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EFFECT OF NON-TAX REVENUE ON THE ECONOMIC GROWTH IN NIGERIA

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ABSTRACT
This paper assesses the relevance of Non-Tax Revenue on the Growth of Nigerian Economy. The study adopted the ex- post facto research design. Secondary data were employed in the study. The data for analysis were from the Central Bank of Nigeria the statistical bulletins/releases. Data were analysed using the Ordinary Linear Regression. Results show that revenue from crude oil export has a positive and insignificant effect on Gross Domestic Product (GDP). Revenue from domestic crude oil sales has a positive and insignificant effect on Gross Domestic Product (GDP).Result further reveals that revenue from royalties has positive and significant effect on Gross Domestic Product (GDP). However, revenue from other oil sources not classified above has positive and insignificant effect on Gross Domestic Product(GDP). The paper recommends that the country employ the revenues realized judiciously on economic sectors that will better accounting and collection strategies be put in place to forestall the huge funds which are not accounted for in the oil sales revenue in Nigeria.

Keywords: Non-Tax Revenue, Economic Growth, Nigeria

INTRODUCTION
Background of the Study:
The challenges facing the government of any nation are that of guaranteeing the welfare and security of its people. However, the dwindling resources available to government all over the world have made it imperative for nations to increase their revenue base. Earning sustainable revenue is very critical to the survival of any entity. It is even more imperative for the government as the citizens through the constitution have surrendered the sovereignty including their welfare and security to the federal government to whom they pledge allegiance. It iss in turn and reciprocity the government takes it upon on itself to take care of the basic need of its citizenry by providing for their welfare and security. That is why

any government who is seen as not providing the basic infrastructures needed for enhance and sustainable growth is considered a failure or near failure as such governments all over the world strive to earn the needed revenue for it to provide for its people. In Nigeria, since 1958 when the country discovered its first oil well in Oloibiri in Rivers State it has earned most its revenue through the sale of crude oil.

Shihab, (2001) and Ibeh (2013) posit that the Nigeria economy has been facing developmental crisis such as high level of poverty, declining economic growth, collapse of local economics and social infrastructure. There have been corruption, financial indiscipline, lack of proper accountability of oil revenue, co-existence of abundant foreign reserves have become the order of the day. Nigeria government therefore needs to strive to diversify its revenue base while seeking to manage the ones it generate from its abundant natural resources especially the non-tax revenues.

It is against this backdrop that this study evaluates the effect of non-tax revenue to the growth of Nigerian economy.

Statement of the Problem

The dwindling fortunes of the government and by extension the citizenry is source of worry. Oil plays a role a very important role as it helps the government through providing the needed funds for economic growth . The key issues remain if the huge oil revenue which were earned has been judiciously utilized to drive the needed economic growth and development. Nigeria economy has been largely seen to been mostly sustained by the oil exportation while the other sectors have been allowed to deteriorate. These sectors have been assessed very undeveloped and incapable of contributing significantly to the growth of the economy. Nigeria oil revenue over the past fifty years, the country’s oil subsector has grown phenomenally. Both production and exports have increased enormously since commercial production in 1958. For example, crude oil production increased from 395.7 million barrels in 1970 to 776.01 million barrels in 1998. In year 2006 the quantity rose to 919.3 million barrels. The amount however decreased to 777.5 million barrels in 2009. In the same way, crude oil exports increased from 139.5 million barrels in 1966 to 807.7 million barrels in 1979. The volume of crude oil exports dropped to 390.5 million barrels in 1987 but increased to 675.3 million barrels in 1998.

The trend continued for most years after 2000. In the same way, oil revenue increased from N166.6 million in 1970 to N 1,591,675.00 million and N6,530,430.00 million in 2000 and 2008 respectively. The huge revenues from oil, of course, presented net wealth and thus provided opportunity for increased expenditure and investment; however, the huge revenues complicated macroeconomic management and also made the economy highly oil dependent(Nweze & Greg (2016). Asides, in spite of the huge rents from oil, the economy still appleswith many problems including high and rising unemployment rate, declining manufacturing production, high and rising level of poverty and poor infrastructural development.

The discovery of oil in the late 50s saw the Federal Government of Nigeria’s immense increase in revenue derived from crude oil. This sudden wealth from crude oil was invested in socio-economic infrastructures across the with its attendant social economic growth and development. This period saw a massive rural – urban migration with a lot of young men and women moved to the cities living only the aged to grapple with agriculture. The migration also created many social problems, such as congestion, pollution, unemployment and criminal activities (Ezirim, et al., 2010). Moreover, the prolonged military rule in Nigeria for almost three decades created social and economic stagnation. Unfortunately, the ruling government of late 1970’s could not address the situation hence Nigeria became one of the poorest economies in the world. Political instability, bad governance, especially in the 1990s, all contributed to the decline in the country’s socio-economic development (Sanusi, 2010).

Dragos (2014) explained that the economic crisis that began in 2007 led to lower global economic growth, which generated lower revenues, including the decrease of the taxes. At EU level, the researcher stated that at the beginning of the financial crisis the share of taxes in GDP was 39.3% in 2008, recorded a downward trend in 2009 and 2010, increasing to 38.8% in 2011.In Romania the share of tax revenues in GDP has experienced a steady upward trend, from 17, 72% in 2009 to 19.41% in 2012.The evolution of VAT and of the excise duties is analyzed in this article, starting from the official data of the European Union, focusing on the Romanian official statistics for the period 2008-2012, which I processed and interpreted. The analysis shows that in Romania, the VAT and the excise duties had a growth of the absolute values between 2008 - 2012 and also, an increase of their share in GDP. At European level there is an increase in the share of VAT in GDP by 0.4

percentage points in 2009-201, reaching 7.1%, and a relative increase in excise duties (0.1 pp) and indirect taxes

The changes have put Nigeria back on track towards achieving her full economic potential. Nigeria gross domestic product (GDP) at purchasing power parity (PPP) has witnessed enormous increase from N14, 735.32bn in 2005 to N 90,136.99bn in 2014. Nigeria is currently trying to expand her financial, telecommunications service, entertainment and technology sectors that are all contributing to the growth of her gross domestic product GDP as well as the economy at 6% - 8% rate per annum. The manufacturing sector produces a high proportion of goods and services in the West African region, and it is the third-largest in Africa. Some challenges to the country's rapid economic development are the inadequate power supply, lack of critical infrastructure, and the general fall in the price of oil that has given rise to the drastic reduction in the country’s total revenue.

Further to this, the school of thought also has it that the funds from the oil has not been judiciously used for the sustainable growth and development of economic Nigeria. The underdevelopment is attributable to poor policy articulations, poor accountability of revenue generated, lack of sustainable infrastrure to drive the sectors involved and policy summersault among others. These factors among others have been identified as the bane for economic growth in Nigeria. Nwezeaku (2010), Shihab (2001) and Ibaba (2005) provided evidence to contradict the facts that abundance of natural resources do not really spur economic growth but rather leads to several ethnic crisis and civil unrest. Nwezeaku (2010) point that, the economy has been bedeviled by perennial underdevelopment, poverty, increasing debt burden due to multiple problems such as poor energy supply and power outages, systematic collapsing of industries and infrastructures, lack of proper turn around maintenance in the oil and gas industries, high are of corruption, militant insurgences, criminal activities etc. The is really faced with poor human developmental and economic indices as evidenced by high rate of perennial and persistent inflation, low per capital income, poor income distribution, GDP and sustained impoverishment, mismanagement of abundant natural, human and material resources, insatiability greed and loss for excessive wealth. Shihab (2001) have linked abundant natural resources to show economic collapse, civil conflict and socio-economic collapse. They further state that, all natural resources, oil has been found to have the highest risk of civil conflict because of the large rents it offers. Therefore Nigeria needs to be careful about the way it manages her petroleum to avoid socio-economic collapse.
In view of the above submissions that this study appraises the effect of non-tax revenue to the economic growth of Nigeria.

Objectives of the Study
The broad objective of this study is to assess the relevance of non-tax revenue to the economic growth of Nigeria. The specific objectives of the study are:
(1) To x-ray the effect of Crude Oil Export Revenue on Economic Growth in Nigeria.
(2) To evaluate the relevance of Domestic Crude Oil Revenue of Economic Growth in Nigeria.
(3) To ascertain the effect of Sundry Oil Revenue on the Economic Growth in Nigeria.

Research Questions:
In achieve the set objectives, the following guides this study:
(1) What is the effect of Crude Oil Export Revenue on Economic Growth in Nigeria?
(2) To what extent does Domestic Crude Oil Revenue affect Economic Growth in Nigeria?.
(3) How does Sundry Oil Revenue affect Economic Growth in Nigeria?

Research Hypotheses:
The following null hypotheses are formulated for this study:
(1) Crude Oil Export Revenue is not related to Economic Growth in Nigeria.
(2) Domestic Crude Oil Revenue has no significant relevance of Economic Growth in Nigeria
(3) Sundry Oil Revenue has no significant relationship to the Economic Growth in Nigeria.

REVIEW OF RELATED LITERATURE

Conceptual Review:

2.1.1 Non-Tax Revenue: These are revenues that are earned by the federal government through crude oil and related avenues, Central Bank of Nigeria (2016). Below are the proxies for non-tax revenue are considered below:

2.1.2 Oil Revenue from Export: These are revenues which accrue to the government from export of crude oil export. These revenue explains and houses all the revenue which the government of Nigeria earns by exporting its oil resources.

2.1.3 Oil Revenue from Domestic Sales: These are revenues which government realize from the crude oil which it sells internally. It has into its account the revenue inflows from sale of oil to local consumers both corporate and individuals.

2.1.4. Sundry Other Revenues: These are revenues realized by the government from other related crude oil sales activities.

2.1.5 Royalties: these are fees paid to the government for the permission it has granted to companies which are exploring oil in Nigeria.

2.1.6 Economic Growth

Economic growth is that steady increase which a business or nation records in its development cycle. Economic development differs from economic growth. Economic growth specifically means an increase in the value of goods and services produced by a country over a period and Economists use an increase in country's GDP to measure it Edame and Nweze(2016).) as cited by Aneke(2017). According to Arowoshegbe and Uniamikogbo (2016), economic growth specifically means an increase in the value of goods and services produced by country over period. Gross Domestic Product (GDP) is used in measuring economic growth. Economic growth has been defined as the sustained increase in a country's productive capacity (as measured by comparing the gross national product in a year with that of the previous year), increase in per capita national output or net national product over a long period of time which occurs when a nation's production possibility frontier shifts outward Salami, Apelogun, Omidiya and Ojoye,(2015) in Aneke(2017).

2.1.7 Gross Domestic Product: Gross Domestic Product is the total worth of goods and services produced in a country within a given year. This is the aggregate worth of the goods and services produced in the country.

Theoretical Framework

Below is a review of some related theories on this work:

Resource Endowment Theory of Growth:

The major advocates were of these theory were Adam Smith "absolute cost advantage", David Ricardo " Comparative cost advantage" among others, they argues that countries should specialize to produce and export according to their comparative advantage. The theory of comparative advantage suggests a country gains the greatest economic benefit relative to other countries by producing at lower overall cost, commodities which a country has in abundance or can be easily produced while other countries therefore benefit from trade only if they accept the cost advantage of the trading country and focus on producing a commodity in which they have an advantage (Igbesere, 2013). It is this theory that guides resource endowment economist's belief in free trade, specialization and the international division of labour. This was their reasoning behind why some countries produce agricultural and mineral commodities while others produce industrial goods (O'Toole, 2007; Igbeasere, 2013).

The doctrine of comparative advantage as propounded by Heckscher Ohlin (HO) theory presumes that that countries produce and export the commodities which require the use of its abundant productive factors intensely Feenstra, (2004). This model is based on the assumption of two countries, two goods and two factors and assumes that both countries have identical technologies, identical tastes, free trade in goods and different factor endowments Feenstra (2004). This theory was based on the proposition that countries (developed nations: Japan, Germany, United Kingdom, etc.) with an abundance of capital would export capital intensive goods and import labour intensive goods, while countries (most third world countries: African and part of Asian countries) with an abundance of labour would export labour intensive goods and import capital intensive goods Igbeasere, (2013).

Classical Theory of Economic Growth:
The traditional classical and neoclassical growth models developed by Solow (1956) and Mincer (1958) in the late 1950's, showed that the output of an economy grows in response to larger inputs of capital and labour (all physical inputs). Non-economic variables such as human capital or human health variables have no function in these models. This theory revealed how capitals including technology leads to increase in productivity and efficiency of workers and expand production of goods and services. In economic lexicon, this simply means that the technological progress is "exogenous" to the system.
This study is anchored on the second theory Resource Endowment Theory of growth which emphasis is on the comparative advantage and growth of economy. Since Nigeria is highly endowed with oil, it is expected that it harnesses this all important resource and use it to grow other parts of its economy including the Gross Domestic Product(GDP).

Empirical Reviews:
Below is empirical review which this study has conducted on past related study on this topic. Thus:
Effect of Crude Oil Export Revenue on Economic Growth in Nigeria
Sachs and Warner (1997) provide empirical evidence to explain the slow growth in Sub Saharan Africa from 1965-1990. They hypothesize that factors such as geography, economic policy, demography and initial conditions all explain the growth in Africa in recent decades (Sachs and Warner, 1997). Therefore they run regressions using a variety of variables as determinants of growth and estimate a variety of factors which were shown to influence growth in Africa. Natural resource endowments were found to correlate with slower growth as the work from Sachs and Warner (1995) also showed. The regression showed that as natural resource exports increased GDP by .1, growth was projected to decrease by .33 percentage points annually
Odularu (2008) examined the relationship between the crude oil sector and the Nigerian economic performance. Using the Ordinary Least Square regression method, the study revealed that crude oil consumption and export contributed to the improvement of the Nigerian economy. can be invested in any country is identical with the amount that is saved. This is the basis of dual gap analysis, assure that there is a country that require saving and investment good import to achieve a particular rate of growth.
Akinlo (2012) assessed the importance of oil in the development of the Nigerian economy in a multivariate VAR model over the period 1960-2009. The study modeled oil sector against other four sectors namely manufacturing, agriculture, trade and service and building and construction. Result indicates that five subsectors are co-integrated and that the oil can cause other non-oil sectors to grow. However, oil had adverse effect on the manufacturing sector. Granger causality test finds bi-directional causality between oil and manufacturing, oil and building and construction, manufacturing and building and construction, manufacturing and trade/services, and agriculture and building & construction. It also shows a uni-directional causality from manufacturing to agriculture and trade & services to oil. No causality was found between agriculture and oil, likewise between trade & services and building & construction.
Aneke(2017) evaluated the effect of Non-Oil Tax Revenue on the Growth of Nigerian Economy. The study adopted the *ex- post facto* research design. Secondary data were employed in the study. The data for analysis were from the Central Bank of Nigeria the statistical bulletins/releases. Data were analysed using the Ordinary Linear Regression. Results show that revenue from crude oil export has a positive and insignificant effect on Gross Domestic Product (GDP). Revenue from domestic crude oil sales has a positive and insignificant effect on Gross Domestic Product (GDP).Result further reveals that revenue from royalties has positive and significant effect on Gross Domestic Product (GDP). However, revenue from other oil sources not classified above has positive and insignificant effect on Gross Domestic Product (GDP). The paper recommends that the country employ the revenues realized judiciously on economic sectors that will better accounting and collection strategies be put in place to forestall the huge funds which are not accounted for in the oil sales revenue in Nigeria.

Effect of Domestic Crude Oil Export Revenue on Economic Growth in Nigeria
Ibeh (2013) investigated the impact of the oil industry on the economic growth performance of Nigeria. The study employed the Ordinary Least Square (OLS) regression technique, she regressed Gross Domestic Product (GDP), against oil Revenue (OREV) and time appeared as repressor's. A two tailed test of 5% significant levels were conducted indicating that the two explanatory variables did not have any significant impact on growth performance of the Nigerian economy within the same period. The researcher

therefore recommends that government should formulate appropriate policy mix that would motivate the firm in the oil sector to enhance improved performance and

Effect of Sundry Crude Oil Export Revenue on Economic Growth in Nigeria

Edame and Nweze(2016), examined oil revenue and economic growth in Nigeria between 1981 to 2014. Secondary data on gross domestic product (GDP) were used as a proxy for economic growth; oil revenue (OREV), and government expenditure (GEXP) which represented the explanatory variables were sourced from CBN publications. The study employed advanced econometric techniques such as Augmented Dickey Fuller Unit Root Test, Johansen Co-integration Test and Error Correction Mechanism (ECM). Results indicate that variables were all stationary at first difference, meaning that the variables were not integrated of the same order justifying co-integration and error correction mechanism test. The co-integration result indicated that there is long run relationship among the variables with three co-integrating equation(s). The result of the error correction mechanism (ECM) test indicates that all the variables except log of government expenditure exerted significant impact on economic growth in Nigeria. However, all the variables exhibited their expected sign in the short run but exhibited negative relationship with economic growth in the long run except for government expenditure, which has positive relationship with economic growth both in the long run and short run.

METHODOLOGY

Research Design:

The study has adopted the *ex post facto* design. This is because the data have been officially gazette and will be sourced from secondary source.

Population/Sample Size: Nigerian economy as an entity has been studied. Therefore the population and sample size is one.

Sources of Data: The sources of data for the research shall be secondary sources. Data were sourced from the annual reports/statistical releases of the Central Banks of Nigeria, the Office of the Accountant General of the Federation and Ministry of Finance. Data for the study covers a ten year 2007-2016.

Tools for Data analysis:

The hypotheses of the study will be tested using the simple linear regression techniques to determine the effect of oil revenue on Gross National Product and multiple regressions for the pool data.

Model Specification

Multiple Linear Regression

This model will be used to test the pool effect of the variables on GDP. Thus:

$GDP_t = Bo + COExpRev_t + DomCORev_t + SCrRev_t + E_t$

Where:

GDP_t = Gross Domestic Product in year t
Bo= constant
$COExpRev_t$ = Crude Oil Export Revenue in year t
$DomCORev_t$ = Domestic Crude Oil Revenue in year t
$SCrRev_t$ = Other Crude Oil Revenue in year t
E_t = Error Term in year t

The multiple linear Regression will be adapted in Ordinary Linear Regression to test Hypotheses 1-4, thus:

Hypothesis one:

H_0: Crude Oil Export Revenue has no significant effect on Gross Domestic Product (GDP) in Nigeria.
H_1: Crude Oil Export Revenue has significant effect on Gross Domestic Product (GDP) in Nigeria

This hypothesis will be tested using the following Ordinary linear regression, thus:

$GDP_t = Bo + COExpRev_t + E_t$ ……………………………………………………….(1)

Where:
GDP_t = Gross Domestic Product in year t
Bo= constant
$COExpRev_t$ = Crude Oil Export Revenue in year t
E_t = Error Term in year t

This model will be used to determine the effect of Revenue from Crude Oil Export on GDP in Nigeria.

Hypothesis Two:
H_0: Revenue from Domestic Sale of Crude Oil has no significant effect on GDP in Nigeria.
H_1: Revenue from Domestic Sale of Crude Oil has significant effect on GDP in Nigeria.

$GDP_t = Bo + DomCORev_t + E_t$ ………………………………………………………..(2)

Where:
$GDP_{t=}$ Gross Domestic Product y
Bo= constant
$DomCORev_t$ = Domestic Crude Oil Revenue in year t
$E_{t=}$ error term

This model will be used to determine the effect of Domestic Crude Oil Revenue on Gross Domestic Product in Nigeria.

Hypothesis Three:
H_0: Revenue from Other Oil Sources has no significant effect on GDP in Nigeria.
H_1: Revenue from Other Oil Sources has significant effect on GDP in Nigeria.

$GDP_t = Bo + SCrRev_t + E_t$…………………………………………………………..(4)

Where:
$GDP_{t=}$ Gross Domestic Product in year t
Bo= constant
$SOCrRev_t$ = Sundry Crude Oil Revenue in year t
$E_{t=}$ Error term in year t

This model will be used to determine the effect of Other Oil Revenue on Gross Domestic Product in Nigeria.

DATA PRESENTATION AND ANALYSIS
Presentation of Data: Data for the analysis is presented in the appendix.
Data Analysis: The data were analyzed in line with the four hypotheses of the study.
Test of Hypotheses One
Restatement of Hypothesis
Ho: Revenue from Domestic Crude Oil Sales does not significantly affect Gross Domestic Product in Nigeria.
Hi: Revenue from Domestic Crude Oil Sales significantly affects Gross Domestic Product in Nigeria.

Table 4.1: Showing Regression Results of the Effect of Revenue from Crude Oil Export on GDP in Nigeria

Multiple R	R Square	Adjusted R Square	Standard Error	Beta Coefficient	P-value
0.237913034	0.056602612	-0.061322062	430.8965916	0.003358357	0.508036249

Source: Author's Computations
Table 4.1 shows the regression result of the effect of Revenue from Crude Oil Export on Gross Domestic Product. The result shows that R^2 is 0. 056602612 meaning that 6% of the variations in GDP is

attributable to changes in External Crude Oil Sales. The beta coefficient of 0.003358357 means that a naira increase in foreign debt will cause 0.003358357 increase in GDP. Again, probability of 0.508036249 shows that the effect of Revenue from Crude Oil Export on Gross Domestic Product is positive and insignificant.
In view of these result, foreign debt has positive and insignificant effect on Gross Domestic Product in Nigeria at 5% level of significance.

Decision: Therefore, Ho is accepted while Hi is rejected

Hypotheses Two
Ho: Revenue from Domestic Crude Oil Sales does not significantly affect Gross Domestic Product in Nigeria.
Hi: Revenue from Domestic Crude Oil Sales significantly affects Gross Domestic Product in Nigeria.
Decision Rule: Accept the null hypothesis (Ho) if p-value is more than 5% level of significance, otherwise reject.

Table 4.2: Showing Regression Results of the Effect of Revenue from Domestic Crude Oil Sales on GDP in Nigeria

Multiple R	R Square	Adjusted R Square	Standard Error	Beta Coefficients	p-value
0.418380733	0.175042437	0.071922742	561.2328438	0.008225869	0.228868475

Source: Author's Computations
Table 4.2 shows the regression result of the effect of Revenue from Domestic Crude Oil Sales on Gross Domestic Product. The result shows R^2 of 0.418380733 indicating that 42% of the variations in GDP are attributable to changes in revenue from domestic sales of crude oil. The beta coefficient of 0.008225869 means that a naira increases in domestic debts will cause 0.008225869 increases in GDP. The analysis also shows probability of 0.228868475. The result shows that domestic debt has insignificant effect on GDP.

From the above analysis, Revenue from Domestic Crude Oil Sales has positive and insignificant effect on Gross Domestic Product in Nigeria at 5% level of significance.
Decision: Accept Ho and rejected Hi

Hypotheses Three
Ho: Other Oil Revenue have no significant effect on Gross Domestic Product in Nigeria.
Hi: Other Oil Revenue has significant effect on Gross Domestic Product in Nigeria.
Table 4.3

Multiple R	R Square	Adjusted R Square	Standard Error	Coefficient	p-value
0.194625073	0.037878919	0.337912257	33.52454334	0.000211656	0.590021103

Source: Author's Computations, 2017
Table 4.3 shows the regression result of the effect of Other oil revenue on Gross Domestic Product. The result shows R^2 of 0.037878919meaning that 4% of the variations in GDP is accountable by the changes in Other Oil Revenue. The beta coefficient of 0.000211656 means that a naira increase in Other Oil Revenue will cause 0.000211656 increase in GDP. Again, the p-value of 0.590021103
shows that the effect of revenue from Other Oil Revenue on Gross Domestic Product is positive and insignificant. Following the above statistics, revenue from Other avenues not classified in the other models has positive and no significant effect on GDP at 5% level of significance.
Decision: Ho is accepted and Hi is rejected.

Analysis Using the Panel Data
Ho: Sundry Oil Revenue has no significant effect on Gross Domestic Product in Nigeria.
Hi: Sundry Oil Revenue has significant effect on Gross Domestic Product in Nigeria.

Table 4.3

Multiple R	R Square	Adjusted R Square	Standard Error	Beta Coefficient	p-value
0.571035008	0.32608098	0.241841102	1666.461328	0.036883911	0.084676865

Source: Author's Computations, 2017

Table 4.3shows the regression result of the effect of Total oil revenue on Gross Domestic Product. The result shows R^2 of 0.32608098 meaning that 33% of the variations in GDP is accountable by the changes in Total Oil Revenue. The beta coefficient of 0.036883911 means that a naira increase in Other Oil Revenue will cause 0.036883911 increase in GDP. Again, the p-value of 0.084676865
shows that the effect of revenue from Total Oil Revenue on Gross Domestic Product is positive and insignificant.

Following the above results, revenue from Total Oil Revenue has positive and insignificant effect on GDP at 5% level of significance.

Decision: Ho is accepted and Hi is rejected.

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

Summary of Findings:

Following the results of the analyses in section four of this study, the following are the findings:

a) Crude oil export revenue has a positive and insignificant effect on Gross Domestic Product in Nigeria.
b) Revenue from domestic crude oil has a positive and insignificant effect on Gross Domestic Product in Nigeria.
c) Revenue from sundry oil revenue has a positive and insignificant effect on Gross Domestic Product in Nigeria.

Conclusion:

Following the findings of this study, it is glaring that most of the indices measuring GDP did not show significant effect on Gross Domestic Product in Nigeria. Thus, better policies which will make the indices measuring revenue from crude oil to make more positive and significant effect on should be put in place.

Recommendations:

In view of the study's findings and conclusion, the following recommendations are made:

1. Administrators of the nation's funds must make judicious use of revenue from oil should be used on self-sustaining projects.
2. Efficient accounting system to articulate and report the exact funds which the government earns from oil and other non-tax revenues.
3. revenues from oil should be employed on projects that can stimulate the real sector to enhance productivity and Gross Domestic Product.

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YR	CRUDE OIL/GAS EXPORT	PPT AND ROYALTIES	DOMESTIC CRUDE OIL SALES	OTHER OIL REVENUE	GDP
2007	1,851.00	1,500.60	1,094.60	16.80	20,657
2008	2,251.40	2,812.30	1,462.50	4.40	24,296
2009	897.8	1,256.50	953	84.5	24,794
2010	1,696.20	1,944.70	1,746.30	8.80	33,985
2011	2,287.90	3,976.30	2,608.80	6.00	37,544
2012	1,780.90	4,365.40	1,874.20	5.50	40,544
2013	1,599.00	3,719.00	1,510.30	21.00	80,222
2014	1,896.20	3,439.60	1,370.60	87.40	89044
2015	898.60	1,782.40	1,050.70	98.40	94145
2016	668.40	2,682.00	1,075.50	80.56	98231

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Table 4.1 Central of Nigeria Data