Trajectory of Oil and Gas and Economic Development: The Untold Tangential

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Abstract
The financing challenges of the oil and gas industry globally brings to fore the need for this paper. Hence, we want to know the quantitative and directional relationship between oil and gas proceeds and financing options placed side by side with other key aggregate economic indicators’ impact on the national health using Nigeria model. Using some statistical tools of analysis and review of legislative pronouncements, it is discovered that oil and gas as well as its related product financing challenges are unique. Vesting of petroleum-related activities on the State according to all oil and gas related Acts of parliament from Petroleum Act of 1969 to the Nigerian oil and gas industry content development act 2010 is detrimental to national economic survival. Based on these aforesaid, it is recommended that various stakeholders’ interest should be integrated into the policy frameworks governing the operations of oil and gas in Nigeria. The passage of the Petroleum Industry Bill of 2011 with the legislative arm of the Nigerian government that incorporates the interest of host community into oil and gas financing will help weaken this unhealthy and unfruitful monopoly. It is advised that the Government hegemony from the hydrocarbon industry operations for efficient service delivery be removed, while the supervisory and regulatory functions should be for the government.

Key Words: Hydrocarbon Resources, Government Policy, Natural Resources, Savings and Capital Investment, Industry Policy

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