

Effect Of Corruption On Crude Oil Revenue Earnings In Nigeria (1996 - 2015)

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Abstract: This study examines the effect of corruption on crude oil revenue earnings in Nigeria (1996 - 2015). It investigates the extent to which corrupt practices and oil prices can affect crude oil revenue earnings. To achieve these objectives, secondary data for Total Crude Oil Revenue Earnings (OILRE), Corruption Perception Index (CPI) as a measure for Corruption and Crude Oil Price of Bonny Light (OILP) from 1996 - 2015 were culled from Central Bank of Nigeria Statistical Bulletin, World Bank data base, Index mundi data base and Transparency International data base. Time series econometric techniques (ADF Unit Root Test, Johansen Co-integration Test, Error Correction Mechanism and Ordinary Least Square) were used for data analyses. The results show empirical evidence of a negative implication of CPI on OILRE, but no significant statistical relationship between CPI and OILRE in Nigeria. It also indicates a significant statistical long run relationship between OILP and OILRE in Nigeria. However, the study concludes that though corruption has a negative implication on total crude oil revenue earnings in Nigeria, but its effect is not significant. Hence, the study recommends that the services of EFCC and ICPC should be devoid of government interference, as well as the implementation of stiffer penalties on those found guilty of corruption.

Keyword: Corruption, Crude Oil Revenue Earnings, Oil Price, Econometric Techniques, Nigeria.

I. INTRODUCTION

The discovery of oil in Nigeria was never a blessing but a curse as it resulted to corruption, which led to unemployment, conflicts, underdevelopment and poverty amongst Nigerians. Crude oil has been a plaque ravaging the socio-economic development of oil rich countries (Akinwale, 2012; Alexandra, 2009; Okoye, 2016; Solomon, 2015). Since the 1970's oil boom, corruption has leaved among Nigerian leaders. From the past to the present, corruption has been like the HIV/aids virus gradually retarding socio-economic development of oil producing nations. Corruption is a monster and enemy to a country by which dishonest persons abuse and exploit public wealth (Okoye, 2016; Usman, 2011). The problem of Nigeria since 1970s has not been the issue of insufficient fund but the inefficient distribution and utilisation of earnings from crude

oil. The distribution of oil earnings has been a matter of life and death in Nigeria. It is not surprising that the increase in crude oil price has been synonymous to the rise in corruption. The problem of corruption has become a household endemic issue to be eradicated with ease. Corruption cases have been on the increase despites anti-corruption crusades. The porosity and inability to probe alleged corrupt cases in Nigeria have immensely contributed to the continuous leakage of capital from Nigeria for illegal deposits abroad.

Literature (Eze, 2015; Egunjobi, 2013; Adewale, 2011; Nwankwo, 2014; Odularu, 2008; Baghebo & Atima, 2013). have considered in their models GDP, FDI or External Debt as a function of corruption and oil prices in Nigeria. But have failed to model crude oil revenue earnings as a function of corruption and oil prices in Nigeria which is a gap to be considered by this study. Hence, the objectives of this study

are to determine the significant statistical relationship between corruption and total crude oil revenue earnings in Nigeria. It will equally evaluate the significant statistical long-run relationship between oil prices and total crude oil revenue earnings in Nigeria. This will be significant to draw up policy recommendations for the continuous fight against Corruption in Nigeria.

II. LITERATURE REVIEW

Corruption in Nigeria predates the military era. Donwa, Mgbame and Julius (2015) asserted that the history of corruption in Nigeria is strongly rooted in over twenty-nine years of military rule since 1960. According to their assertion, successive military regimes subdued the rule of law to facilitate the reckless looting of public wealth. Corruption can be traced to after the discovery of crude oil in 1956, at Oloibiri, Bayelsa State. The discovery of oil brought curse to Nigeria and other African countries which resulted to corruption amongst the elites (Akinwale, 2012; Alexandra, 2009; Solomon, 2015). Corruption in Nigeria reached its booming stage soon after the oil boom of the 1970's. Government officials were and are the main players of corrupt practices who engage incompetent contractors to handle government contracts for avenue to loot (Donwa, Mgbame & Julius, 2015; Baghebo & Atima, 2013; Nwakanma, 2003).

Usman (2011) considers corruption as the abuse of public office and dishonest exploitation of power for personal gain. Okoye (2016) sees corruption as a monster that has bedevilled various countries in Africa and beyond. Some literature identified corruption as a major obstacle militating against rapid growth and development in African countries. It undermines good governance, fundamentally distorts public policy, results to misappropriation of resources, thereby impoverish the poor (Mohammed, 2013; Lawal & Victor, 2012; Nageri, Gunu & Abdul, 2013). Benneth (2012) described corruption as a universal cancer which breeds crisis, eats into socio-cultural and economic growth of a country and equally destroys the performance of various organs of government. Adewale (2011) opined that corruption is an act of wrongly diverting resources that should have been used for socio-economic development. Eze (2015) examined the impact of revenue earnings from crude oil export on Nigeria economy and its level of corruption. He used multiple regression technique and structural stability to regress RGDP as a function of oil export, non-oil export and corruption. His result portrayed that oil export significantly impact on the economy despite its effect by corruption which appears to be negatively related to RGDP. Donwa, Mgbame and Ogbuide (2015) used exploratory study to examine the effect of corruption in the oil and gas industry to economy growth of Nigeria. They adopted the resource-curse theory to review other empirical works, the Transparency International Report on corruption and some corruption cases in Nigeria. They discovered that corruption has increased over the years and had being part of our socio-political and economic life. Solomon (2015) examined why the Nigerian nation appeared to be one of the most corrupt nations in the world. Using the constructivist approach, he concluded that bringing together

community-based traditions, greed and dependence on oil has shown a nationwide corrupt practices. Nwankwo (2014) investigated the impact of corruption on economy growth in Nigeria. Granger causality and regression techniques were adopted to analyse GDP as proxy for economic growth and corruption index as proxy for corruption. The result showed that the level of corruption over the years have significant negative impact on economic growth in Nigeria.

A. CHRONOLOGICAL ACCOUNTS OF ALLEGED CORRUPT ADMINISTRATION IN NIGERIA

The nature of the Nigerian oil industry has relatively made it easy for those who manipulate revenue flows for political gain to conceal their activities. Most of the proceeds from the oil wealth end up in the pockets of few Nigerian leaders (Okeke & Aniche, 2013; Christina & Aaron, 2013).

The first Republic of Sir Abubakar Tafawa Balewa and Nnamdi Azikwe were allegedly marked with widespread corruption. Government officials were accused to have looted public funds with impunity (Benneth, 2012). General Aguiyi Thomas Ironsi regime allegedly punished looters of the first Republic. General Yakubu Gowon allegedly gave freedom to detained politicians of the first Republic. His administration experienced unprecedented wealth from the oil boom of 1970's and was alleged to have indiscriminately inflates government contracts (Afolabi, 1993). The assets of General Murtala Mohammed were declared and ordered all government officials to follow same in bid to fight corruption. His administration allegedly dismissed ten military Governors of the Gowon regime from the military and their properties considered to be in excess of their earnings were seized (Benneth, 2012).

The Shehu Shagari administration of the second Republic was allegedly declared to have been fantastically corrupt as corruption among political leaders was amplified through official loots of public funds without caution (Dash, 1983). The General Muhammadu Buhari administration from 1983 to 1985 allegedly observed the enormous loots and export of crude oil by past administrations. He observed that proceeds were laundered through world financial centres and were used to acquire assets in and outside Nigeria. He allegedly fought corruption with impunity to recover stolen revenue from corrupt leaders as a military president (Christina & Aaron, 2013). It was alleged that the General Ibrahim Babangida administration saw Nigeria through thirteen years of loots and corruption was established to an unprecedented level. It was alleged that those who were found guilty by tribunals under the Murtala Mohammed and Mohammadu Buhari regimes were released to public life and their seized properties released (Michael, 2012). Assuming office in 1995, it was alleged that General Abacha and his family systematically and blatantly looted Nigerian oil revenue (International Centre for Asset Recovery, 2009). The focus of the Abdulsalami Abubakar government was not to fight corruption, hence allegedly did nothing to fight corruption (Benneth, 2012).

The Fourth Republic commenced with General Olusegun Obasanjo. His administration strengthened existing anti-corruption laws and established two important anti-corruption institutions - the Independent Corrupt Practices and Other

Related Offences Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC) to tackle corruption. However, it was asserted that no significant achievement was made by his administration to fight corruption; rather corruption was promoted in pretence of fighting it (Alexandra, 2009). It was asserted that the Goodluck Jonathan administration was not keen at stopping the continuous loots in Nigeria by corrupt politicians. Consequently, it was alleged that oil revenue were looted through fuel subsidy, SURE-P, political campaigns and elections (Okoye, 2016; Omitaomu, 2014).

B. THEORETICAL FRAMEWORK

The theories that guide this study are the Resource-Curse Theory and the Classical Elite Theory.

The Resource-Curse Theory also known as the paradox of plenty or the theory of Dutch disease states that plenty of mineral resources are more often a curse than a blessing, particularly in African countries when compared to developed countries with little or no natural resources. The resource-curse theory was first used by Richard Auty in 1993 to describe how countries rich in natural resources were unable to boost their economies when compared to countries without abundance of natural resources. The resource-curse theory is attributed to government mismanagement of resources through corrupt practices relatively to revenue from extractive industries (Okeke & Aniche, 2013). Sachs and Warner (2001) expanded on this theory, stating that there is a link between abundance of natural resources and poor economic growth. Stiglitz (2005) and Karl (2005) argued that extraction of resources reduces the wealth of a country if the generated funds are not diversified to other areas of investment.

The Classical Elite Theory states that a minority group makes the major political and economic decisions in a society. The origin of this theory is linked to Plato, but its emphasis is in the thoughts of Vilfredo Pareto and Gaetano Mosca who classified elite into governing elite and non-governing elite (Chilcote, 1994). This theory is basically on elite domination and manipulation which reflect the Nigerian oil sector whereby political elite over the years squandered oil revenue. Consequently, government's inability to probe corruption cases is a leverage to conclude that the elite group are the major beneficiaries of the Nigerian oil wealth (Okogu, 1993).

III. EMPIRICAL CASES OF ALLEGED CORRUPTION IN NIGERIA

Despite the anti-corruption crusades, corruption had continually leaved amongst Nigerian elites.

s/n	Names/Company Name	Amount	Description	Source
1	Alhaji Maina	₦195 billion	Pension Funds	Okoye (2016)
2	Atiku Abubakar Kigo and Mrs. Uzoma Cyril Attang	₦32.8 billion	Police Pension Funds.	Greennews .ng
3	Missing from NNPC	\$100 million was stolen	Kerosene Subsidy in 2009	Omitaomu (2014) & Okoye

		every month in 2009		(2016)
4	Diverted by NNPC	\$15.2 billion	Crude Oil Proceeds from 2012 to July 2013	Omitaomu (2014) & Okoye (2016)
5	Diezani Alison-Madueke	\$3.5 billion	Misappropriation of Crude Oil Resources	Greennews .ng
6	Mamman Ali, Mahmud Tukur and Femi Otedola	\$6 billion	Fuel Subsidy Fund between 2014 and 2015	Okoye (2016).
7	Malabu Oil owned by Dan Etete	\$1.1billion	Proceeds for the Sale of an Oil Block	Greennews .ng.
8	Stella Oduah	₦255million	Purchase of two Bullet-Proof BMW Cars	Okoye (2016)
9	Sambo Dasuki	\$2.1 billion	Arms Fund	Ladan-Baki(2016)
10	The late Mohammed Abacha's	₦446 billion	Loots before he died in Office in 1998	Greennews .ng
11	Mr. Babatunde Fashola (SAN)	₦78 million,	Awarded for the Upgrade of www.fashola.com	Greennews .ng
12	A Private Jet owned by Pastor Ayo Oritsejafor	\$9 million	Alleged money meant for arms procurement	Ladan-Baki (2016)
13	Alhaji Umaru Diko	4 billion	Public Fund for the importation of Rice	Dash (1983)

Author's computation (2017)

Table 1: Alleged Cases of Corrupt Nigerians and Institutions

Adeniyi F. A. Ademola	Nwali Sylvester Ngwuta	John Inyang Okoro
₦54m	₦35,208,000.00	₦4,350,000.00
\$171,779.00	\$319,475.00	\$38,833.00
£80.00	£25,890	£25,890.00
€ 4,400	€ 280	€ 1,000
Rupees 1,010.00	UAE 380.00	

Source: Sunday Vanguard, October 9 (2016).

Table 2: Allegations against some Judges by Department of State Services (DSS)

Periods	Beneficiaries (company / Individual)	Amount (\$)
1994-1995	General Sanni Abacha (former Nigeria Military Dictator)	\$40 million
1996-1998	Dan Etete (former Minister of Petroleum under Abacha)	\$2.5 million
1996-1998	M.D.Yusuf (Former Inspector General of Police and Chairman of LNG)	\$75,000
1998	General Sanni Abacha's brother, Abdulkadir Abacha	\$1.887million
1999-2000	Atiku Ababakar (Vice President, 1999-2007) and Don Etiebet, ex Petroleum Minister)	\$37.5 million
2001-2002	Olusegun Obasanjo and Atiku Abubakar and Funsho Kupolokun (GMD,	\$74million

	NNPC)	
2001-2002	Bodunde Adeyanju (ex personal assistant to Obasanjo)	\$5million
2001-2002	Ibrahim Aliyu, a retired federal permanent secretary (Urban Shelter and Intercellular)	\$11.7million
2001-2002	Mohammed Gidado Bakare (a retired Chief Planning Officer)	\$3,108,675 million
March, 1999	Nasir Ado Bayero, Son of the Emir of Kano (Gosmer International, Risers Brothers)	\$600,000
1999-2000	Shinkafi and Glosmer International	\$195,000
March, 1999	Edith Edeghoughou	\$290,000
March, 1999	Zertasha Malik and Greta overseas	\$600,000
March/June, 1998	Greta Overseas and Riser Brothers	\$1.12million
2001 & 2002	Principal officials of the Nigerian Federal Inland Revenue Service	\$2.4million

Source: Donwa, Mgbame and Ogbeide (2015).

Table 3: The alleged Halliburton scandal of about US\$182 million bribes involving some Nigerian leaders

Funds and assets allegedly declared recovered from individuals in Nigeria as at 2016 as announced from the office of the Minister of Information and Culture, Alhaji Lai Mohammed.

₦78,325,354,631.82
\$185,119,584.61
£3,508,355.46
€11,250

Source: Vanguard 4 June (2016)

Table 4: Total cash recoveries

₦126, 563,481,095.43
\$9,090,243,920.15
£2,484,447.55
€303,399.17

Source: Vanguard 4 June (2016)

Table 5: Recoveries under Interim Forfeiture (cash and assets)

\$321,316,726.1
£6,900,000
€11,826.11

Source: Vanguard 4 June (2016)

Table 6: Funds awaiting Return from Foreign Jurisdictions

Farmlands, Plots of Land, Uncompleted Buildings, Completed Buildings, Vehicles and Maritime Vessels: Totalled 239.

Source: Vanguard 4 June (2016).

Table 7: Non-Cash Recoveries

IV. METHODOLOGY

This study used annual time-series data from 1996 to 2015. Secondary data were sourced from Central Bank of

Nigeria Statistical Bulletin, World Bank data base, Index mundi data base and Transparency International data base. E-view was used to analyse the data using Descriptive Statistics (normality test), Augmented Dickey Fuller Unit Root Test (stationarity test), Johansen Co-integration Test (long run analysis), Error Correction Mechanism (short run analysis), Ordinary Least Square regression (relationship and significant of among the variables).

A. SPECIFICATION OF EMPIRICAL MODEL

The model is based on the modification of the empirical models of Nwankwo (2014) and Baghebo and Atima (2013). Total Crude Oil Revenue Earnings (OILRE) is a function of Corruption Perception Index (CPI) as a measure of corruption and Crude Oil Price (OILP). The functional relationship of the model becomes;

$$OILRE_t = F \{ CPI_t, OILP_t \} \text{-----} 1$$

Equation (1) can be express in its econometric form as:

$$OILRE_t = \beta_0 + \beta_1 CPI_t + \beta_2 OILP_t + \mu_t \text{-----} 2$$

Where:

OILRE implies Total Crude Oil Revenue Earnings

CPI implies Corruption Perception Index as a measure of Corruption and

OILP implies Crude Oil Price of Bonny Light.

μ_t implies error term

B. A-PRIORI EXPECTATION

$$\beta_1 < 0 \text{ and } \beta_2 > 0$$

C. SUMMARY OF REGRESSION RESULTS AND DISCUSSION

	OILRE	CPI	OILP
Mean	3790.154	1.991000	57.51886
Median	3592.450	2.050000	52.23250
Maximum	8878.970	2.700000	114.1500
Minimum	324.3100	0.960000	13.25000
Std. Dev.	2706.152	0.578909	35.90016
Skewness	0.279113	-0.347837	0.376888
Kurtosis	1.872822	1.859904	1.667101
Jarque-Bera	1.318457	1.486485	1.953999
Probability	0.517250	0.475569	0.376439
Sum	75803.09	39.82000	1150.377
Sum Sq. Dev.	1.39E+08	6.367580	24487.61
Observations	20	20	20

Source: Researcher's Computation (2016) using E-view 7.0

Table 8: Descriptive Statistics of Corruption and Oil Price on Oil Revenue

From the result of the descriptive statistics in Table 8, the standard deviation, mean and sum of OILRE tends to be very high when compared to the standard deviations, mean and sum of OILP and CPI. This indicates an unpredictable trend as their probabilities do not reflect normality at 5% level of significant rather at 10% significant. Consequently, this trend can be concluded to indicate a situation in which a change in OILP and CPI indicate a balance and a consistent change in OILRE.

Variable s	At Level	Prob.*	At First Difference	Prob.*	Order of Integration	Conclusion
OILRE	1.642734	0.4426	-4.383879	0.0034	I(1)	stationary
CPI	1.748184	0.3928	-5.046674	0.0009	I(1)	stationary
OILP	1.378816	0.5704	-3.102303	0.0039	I(1)	stationary

Source: Researcher's Computation (2016) using E-views 7.0
Table 9: ADF Unit Root Test Result

Series: TORES

Exogenous series: CPI OILP

Unrestricted Cointegration Rank Test (Trace)				
Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.*
None*	0.788315	49.61565	42.91525	0.0093

Trace test indicates 1 cointegrating eqn(s) at the 0.05 level

Unrestricted Cointegration Rank Test (Maximum Eigenvalue)				
Hypothesized No. of CE(s)	Eigenvalue	Max-Eigen Statistic	0.05 Critical Value	Prob.*
None*	0.788315	27.94781	25.82321	0.0259

Max-eigenvalue test indicates 1 cointegrating eqn(s) at the 0.05 level

Source: Researcher's Computation (2016) using E-views 7.0

Table 10: Cointegration Test Result

Dependent Variable: DOILRE

Variables	Coefficient	Std-Error	t- statistic	Prob.*
C	48.59659	149.0031	0.326145	0.7488
DCPI	-166.8380	460.7687	-0.362086	0.7223
DOILP	80.52251	7.749597	10.39054	0.0000
ECM(-1)	-0.622847	0.235155	-2.648662	0.0182
R-square	0.881279			
Adjusted R-square	0.857535			
F-statistic	37.11554			
Prob(F-statistic)	0.000000			
Durbin Watson stat.	1.437567			

Source: Researcher's Computation (2016) using E-views 7.0

Table 11: Error Correction Model (Short run Estimates)

Dependent Variable: OILRE

Variables	Coefficient	Std-Error	t- statistic	Prob.*
C	-140.3190	650.7673	-0.215621	0.8318
CPI	-226.1721	471.7878	-0.479394	0.6378
OILP	76.16254	7.607828	10.01108	0.0000
R-square	0.943100			
Adjusted R-square	0.936405			
F-statistic	140.8839			
Prob(F-statistic)	0.000000			
Durbin Watson stat.	1.102739			

Source: Researcher's Computation (2016) using E-views 7.0

Table 12: The OLS Regression Result

D. TEST OF HYPOTHESES

HYPOTHESIS 1

H₀: There is no significant statistical relationship between corruption perception index and total crude oil revenue earnings in Nigeria.

The decision rule is to reject the null hypothesis and accept the alternative if $p < 0.05$, otherwise accept the null hypothesis if $p > 0.05$.

From Table 9, CPI clearly demonstrates at first difference order of integration at order one, I(1), indicating stationarity at 1%, 5% and 10% levels of significant. Table 10 shows co-integration between CPI and OILRE, showing a long-run equilibrium relationship. Table 11 indicates validity of short run equilibrium relationship between CPI and OILRE due to a negative sign of -0.622847 which is less than 1 with a statistical significant of 0.0182. The coefficient of 0.6228 indicates that 62.3% of deviation from equilibrium is corrected annually, which shows the speed of adjustment from short run disequilibrium to long run equilibrium.

In addition, R² of 0.9431 in Table 12 indicates that the model explained about 94% of the variations in OILRE. The adjusted R² of 93% reiterate the variations in OILRE by the variations in CPI. The model has no autocorrelation, hence Durbin Watson is 1.102739. The model is statistically significant due to the high F-statistic of 140.8839 and significant at 5% level. CPI has a negative coefficient of -226.1721 and a negative t- statistic of -0.479394 which conform to our a-priori expectation. But, with a probability value of 0.6378 > 0.05 indicating that CPI is insignificant. As such, we therefore accept the null hypothesis and infer that there is no significant statistical relationship between corruption and total crude oil revenue earnings in Nigeria.

HYPOTHESIS 2

H₀: There is no significant statistical long-run relationship between oil price and total crude oil revenue earnings in Nigeria.

The decision rule is to reject the null hypothesis and accept the alternative if $p < 0.05$, otherwise accept the null hypothesis if $p > 0.05$.

In Table 9, OILP clearly demonstrate order of integration at order one, I(1) at first difference, indicating stationarity at 1%, 5% and 10% levels of significant. The test result in Table 10 showed co-integrating relationship between OILP and OILRE, indicating a long-run equilibrium relationship. However, Table 11 shows a negative sign of -0.622847 less than 1 with a statistical significant of 0.0182. This indicates validity of short run equilibrium relationship between OILP and OILRE. The coefficient of 0.6228 shows that 62.3% of the deviation from equilibrium is corrected annually, indicating the short run disequilibrium adjustment to long run equilibrium.

Furthermore, R² of 0.9431 in Table 12 shows that the model is able to explain about 94.3% of the variations in OILRE. The adjusted R² of 93% re-affirm the variations in OILRE by the variations in OILP. The model has no autocorrelation, hence Durbin Watson is 1.102739. The model is statistically significant due to the high F-statistic of 140.8839 and significant at 5% level. OILP has a positive coefficient of 76.16254, and a positive t-statistic of 7.6078 with a probability value of 0.0000 < 0.05, conforming to our a-priori expectation. Hence, there is enough evidence to reject the null hypothesis and conclude that there is significant

statistical long-run relationship between oil price and total crude oil revenue earnings in Nigeria.

E. DISCUSSION OF FINDINGS

The findings of the study from hypothesis 1 revealed that there is empirical evidence of negative implication of corruption on total crude oil revenue earnings, but no significant statistical relationship between corruption and total crude oil revenue earnings in Nigeria. This implies that corruption does not significantly affect total crude oil revenue earnings in Nigeria. This result conforms to our a-priori expectation. This finding conforms to the studies of Akindele (2005); Bakare and Fawehinmi (2011); Nageri, Gunu and Abdul (2013). Also in hypothesis 2, the findings of the study showed that there is significant statistical long run relationship between oil price and total crude oil revenue earnings in Nigeria. This indicates that oil price significantly increase the total crude oil revenue earnings in Nigeria as leverage to corruption. This result conforms to our a-priori expectation and agrees with the studies of Odularu (2008) and Eze (2015).

V. CONCLUSION AND RECOMMENDATIONS

This study was carried out to examine the effect of corruption on crude oil revenue earnings in Nigeria. Secondary data for OILRE, CPI and OILP covering 1996 to 2015 were obtained from Central Bank of Nigeria Statistical Bulletin, World Bank data base, Index mundi data base and Transparency International data base. Augmented Dickey Fuller unit root test, Johansen Co-integration, Error Correction Mechanism and Ordinary Least Square were collectively applied to determine the relationship between corruption perception index and total crude oil revenue earnings in Nigeria. Equally, to evaluate the long-run relationship between oil price and total crude oil revenue earnings in Nigeria. The results showed empirical evidence of negative effect of corruption on total crude oil revenue earnings, but corruption has no significant statistical relationship with total crude oil revenue earnings in Nigeria. This infers that corruption does not significantly affect total crude oil revenue earnings in Nigeria. It also revealed significant statistical long run relationship between oil price and total crude oil revenue earnings, indicating that oil prices significantly increase total crude oil earnings as a boost to corruption in Nigeria. Therefore, it is the conclusion of the study that corruption has negative but not significant implication on total crude oil revenue earnings in Nigeria.

The following recommendations are made based on our findings:

- ✓ The study recommends that the services of EFCC and ICPC should be in all ramifications devoid of Government interference. Consequently, stiffer sanctions such as life imprisonment should be melted on those found guilty of corrupt practices.
- ✓ It is therefore important for appropriate formulation and implementation of policies such as the Treasury Single Account by the Central Bank of Nigeria and the Nigerian

government to judiciously manage her total revenue earnings to avoid leakages through corrupt practices.

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