FISCAL FEDERALISM AND NATIONAL DEVELOPMENT: ANALYSIS OF INTERNALLY GENERATED REVENUE PROFILE OF COMPONENT STATES IN NIGERIA

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Abstract: In this paper titled, 'fiscal federalism and National Development: Analysis of IGR (internally Generated Revenue) profile of component States in Nigeria**'.** We attempted to show the significance of internally generated revenue on Nigeria's overall fiscal Federalism and socio-economic development. We established that fiscal federalism is the system of revenue allocation, generation and re-distribution within a federal system such as Nigeria.The paper discovered that fiscal federalism is a controversial issue in Nigeria that defiles various solutions. This ofcourse is basically because Nigeria as a Nation-State has failed to tailor her fiscal federalism to the dynamics of her Federalism. In arriving at this conclusion, national developmental plans in Nigeria over the years were explored, with issues such as the relationship between true federalism and fiscal federalism; internally generated revenues of States.., especially those in the south-south region of Nigeria amongst others extensively discussed. This research paper believes that the economic problem of Nigeria should not only be seen from the perspective of a fall in the price oil internationally, but predominantly on the inability of the Nigerian Stateto adequately and effectively generate revenue within the polity to fastrack her developmental goals and prospects.

Key Words: Fiscal Federalism, IGR, Socio-economic Development.

INTRODUCTION:

Nigeria as a nation operates a federal system of government with three federating units – the federal, state and local government. The 1999 constitution of the Federal Republic of Nigeria Section 162:3 provides that:

> *Any amount standing to the credit of the Federation Account shall be distributed among the Federal and State Government and the Local Government Councils in each state on such terms and in such manner as may be prescribed by the National Assembly.*

Fiscal federalism works in a federal system of government. Ekpo (2004) maintained that fiscal federalism is the system of revenue allocation, generation and re-distribution within a federal system. Fiscal federalism is a controversial issue in Nigeria that defiles various solutions. It boils down to the fact that Nigeria cannot have a perfect fiscal federalism in a faulty federalism.

Conceptualizing development is indeed an herculean task. This is because it does not have a generally acceptable definition. This paper shall adopt the idea of development by Gboyega (2003) who considers the concept as an idea that embodies all attempts to improve the conditions of human existent in all ramifications. It also has to do with improvement in materials as well as social well being. We have also used this as the yard stick to consider national development in Nigeria. National development in Nigeria dates back to British "Ten year plan of development and welfare plan in Nigeria". This was followed by national development plans which were aimed at bringing about development in the living conditions of the people. Many development strategies have been launched in Nigeria but they could not provide the needed result.

In carefully examining the expenditure profile of government which is aimed at alleviation of poverty, provision of security, wealth creation as well as provision of essential services adequate effort should be put in revenue generation. Before the discovery of oil in commercial quantity in Nigeria the country was able to pay workers salary and embark on other development projects. Serious thought was not given to internally revenue generation when Nigeria began to depend on oil revenue from 1970. Nigeria is blessed with many untapped natural resources. If the resources are properly harnessed it will increase the annual revenue of the country and contribute to national development.

The focus of thispaper therefore is examination of fiscal federalism, analysis of internally generated revenue profile and its contributions to national development. The theory of fiscal federalism which was developed by Richard Musgrave in 1959 shall be adopted as the framework of analysis for this work. Musgrave argued that Federal government have the ability to solve many of the issues local governments face by providing the balance and stability needed to overcome uneven distribution of wealth and lack of available resources. He further posits that federal governments should manage a nation's money from the top and give to the states that can distribute it locally as needed.

The work is presented under: Introduction, Nigeria Fiscal Federalism, National Development in Nigeria, Internally Generated Revenue in Nigeria and Conclusion.

NIGERIA FISCAL FEDERALISM:

The understanding of the concept federalism will help to facilitate the understanding of fiscal federalism. This is because federalism is the foundational base within which fiscal federalism is situated. Federalism is a political system where there are more than one level of government and the power to govern is shared between the federating units. For instance, Vincent, (2001) argued that "the concept of federalism implies that each tier of government is coordinate and independent in its delimited sphere of authority and should also have appropriate taxing power to exploit its independent sources of revenue". Sagay, 2008) also conceptualized federalism as:

> *An arrangement whereby powers within a multi-national country are shared between a federal government and component units in such a way that each unit, including the central authority exist as a government separately and independently from others, operating directly on persons and properties with its territorial area and with a will of its own apparatus for the conduct of affairs and with an authority in some matters exclusive of others.*

In analyzing the concept it is apparent that each unit of government within a federation exists not as an appendage of another government but as autonomous entity which is capable of conducting its affairs without directive from any other level of government.Nigeria as a nation operates a federal system of government. The practice of Nigeria Federalism is different from the above. The power of the federal government supersedes that of other tiers of government. In adopting this position, this paper also agree with the argument of Ekpo, (2004) "that in reality, there is no federal structure with one hundred percent coordinate and independent units". Ekpo further stressed that there is no such thing as a 'true federalism' in the real sense of the word. Consequently, there is no totally identical federal system and each system even where such idea had been borrowed from elsewhere, often reflects the peculiar socio-economic and historical moment that led to its introduction.

Fiscal federalism is one of the major principles which could be used to assess a true or balance federalism. There are various definitions of fiscal federalism and others sometimes refer to as "intergovernmental fiscal relation". According to Ozor (2004), in Aigbepue, S. (2011).

> *Fiscal federalism in a federal system of government is the allocation of taxing power federally collectable revenue and federal expenditures to the different levels/components of government in a federation so as to enable them discharge their constitutionally assigned functions and responsibility to their citizens.*

From the above postulation, fiscal federalism is all about the allocation of government revenue and resources and spending to the various units of government. For the purpose of this paper, we shall adopt the definition of Ekpo (2004) "as the system of revenue generation allocation and redistribution within a federal system. It is that aspect of federalism that concerns the financial and attendant functions and responsibilities of component units within a federal structure." Fiscal federalism only applies or works in a federal system of government. However since Nigeria operates a faulty system of federalism it also affect the fiscal federalism.

Nigeria is not operating federalism in its true sense by all indicators hence the problem of the Nigerian fiscal federalism can be explained in terms of its historical origin in relation to the colonial foundation. Arguing along the line Ekpo also maintained that:

> *Fiscal federalism has always remained a controversial issue in Nigeria since its creation. It is even more important to appreciate that this historical and contemporary controversy does not merely exist because of the arrangement in themselves but they exist because of the development implication of adopting any revenue acquisition and/or redistribution principle.*

In an attempt to find a lasting solution to Nigeria fiscal federalism, it was discovered that decentralized system of government gives rise to a set of fiscal exigencies which is commonly referred to fiscal federalism. It is also known as fiscal decentralization. It has to do with the scope and structure of the units of governmental responsibilities and functions and the allocation of resources among the tiers of government to scope with respective functions. On the whole, the issue of fiscal federalism in Nigeria has been and will continue to be a contentious issue. This also has a corresponding effect on the issue of acceptable revenue formula which has resulted in the persistent public discourse on resource control. There is the need for an equitable revenue sharing that would be in the best interest for the attainment of a stable Nigerian federalism. Ekpo, (2004) and Aigbepue and Augustine (2011).The sharing of fund from the federation account is one of the contentious and sensitive issues in the Nigerian fiscal federalism. Revenue allocation in Nigeria is considered to be the sharing of the national revenue among the various tiers of government in the federation so as to reflect the structure of fiscal federalism.

Nigeria history revealed that before the amalgamation of Nigeria in 1914, the component units, the northern and southern protectorate each of the units enjoyed complete fiscal federalism. Before the amalgamation, a unified fiscal system had already been in place while the centralized budgeting system was introduced later. With the adoption of regionalism in 1946, a decentralized fiscal structure was put in place. Several commissions were created to address the challenges of fiscal federalism. Some of the commissions establish to address the challenges of fiscal federalism in Nigeria includes among others: The Philipson Commission of 1946, the Hics-Philipson Commission of 1950, the Louis – Chick Commission of 1954, and the Raisman – Tress Commission of 1958 all prior to independence. After the declaration of Nigeria as a Republic, the journey began from where it stopped with the Binns Commission of 1964, Interim Revenue Allocation Review Committee of 1969, the 1977 Technical Committee on Revenue Allocation, the Okigbo Commission of 1979 and the 1968 Danguma Commission all prior to the fourth Republic. New formula was also introduced in 1990 and 2000, each of these commissions came up with their own distinct criteria as to how the revenue in the country are to be shared. However, none of the commissions recommendations were completely accepted by government. Controversies concerning the country's fiscal operation took a new dimension as the federal government was accused by the oil producing states for not honouring the derivation principles as stated in the 1999 Federal Constitution. The National Revenue Mobilization Allocation and Fiscal Commission (NRMAFS) insisted on interpretation of the constitution.

EVALUATING THE CONCEPT NATIONAL DEVELOPMENT IN NIGERIA:

The concept development is one of the words that does not have a generally acceptable definition as it means different thing to different people. However, attempts have been made by some scholars to conceptualize development. For the purpose of this paper, we shall consider the definition of Gboyega, (2003) which looks at development as:

> *an idea that embodies all attempts to improve the conditions of human existence in all ramifications. It implies improvement in material well being of all citizens, not the most powerful and rich alone in a sustainable way such that today's consumption does not imperil the future. It also demands that poverty and inequality of access to the good things of life be removed or drastically removed. It seeks to improve personal physical security and livelihoods and expansion of life chances.*

The above concept of development is adopted for this seminar paper because it deals with major aspects which include human being and the society. To make the concept more acceptable for this work it should be noted that development is a process of human and societal advancement. It does not only involves economic activities but also has to do with socio-economic, religious and political issues and cut across all aspects of societal life.According to Longman Dictionary of Contemporary English the word national refers to a phenomenon that embraces a whole nation. Based on the above premise, national development could be described as the overall collective socio-economic, political as well as socio-economic, political as well as religious advancement of the country or nation. As Lukpala, (2013) opined, national development refer to a state of maturity which characterizes a nation state. It is characterized by government machinery capable of commanding loyalty, keeping order eliciting legitimacy, fostering integration, permitting mass participation and satisfying popular wants and expectations."

Various administrations effort to embark on national development divided Nigeria into two distinct socio economic sectors namely the urban and rural sectors. There was a great disparity in each of the sectors in terms of natural resources endowment, investment and physical quality of life of the inhabitants. Right from the pre-colonial and colonial era, social amenities were concentrated in the urban areas. The rural sector with abundance of human and natural resources accounted for over 70 per cent of the population that produced the needed food in the urban and rural areas (National Policy, 2000).The missing link between the Nigeria rural sector and the urban constitutes the limitation in a successful national development.

Nigeria rural communities lack infrastructural facilities including roads, good water supply and health care, power supply and communication facilities.

> *The shortcomings of the past attempts at national development underscore the imperative of a national policy on integrated rural development as a means of evolving and adopting an approach through which rural development would be synergistically linked with national development efforts at all times and in all spheres (National Policy 2000).*

NATIONAL DEVELOPMENT PLANS IN NIGERIA:

The poor state of our rural areas reflects the picture of national development and faulty planning inherited from the colonial masters. Until independence, the main objective of the development policy was extraction of surpluses from the rural areas for export. As Aremu, (2003) rightly argued,

> *We have had series of development plans in Nigeria. Nigeria is permanently hunted by the spectre of development. Its forty nine years of independence actually are rolling by daily in search of development. The myth of growth and development is so entrenched that the country's history of development strategies and growth models from colonial lines up to date. No term has been in constant flux as development. This seems the only country where virtually all notions and models of development have been experimented.*

National development planning in Nigeria dates back to the British "Ten year plan of development and welfare for Nigeria" It was not actually plan but a collection of projects which the colonial masters felt would help to achieve its objectives in Nigeria which was simply the provision of markets and raw materials for industries in the mother country. The highest vote was allocated to communication and transportation in the plan which protected their economic motives. Roads and railways were designed to link cash crop producing areas with administrative headquarters. There was no provision for development of the rural area in the ten year development and welfare programme. Social services were provided in the urban area where the British administrators lived while the rural dwellers were denied of such services which is still the picture of the present Nigeria.

1. **The First National Development Plan (1962-1968)**

The first Nigerian National Development Plan was an ambitious economic plan that was launched in 1962 with a six year target that envisaged the spending of about $1,900,000,000 on development and productivity enhancing projects. The plan was prepared by the minister of Economic Development in concert with United Nations and Ford Foundation experts including the late economist Wolfgang Stolper (National Development Plan). The plan was designed as a coordinated effort between the federal and regional governments with emphasis on technical education, agriculture and industry and provision was made for a mixed economic system.

2. **The Second National Development Plan (1970-1974)**

The plan was launched after the civil war with major priority in agriculture, industry, transport, defence, manpower electricity, communication, water supply, and provision of social services.The plan was aimed at the restoration and rehabilitation of economic activities which were affected by the civil war as much as achieving development with the available resources.

3. **The Third National Development Plan (1975-1980)**

Emphasis was placed on rural development and more effort to revamp agricultural sector. This was the first time consideration was made to rural development in the plan. Unfortunately, the fund allocated to the various sectors did not differ from the previous plans. Transport and communication received the highest allocation as in other plans. In spite of huge amount voted for transportation, rural roads did not receive the needed attention. The plan created little impact on rural development not minding the provision.

4. **The Fourth National Development Plan (1981-1985)**

The plan was aimed at bringing about improvement in the living conditions of the people. The specific objectives were increase in the income of the average citizen, distribution of income among individuals and social economic groups. It was also aimed at dependence on the country's material and human resources. The plan also recognized the role of social services. Effort was also geared towards stemming of the drift of population from rural to urban areas. It is on record that many strategies have been launched in Nigeria for both rural and national development but they fail to yield the needed result. For instance, Green Revolution Operation feed the Nation, Better Life Programme for Rural Women, Directorate for

Food, Roads and Rural Infrastructure among others but none of the strategies recorded the expected success.Most of the structures established for development in Nigeria ended with administrations that created them without accountability. Hence, it is possible to establish that the problem of Nigeria national development is not planning but leadership, non accountability and corruption among others.

INTERNALLY GENERATED REVENUE IN NIGERIA:

The need for generation of revenue at all levels of government need not be over emphasized. In consideration of expenditure profile of government which is aimed at reducing poverty, and wealth creation, adequate effort should be put in revenue generation. Various definitions have been given to the concept revenue but the general impression in most of the definitions is that it is the fund required by government to finance its activities. As Ogechi, (2013) argued, "revenue is the total amount of income that accrues to an organization (public or private) within a specified period of time".

This paper adopts the definition of revenue according to Section 162 subsection 10 of the 1999 Constitution of the Federal Republic of Nigeria as any income or return accruing to or derived by the Government of the Federation from any source and includes

(a) any receipt, however described arising from the operation of any law;
(b) any return, however described, arising from or in respect of any property held by the Government of the Federation;
(c) any return by way of interest on loans and dividends in respect of shares or interest held by the Government of the Federation in any company or statutory body.

A special account to be called "the Federation Account" shall be maintained by the Federal Republic of Nigeria and all revenues collected by the Government of the Federation except the proceeds from the personal income tax of the personnel's of the armed forces of the Federation, the Nigeria Police Force, the ministry or department of government charged with responsibility for Foreign Affairs and the residents of the Federal Capital Territory, Abuja shall be paid into that account. Internally Generated Revenue (IGR) is the revenue that state and local governments generate within the areas of their jurisdiction. Sources of internal revenue available to state and local governments includes taxes, fines and fees, licenses, rent on government property, business premises, interest and dividends, direct assessment among others.

In spite of the various sources of revenue available to different tiers of government as specified in the 1999 constitution, over eighty percent of income of the three tiers of government comes from petroleum. The decline in the price of oil in the recent time has led to the decrease in the distributable revenue to the different tiers of governments. Before the discovery of oil in Nigeria in commercial quantity in early 1970, the main-stay of the economy was agriculture. However, distribution of the resources fitted the three main ethnic groups. Each of the regions was noted for its expectation of agricultural produces. The north majored in the production of groundnut, cotton, hides and skin; the east for its palm produce and coal while the west specializes in production of cocoa.

The discovering of oil in the south south region which comprises the minority ethnic groups and the total dependence of the Nigeria economy on oil mineral witnessed less attention to the agricultural sector. This has a serious effect on the internally generated revenue. The need for state governments to generate adequate revenue from internal sources therefore becomes a matter of extreme urgency and importance. This need underscores the eagerness on the part of state government to look for new sources of revenue or to become aggressive and innovative in the mode of collecting revenue from existing sources, (Asimigu and Kizito, 2014).The lesson from the sudden fall of oil price in the world market is that the performance of state governments Internally Generated Revenue (IGR) is poor and there is need to stimulate the collection of internal revenue. Fiscal viability of the state should be measured in its level of internally generated revenue. As rightly argued by Asimiyu and Kizito.

> *A state that is viable is the one that has capacity to implement a budget, upgrade and maintain existing infrastructure, pay its civil servant and carry out projected capital infrastructural development. A state that is viable should be able to quote savings into a consolidated fund to ensure that it can survive for at least three months without the allocated revenue from the Federation Accounts.*

From the above analysis if internally generate revenue is used as a criteria for viability of states, it could be said with emphasy that no state in Nigeria is viable. The prove that many states in Nigeria are not viable is their inability to pay the new national minimum wage and this culminated to the continuous calling for the review of the revenue allocation formula in their favour.

> *The monthly meeting where Revenue Allocation Committee with the representatives of all the states in attendance to share the proceeds of the oil revenue accruing to the federation account. This has partly helped government officials to pay little attention to growing the economic base that would help them to become independence (Agu, 2011).*

Agu also argued that National budgets are prepared with the oil price as the limiting factor. Many states despite the fact that resources to generate revenue are present, the internal revenue being collected remain the same or continue to declined from one year to another. In furthering the argument, Naiyeju (2011) opined that states and local governments have continued to demonstrate total lack of interest in improving their lots towards improved revenue generation by preferring to use consultants to administer taxes rather than modernizing their tax system. For enhanced revenue yield and less dependency on allocation from the Federal account, the preference for tax consultants in the collection of revenues negates the ongoing reforms in the country's revenues negates the ongoing reforms in the country's revenue generation system.

Many states and local government administrators have not given a serious thought to internally generated revenue. As Michael (2013) has noted that "the internal revenue generation of many states is far lower than what they should be. With the clear exception of Lagos State, all others depends on the statutory allocations to run their states. "Michael also opined that states that have the 13% derivation from the petroleum production except Rivers and Edo are not having high internally generated revenue in proportion to the total income. States and local government administrators depends on Federal Government for their survival in the present arrangement. For the implementations of both capital and recurrent expenditures states and local government totally depend on the monthly Federal Government allocation. The need for states and local government to harness ways of generating internally generated revenue other than revenue from oil need not be over emphasized.

The governor of Ekiti State discovered that tax collectors were not faithful in revenue generation and mapped out strategies to curtail the leakages so as to improve on internal revenue generation.

> *Governor Ayo Fayose of Ekiti State gave directors of finance and revenue officers in Ministries, Departments and Agencies (MDAs) of the state government six months ultimatum to block all leakages and double the state's internally generated revenue (Fayose, 2013).*

To ensure success in internally generated revenue the governor challenged the revenue collectors to put on their professional will for them to succeed. He also cautioned private school owners and business operators in the state who are fun of cheating the government by refusing to pay their dues and levies to desist as such act will no longer be tolerated. It is worthy of note that this is one of the governors who is personally involved in internally revenue generation. If other governors develop interest in revenue generation, the issue of scrambling at Abuja for revenue allocation would be a thing of the past. It is observed that it is a general belief in many quarters that state cannot perform its civil responsibilities without the statutory allocation. The state and local government tend to be lazy over internally generated revenue. Balogun, 2015 in his argument and support for internally revenue generation observed that:

> *Lagos state did not receive its Federal Allocation for a period of about five years or more and it was forced to become self-sufficient as a state. It is hoped that the pressure to diversify and focus less on the centre will force states to explore alternatives to improving their revenue base. Today Lagos remained self sufficient and generate at least 75% of its revenue from its IGR. This has been facilitated by implementing a customized database with the associated infrastructure based on cutting-edge technology. The technology simplifies revenue collection and tax administration in many ways.*

For some months now, many workers have been complaining of months of unpaid salaries and allowances. Many governors and administrators blamed the situation on the dwindling federal allocations. Analysis of the situation may show that it is caused by failure of the state to generate internal revenue. Governors and other political office holders have tried many methods to solve the problems to no avail. Among the steps taken to solve the problems include cutting down of salaries of political office holders.

> *To manage the dwindling financial resources in states, some governors and state law makers have began taking a pay cut so as to use their allowances to pay staff. Governor MuhammedUmaruJibrillaBindo of Adamawa State has promised to take a paycut while, Nasir El-Rufai, governor of Kaduna state says he would cut his and his deputy, Mr.*

Barnabas bala[s, salaries by 50% until the economic situation in the state improved. (National Bureau of Statistic, 2014).

The first step which should be taken to solve any problem is identification of the problem. The major problem of the above analysis is lack of internally generated revenue which cannot be solve through paycut. However if such paycut is meaningfully invested in an income oriented ventures it could be considered as a starting point for solving the problem. Every state is endowed with natural resources which could be exploited to generate the needed revenue to the state but dependency in oil money constitutes a limitation to discovering alternative sources of revenue.

It is unfortunate to see that most of our leaders do not make use of opportunities that abound for internally revenue generation. Some states have naturally beautiful places which could be developed to tourist attractions. If such areas are developed it could become a destination for tourist and people who may wish to spend their vacation in a natural environment. Internal revenue generation can be improved if states stop relying much on federal allocation.Some states are blessed with abundance fruits, instead of them to set up fruit Juice Company or something that can generate income from the fruit instead the fruits are harvested and sold at very cheap prices.

ANALYSIS OF INTERNALLY GENERATED REVENUE PROFILE:

The newly published list of the Internally Generated Revenue (IGR) of states in the country by the National Bureau of Statistics (NBS) reveals that Lagos remains the most self-sufficient state with (IGR) of N275,163,978,675.95. Rivers is the next most viable state with IGR of N89,112,448,347.58 followed by Delta State with N42,819,209,025.24.

SOUTH SOUTH TOTAL REVENUE OF IGR (2007-2011)

STATE	REVENUE (N'bn)	IGR (N'bn)	%
Akwa Ibom	1103.2	54.9	5.0
Bayelsa	728.5	23.7	3.3
Cross River	311.0	28.8	9.3
Delta	916.7	74.4	8.1
Edo	342.6	49.5	14.4
Rivers	1724.1	258.0	15.0
Regional Total	5126.1	489.3	9.5
Regional Average	854.4	81.6	9.5

Source: Central Bank of Nigeria 2007-2011 Annual Report

The comparative analysis of the above with other geopolitical areas shows a remarkable improvement of internally generated revenue in a none oil producing area. It also shows that states that have the 13% derivative from the petroleum production except Rivers and Edo are not having high internally generated revenue in proportion to the total revenue. Lagos state which is a non-oil producing occupy the first position in internally generated revenue. The north east zone is the least in the internally generated revenue due to insurgency in the region.The release from the National Bureau of statistics of 2014 internally generated revenue showed a general improvement with Lagos State still toping in IGR.

The table below shows ten Nigerian states with the highest internally generated revenue in 2014.

TOP TEN STATES BY IGR IN BILLIONS OF NAIRA

S/N	STATE	(N'bn)
1.	Lagos	276.1
2.	Rivers	89.1
3.	Delta	42.8
4.	Enugu	19.2
5.	Ogun	17.4
6.	Oyo	16.3
7.	Akwa Ibom	15.9
8.	Kaduna	12.7
9.	Bayelsa	10.9
10.	Anambra	10.4

Source:http://www.punchng.com/business/business-economy/Lagos-22-others-collected-n586–6bn–igr–in–2014–nbs/

From the above analysis, it is certain that internally generated revenue cannot finance neither recurrent nor capital expenditures of state governments. The call for more revenue from the Federal government account by the state government to finance their expenditure would only help to boost their internally generated revenue if such money is used to finance capital expenditure. Internal revenue generation cannot grow more than the level of the state's investment in their capital expenditure.

CONCLUSION:

Nigeria operates a federal system of government. It is unfortunate to observe that the Nigerian federalism in practice is different from the constitutional provision. Since the power of the federal government tend to supersede that of other units it always brings conflict between the federating units. The faulty form of federalism has a negative effect on the fiscal federalism. Most of the conflicts and instability in the country has its root from the system of the Nigeria federalism. The missing link between the Nigeria rural community and the urban constitutes the limitation to a successful national development. The problem of Nigeria National development is not planning but leadership non accountability and corruption. Most of the structures created for development in Nigeria ended with the administration that established them without accountability. In this study we have found that the economic problem of Nigeria is not only from the fall of oil price in the world market but on poor performance of state governors in the area of internally generated revenue. Serious effort should be made to modernise or improve revenue collection machineries to avoid over dependence in oil money. If Nigeria go back to agriculture that sustained the economy before oil exploration, the problem of struggling for national cake for survival will be a thing of the past.

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