) analyzed the factors that influence company value (PBV) in consumer goods companies listed on the Indonesia Stock Exchange in 2014-2018. The independent variables used in the study are capital structure (DER), company size (SIZE), liquidity (CR) with profitability

(ROE) as an intervening variable. The population used in this study is all companies engaged in the consumer goods sector listed on the Indonesia Stock Exchange in 2014-2018. Sampling in this study used purposive sampling which resulted in a sample of 128 consumer goods sector companies. The method used is path analysis which is the development of multiple regression and bivariate analysis. The results of this study indicated that company size and liquidity have a positive and significant effect on profitability, the capital structure has a negative and not significant effect on profitability. Profitability and company size has a positive and significant effect on firm value. Capital structure and liquidity have a positive and not significant effect on firm value. Then profitability can mediate the influence of company size and liquidity on firm value, but profitability is not able to mediate the influence of capital structure on firm value. This study was done in Indonesia, the current study in Nigeria is needed due to the problem of external validity as an outcome of the formal study will ineffectual for decision making in Nigeria. Ahmed (2019) examined the impact of changing firm characteristics on dividend payout ratios of listed publicly traded North American companies. This study builds upon these and extends the research to publicly traded, North American firms in the past 30-year time period (1989-2019). The key question that this research paper aims to answer is which if any, firm characteristics have any causal relationship with the dividend payout ratio of the firm. This study also looks at the appearing and the disappearing phenomenon of cash dividends in the past 30 years and aims to reconcile the changing characteristics of the firms to this phenomenon. This is done by creating sub-periods within the dataset and observing the changing characteristics of the firms and the possible impact on the dividend payout ratios of the firms. It was found that size and liquidity produce statistically significant results in terms of having some relationship with the dividend payout ratios of the firms. After performing the Granger-Causality test, it was determined that only liquidity of the firm has some causal relationship with the dividend payout ratio of a firm. This study was done in North America why this current study was carried out in Nigeria to solve the problem of external validity.

Akwe, Garba, and Dang (2018**)** examined the effects of firm-level attributes on stock returns of the top twenty-five most capitalized quoted equity firms in Nigeria. Specifically, the study investigated the effects of firm size, the ratio of market to book value per share, and price to earnings ratio on stock returns of selected quoted firms in Nigeria from 2007 – 2016. The population comprised the top twenty-five most capitalized quoted equity firms, out of which twenty-one companies represent the sample of the study. The study adopted an ex-post-facto research design. The study used secondary data obtained from the audited accounts of the sampled firms, the Central Bank of Nigeria Statistical Bulletin, and the Nigerian Stock Exchange database and website. Analysis of data was carried out using panel data regression. The panel regression results indicate an insignificant negative effect between firm size and stock returns in Nigeria. The study used selected equity firms in Nigeria while the current study used consumer goods companies which make for the many differences. Oduma and Odum (2017) investigated the influence of leverage on dividend payout of selected manufacturing companies in Nigeria. The study used a sample of 50 quoted companies that have a dividend history and consistently published their audited annual financial report from 2011 to 2015. A pooled regression analysis was adopted in the study. The result revealed that long-term leverage has a significant positive effect on a firm's dividend policy. The study went further to reveal that the interaction of age and profitability was significant in influencing dividend payout within the period under study. The study used only leverage as a firm characteristic why this current study used two others (firm size and firm age) to investigate their effects on stock returns.

Matemilola, Bany-Ariffin, Nassir, and Azman-Saini (2017) investigated the moderating effects of firm age on the relationship between debt and stock returns. The system generalized method of moment's results indicates that firm age has a positive moderating effect on the relationship between book debt and stock returns. The results are robust, as firm age positively moderates the relationship between market debt and stock returns. Moreover, firm age has a direct positive effect on stock returns. Results suggest that as firms grow older, they use their experience to make effective capital structure decisions (i.e., optimal debt-equity mix) to maximize debt interest-tax-shield and increase shareholders' returns. This current study used multiple regression techniques to analyze the data for the study which is the different methodological approach. Ltaifa and Khoufi (2016) investigated empirically the determinants of stock market returns of Banks in the MENA countries between 2004 and 2014. The study uses the three-factor model of Fama and French (1993) and the capital asset pricing model (CAPM) to analyze the

relationship. The findings reveal that firm size, a book market value, and stock returns have a positive relationship. That is, companies with a high book to market value ratio earn superior returns. The study of Ltaifa and Khoufi (2016) suffers from some limitations. One, the study did not clearly state the technique for data analysis. Two, the study should have included more internal variables to determine their behavior on stock returns. Investors would want to know this as it will help in their investment.

Sani (2016) examined the effect of firm-specific characteristics on the dividend payout ratio of quoted conglomerates in Nigeria for a period of eight (8) years ranging from 2004-2011. The population of this study comprised the eight (8) conglomerate firms quoted on the Nigerian Stock Exchange as of 31 December 2011. Correlational research design and ex-post factor research design were adopted. Multiple regression techniques were employed as a tool for analysis in examining the impact of firm-specific characteristics on a dividend payout ratio of Nigerian quoted conglomerates and the study relied on the OLS regression result. The findings revealed a positive and significant impact of firm size, profitability, and liquidity did not affect dividend payout ratio while leverage had a negative and significant effect on dividend payout ratio. The study concluded that four of the explanatory variables of this study (that is; firm size, profitability, leverage, and institutional ownership) impact the quantum of dividend paid by Nigerian quoted conglomerates firms. The study collected data for 2014 while this current study used data from 2019 which captured recent issues such as the new code of corporate governance. Nguyen and Nguyen (2016) examined the relationship between firm sizes and stock returns of the service sector in ho chi Minh city stock exchange. The paper aims at investigating the existence of the size effect in the Vietnamese financial market. Particularly, the relationship between firm size and stock returns was explored. The stock return was calculated by dividing the sum of stock price and dividend payment by previous stock price to achieve a stock return in percentage while the firm size was measure using the log of total assets Having 160 observations of the companies in the service sector from 2009 to 2014, the correlational research design was adopted and the multiple regression model was employed to test that effect. The result revealed a significantly negative relationship between firm size and stock returns. This study focused on the firm size as an explanatory variable while this current study employed both firm characteristics and corporate governance variables.

Handoko (2016) determined the effect of variables dominant characteristics of the company, namely the size of the company, growth opportunities, profitability, liquidity, and tangibility to capital structure and to determine the effect on the capital structure of a company's value as well as to determine the trade-off theory or pecking order theory can be more precise in predicting changes in the different leverage between public insurance companies listed on the Indonesia Stock Exchange. This research used a sample of 10 insurance companies (non-life insurance) during the years 2008-2013. The analytical method used is the panel data analysis method that uses a combination of data time series and cross-section with technical applications panel random effect model and fixed effect models and data used are secondary data. This research indicated that the dominant variable characteristics that affect the company's capital structure are firm size and growth, while the positive effect on the liquidity variable negative effect. Further positive effect on the capital structure of the company and the value of the trade-off theory can explain and more appropriate for the case of a public insurance company listed on the Indonesian stock exchange. This study was done in Indonesia and insurance companies while this current study is in Nigeria and on consumer goods firms. Hasan, Alam, and Rahaman (2015) analyzed the effects of size and value on the cross-section of expected returns in the Dhaka Stock Exchange (DSE). The study deploys the Fama and French (1993) three-factor methodology in conjunction with the Ordinary Lease Square (OLS) model. The study period is divided into three periods; the pre-boom (2004 – 2008), boom period (2009 – 2010), and post-crash period (2011 – 2013). The result of the study reveals that book to market equity ratio and stock returns have a positive effect in Bangladesh. The use of Ordinary Least Square Regression (OLS) does not seem to explain the individual or cross-sectional effect of the sampled firms given their respective peculiarities. Panel data stand to tackle a more set of problems and address more sophisticated issues than either pure time series or pure cross-sectional data alone would address. Thus, the use of panel regression is capable of given more robust results that can be acceptable than OLS.

Bala and Idris (2015) examined firms' specific characteristics of firm size, debt-equity, and earnings per share and stock market returns in Nigeria. The study samples nine (9) out of the twenty-one (21) quoted food and beverages firms in Nigeria from 2007 to 2013 using multiple regression models. The findings show that firm size has a significant and negative effect on stock returns of quoted food and beverages firms in Nigeria. The effect of earnings per share and debt-to-equity is found to be statistically significant and positive. The study did not factor in dividends in the measurement of the dependent variable (stock market returns). Stock return is the combination of dividend yield and capital appreciation. Also, the results of nine (9) out of over 170 sampled quoted firms cannot be representative of the entire market. More firms would have explained the effect better. The study should have also included other internal non-financial variables that have been examined and found to explain stock returns in other jurisdictions. Uwubanmwen and Obayagbona (2012) investigated the influence of firm attributes and equity returns in the stock market of Nigeria. The study uses eight sample firms with 11 years' observation. The proxies employ the firm's unique attributes to include: leverage, book/market value of equity, the ratio of price/earnings, and firm size. The study establishes that the size of the firm and returns of common stocks have no statistically significant relationship or effect. The study uses a total asset natural log which is the traditional measure of firm size. This is against previous studies' use of firm size or market capitalization as the best and appropriate representative for examining the effect of the size of the firm on returns of common stocks.

Olowoniyi and Ojenike (2012) aimed atidentifying the factors that influence stock returns as a major concern for practice and academic research. This paper investigates the determinants of stock returns of listed firms in Nigeria. Panel econometric approach was used to analyze panel data obtained from 70 listed for the period 2000-2009. The fixed effect (FE), random effect (RE), and Hausman-test based on the difference between fixed and random effects estimators were conducted. Our findings suggest that expected growth and size positively influenced stock return while tangibility negatively impacted the stock return of listed firms. This study was done in 2012 and given the changes in governance, economic fluctuations, and other regulatory requirements, this study cannot be used to make informed business decisions. Mutiso (2011) analyzed the relationship between the dividend payout ratio, firm size, and the shareholders' dispersion using a sample of firms that are listed at the Nairobi Stock exchange (NSE) for the period 2005 to 2010. The study uses a sample of 31 firms out of the total 55 firms listed at the NSE by December 2010. The sampled firms consistently paid dividends to the shareholders throughout the study. The study also tested whether the DPOR of the firms listed at the NSE supports various existing dividend payout policy theories. Secondary data was obtained from the NSE secretariat, internet, and company financial statements. The data was analyzed appropriately and the shareholders' dispersion was calculated by dividing the number of shareholders by the total shares for each company. The average DPOR was calculated, as well as the natural log of the average market capitalization for each firm. Parametric analysis was done and regression was performed on the various variables and the findings analyzed using descriptive statistics and regression. The result of the study showed that firm size and the shareholder's dispersion do not have a significant influence on the DPOR.

Theoretical Discussions

Agency Theory

The separation between owners and managers creates an agency relationship. An agency relationship exists when one or more persons (the principal or principals) hire another person or persons (the agent or agents) as decision-making specialists to perform a service (Ireland, Hoskisson & Hitt, 2011). Top managers have hired hands who may very likely be more interested in their welfare than that of the shareholders (Berle& Means, 1932). An agency problem arises where management emphasizes such policies that increase the size of the firm or that diversify the firm into unrelated businesses to the detriment of the shareholders that result in a reduction of dividends and stock price. Agency theory is related to examining and deciding two problems that are prominent in the relationship between principals and (shareholders) and their agents (board of directors): The agency problem that arises when the desires or objectives of the owners and the agents conflict or it is difficult or expensive for the owners to verify what the agent is doing. The executives may be more interested in increasing their salary than raising stock dividends (Olowookere, 2013). Monitoring the functioning of boards, or the 'control' role (Boyd, 1990; Johnson,

Daily, &Ellastrand, 1996), is an important focus of corporate governance research (Hillman & Dalziel, 2003). The primary theoretical framework that relates this monitoring function to firm performance is derived from agency theory, which predicts that conflicts of interest can arise from the separation of ownership and control in organizations (Berle& Means, 1932; Fama& Jensen, 1983). From this perspective, the primary function of boards is to monitor the actions of managers (agents) to protect the interests of shareholders (principals) (Mizruchi, 1983; Eisenhardt, 1989; Andreasson, 2011). Should management pursue their interests at the expense of the shareholders' interests (Nicholson & Kiel, 2007), agency costs typically arise (Berle& Means, 1932). Monitoring by boards of directors may therefore reduce the agency costs inherent in the separation of ownership and control and, in this way, improve firm performance (Fama, 1980; Zahra & Pearce, 1989). Agency theory also predicts that the incentives available to directors and boards vary and are therefore an important precursor to effective monitoring (Kyereboah-Coleman &Biekpe, 2005), and that firm performance will therefore improve if these are aligned with the interests of shareholders (Jensen &Meckling, 1976; Fama, 1980).

The principal-agent problem arises when a principal compensates an agent for performing a certain act that is useful to the principal and costly to the agent, and where there are elements of the performance that are costly to observe. This is the case to some extent for all contracts that are written in a world of information asymmetry, uncertainty, and risk. Wheelen and Hunger (2010) think that, the probability that agency problems will occur increases when shares are owned by a large number of dispersed shareholders in which no single investor owns more than a small proportion of the entire issued shares. A similar problem will also arise when the corporate board is composed of persons who know less about the company or who are personal friends of top management, and when a larger percentage of members of the board are executive directors. The principal delegates decision-making responsibility to agents (Chowdhury, 2004). It is a concept that explains why behavior or decisions vary when exhibited by members of a group. Specifically, it describes the relationship between one party, called the principal that delegates work to another, called the agent. It explains their differences in behavior or decisions by noting the two parties often have different goals and, independent of their respective goals, different attitudes toward risk. Invariably, the agents' decision choices are assumed to affect both parties. These relationships, according to Bromwich (1992) are perceived in economic and business life and also generate more problems of contracting between entities in the economy. Other related reviews include; The Sarbanes-Oxley Act of 2002 (SOX) which requires companies to report on the effectiveness of their internal controls over financial reporting as part of an overall effort to reduce fraud and restore integrity to the financial reporting process. Morris (2011) asserted that software vendors that market enterprise resource planning (ERP) systems have taken advantage of this new focus on internal controls by emphasizing that a key feature of ERP systems is the use of "built-in" controls that mirror a firm's infrastructure. They emphasize these features in their marketing literature, asserting that these systems will help firms improve the effectiveness of their internal controls as required by SOX. Internal control is one of many mechanisms used in business to address the agency problem. Others include financial reporting, budgeting, audit committees, and external audits (Jensen and Payne 2003). Studies have shown that internal control reduces agency costs (Abdel-khalik 1993; Barefield et al. 1993) with some even arguing that firms have an economic incentive to report on internal control, even without the requirements of SOX (Deumes and Knechel 2008). Their argument assumes that providing this additional information to the principal (shareholder) about the behaviour of the agent (management) reduces information asymmetry and lowers investor risk and, therefore, the cost of equity capital.

In the Executive Summary of "Enterprise Risk Management-Integrated Framework" 2004 by the Committee of Sponsoring Organizations (COSO, 2004) of the Treadway Commission, Internal controls have been incorporated into policies, rules, and regulations to help organizations achieve their established objectives. This is in line with Pany, Gupta, and Hayes' assertion that internal controls are meant to help an organization achieve its objectives. The COSO commission was partly instituted in response to a series of high-profile scandals and business failures where stakeholders (particularly Investors) suffered tremendous losses. This study however differs in that it is done for an institution that is not ailing though there are reported incidences of scandals and financial misfeasance. The results should therefore aid the preventive mechanism rather than being reactionary. Entities exist to provide value to their stakeholders but are normally face with uncertainty.

Stakeholder Theory

Stakeholder theory was propounded by Edward Freeman in 1984. Stakeholder theory is an extension of the agency view, which expects the board of directors to take care of the interests of shareholders. However, this narrow focus on shareholders has changed, and boards are now expected to take into account the interests of many different stakeholder groups, including interest groups linked to social, environmental, and ethical considerations (Freeman, 1984; Donaldson & Preston, 1995; Freeman, Andrew, Wicks, Bidhan& Parmar, 1991). This shift in the role of the boards has led to the development of stakeholder theory. Stakeholder theory views that "companies and society are interdependent and therefore the corporation serves a broader social purpose than its responsibilities to shareholders (Kiel & Nicholson, 2003). Mitchell, Agle, and Wood (1997) argued that stakeholders can be identified by the possession of one, two, or all three attributes: the power to influence the firm, the legitimacy of relationship with the firm, and the urgency of their claim on the firm. This typology allows managers to pay attention and respond to various stakeholder types. Stakeholder theory recognizes that many groups have connections with the firm and are affected by the firm's decision-making. Freeman et al. (2004) suggest that the idea of value creation and trade is intimately connected to the idea of creating value for shareholders; they observe, "business is about putting together a deal so that suppliers, customers, employees, communities, managers, and shareholders all win continuously over time." Donaldson and Preston (1995) refer to the myriad participants who seek multiple and sometimes diverging goals. Manager's view of the stakeholders' position in the firm influences managerial behavior.

However, Freeman et al. (2004) suggest that managers should try to create as much value for stakeholders as possible by resolving existing conflicts among them so that the stakeholders do not exit the deal. Carver and Oliver (2002) examine stakeholder views from non-financial outcomes. For example, while shareholders generally define value in financial terms, other stakeholders may seek benefits "such as the satisfaction of pioneering a particular breakthrough, supporting a particular kind of corporate behavior, or, where the owner is also the operator, working in a particular way. It means stakeholders have 'no equity stakes' which requires management to develop and maintain all stakeholder relationships, and not of just shareholders. However, Freeman et al. (2004) focus on two core questions: 'what is the purpose of the firm?' and 'what responsibility does management have to stakeholders? They posit that both these questions are interrelated and managers must develop relationships, inspire their stakeholders, and create communities where everyone strives to give their best to deliver the value the firm promises. Thus, the stakeholder theory is considered to better equip managers to articulate and foster the shared purpose of their firm.

Stewardship Theory

While Agency theory assumed that principals and agents have divergent interests and that agents are essentially self-serving and self-centered, Stewardship theory takes a diametrically opposite perspective. It suggests that the agents (directors and managers) are essentially trustworthy and good stewards of the resources entrusted to them, which makes monitoring redundant (Donaldson 1990; Donaldson & Davis, 1991; Donaldson & Davis, 1994; Davis, Schoorman& Donaldson, 1997). Donaldson and Davis (1991) observed that organizational role-holders are conceived as being motivated by a need to achieve, to gain intrinsic satisfaction through successfully performing inherently challenging work, to exercise responsibility and authority, and thereby to gain recognition from peers and bosses. The stewardship perspective views directors and managers as stewards of the firm. As stewards, directors are likely to maximize the shareholders' wealth. Davis et al. (1997) posited that stewards derive a greater utility from satisfying organizational goals than through self-serving behavior. They argued that the attainment of organizational success also satisfies the personal needs of the stewards. Stewardship theory suggests that managers should be given autonomy based on trust, which minimizes the cost of monitoring and controlling the behavior of the managers and directors. When managers have served a firm for a considerable period, there is a "merging of individual ego and the corporation (Donaldson & Davis, 1991

Davis et al. (1997) suggested that managers identify with the firm and it leads to a personalization of success or failure of the firm. Daily (2003) argued that managers and directors are also interested to protect their reputations as expert decision-makers. As a result, managers operate the firm in a manner that maximizes financial performance, including shareholder returns, as firm performance directly impacts perception about managers' performance. Fama (1980) suggested that managers who are effective as stewards of the firm are also effective in managing their careers. Supporting this view, (Shleifer and Vishny (1997) suggested that managers who bring good financial returns to investors, establish a good reputation that allows them to re-enter the financial markets for the future needs of the firm. From the stewardship theory perspective, superior performance of the firm was linked to having a majority of the inside (executive) directors on the board since these inside directors (managers) better understand the business, and are better placed to govern than outside directors, and can therefore make superior decisions (Donaldson, 1990, Donaldson & Davis, 1991). Stewardship theory argues that the effective control held by professional managers empowers them to maximize firm performance and corporate profits. Consequently, insider-dominated boards are favored for their depth of knowledge, access to current operating information, technical expertise, and commitment to the firm. Similarly, CEO duality (i.e., the same person holding the position of Chair and the chief executive) is viewed favorably as it leads to better firm performance due to clear and unified leadership (Donaldson & Davis, 1991; Davis, et al., 1997). Several studies supported the view that insider directors (managers), who possess a superior amount and quality of information, make superior decisions (Baysinger&Hoskisson, 1990; Baysinger, Kosnick& Turk, 1991; Boyd 1994; Muth& Donaldson, 1998) compared the predictions of agency theory with that of stewardship theory and found support for stewardship theory is a good model of reality. Bhagat and Black (1999) have also found that firms with boards consisting of a greater number of outside directors (representing agency theory perspective) perform worse than firms with boards with a smaller number of outside directors. As such, some support exists for the stewardship perspective both conceptually e.g., Davis et al., (1997) and also empirically Bhagat and Black (1999).

METHODOLOGY

This study adopted the descriptive and ex-post facto research method and positivist research philosophy to address the research problem. An ex-post facto research design is commonly used in studies that investigate possible cause-and-effect relationships by observing a condition and searching back in time for plausible causal factors.

Table 1 Population of the Study

S/N	Name	Year of Listing
1	Champion Brewery Plc	1983
2*	Golden Guinea Brewery Plc	1979
3	Guinness Nigeria Plc	1965
4*	International Brewery Plc	1995
5*	DN Tyre& Rubber Plc	2001
6	Nigerian Breweries Plc	1973
7	Nigerian Enamelware Plc	1979
8	7 Up Bottling Company Plc	1986
9	Vita Foam Nigeria Plc	2007
10	Dangote Sugar Refinery Plc	2006
11	Flour Mills Nigeria Plc	1979
12	Honeywell Flour Mill Plc	2006
13	P. Z. Cussons Nigeria Plc	1974
14*	Multi – Trex Integrated Foods Plc	2010
15	Nascon Allied Industries Plc	1992
16	Northern Nigeria Flour Mills Plc	1978

17	Dangote Flour Mills Plc	2008
18	Union Dicon Salt Plc	1993
19*	U.T.C. Nigeria Plc	1972
20*	Mcnichols Plc	2009
21*	Unilever Nigeria Plc	1973
22	Cadbury Nigeria Plc	1979
23	Nestle Nigeria Plc	1976

Source: N.S.E. website, 2019.

Methods of Data Collection

The population of the study comprised all the twenty-three (23) listed consumer good firms on the Nigerian Stock Exchange as of 2019. The study used the purposive sampling technique to obtain a sample size of sixteen (16) and seven (7) with * were dropped among the firms listed in the consumer goods sector. This number is arrived at using the criteria that a company must have complete information for the number of years under consideration. The study employed secondary sources of data collected from the annual reports of the sampled companies for a period of ten (10) years (2010 to 2019). These firms are public limited companies listed on the Nigerian Stock Exchange. By being public limited companies and as a requirement of being listed, an annual financial report has to be made available to the Nigerian Stock Exchange. Annual financial statements are a preferred choice for data collection based on the type of data to be collected, availability of data to be collected, ease of assessment ability and ease of results comparability with the aid of STATA version 13 as a tool for analysis. The data for the study is a panel in nature (that is cross-sectional time series data). To check for endogeneity, the study used the Hausman specification test, robustness tests, Multicollinearity using the Variance Inflation Factor (VIF), and the Brutsch-Pagan test for heteroscedasticity, to check for the fitness of the model and reliability of findings.

Model Specification and Variable Measurement

The crux of the model is to study the determinants of stock returns of quoted consumer goods companies in Nigeria. The determinants used as predictors of stock returns include firm characteristics, ownership structure, and board attributes. Thus, statistical analysis for this study will be rooted in Arbitrage Pricing Theory (APT) which is on the basis that the stock returns are caused by a specific number of economic variables. The study examined the determinants of stock returns among consumer goods firms. The individual models are presented below:

Firm Characteristics and Stock Returns

$SRit = b_o + \beta 1FZit + \beta 2FAit + \beta 3PROFit + Єit$……..... (i)

Where: SR= Stock Returns, FZ= firm size, FA= age, PROF= profitability

Measurement of Variables

S/N	Variables	Definitions	Type	Measurement	Construct Validity Source
1	**SR**	**Stock Returns**	**Dependent**	represents the yearly All-Share Index (ASI) of consumer goods companies sampled.	Tripathi and Seth (2014), Ntshangase, Mingiri and Palesa (2016), Khalid and Khan (2017).

2	FZ	**Firm Size**	**Independent**	measured by Natural logarithm of number of outstanding common shares of the corporation at year end multiplied by price of each stock at same financial yearend.	Gallizo and Salvador (2006), Tripathi, (2009), Bala and Idris (2015).
3.	**FA**	**Age**	**Independent**	measuredbythe natural log of total of firms.	Shafana, Fathima and Jariya (2013)
4	**Prof.**	**Profitability**	**Independent**	Measured by average profit generated by firm over thestudy period.	Iqbal, Siddiq and Gul (2016)

Justification of Methods

The choice of an ex-post-facto strategy is that the case under study has already taken place. The analysis will use multiple regression techniques to calculate the influence of independent variables on the dependent variable. Stata Statistical Package has been used since it allows the determination of the influence of independent variables on the dependent variable.

RESULT AND DISCUSSION

Data Presentation

The chapter begins with the discussion of the descriptive statistics of the variables, and then the correlation matrix of the variables of the study. This is followed by the presentation, interpretation, and discussion of the regression results and test of hypotheses of the study. The chapter ends with a discussion of the major findings of the study. See appendix A.

Descriptive Statistics

This section contains the description of the properties of the variables ranging from the mean of each variable, minimum, maximum, and standard deviation. The summary of the descriptive statistics of the variables is presented in Table 4.1. The full result is contained in appendix B.

Descriptive Statistics

Variables	**Obs**	**Mean**	**Std Dev**	**Min**	**Max**
SR	160	84.73062	264.197	17	1485
FZ	160	7.665493	2.200853	2.83181	14.8783
FA	160	28.3	14.39025	1	54

PROF	160	.3020525	.2332101	-.223967	.891987

Source: STATA OUTPUT, 2020.

The outcomes in Table 1 indicates that the measure of share return (SR), which is the inverse of the share price behaviour of consumer goods firms has an average value of 84.73062 and a corresponding standard deviation of 264.197, This implies that the deviation between companies within the period significantly differ. Also, the minimum and maximum values stood at 17 and 1485 respectively. The firms tend to record significantly high stock returns in some years than in others. The table also indicates that the sample firms have an average firm size of 7.665493 with a standard deviation of 2.200853. This means that the average value of firm size within the period of the study is 7.67 billion. The figure of the standard deviation means that there is a high level of variance in firm size among the companies. The minimum and the maximum as shown by the table are 2.83181 and 14.8783. This implies that the least amount of firm size is 2.83 billion and the largest is 14.88 billion.

The descriptive statistics in Table 4.1 shows that on average, the firm age of companies during the period of the study is 28.3 years, with an accompanying standard deviation of 14.39025. This shows that on average firms have been in existence for 28 years. The value of the standard deviation which is far from the mean shows that there is a lot of differences in age among the sampled firms. The value of firm age for minimum and maximum is 1 and 54 respectively. The descriptive statistics from Table 4.1 also indicate the mean of profitability is .3020525 which signifies that on average age 30% of the companies sampled made a profit within the period of the study. Meanwhile, the value of the standard deviation which is .2332101 (23%) close to the mean implying certain agreement with the claim that at least 30% of the companies registered profit at various periods in the ten years captured by this study. The profitability shows a minimum and maximum value of -.223967 and .891987 respectively. The minimum figure indicates 22% of the companies make losses while a maximum of 89% was making a profit.

Correlation Matrix

The Pearson correlation analysis matrix shows the relationship between the explanatory and the explained variables and also the relationship among all pairs of independent variables themselves. It is useful in discerning the degree or extent of the relationship among all independent variables as excessive correlation could lead to multicollinearity, which could consequently lead to misleading findings and conclusions. The correlation matrix does not lend itself to statistical inference but it is relevant in deducing the direction and extent of association between the variables. Table 4.2 presents the correlation matrix for all the variables.

Table 4.2 Correlation Matrix

Variable	SR	FZ	FA	PROF
SR	1.0000			
FZ	0.1359	1.0000		
FA	0.2490	0.5138	1.0000	
PROF	0.2344	0.3674	-0.0230	1.0000

Source: STATA OUTPUT (2020)

Table 2 showed that the correlation between the dependent variable, SR, and the independent variables, FZ, FA, PROF on one hand, and among the independent variables themselves on the other hand. Generally, a high correlation is expected between dependent and independent variables while a low correlation is expected among independent variables. According to Gujarati (2004), a correlation coefficient between two independent variables 0.80 is considered excessive, and thus certain measures are required to correct that anomaly in the data. From Table 4.2, it can be seen that all the correlation coefficients among the independent variables are below 0.80. This points to the absence of possible Multicollinearity, though the variance inflation factor (VIF) and tolerance value (TV) test are still required to confirm the assumption. The table reveals a positive correlation between the dependent variable stock returns and the explanatory variables of firm size, firm age, and profitability with coefficients of 0.1359, 0.2490, and 0.2344 respectively. This implies that the three explanatory variables move in the same direction with stock returns.

Robustness Test

Test for Multicollinearity

The non-existence of Multicollinearity is a key assumption of linear regression analysis. Multicollinearity occurs when the explanatory variables are not independent of each other. Multicollinearity is examined using tolerance and variance inflation factor (VIF) values. The result of the Multicollinearity test is shown in the table below.

Table 3: Tolerance and VIF Values

Variable	VIF	1/VIF
FZ	1.89	0.529101
FA	2.03	0.492611
PROF	1.31	0.763359

Source: STATA Output, 2020.

Based on the evidence presented in Table 4.3, it can be concluded that there is no Multicollinearity problem. This is because the VIF values for all the variables are less than 10 and the tolerance values for all the variables are greater than 0.10 (rule of thumb).

Test for Heteroscedasticity

This test was conducted to check whether the variability of error terms is constant or not. The presence of heteroskedasticity signifies that the variation of the residuals or term error is not constant which would affect inferences in respect of beta coefficient, coefficient of determination (R2), and F-statistic of the study. Heteroscedasticity was tested using Breusch Pagan's Test. The results are presented in the table below;

Table 4.4Test for Heteroscedasticity

Variable	Chi2	Prob>Chi2
Firm Attributes	0.331	0.6410

Source: STATA OUTPUT, 2020

Table 4.4 shows the results of heteroscedasticity for the aggregated variables of the study. The goodness of fit test which is a statistical hypothesis test to show how sample data fit a distribution from a population with a normal distribution shows a Pearson chi2 value of 0.6410 and a corresponding probability of 0.331. This indicated that the adjustment of the observations problems is well and no errors exist underlining the general fitness of the model.

Hausman Specification Test

In panel data analysis (the analysis of data over time), the Hausman Test can help to choose which between a fixed-effects model or a random-effects model is appropriate for interpretation. The null hypothesis is that the preferred model is random effects; The alternate hypothesis is that the model has fixed effects. Essentially, the tests look to see if there is a correlation between the unique errors and the regressors in the model. The null hypothesis is that there is no correlation between the two. Therefore, because of the homogeneity of data used in this study, which assumes that fixed effects and random effects models are similar, the result for the Hausman Specification Test for the study is presented in the table below:

Table 5 Hausman Specification Test

Variable	**Chi2**	**Prob>Chi2**
Firm Attributes	0.76	0.8590

Source: STATA OUTPUT, 2020

The Hausman Speciation Test is conducted to choose between the fixed and random effect models. The result of the Hausman Test revealed that the value of chi2 is 0.76, 0.01, and 1.24 for firm attributes, ownership attributes, and board attributes respectively. The insignificant value as reported by the probability of chi2 indicates that the Hausman Test is in favour of the random effect model. Furthermore, to meet the condition that one or more equations have to be satisfied exactly by the chosen values of the variables, the Breusch and Pagan Lagrangian Multiplier Test for random effect was conducted to choose between the random effect result and pooled OLS regression which is more appropriate. The result revealed that the prob>chi2 for all variables indicates 0.0000. From this result, the best model to be interpreted is the pooled OLS regression model since the prob>chi2 is less than 0.05 for all variables.

Data Analysis and Results

Three regression models were stated in methodology with the aim of achieving the specific objectives of the study. The first model examined the effect of firm attributes (firm size, age, and profitability) on stock returns. The results of the Models using pooled OLS regression as specified by the outcome of the Breusch and Pagan Lagrangian Multiplier Test for the random effect are presented below as well as the test of hypothesis.

Ho_1: Firm attributes have no significant effect on the stock returns of Quoted Consumer Goods Companies in Nigeria.

Table 6 Pooled OLS Regression Result

SR	Coefficient	T	p-value
FZ	19.19973	1.65	0.101
FA	2.940353	1.77	0.078
PROF	327.9157	3.47	0.001
R-Square	0.1295		
Adjusted R-Square	0.1127		
F-Statistics	7.73		
Prob > F	0.0001		

Source: STATA OUTPUT, 2020.

In regression analysis, the result of the R-square value shows the level at which the explanatory variables explain the dependent variable. Table 4.6 revealed that the R-square is 0.1295. This means that the firm attributes in the study explained stock returns to the tune of 13%. The value of F - statistic is 7.73 with a probability of chi2 = 0.0001. The probability of chi2 is significant at 1%, indicating that the model is fit. This serves as substantial evidence to conclude that the firm attributes selected for the study are suitable and can be used to predict the behavior of the dependent variable. Based on the individual explanatory variables, Table 4.4 shows that firm size has an insignificant positive effect on the stock returns of sampled consumer goods firms in Nigeria, from the coefficient of 19.19973 with a t-value of 1.65 and a p-value of 0.101 which is statistically insignificant at 5% level of confidence. This result suggests that an increase in firm size will increase the level of stock returns of firms. However, looking at the p-value such an increase is considered insignificant. Hence, the study accepts the assertion that firm size has no significant effect on the stock returns of listed consumer goods firms in Nigeria.

The study also, examined whether age as a firm characteristic can determine the level of stock returns among quoted consumer goods companies in Nigeria. The result obtained from the pooled OLS regression indicates that age has a positive but insignificant effect on stock returns. This is evidenced by the value of coefficient and probability which are 2.9403 and 0.07 respectively. This implies that the age of firms has a positive contribution to stock returns. However, since the p-value is above the 5% level of significance, the study lacks evidence to conclude that age can significantly influence the stock returns of firms in the area covered by the study. From table 4.6, it can be seen that profitability can significantly, determine the stock returns of quoted consumer goods companies in Nigeria. This result is evidenced by the value of the coefficient which is 327.9157 and a p-value of 0.001 indicating a strong likelihood that profitability can be used to predict the level of stock returns in the consumer goods sector. Based on this the study rejects the hypothesis that profitability has no significant effect on stock returns of quoted consumer goods companies in Nigeria.

Discussion of Findings

Firm Attributes and Stock Returns

The objective of this research is to ascertain the effect of firm attributes (i.e firm size, firm age, and profitability) on stock returns of quoted consumer goods companies in Nigeria. The result of the study shows that firm size has a positive insignificant statistical influence on stock returns of the listed consumer goods sector suggesting that the size of a firm contributes positively towards the level of stock returns. Based on the result, such contribution is insignificant in determining or predicting the level of stock returns of consumer goods companies in Nigeria. This finding implies that the size of the company does not necessarily; influence the level of stock returns. This assertion can hold because according to CAPM, small companies will get higher returns. Investments in these companies can be considered to be at the highest level of risks and are deserved to earn higher returns. With the assumption, CAPM can successfully support the hypothesis that small firms can bring higher profits where high risks investments should be compensated with higher returns. However, larger firms are associated with having more diversification capabilities, the ability to exploit economies of scale and scope, and also being highly formalized in terms of procedures. This finding is in tandem with those of *Chabachib et al, (2020);* Ahmed (2019); Akwe, Garba, and Dang (2018**);** Nguyen and Nguyen (2016). This finding supports the Arbitrage Pricing Theory (APT) which is a Capital Asset Pricing Model (CAPM), premised on the basis that the stock returns are caused by a specific number of economic variables.

Again, the study found that firm age has a positive but insignificant impact on stock returns among consumer goods companies in Nigeria. Here firm age is found to have a positive effect but not a significant increase in stock returns. This means that the age of the firm does not significantly determine the level or extent of stock returns to the shareholders. Although it has a positive contribution to stock returns. Firm age is an important factor concerning stock returns. This is because as firms grow older, they are characterized by a lower rate of failure and low costs to obtain capital (Koh, Durand, Dai & Chang, 2015), and they have the experience favorable debt capital to increase returns although, the reverse is true for young firms in the birth stage (Stepanyan, 2012). The fact is as listed firms become older and closer to the maturity stage in their firm life cycle, they acquire more business experience to make effective capital structure decisions and do utilize debt to increase returns. Also, the life-cycle model of the firm can explain the relationship between firm age and shareholders' returns. Firms closer to maturity have substantial experience (Stepanyan, 2012) and make effective capital structure decisions by maximizing the benefits of a debt interest tax shield emphasized in Modigliani and Miller's (1963) theory. This finding is in with Oduma and Odum (2017); Matemilola et al, (2017).

Also, the Profitability of the firm is another dimension of the firm's characteristics focused in this study. The study finds that profitability has a positive significant effect on stock returns of quoted consumer goods companies in Nigeria. This outcome provides statistical evidence that profitability has a significant influence on stock returns. Consler and Lepak (2016) aver that more profitable firms are more likely to guarantee higher returns. EPS (Earning per share) usually has a positive influence on market return as shown in many past types of research. This indicates that the higher the firm's EPS, the higher the market-adjusted return and abnormal return that can be resulted by the firm's stock because a higher EPS means higher profit obtained from every naira price earned by the firm. Investors/shareholders consider current earnings, future earnings, and earnings stability are important, thus they focus their analysis on the firm's profitability. This finding aligns with the stakeholder theory which focused on how various stakeholders including investors can be satisfied given the performance of the company. This finding is consistent with that of *Chabachib et al., (2020);* Handoko (2016); Sani (2016)**.**

CONCLUSION AND RECOMMENDATIONS

Stock returns from equity investments are subject to vary because changes in stock prices are a product of several factors and the impacts could either be positive or negative. Also, emerging markets such as Nigeria have different structures and institutional characteristics from developed stock markets, and because investors in these markets are interested in getting more insights into the activities of companies, it is imperative to find out whether stock returns in Nigeria respond differently to effects of firm-level attributes factors or not. Thus, the need to begin to

look up for indicators that guarantee a rise in stock returns. Hence, this current study examined the determinants of stock returns of quoted consumer goods companies in Nigeria. Specifically, this study examined the effects of firm attributes on stock returns of consumer goods companies quoted on the Nigerian Stock Exchange from 2010-2019. Relevant theoretical and empirical literature was reviewed. The review shows that studies on stock returns are motivated by the fact that listed firms use returns to communicate their level of performance to the shareholders and the public at large. It also reveals that previous studies in this area of research were marred by inconsistent and inconclusive findings. The differences in findings could be attributed to methodological approaches regarding the measurement of the dependent and independent variables, the disparity in research domains, and differences in economic systems where these studies were conducted. The literature review also reveals a dearth of studies on the subject in the Nigerian context.

In line with the Arbitrage Pricing and Agency Theories that underpin the study, a multiple regression model was used to explain and predict empirically the changes in Stock Returns (share price) as a result of changes in firm attributes, ownership attributes, and board attributes. The three models used for the study examined the association between firm attributes (firm size, firm age, and profitability), Balanced panel data were extracted from the financial statements of 16quoted consumer goods firms in Nigeria for the period 2010-2019. The pooled OLS result reveals that profitability, board size and has no significant effect on stock returns of quoted consumer goods firms in Nigeria.

The impact of stock returns on firm operations has become a hot topic in accounting and finance literature. This study attempted to investigate the effects of corporate assets on the stock returns of publicly traded consumer goods companies in Nigeria. However, when the variables are viewed separately, the effect becomes diluted. The study finds that firm size, and firm age has no major impact on stock returns. Based on the study's lack of statistical data, it is impossible to conclude that these variables are determinants of stock returns of publicly traded consumer goods companies in Nigeria, also People are afraid of going to hospitals, and Market places. Centered on a variety of people/organizations concerned directly or indirectly with firm-level attributes and other corporate assets and stock return processes in Nigeria, the study makes the following recommendations:

i. The study presented statistical and empirical evidence that profitability has a major impact on stock returns among Nigerian publicly traded consumer goods firms. As a result, it was proposed that the Securities and Exchange Commission (SEC) subject the recorded earnings of the consumer sector to stress quality checks regularly to protect investors and prospective investors from potential rip-offs.
ii. According to the report, consumer goods companies should promote greater institutional shareholding. This is focused on the assumption that institutional ownership has an impact on stock returns because the higher the institutional ownership, the greater the company's external influence, which may allow managers to raise dividend payments.
iii. Sick people should visit the hospital not to be scared of the Covid-19 test.
iv. People need to be up and down also encouraged inter border business for the economy to bounce back
v. All the commandments of Covid-19 should be respected.

References

Abdel-khalik A., (1993). Research opportunities in auditing: The second decade. *American Accounting Association*, Sarasota (FL).

Ahmed, A. (2019).Auditors"PerceptionsofAuditFirmRotationImpactonAuditQualityin Egypt. *JournalofAccountingandTaxation*.6 (1),105-120.

Akwe, J., Ayuba, I., & Dang, G. H., (2018). Effects of Firm-Level Attributes on Stock Returns in Nigeria. *Doctor of Philosophy Dissertation,* University of Dhaka.

Amadi, S.N., &Odubo, T.D. (2002). Macroeconomic variables and stock prices: Causality analysis. *The Nigeria Journal of Economic and Management Studies*, 4(1&2), 29-41.

Argyris, C. (1964). Integrating the Individual and the Corporation. New York: Wiley and Sons

Baker, M., &Wurgler, J., (2002). "Market Timing and Capital Structure". *Journal of Finance*, 57, 1- 32.

Bala, H., & Idris, I. (2015). Firm's specific characteristics and stock market returns (evidence from listed food and beverages firms in Nigeria). *Research Journal of Finance and Accounting*, 6(16), 188-200.

Banz, R. W. (1981). The relation between return and market value of common stocks, *Journal of Financial Economics* 9 3-18.

Baysinger, B. &Hoskisson, R.E. (1990) 'The composition of the board of directors and strategic control: effects on corporate strategy, *Academy of Management Review*. 15: 72–87

Baysinger, B., Kosnik, R. & Turk, T.A. (1991) 'Effects of the board and ownership structure on corporate R&D strategy', *Academy of Management Journal*. 34: 205–214.

Berle, A.A., & Means, G.C. (1932). The modern corporation and private property. Transaction Publishers, New York.

Black, F. (1976), "The dividend puzzle", *The Journal of Portfolio Management*, 2(2), 5-8.

Bhagat, S., & B. Black. (1999). The Uncertain Relationship Between Board Composition and Firm Performance. *Business Lawyer*, 54, 921-63.

Bhandari, L. C. (1988). Debt-Equity ratio and expected common stock returns: empirical evidence. *Journal of Finance*, 43, 507-528

Boyd, B. K., (1990), Board control and CEO compensation. *Strategic Management Journal*, 15(5), 335-344.

Bushee, B. (1998). Do institutional investors prefer near-term earnings over long-run value? Contemporary Accounting Research18(2): 207-246.

Carver, K., & Oliver, M., (2002). Board composition and firm performance variance: Australian evidence. *Accounting Research Journal.* 22(2), 196-212.

Clarkson, P. M. (1994), Conservatism, disclosure and the cost of equity capital. *Australian Journal of Management*, *39*(2), 293-314.

Chang, L.H., Chen, P., Lien, M.T., Ho, Y.H., Lin, C.M., Pan, Y.T., Wei, S.Y., Hsu, J.C. (2011). Differential adhesion and actomyosin cable collaborate to drive Echinoid-mediated cell sorting. Development 138(17): 3803--3812.

Chowdhury, S., (2004) Earnings management through real activities manipulation. *Journal of*

Accounting Economics. 42: 335–370

Coles, (2008). Boards: Does one size fit all. *Journal of Financial Economics*, 87(3), 329–356.

Daily, C. M., & Dalton, D. R. (1993). Board of directors' leadership and structure: Control and performance implications. *Entrepreneurship Theory and Practice*, 17,65–81.

Donaldson, T. & Preston, L. (1995). The stakeholder theory of the corporation: concepts, evidence, and implications. *Academy Management Review*, 20 (1), 65-91.

Donaldson, L. (1990). The ethereal hand: Organizational economics and management theory. *The Academy of Management Review*, 15(3), 369–381.

Donaldson, L., & Davis, J. H. (1991). Stewardship theory or agency theory: CEO governance and shareholder returns. *Australian Journal of Management*, 16(1), 49–69.

Donaldson, L. & Davis, J. H. (1994) Boards and company performance research challenge the conventional wisdom, Corporate Governance: *An International Review*, 2(3), 151-160.

David J. Denis and *Igor Osobov*, (2008), Why do firms pay dividends? International evidence on the determinants of dividend policy, *Journal of Financial Economics*, 89, (1), 62-82

Davis, J. H., Schoorman, F. D. & Donaldson, L. (1997). Toward a stewardship theory of management. *Academic Management Review, 22(1); 20-47.*

Deumes, K., &Knechel, L., (2008). Economic incentives for voluntary reporting on internal Risk Management and control systems.

Dimitrov, V. & John, P. C. (2008). The Value-Relevance of Changes in Financial Leverage beyond Growth in Assets and GAAP Earnings. *Journal of Accounting, Auditing & Finance,* 23(2), 191-222.

Eisenhardt, K. M. (1989). Agency theory: An assessment and review. *Academy of Management Review*, 14(1), 57–74.

Fama, E.F. & Jensen, M.C. (1983), "Separation of ownership and control", The Journal of Law and Economics, 26 (2), 301-325.

Fama, E. F. & French, K. R., (1992). "The Cross-Section of Expected Stock Returns". *Journal of Finance*, 47, 427-465.

Fama, E.F. (1980). Agency problems and the theory of the firm. *Journal of Political Economy, 88*(2), 288-307.

Freeman, R. E. (1984). *Strategic Management: A Stakeholder Approach*. Boston MA. Pitman Publishing.

Freeman, R. E., Andrew, D., Wicks, Q., Bidhan, H., & Parmar, A., (1991). Stakeholder theory and "the corporate objective revisited." *Organization Science*, 15, 364-369.

Gallizo, J., & Salvador, M. (2006). Share prices and accounting variables: a hierarchical Bayesian analysis. *Review of Accounting and Finance,* 5(3), 268-278.

Glautier, K., Underdown, H., & Morris. R. D., (2011), "Corporate transparency in China: Factors influencing financial disclosure levels". Working Paper, School of Accounting, University of New South Wales.

Hasan, B., Alam, N., &Rahaman, A. (2015). The size and value effect to explain the cross-section of expected stock returns in the Dhaka stock exchange. *International Journal of Economics and Finance*, (7) 14-23.

Herzberg, F. (1966). Work and the Nature of Man. Cleveland: World Publishing.

HovaKimian, A., Opeler, T., & Titman, S. (2001). "The Debt-Equity Choice". *Journal of Quantitative and Financial Analysis*, 36, 1-24.

Ismail, A (2013), 'Impact of Firm's Characteristics on Stock Return: A Case of Non-Financial Listed Companies in Pakistan', *Asian Economic and Financial Review.* 3(1), 51-61.

Jensen, M.C. &Meckling, WH. (1976). Theory of the firm: Managerial behavior, agency costs, and ownership structure. *Journal of Financial Economics,* 3, 305–360.

Jensen, M. (1986), "Agency Costs of Free Cash Flows, Corporate finance and Takeovers". *American Economic Review,* 26, 323.

Jensen, M.C. (1993), "The modern industrial revolution, exit, and the failure of internal control systems", *The Journal of Finance*, (48)3, 831-880.

John Consler& Greg M. Lepak, 2016. "Dividend initiators, winners during 2008 financial crisis," *Managerial Finance*, Emerald Group Publishing, 42(3), 212-224.

John, K., &Senbet, L. W., (1998), "Corporate governance and board effectiveness", *Journal of Banking & Finance,* 22(4), 371-403.

Johnson, J. L., Daily, C. M., &Ellstrand, A. E., (1996), "Boards of directors: a review and research agenda", *Journal of Management*, 22(3), 409-438.

Kazeem, H.S. (2015). Firm-specific characteristics and financial performance of listed insurance firms in Nigeria: Unpublished M.Sc Dissertation.

Keim, D. B., (1983). "Size-Related Anomalies and Stock Return Seasonality." *Journal of Financial Economics* 12(1), 13–32.

Khalid, W., & Khan, S. (2017). Effects of macroeconomic variables on the stock market volatility: the Pakistan experience. *Global Journal of Management and Business Research: B Economics and Commerce,* 17(4), 68-91.

Kiel, H., & Nicholson, G. J., (2003). Board composition and corporate performance: How the Australian experience informs contrasting theories of corporate governance. *Corporate Governance: An International Review*, *11*(3), 189-205.

Koh, P. S. (2003). On the association between institutional ownership and aggressive corporate earnings management in Australia. *The British Accounting Review*, *35*(2), 105–128.

Kyereboah-Coleman, A, &Biekpe, N. (2005). "The link between corporate governance and performance of the non-traditional export sector: Evidence from Ghana". *Corporate Governance: The International Journal of Business in the Society*, 6(5), 609-623.

La Porta, R. F., Lopez-de-Silanes, A., Shleifer, A., &Vishny, Robert., 2000. "Investor Protection and Corporate Governance." *Journal of Financial Economics*. 58 (1), 3–27.

Ltaifa, M.B., &Khoufi, W. (2016). Book to market and size as determinants of stock returns of banks: an empirical investigation from MENA Countries. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 6, 142-160.

Lucas, D. J., and R.L. McDonald (1990). "Equity Issue and Stock Price Dynamics". *Journal of Finance*, 45, 1019-1043.

McClelland, D. (1961). The Achieving Society. New York: The Free Press.

Mizruchi, M. S., (1983), "A Longitudinal Study of the Formation of Interlocking Directorates," *Administrative Science Quarterly* 33, 194-210.

Modigliani. F., & M.H. Miller (1963), "Corporate Income Taxes and the Cost of Capital: A Correction". *American Economic Review*. June 53(3), 443-53.

Muth, M. M., & Donaldson, L. (1998). Stewardship Theory and Board Structure: A Contingency Approach. *Corporate Governance: An International Review, 6*(1), 5- 28.

Ntshangase, K., Mingiri, K.F., &Palesa, M.M. (2016). The interaction between the stock market and macroeconomic policy variables in South Africa. *Journal Economics,* 7(1), 1-10.

Olowoniyi A. O &Ojenike J. (2012). Determinants of Stock Return of Nigerian Listed Firms. *Journal of Emerging Trends in Economics and Management Sciences* 3 (4), 389-392.

Olowookere, J.K. (2013). Determinants of External Audit Fees: Evidence from the Banking Sector in Nigeria. *Research Journal of Finance and Accounting.*

Osamwonyi, I.O. (2003). Forecasting as a tool for securities analysis. *a paper presented at a three-day workshop on introduction to securities analysis, organized by securities and exchange commission,* Lagos August 17th.

Pearce, J. H., & Zahra, S. A. (1992). Board Composition from a strategic contingency perspective. *Journal of Management Studies*, 29(2), 411-438.

Reinganum, M. R. (1981). Misspecification of capital asset pricing: Empirical anomalies based on earnings' yields and market values. *Journal of Financial Economics*, *9*, 19-46.

Sani, N. (2016). The effect of cross-listing on the environmental, social, and governance performance of firms. *Journal of World Business, 51,* 977–990.

Shafana, A. L. Fathima, R. &Jariya, A. M. (2013). Relationship between Stock Values and Firm Size, and Book-To- Market Equity: Empirical Evidence from Selected Companies Listed on Milanka Price Index in Colombo Stock Exchange. *Journal of Emerging Trends in Economics and Management Sciences (JETEMS)* 4(2):217-225.

Shehu, U. H. & Farouk, B. (2014). Firm Characteristics and Financial Reporting Quality of Listed Manufacturing Firms in Nigeria. *International Journal of Accounting, Banking, and Management,* 1 (6): 47-63.

Shleifer, A., &Vishny, R., (1997). A survey of corporate governance. *Journal of Finance*. 52, 737–775.

Shumway, T. (2001). Forecasting bankruptcy more accurately: A simple hazard model. *The Journal of Business, 74*(1), 101-124.

Titman, S. & Wessels, R. (1988), "The determinants of capital structure choice", *The Journal of Finance*, 43(1), pp. 1-19.

Tripathi, V., & Seth, R. (2014). Stock market performance. *International Journal of Finance and Accounting*. 7(4): 122-131.

Tripathi, V. (2009). Company fundamentals and equity returns in India. *India Council of Social Science Research*.

Welch, I. (2004). "Capital Structure and Stock Returns". *Journal of Political Economy*, 112, 106-131.

Wheelen, T. L., & Hunger, D. J., (2007). *Strategic Management and Business Policy* (13 ed.). Pearson.

Uwubanmwen, A. E., &Obayagbona, J., (2012). Company fundamentals and returns in the Nigerian stock exchange. *JORD,* 10(2).

Impact of Treasury Single Account on Government Revenue and Economic Growth in Nigeria

KWABE, Mode Vandihe

Department of Accounting
Bingham University
Karu, Nasarawa State
E – Mail: kwabemode2019@gmail.com, Phone No: +234 08055735689

Abstract

Impact of Tax Policies on the Performance of Micro Small Medium Enterprises (MSMEs) in Nigeria

OLOLADE, Elizabeth Balogun

Department of Accounting
Bingham University
Karu, Nasarawa State
E – Mail: balogun265@gmail.com, Phone No: +234 8160274642

Abstract

Impact of Corporate Governance on the Financial Performance of Listed Manufacturing Firms in Nigeria

AROWELE, Mary-Ann Abisoye

Department of Accounting
Bingham University
Karu, Nasarawa State
E – Mail: marowele@gmail.com, Phone No: +234 8138030618

Abstract

Effects of Audit Committee on the Financial Performance of Quoted Manufacturing Firms in Nigeria

ADELABU, Sunday Olushola

Department of Accounting
Bingham University
Karu, Nasarawa State
E – Mail: Sunregas2@yahoo.com, Phone No: +234 7062201906

Abstract

Impact of Dividend Policy on Shareholders Wealth Maximization in Dangote Sugar Company of Nigeria

FATOYE, Segun Kunle

Department of Accounting
Bingham University
Karu, Nasarawa State
E – Mail: segunfatoye@yahoo.com, Phone No: +234 8033747177

Abstract

Effect of Merger and Acquisition on Performance of Deposit Money Banks in Nigeria

OLUWADAMISI, B. Gloria

Department of Accounting
Bingham University
Karu, Nasarawa State
E – Mail: gloriadamisimgt@gmail.com, Phone No: +234 8099343573

Abstract

Impact of International Financial Reporting Standard adoption on the Financial Performance of Nigerian Manufacturing Firms

TITUS, Glory Nsebot

Department of Accounting
Bingham University
Karu, Nasarawa State
E – Mail: titusglorynsebot@gmail.com, Phone No: +234 8133114232

Abstract