This study analyzed the impact of Foreign Direct Investment on the economic growth of Nigeria using time series data from 1960-2016.The objectives of the study are the following: To empirically investigate the impact of FDI on GDP in Nigeria and To examine if there are differences in the effect of FDI on GDP in the pre-sap and post-sap era.

This study made use of the Solow Growth Model and the Endogenous Growth Model. Two equations were presented, equation 1 shows the relationship between Foreign Direct Investment, Exchange Rate, Forex Reserve, Trade Openness and Gross Domestic Product. For equation 2, the first objective was examined for two different data set, the period (1960-1985) and (1985-2016) The model used for this research study has two major sets of variables, the dependent and the independent variables. Where GDP which is the dependent variable is a function of the independent variables which are FDI, FOREX, EXR, and OPN. This study also made use of the Ordinary Least Square (OLS) Estimation Technique

The study found out that there is a positive relationship between FDI, FOREX, and OPN on GDP, and a negative relationship between EXR and GDP. This study found out that there was a negative relationship between FDI and Economic Growth in Nigeria during the Pre-sap era (1960-1985) and there was a positive relationship between FDI and Economic Growth in Post-sap era (1986-2016). FDI inflow will influence output more in the post sap era than the pre sap era, Also GDP of Nigeria increased significantly as a result of the SAP (1986). Also it was found out that there are differences in FDI inflow in the Pre and Post sap era. The major finding of the research is that FDI has a positive impact on GDP and there is a positive effect of the SAP of 1986 on the GDP of Nigeria.

It is therefore recommended that the FDI inflow should be encouraged in Nigeria in order to promote economic growth. The policy of the pre sap era should also be continued in order to enquire growth in economic output. It is also recommended that SAPs should be adopted frequently in order to achieve some desirable objectives which will increase economic growth.