Federation Account Allocated Funds and Economic Growth in Nigeria: A Pre and Post Democracy Dispensation Assessments

Cordelia Onyinyechi Omodero[1]*, John Uzoma Ihendinihu[1], Kabiru Isa Dandago[2]

[1]Department of Accounting, College of Management Sciences, Michael Okpara University of Agriculture, Umudike, Abia State, Nigeria, [2]Department of Accounting, Faculty of Management Sciences, Bayero University, Kano, Nigeria. *Email: cordeliaomodero@yahoo.com

ABSTRACT

The study investigates the impacts of federation account allocated funds on economic growth in Nigeria prior to reinstatement of democracy and after the restoration witnessed in May 29, 1999. The study employs annual time series data from 1989 to 1998 for pre restoration evaluation while data employed for post reinstatement assessment span from 2007 to 2016. All data were collected from CBN Statistical Bulletin, 2016 edition. Ordinary least square method was used to perform the multi-regression analysis with the aid of Statistical Package for Social Sciences version 20. The findings of the study disclose that FAFG has a significant positive impact on real gross domestic product (RGDP) after restoration of democracy while prior to restoration of democracy, the result reveals an insignificant negative influence on RGDP. FASG has insignificant positive impact on RGDP both on pre and post restoration of democracy while FALG has insignificant negative impact on RGDP in both scenarios tested. This leads to a conclusion that mismanagement of funds by the three tiers of government in Nigeria is responsible for dwindling economic growth in Nigeria and recommends proper use of resources by all levels of government in the country.

Keywords: Federation Account, Revenue Allocation, Democracy, Economic Growth, Government
JEL Classifications: H71, H77, H79

1. INTRODUCTION

Economic growth stands as one of the most essential pointers of a strong economy. One of the biggest impacts of long-term growth of a country is that it has a positive impact on national income and the level of employment, which increases the standard of living (Prateek, 2017). The growth of the ratio of gross domestic product (GDP) to population (GDP Per Capita), which is also called per capita income is the most important aspect of economic growth (Sciencedaily, 2018). As the country's GDP is increasing, it becomes productive and leads to more people being employed. This increases the wealth of the country and its population.

According to Prateek (2017), the six factors that drive economic growth in a country include: Discovery of natural resources,

infrastructure, availability of workers, and investment in human capital, technological advancement and laws to regulate economic activities. In the same manner, poor health and low levels of education, inadequate infrastructures, capital flight, political instability, lack of proper institutional framework are major constraints to economic growth (Prateek, 2017). In Nigeria, economic growth and development are the underlying reasons for revenue allocation to the three tiers of government from an account called federation account.

According to section 162(1) of the 1999 constitution, the federation account is a special account required to be maintained by the federation of Nigeria. Into this account shall be paid all revenues collected by the government of the federation except the proceeds from the personal income tax (PIT) of the Armed Forces of the

Federation, the Nigerian Police Force, the Ministry or Department of Government charged with the responsibility of Foreign Affairs and the residents of the Federal Capital Territory (FCT) Abuja.

The federation account is the account from which revenue is allocated to all the three tiers of Government namely federal, state and local government using the existing Revenue allocation formula (ATSWA, 2009). It is also described as a distributable pool account and shall be distributed among the federal and state governments and the local government councils in each state, on such terms and in such manner as may be prescribed by the government. The distribution is made monthly by the Federation Account Allocation Committee (FAAC) (Ani and Obara, 2002).

The federation account was established by law in order to disburse the funds to the three tiers of government in line with the constitution and the approved formula. This disbursement is usually done by the FAAC which consists of Minister of States for Finance (Chairman), Accountant General of the Federation, Commissioners of Finance of the 36 states of the federation and representatives of other institutions such as the Central Bank of Nigeria, Nigerian National Petroleum Corporation (NNPC), Federal Inland Revenue Service, Customs, National Pension Commission, Debt Management Office, usually on a monthly basis.

The Decree No. 49 of 1989 established the Revenue Mobilization Allocation and Fiscal Commission (RMAFC) to oversee revenue sharing and mobilization. RMAFC established in 1989 are constitutionally charged with the responsibility of ensuring that this disbursement exercise is accurate, fair and transparent. The constitution provides that all federal revenues must go into the Consolidated Revenue Account (CRF) and this is the standard practice in most federations (Ohiomu and Oluyemi, 2017).

Revenues that flow into the federation account can be classified into oil and non-oil revenue. Under the oil revenue, we have: Oil pipeline license fees; royalty on extraction of oil; rent of oil well and grounds; sale of petroleum and gas; penalty for gas flaring. The non-oil revenue includes: PIT; companies income tax; capital gains tax (CGT); withholding tax (WHT) and all for forms of indirect taxes (ATSWA, 2009). From the oil revenue, derivation allowance is given to the Niger Delta States as a way of compensating them for the environmental degradation and pollution suffered as a result of oil exploration in their area. This derivation allowance also applies to all States with solid minerals that generate income to the Federal Government (Adangor, 2015).

The problem of the study is the misuse of revenue in Nigeria evidenced by the dwindling economic growth in the country. The slow pace of economic growth in the country is as a result mismanagement of resources among the three tiers of government. Prior to restoration of democracy, Nigerians were clamoring and longing for the opportunity to have democratically elected leaders who could listen to the people, feel their pain and act in the right manner, after a long period of military rule which began in 1966 and was interrupted with a brief period of democracy from 1979 to 1983. This hope has been dashed by all manner of corrupt

practices in the public sector and among public office holders both before and after restoration of democracy in May 29, 1999. Embezzlement of funds became the order of the day in conjunction with carrying out capital intensive projects that do not benefit the common citizens in some states in the country (Nuruddeen, 2014). Allocations received for proper economic growth in all parts of the country are used by some states for party patronage and settlements. This is a recurring decimal that has kept the country far from growth in all ramifications.

1.1. Objectives of the Study

The general objective of this study is to determine the impact of the Federation Account allocated Funds on Nigeria's economic growth both prior to democracy return and post effect of its reinstatement.

The study also seeks to pursue the following specific objectives:
1. To establish the impact of Federation Account Allocated Fund to the Federal Government (FAFG) on real gross domestic product (RGDP) prior to democracy return;
2. To investigate the post democracy restoration effect of FAFG on RGDP;
3. To assess the implication of Federation Account Allocated Fund to the State Governments (FASG) on RGDP before democracy restoration;
4. To examine the influence of FASG on RGDP after the return of democracy in Nigeria;
5. To determine the impact of the Federation Account Allocated Fund to the Local Governments (FALG) on RGDP during the period preceding democracy reestablishment
6. To evaluate the impact of FALG on RGDP after the reinstatement of democracy in Nigeria.

1.2. Research Hypotheses

To pursue the above study objectives, the following null hypotheses have been formulated:

Ho_1: Federation Account Allocated Fund to the Federal Government does not have significant impact on RGDP in Nigeria prior to return of democracy in Nigeria.

Ho_2: FAFG does not have significant impact on RGDP after restoration of democracy in Nigeria.

Ho_3: Federation Account Allocated Fund to the State Governments does not significantly influence RGDP before the reestablishment of democratic government in Nigeria.

Ho_4: FASG does not significantly influence RGDP after the reinstatement of democracy.

Ho_5: Federation Account Allocated Fund to the Local Governments does not significantly affect RGDP in Nigeria prior to return of democracy in the nation.

H_o6: FALG does not have significant impact on RGDP after the restoration of democracy.

2. LITERATURE REVIEW

2.1. Conceptual Review
2.1.1. Concept of federation account
Federation account is a special account into which shall be paid all revenue collected by the government of the Federation, except the proceeds from the PAYE of Armed Forces Personnel, Police

Personnel, Foreign Services Officers, Residents of the FCT Abuja and other Federal Government Independent Revenue (FGIR) which include: Licenses and internal revenue, mining, fees, earnings and sales, rent of government properties, interest and repayment (general and states), reimbursement of Audit fees, revenue from sales of Armed Forces Property, miscellaneous (Federal Republic of Nigeria (FRN) Constitution, 1999). Federation account is referred to as a distributable pool account because the fund therein is being shared among the federal, state and local government in the manner and bases prescribed by the law.

Revenues that flow into the Federation Accounts are classified under the following heads (Adams, 2006; PYE, 1998):

Head 1: Direct taxes. These are taxes on individual and companies. Examples are companies income tax, petroleum profit tax, PIT, CGT, back-duty, surcharge on pioneer companies, WHT, Capital transfer tax, etc.

Head 2: Indirect taxes. These are taxes raised from goods and commodities in the form of customs and excise duties. For instance, import duties, export duties, excise duties, tariffs, forfeiture penalty, etc.

Head 3: Mining. These are oil-pipeline license fees, rent on mining rights, mining fees, royalty on minerals, NNPC earning from direct sales of crude oil for domestic consumption and export, penalties for gas flared, rent of oil well, rent of oil ground, royalty for extraction of oil, etc.

2.1.2. Consolidated revenue fund (CRF) account

Consolidated revenue fund account was established by the Constitution of the Federal Republic of Nigeria, 1999; The Finance Control and Management Act of 1958; and the Audit Ordinance Act of 1956. Consolidated revenue fund is the amount standing to the credit of the Federal Government and is represented by cash assets (PYE, 1998). The funds paid into this account are classified under Head 6-17. They include: Share of Federation Account allocation to federal government, direct taxes (PAYE of Armed forces, police force, foreign services officers, FCT residents) and other FGIRs (Adams, 2006; PYE, 1998).

The charges from CRF account include: All approved recurrent expenditure heads, salaries and consolidated allowance of statutory officers e.g., Chief justice and justices of the supreme court, auditor-general for the federation, president and justices of the federal court of Appeal, chief judge and judges of the federal high court. The chairman and commissioners of police service commission, public complaint commission, public service commission, Nigerian Law reform commission and independent national electoral commission. The pension and gratuities of military personnel, widow and orphan pension scheme etc. (Adams, 2006; PYE, 1998).

2.1.3. Development fund

Development Fund was also established by the Constitution of the Federal Republic of Nigeria 1999, the Finance (Control and Management) Act of 1958 and the Audit Ordinance Act of 1956 for purpose of capital development projects. Development fund is another type of fund being operated by the Federal Government. The sources of revenue into the Development Fund include:

Contribution from the CRF, external grants, external loans, internal loans. The charges from Development Fund include: Capital projects, general administrative cost, donations and grants to neighbouring countries, then loans to states.

2.1.4. Contingency fund

The Contingency Fund was also established by the Constitution of the Federal Republic of Nigeria 1999, the Finance (Control and Management) Act of 1958 and the Audit Ordinance Act of 1956 to take care of all forms of natural disasters. Nigeria experiences two forms of natural disasters which are ocean surge in the south and desert encroachment in the north. The transfer from the CRF is the only source of revenue that flow into the contingency fund.

2.1.5. Revenue allocation

According to National Revenue Mobilization, Allocation and Fiscal Commission (NRMAFC, 1992), revenue allocation has been referred to as the criteria, process and method of sharing a federation's financial resources among the various tiers of government in the federation in such a peaceful way that guarantees development, progress and enhances unity. Onu (1994) defined revenue allocation as the mechanism for the sharing of the country's financial resources among the different tiers of government in the federation, with the overall objective of enhancing economic growth and development, minimizing inter-governmental friction and promoting national unity. According to Ikeji (2011), revenue allocation has been described as a method(s) of sharing the centrally generated revenue among the different tiers of government and how the amount allocated to a particular tier is shared among its components. From the various definitions, revenue allocation can be referred to as the distribution of the country's revenue among the various levels of government in such a manner that guarantees economic development.

There are two major types of revenue allocation formula in Nigeria. The two are basically, the vertical allocation and horizontal allocation (Micaiah, 2015).

2.1.6. Democracy concept

The notion of democracy, in its wholesome and practical arrangements, implies majority consensus. However, it does not guarantee some individuals the privilege of carrying out certain activities in contrast with established laws and statutes of a nation or against the Government which will undermine the intention of the majority. It is submitted that individuals enjoy no rights that trump the will of the majority (Law Teacher, 2018). The motive behind this claim depends on the origin of the rights and privileges of the people involved. Despite the above submission, the concept of democracy advocates strong participation of people in choice of leaders and service delivery.

2.1.7. Vertical allocation formula (VAF)

Vertical allocation refers to the sharing of the federation's revenue among the three tiers of government that make up the federation. Through vertical allocation method, the allocation that goes to the federal, state and local government is determined. VAF shows the percentage allocation to the three tiers of government.

The vertical allocation of funds generated into the federation account from 1981 to 2016 is as stated in Table 1.

According to Federation Account Act (FAA), 1992 No. 106 and S.1.9. of 2002 FAA, the amount standing to the credit of the Federation Account, less the sum equivalent to 13% which the derivation allowance to the oil producing states shall be distributed among federal, state and local governments on the following basis:

Federal Government (%)	56
State Government (%)	24
Local Government councils (%)	20
Total (%)	100

However, the 56% allocated to the Federal Government shall be utilized as follows:

Federal Government (%)	48.50

Special fund of 7.5% is distributed as follows:

Federal capital territory (FCT) (%)	1.00	
NDDC for the development of mineral producing areas (%)	3.00	
Amelioration of general ecological problems (%)	2.00	
Stabilization fund (%)	0.50	
Mineral producing states (shared based on the amount of mineral produced from each state) (%)	1.00	7.50
Total (%)		56.00

FCT: Federal capital territory, NDDCP{ Niger delta development commission}

Stabilization Fund is used to augment allocation to any State of the Federation that suffers absolute decline in its revenue due to factors beyond its control (Federation Account Act, 1992; 2002).

Ecological Fund is an intervention facility established to address the multifarious ecological problems ravaging communities across the country. The fund was solely established to address ecological problems facing the nation be it flood, coastal or soil erosion, desertification, drought, oil spillage, general environmental pollution, storm, tornadoes, bush fire, crop pest, landslide, earthquakes etc. (Federation Account Act, 1992; 2002). Ecological Fund was originally established in 1981 through the Federation Account Act, 1981 based on the recommendation of the Okigbo Committee of 1980 in order to have a pool of fund that would be solely devoted to funding of ecological problems. The ecological fund was originally 1% but sequel to the upward review in 1992, it is currently 2%. However, from Table 1, it could be noted that special fund was not given from 2002 to 2016.

Table 1: VAF (%)

Year	Federal	State	LGA	Special fund	Total
1981	55	30.5	10	4.5	100
1982-1983	55	34.5	10	0.5	100
1984-1989	55	32.5	10	2.5	100
1990-1991	50	30	15	5	100
1992-2001	48.5	24	20	7.5	100
2002-2003	56	24	20	0	100
2004-2016	52.68	26.72	20.6	0	100

Source: Jimoh (2011); Lukpata (2013); Oluwasegun and Anofi (2015); Onuigbo and Eme (2015); Vanguard (2017), VAF: Vertical allocation formula

2.1.8. Horizontal allocation formula (HAF)
Horizontal allocation provides a platform for sharing revenue among states and how the states distribute the revenue among the various local government, communities and towns within the states. The formula is applicable to states and local governments only (Micaiah, 2015). According to Bashir (2008), it is possible to conclude that HAF is for intra-tier sharing amongst the 36 states and the 774 local governments in Nigeria. The 24% of the fund from the Federation Account given to States is distributed horizontally based on the following sharing formula:

Equality (%)	40
Population (%)	30
Land mass/terrain (%)	10
Internal revenue (%)	10
Social development (%)	10
Education (%)	0.4
Health (%)	0.3
Water (%)	0.3
Total (%)	100
Equality (%)	40
Population (%)	30
Land mass/terrain (%)	10
Internal revenue (%)	10
Social development (%)	10
Education (%)	0.4
Health (%)	0.3
Water (%)	0.3
Total	100

The 20% of the fund from the Federation Account allocated to Local Government Councils is distributed horizontally using the following bases:

2.1.9. Revenue allocation principles
The following principles have been identified by (Nnamocha, 2002; Ihe and Umeaka, 2006).
- Tax effort. By giving more allocations to States that make more effort to collect taxes due to them, this principle is thus, used to motivate states to exploit their tax potential and capacities.
- Population. This principle allows allocation of more resources to States/LGAs that are heavily populated than others. The argument here is that, states with high population will also be enriched with human and natural resources and so deserves less allocation (Odigwe and Aibieyi, 2015).
- Even development. To ensure even development and uniform progress, poorer states are given more revenue. This helps to spread economic growth and development. The principle also helps to reduce inequalities and imbalances.
- Derivation. This principle states that regions/states that produce higher revenue to the federal government should receive a commensurate allocation. That is, the allocation of resources to them should be higher too. It was first recommended by the various revenue allocation commissions set up in the past. Orluwene (2008) has also suggested that revenue sharing should be principally based on derivation. This basis will prompt all states to go back to their roots. That is, agricultural and cash crops growing for export. Then the dependence on oil revenue will be curtailed.

- National interest. Allocation should be based on things that are of high social importance such as education and security which unite the country.
- Equality of states. The principle advocates sharing of revenue equally among states despite the economic endowments in each state of the federation. This is because each state is expected and required to carry out certain level of responsibilities.
- Principle of need. The level of need of every state should determine the revenue allocation to the state. This is supported by the recommendation of Hicks-Phillipson Commission of 1951 and Raisman Commission of 1957. For instance, some newly created states, require more funds than the existing ones. This has been argued by Odigwe and Aibieyi (2015). Their reason is that no particular state has the most crucial need and so the principle of need is not beneficial if it is not based on population census.
- Equality of access to development opportunities. This principle believes that allocation of revenue should be more in favour of those that are below certain level of development. This will enable them have equal access to development and growth.
- Independent revenue effort. This principle stresses on more allocation to states that are able to collect revenues due to them.
- Continuity of government action. Subsequent revenue allocation is not expected to fall below the previous allocation. This is why revenue should be shared in such a manner that the central government will not have the problem of given less than the previous allocation.
- Absorptive capacity. Revenue allocation is based on the ability of the states to make proper use of the revenue allocated to them. States that are economically advanced will not find it difficult to properly absorb any increase in revenue without wastages or fraud.
- Land Area. The proportion of land occupied by the states also determines the revenue allocation. This principle does not make any economic impact especially areas that have Sahara deserts that nobody lives. Most States like Lagos and Rivers State are heavily populated and should not be assessed by this principle but rather the population due to migration of people from the rural area to the urban cities in search of jobs.
- Principle of school enrolment. The principle suggests that the number of pupils in school in the State/LGA should be considered in resource allocation. This principle also has some issues, although education is a vital part of economic development. However, there are places where people refuse to be enrolled in schools but prefer commercial trading, animal rearing and other forms of craft. In that case, school enrolment basis will not be fair to them.
- Pupil of school age not in school. This principle stipulates that higher allocation should be given to States with more pupil of school age that are not in school to enable such State/LGA send them to school.
- National minimum standard. Revenue allocation should be done with the primary aim of maintaining national minimum standard in all the States in the federation of Nigeria. This principle is in line with the recommendation of Dina Commission of 1969. States that do not have certain level of education and perhaps health services are to be allocated more revenue to meet up with the national minimum standard.

2.1.10. Revenue allocation commissions/committees in Nigeria

There are recommendations and efforts from various revenue allocation commissions/committees established in Nigeria in the past and present to harmonize allocation issues yet the fight for resource control is still not resolved. Among them are recommendations from Phillipson Commission of 1946; Hicks-Phillipson Commission of 1951; Chicks commission of 1953; Raisman Commission of 1957; The Binns Commission of 1964; Dina Commission of 1969; Aboyade Technical Committee of 1977; Okigbo Committee of 1980; Danjuma Commission of 1988; RMAFC of 1989. The establishment of RMAFC was the way the federal government tried to resolve all revenue allocation issues. RMAFC is empowered by the Constitution to disburse revenue from the federation account, review the allocation formula as need arises, act on advisory capacity to the federal, state and local governments on how to generate and efficiently utilize revenue, determine suitable remuneration for political office holders and also perform other functions that may be required by law from the commission (Arowolo, 2011).

2.1.11. RGDP

Economic development is a word which is usually applied to denote the economic well-being of a country that promotes economic growth and healthy living standard of the people (Dagwom, 2013). Adams (2006) defined economic development as the eradication or reduction in poverty, inequality and unemployment within a growing economy. Musgrave and Musgrave (2004) stated that the requirements for economic development in low income nations include those needed for consistent economic growth as compared with highly developed nations. Therefore, RGDP is a macroeconomic measure of the value of goods and services produced by a country for a given year which has been adjusted for price changes (that is inflation or deflation). It is known as inflation-adjusted GDP, measuring the value of finished goods and services at constant base year prices (Investopedia, 2017; My Accounting Course, 2017). RGDP is most preferred in measuring economic performance of nations because it captures the activities of all sectors in an economy.

2.1.12. Concept of economic growth and development

Economic growth is the increase in the market value of the goods and services produced by an economy overtime (Sciencedaily, 2018). In other words, economic growth means an increase in real GDP - which implies an increase in the value of national output/ expenditure (Tejvan, 2016). Economic growth is an important macro-economic objective because it enables increased living standards, improved tax revenues and helps to create new jobs (Tejvan, 2016). Economic growth is measured by the increase in a country's real GDP or Gross National Product or total output (Prateek, 2017).

Higher economic growth also leads to extra tax income for government spending, which the government can use to develop the economy. This expansion can also be used to reduce the budget deficit. Additionally, as the population of a country grows, it

requires the growth to keep up its standard of living and wealth. Economic growth also helps improve the standards of living and reduce poverty, but these improvements cannot occur without economic development. Economic growth alone cannot eliminate poverty on its own (Prateek, 2017).

However, economic growth is not the same as economic development. Development alleviates people from low standards of living into proper employment with suitable shelter. Economic Growth does not take into account the depletion of natural resources which might lead to pollution, congestion and disease. Development, however, is concerned with sustainability which means meeting the needs of the present without compromising future needs (Prateek, 2017). Economic growth is a crucial condition for development. However, just growth is not enough because it cannot guarantee development.

Economic development looks at how the citizens of a country are affected. Apart from their living standards, it also looks at the freedom they have to enjoy those living standards. Economic development takes into account the following information: Average life expectancy, Education standards; Literacy rates, i.e. what percentage of the population can read; Environmental standards; Availability of housing, plus the quality of housing; Access to healthcare. This takes into account the number of doctors per thousand people, access to affordable medicine, etc.; Income per capita (Market Business News, 2018). This means that high level of unemployment, illiteracy, insecurity, poverty, lack of shelter and access to quality health care are indicators of lack of economic development.

Economic Development is the adoption of new technologies, transition from agriculture – based to industry – based economy, and general improvement in living standards (Business Dictionary, 2018). Economic Development is the process by which emerging economies become advanced economies. In other words, the process by which countries with low living standards become nations with high living standards. Economic development also refers to the process by which the overall health, well-being, and academic level of the general population improves (Prateek, 2017).

A country's economic development is usually indicated by an increase in citizen's quality of life. The term "Quality of life" is usually measured using the Human Development Index which is an economic model that considers essential and fundamental elements/factors not considered in economic growth, such as literacy rates, life expectancy and poverty rates (Ashley, 2018).

2.2. Theoretical Review
2.2.1. Endogenous growth theory
This research centers on revenue allocation and its impact on economic development. Endogenous growth theory is the new growth theory introduced in the early 1980s (Akanbi and Du Toit, 2011). The theory holds that economic growth depends on investment in human capital, innovation and knowledge management (Romer, 1994). Prior to this time, the classical, neoclassical and the Keynesian economists were the first to develop economic growth theory. For instance, Solow's model

which revealed how the long run rate of growth is exogenously influenced by the rate of technical progress (Solow, 1956). On the other hand, Harrod (1939) and Domar (1946; 1957) established the Harrod-Domar model which holds that long run rate is exogenously determined by the savings rate in an economy. All these have one limitation or the other because the savings rate and the rate of technical progress could not be expounded. Endogenous growth theory tries to go beyond these limitations to establish that long run economic growth primarily depends on policy measures within an economy.

The policy measures mentioned here includes revenue allocations which positively impacts on the long-run economic growth that reflects as increase in real GDP (Dagwom, 2013). The implication is that policies that embrace openness, competition, change and innovation will promote economic growth (Fadare, 2010). The theory also focuses on positive externalities and spillover effects of a knowledge based economy which leads to economic development. Policy effects emanating from this model are connected to the potential for externalities spillovers coming from the wealth of knowledge and perhaps labor force skills. Economies, which have abundance in those factors, can grow faster than the ones limited by their unavailability. By examining policy, the most essential ways to foster growth is to enhance the educational levels of the labor force. Thus, based on this model, education, as a positive spillover, is crucial to growth. Since many developing countries have constraints regarding education and related issues, it is key for governments in those countries trying to prioritize improvements on education and provide subsidies for research and development (Augusto et al., 2012).

Government spending on education (research and development), infrastructures, power and capacity building - which are the product of revenue allocation - is very essential for economic development. It helps to access a common pool of knowledge emanating from global technological spillovers. Technology is a non-rival idea and contagious. Its use by one country does not prevent other countries from benefiting from it. This is why endogenous growth theory stresses on policy measures within an economy as a criterion for economic growth.

Fiscal policy sees government spending on public goods and services as a tool for economic development, but if reverse is the case, that is government spending on things that have negative externalities, then the economic growth will be hampered (William and Serigo, 1993). An endogenous growth models provide mechanisms through which changes in economic policies and accumulation of human and private physical capital stocks can generate sustained economic growth, even in the absence of exogenous technological change and population growth. The study conducted on Cameroon shows evidence that economic growth is influenced by economic policies. In that study, increases in the budget deficit are found to adversely impact on economic growth (Dhanshwar, 1997). Scholars that applied this theory in their various studies posit that policy measure such as revenue allocation positively influences economic growth which is reflected in increase in real GDP in the long run (Akanbi and Du Toit, 2011; Dagwom, 2013).

2.3. Empirical Review

Faridi (2011) carried out another study on the contribution of fiscal decentralization to economic growth in Pakistan. The study was conducted in Pakistan and in the year 2011. It made use of autoregressive model and covered the period of 1972-2009. The ordinary least squares (OLS) estimation was employed for analysis. As at the time of the study, other factors to measure economic growth in Pakistan were not substantial except fiscal decentralization indicators of revenue and expenditure functions. The dependent variable was the GDP while the independent variables used were the revenues and expenditures of the government. All variables were expressed in million rupees. The data sources include, Pakistan Economic Survey (various issues), hand book of statistics on Pakistan economy (2005) and 50 years of Pakistan Statistics. The result of the study indicated that both revenue and expenditures of government as measure of fiscal decentralization had positive association with economic growth. The paper also found a positive and significant impact of fiscal decentralization on economic growth. Based on the empirical result, the study suggested that provincial and local level governments should be given more autonomy and authority in fiscal matters in Pakistan.

Gemmell et al. (2013) investigated the effect of spending and revenue fiscal decentralization indicators on economic growth of 23 Organization for Economic Co-operation and Development (OECD) Countries using a panel data from 1972 to 2005. The data which were collected from the National Accounts of OECD Countries Volume IV and IMF Government Finance Statistics Year book represented data on GDP growth for GDP growth (dependent variable), while the independent variables were the investment rate, employment growth and government revenue to GDP. The failure of most centralized governments in developing, led to this study in favour of the widespread debates that fiscal decentralization improves economic performance of a country. The study employed pooled mean group estimating equation which allows for varied short-run effects across countries but uniform long-run effects. The result of the study revealed that spending decentralization has lower economic growth while the revenue decentralization resulted in a higher growth. The study recommended that OECD Countries should consider minimizing their spending functions but to ensure that local industries that could improve economic performance are adequately financed.

Usman (2011) researched on revenue allocation formula and its impact on economic growth process in Nigeria. The study critically analyzed the impact of allocation formula on the Nigerian growth process. The analysis revealed the extent to which revenue allocation formula adopted in the past affected economic growth and development in Nigeria. The dependent variable used is the real gross domestic population growth rate while the independent variables are the growth rate of share of federal, state, local governments and inflation rate. The review spanned from 1960 to 2010. The statistical tools employed were OLS method and correlation coefficient to estimate its properties and measure the goodness of fit of the regression line. However, the result showed that the share of local and federal governments from the federation account contributed to the economic growth process in Nigeria, while the share of state governments from the federation account did not perform as expected.

Dagwom (2013) investigated revenue allocation and economic development in Nigeria: An empirical study. The study specifically examined the impact of revenue allocation to the three tiers of government on the RGDP in Nigeria using time series data covering the period of 1993-2012. The study tried to address revenue allocation problem since the three tiers of the government have expenditure responsibilities to ensure that economic development is achieved. The analytical tools used were error correction model (ECM) and pairwise granger causality test. The dependent variable used for the study was the Real GDP, while the independent variables include revenue allocation from the federation account to the Federal Government, State Government and Local Government Councils. Stationerity test of the variables was conducted using Augmented Dickey Fuller unit root test while Johansen Co-integration test was used to test long run relationship. The study revealed that revenue allocation to the federal government has a 0.06% impact on economic growth while the revenue allocation to the local governments increases economic growth by 0.34% which is far higher than that of the federal government. The result of the revenue allocation to the state government showed negative effect of −0.13% on economic growth. The study therefore recommended stringent financial control, fiscal discipline and value for money audit with more emphasis on state governments. However, the result of the revenue allocation to the federal government is not equally encouraging. Therefore, a thorough review of the revenue sharing formula may be a better option.

Ojide and Ogbodo (2015) carried out a study on the federation account allocation in Nigeria: Implication for growth. The paper considered whether there is statistical growth evidence of federal government's allocation share, state governments' allocation share (SGAS) and state governments' internally generated revenue in Nigeria. The time series data employed covered the period of 1970-2009. Distributed lag model was used to analyze the relationship between allocations (federal and state governments) and economic growth. The GDP is expressed as a function of the revenue allocation to federal, state and state internally generated revenue. The regression result showed that the federal government allocation share and the state governments' internally generated revenue (0.55% and 0.17% respectively) have positive and significant association with economic growth, while the SGAS has a negative and significant relationship with growth (−0.64%). The result of this study suggests that SGAS has a negative impact on economic growth.

Ohiomu and Oluyemi (2017) researched on fiscal federalism and economic growth nexus: Empirical evidence from Nigeria. The study made use of Co-integration diagnostics tests and ECM on E-Views 8. Time series data used were gathered from CBN statistical bulletin and spanned from 1984 to 2015. The dependent variable identified in this study was the RGDP while the revenue allocation to the federal, state and local governments served as the explanatory variables. The result of the study revealed that revenue allocation to state government increases economic growth by 0.26% which shows a positive effect on economic growth. In

other words revenue allocation to state governments contributed to economic growth in Nigeria. Revenue allocation to federal government showed a minute increase of 0.001% to the economic growth despite the lion share given to it for national projects and general economic development. The result on the allocation to the local government revealed a negative effect of -0.03%. The study suggested a review of the current revenue sharing formula which should be centered on responsibilities of each tier of the government.

2.4. Research Gap

This current study addressed the impacts of effective utilization of federation account allocated funds to the three tiers of government on economic growth both before and after return of democracy in Nigeria. The reinstatement of democratic government in May 29, 1999 was a great event in the history of Nigeria with so much expectation in the mind of so many Nigerians. With this expectation as a focus, the study was planned to investigate the performance of the three tiers of government in usage of revenue allocated funds to achieve growth both prior to democracy restoration and aftermath effects. This is the gap the study is filling.

3. METHODOLOGY

The study made use of ex-post facto research design. Ex-post facto implies after event, thus, the reason for its adoption is the historical nature of the research data which were all in existence as at the time of this study. All data on RGDP, revenue allocation to the federal, state and local governments were gathered from CBN Statistical Bulletin, 2016 edition (CBN, 2016). Data were collected from 1989 to 1998 for pre-effect assessment while data used for post-effect evaluation spanned from 2007 to 2016. The reason for this choice is to have 10 years observation in each case which is statistically justifiable to produce an empirical evidence. OLS method was used to perform the multi-regression analysis with the aid of Statistical Package for Social Sciences version 9. The choice of OLS was based on the fact that its computation is relatively simple and it possesses some optimal properties. OLS technique was also used in Ayuba (2014) to determine the impact of tax revenue on economic growth from 1993 to 2012. OLS is a regression technique that has been successfully applied and found very appropriate in similar researches like (Okafor, 2012; Syed et al., 2012; Ihenyen and Mieseigha, 2014; Ojong et al., 2016; Arowoshegbe et al., 2017) among others. This is due to its unique features such as linearity, efficiency, sufficiency, least variances, unbiasedness and least mean errors (Arowoshegbe et al., 2017).

Thus, multiple regression analysis was used and t-statistics applied to test individual null hypothesis (Ho) at 5% level of significance. The rejection criterion was that P < 5%, the Ho will be rejected and if otherwise, Ho will be accepted.

Koutsoyainnis (1977) model states that economic theory does not indicate the functional form of any relationship. This connotes that a functional relationship may be linear, cubic or even in a quadratic form (Arowoshegbe et al., 2017).

The model chosen for this study is specified below:

$$RGDP = f(FAFG, FASG, FALG) \quad (1)$$

It is expressed in its explicit form as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \mu i \quad (2)$$

Where:
Y = RGDP (Real Gross Domestic Product)
X = Determinant of economic development
X_1 = FAFG (Federation Account Allocation to Federal Government)
X_2 = FASG (Federation Account Allocation to State Governments)
X_3 = FALG (Federation Account Allocation to Local Government Councils)
β = Determines the relationship between the independent variable X

And the dependent or Gradient/slope of the regression measuring
The amount of the change in Y associated with a unit change in X.

μ_i = Normally distributed error term.

The A priori expectation is that the fund allocation used by the three tiers of government should be greater than zero implying positive contribution to economic growth in Nigeria.

4. DATA ANALYSIS AND INTERPRETATION

Table 2 shows the model summary of results under the pre-effect assessment. The value of R under this scenario is 95.2% which represents a strong positive relationship between the dependent variable (RGDP) and the independent variables (FAFG, FASG and FALG). The R^2 shows that FAFG, FASG and FALG explain 90.6% of the changes in the RGDP within this period while other factors not mentioned here account for 9.4% of the variations. The Durbin-Watson of 2.005 shows absence of autocorrelation.

Table 3 displays the model summary of results under the post-effect evaluation. The value of R under this scenario is 93.2% which indicates a very robust positive relationship between the dependent variable (RGDP) and the independent variables (FAFG, FASG and FALG). The R^2 reveals that FAFG, FASG and FALG explain 86.9% of the changes in the RGDP within this period while other factors not captured in the model account for 13.1% of the variations. The Durbin-Watson is within the acceptable limit. Values approaching 0 indicate positive autocorrelation, and values toward 4 indicate negative autocorrelation (Gujarati and Porter, 2009). However, values under 1 or >3 are a definite cause for concern (Durbin and Watson, 1950; 1951; Field, 2009; Gujarati and Porter, 2009). Therefore, the value of 1.44 as revealed under this scenario is >1 and <3.

The result on Table 4 displays the value of F-statistics as 19.286 with the P-value of 0.002 < 0.05 level of significance. The result indicates that the predictor variables (FAFG, FASG and FALG) collectively and significantly influence the dependent variable (RGDP). This is an evidence that the model is statistically significant and suitable for the study.

Table 2: Pre-effect model summary of results (1989-1998)

Model	R	R square	Adjusted R square	Std. error of the estimate	Durbin-watson
1	0.952	0.906	0.859	540.44724	2.005

[a]Predictors: (Constant), FALG, FASG, FAFG, [b]Dependent Variable: RGDP, Source: Authors' computation, 2018, RGDP: Real gross domestic product

Table 3: Post-effect model summary (2007-2016)

Model	R	R square	Adjusted R square	Std. error of the estimate	Durbin-watson
1	0.932[a]	0.869	0.804	4135.03309	1.436

[a]Predictors: (Constant), FALG, FASG, FAFG, [b]Dependent Variable: RGDP, Source: Authors' Computation, 2018, RGDP: Real gross domestic product

Table 4: Pre-effect Anova (1989-1998)

Model 1	Sum of squares	df	Mean square	F	Sig.
Regression	16899202.652	3	5633067.551	19.286	0.002
Residual	1752499.329	6	292083.222		
Total	18651701.981	9			

[a]Dependent variable: RGDP, [b]Predictors: (Constant), FALG, FASG, FAFG, Source: Authors' Computation, 2018, RGDP: Real gross domestic product

Table 5: Post-effect anova (2007-2016)

Model 1	Sum of squares	df	Mean square	F	Sig.
Regression	681036454.721	3	227012151.574	13.277	0.005***
Residual	102590992.172	6	17098498.695		
Total	783627446.894	9			

[a]Dependent variable: RGDP, [b]Predictors: (Constant), FALG, FASG, FAFG, ***=Significant at 5% Source: Authors' Computation, 2018, RGDP: Real gross domestic product

Table 6: Pre-Effect Coefficients (1989-1998)

Model 1	Unstandardized coefficients		Standardized coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	17447.427	451.973		38.603	0.000
FAFG	−4.889	16.143	−0.242	−0.303	0.772
FASG	101.698	62.417	1.205	1.629	0.154
FALG	−2.186	38.495	−0.017	−0.057	0.957

[a]Dependent Variable: RGDP. Source: Authors' Computation, 2018, RGDP: Real gross domestic product

Table 7: Post-effect coefficients (2007-2016)

Model 1	Unstandardized coefficients		Standardized coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	30384.106	6153.870		4.937	0.003
FAFG	32.240	10.379	4.941	3.106	0.021***
FASG	0.556	18.777	0.026	0.030	0.977
FALG	−185.768	97.712	−4.362	−1.901	0.106

[a]Dependent Variable: RGDP, Source: Authors' Computation, 2018, RGDP: Real gross domestic product. ***=Significant at 5%

The result on Table 5 specifies the value of F-statistics as 13.277 with the P-value of 0.005 < 0.05 level of significance. The result indicates that the predictor variables (FAFG, FASG and FALG) jointly and significantly influence the dependent variable (RGDP). This is implies that the model is statistically significant and a good fit for the study.

From Table 6, FAFG has insignificant negative impact (t-statistics -0.303; P = 0.77 > 0.05) on RGDP. Therefore, Ho$_1$ is accepted and the alternative which suggests otherwise rejected. FASG exerts insignificant positive influence on RGDP (t-statistics

1.629; P = 0.15 > 0.05) significance level. Thus, Ho$_3$ is established and the alternative which states otherwise overruled. FALG has insignificant negative effect on RGDP (t-statistics 0.057; P = 0.96 > 0.05) level of significance and so Ho$_5$ is accepted while the alternative suggestion is declined.

From Table 7, FAFG exerts significant positive impact on RGDP (t-statistics = 3.106; P = 0.02 < 0.05) level of significance. So, Ho$_2$ is rejected while the alternative suggestion accepted. FASG has insignificant positive influence on RGDP (t-statistics = 0.030; P = 0.98 > 0.05) significance level. Hence, Ho$_4$ is established while the alternative which states otherwise declined. FALG has insignificant negative impact on RGDP (t-statistics = −1.901; P = 0.106 > 0.05) level of significance. Accordingly, Ho6 is accepted while the alternative which suggests otherwise rejected.

5. CONCLUSION AND RECOMMENDATION

The findings of this study has provided empirical evidence that utilization of federation account allocated funds to the state and local governments does not have significant positive impact on economic growth in the country, both before and after reinstatement of democracy. Allocation to federal government exerted significant positive influence on growth only after democracy restoration but insignificant negative impact on growth prior to return of democracy. This is attributed to too much unnecessary spending and misuse of funds at all levels of government in the country.

In addition, the present federally collected revenue sharing formula in Nigeria is not compatible with the prevailing economic situation in the country. Therefore, the study suggests, among others, that revenue sharing formula in the country should be based more on impact of expenditure incurred on executed projects (long term and short term) by each tier of government than on any other parameter to achieve fairness and efficiency in public service delivery at all levels of governance. The study is also recommending practice of true democracy by leaders which implies service oriented leadership, allowing people's participation at every stage of service delivery, since it is the major obligation on the part of the government to the citizens.

6. ACKWOLEDGEMENTS

REFERENCES

Adams, R.A. (2006), Public Sector Accounting and Finance. Lagos, Nigeria: Corporate Publishers Ventures.

Adangor, Z. (2015), The principle of derivation and the search for distributive justice in the Niger delta region of Nigeria. The journey so far. Journal of Law, Policy and Globalization, 45, 133-155.

Akanbi, O., Du Toit, C.B. (2011), Macro-econometric modelling for the Nigerian economy: A growth poverty gap analysis. Journal Economic Modelling, 28, 335-350.

Ani, W.U., Obara, L.C. (2002), Public Sector Accounting Principles and Practice. Port Harcourt, Nigeria: Published By Blueprint Limited.

Arowolo, D. (2011), Fiscal federalism in Nigeria: Theory and dimensions. Afro Asian Journal of Social Sciences, 2(22), 1-21.

Arowoshegbe, A.O., Uniamikogbo, E., Aigienohuwa, O.O. (2017), Tax revenue and economic growth in Nigeria. Scholars Journal of Economics, Business and Management, 4(10), 696-702.

Ashley, D. (2018), What is Economic Growth and Development? Definition, Theories and Indicators. Available from: https://www.study.com/academy/lesson/what-is-economic-growth-and-development-definition-theories-indicators.html. [Last retrieved on Nov 12].

ATSWA. (2009), Public Sector Accounting. Accounting Technicians Scheme West Africa. 2nd ed. ABWA Publishers.

Audit Ordinance Act. (1956), The Consolidated Revenue Fund; Contingency Fund; Development Fund.

Augusto, M.C., Sena, R.E., Fontenele, S. (2012), The New Endogenous Growth Theory. An Investigation on Growth Policy for Developing Countries. Available from: http://www.sober.org.br/palestra/12/070079.pdf. [Last retrieved on 2017 Aug 08].

Ayuba, A.J. (2014), Impact of non-oil tax revenue on economic growth: The Nigerian perspective. International Journal of Finance and Accounting, 3(5), 303-309.

Bashir, K.A. (2008), The Mechanisms of Revenue Allocation: Understanding the Need for Effective Data Collection and Management. Workshop Paper.

Business Dictionary. (2018), Economic Development. Available from: http://www.businessdictionary.com/definition/economic-development.html. [Last retrieved on Nov 12].

Central Bank of Nigeria. (2016), CBN Statistical Bulletin. Abuja, Nigeria: Central Bank of Nigeria.

Constitution of the Federal Republic of Nigeria. (1999), Second Schedule. Part 1: Exclusive List. Part 11: Concurrent Legislative List. Part 111 Supplemental and Interpretation.

Dagwom, Y.D. (2013), Revenue Allocation and Economic Development in Nigeria: An Empirical Study. SAGE Open. p1-7.

Dhanshwar, G. (1997), Private Investment and Endogenous Growth: Evidence from Cameroon. IMF Working Paper. WP/97/165.

Domar, E. (1946), Capital expansion, rate of growth, and employment. Econometica, 14(2), 137-147.

Domar, E. (1957), Essays in the Theory of Economic Growth. New York: Oxford University Press.

Durbin, J., Watson, G.S. (1950), Testing for serial correlation in least squares regression, I. Biometrika, 37(3-4), 409-428.

Durbin, J., Watson, G.S. (1951), Testing for serial correlation in least squares regression, II. Biometrika, 38(1-2), 159-179.

Fadare, S.O. (2010), Recent banking sector reforms and economic growth in Nigeria. Middle Eastern Finance and Economics, 8, 20-31.

Faridi, M.Z. (2011), Contribution of fiscal decentralization to economic growth: Evidence from Pakistan. Pakistan Journal of Social Sciences, 31(1), 1-13.

Federation Account Act. (1992 and 2002), Available from: http://www.lawNigeria.com. [Last accessed on 2018 Nov 12].

Field, A.P. (2009), Discovering Statistics using SPSS: And Sex and Drugs and Rock 'n' Roll. 3rd ed. London: Sage.

Finance (Control and Management) Act. (1958), Part 11 Consolidated Revenue Fund; Part IV Contingency Fund; Part V Development Fund. Available from: https://www.lawyard.ng/wp./. [Last accessed on 2018 Nov 16].

Gemmell, N., Kneller, R., Sanz, I. (2013), Fiscal decentralization and economic growth: Spending versus revenue decentralization. Economic Inquiry, 51(4), 1915-1931.

Gujarati, D.N., Porter, D.C. (2009), Basic Econometrics. 5th ed. Boston: McGraw-Hill Irwin.

Harrod, R.F. (1939), An essay in dynamic theory. The Economic Journal, 49(193), 14-33.

Ihe, N.J., Umeaka, E.C. (2006), Public Sector Accounting and Finance (The Nigerian Perspective). Owerri, Nigeria: Peace Publishers Limited.

Ihenyen, C.J., Mieseigha, E.G. (2014), Taxation as an instrument of economic growth: The Nigerian perspective. Information and Knowledge Management, 4(12), 49-53.

Ikeji, C.C. (2011), Politics of revenue allocation in Nigeria: A reconsideration of some contending issues. Sacha Journal of Policy and Strategic Studies, 1(1), 121-136.

Investopedia. (2017), Real Gross Domestic Product (GDP), Investopedia, LLC. Available from: https://www.investopedia.com/. [Last retrieved on Dec 20].

Jimoh, A. (2011), Revenue Formula and Public Accountability. Available from: https://www.abujimoh.wordpress.com. [Last retrieved on 2017 Jul 17].

Koutsoyainnis, A. (1977), Theory of Econometric. London: Humpshire Macmillan Education Ltd.

Law Teacher. (2018), The Concept of a Democracy. Available from: https://www.lawteacher.net/. [Last accessed on 2018 Dec 24].

Lukpata, V.I. (2013), Revenue allocation formulae in Nigeria: A continuous search. International Journal of Public Administration and Management Research, 2(1), 32-38.

Market Business News. (2018), What is Economic Development? Definition and Examples. Available from: https://www.marketbusinessnews.com/financial-glossary/economic-development/. [Last accessed on Nov 13].

Micaiah, W. (2015), Nigerian Government Revenue Allocation. Statisence. Available from: https://www.slideshare.net/statisense/nigerian-government-revenue-allocation. [Last retrieved on 2017 Jul 31].

Musgrave, R., Musgrave, P.B. (2004), Public Finance in Theory and Practice. 5th ed. New Delhi, India: Tata McGraw-Hill Education Private Limited.

My Accounting Course. (2017), What is Real GDP? Available from: https://www.myaccountingcourse.com/. [Last retrieved on Dec 20].

National Revenue Mobilization, Allocation and Fiscal Commission. (1992), Revenue Allocation. Notes on the Role and Activities of the NRMAFC, Presented at the National Seminar on Revenue Mobilization for States and Local Governments, Enugu.

Nnamocha, P.N. (2002), Public Finance for a Developing Economy: The Nigerian Application. Imo State, Nigeria: Bon Publisher Owerri.

Nuruddeen, M.A. (2014), Derivation Oil States shared N4.2tr in 15

Years. Daily Trust Newspaper of the 2016. Available from: https://www.dailytrust.com.ng/image/search_btn.png. [Last retrieved on 2018 Aug 08].

Odigwe, D.A., Aibieyi, S. (2015), Fiscal federalism and development in Nigeria. Public Policy and Administration Research, 5(7), 36-44.

Ohiomu, S., Oluyemi, S.A. (2017), Fiscal federalism and economic growth nexus: Empirical evidence from Nigeria. International Journal of Economics, Commerce and Management United Kingdom, 5(2), 131-146.

Ojide, M.G., Ogbodo, J.C. (2015), Federation account allocation in Nigeria: Implication for growth. Journal of Poverty, Investment and Development, 7, 8-11.

Ojong, C.M., Ogar, A., Arikpo, O.F. (2016), The impact of tax revenue on economic growth: Evidence from Nigeria. IOSR Journal of Economics and Finance, 7(1), 32-8.

Okafor, R.G. (2012), Tax revenue generation and Nigerian economic development. European Journal of Business and Management, 4(19), 49-56.

Oluwasegun, V., Anofi, D. (2015), Reps to Buhari: Present new revenue allocation formula. The Nations News. Available from: http://www.Thenationonlineng.net/reps-to-buhari-present-new-revenue-allocation-formula/. [Last retrieved on 2017 Jul 20].

Onu, O. (1994), Federal – State fiscal relation. In: Eliagwu, I.T., et al., editors. Federalism and National Building in Nigeria. Abuja: National Council of Inter-Governmental Relations.

Onuigbo, R.A., Eme, O.I. (2015), State governors and revenue allocation formula in Nigeria: A case of the fourth republic. International Journal of Accounting Research, 2(7), 14-36.

Orluwene, O.B. (2008), The Politics of Revenue Allocation in Nigeria Since Independence: an Overview. Selected Works. Available from: http://www.works.bepress.com/ozyb-orluwene/4/. [Last retrieved on 2018 Aug 08].

Prateek, A. (2017), What is Economic Growth? Available from: https://www.intelligenteconomist.com/economic-growth/. [Last retrieved on Nov 12].

Romer, P. M. (1994), The origins of Endogenous Growth. The Journal of Economic Perspectives, 8(1), 3-22.

Sciencedaily. (2018), Economic Growth. Available from: https://www.sciencedaily.com/terms/Economic-growth.htm. [Last accessed on Nov 12].

Solow, R.M. (1956), A contribution to the theory of economic growth. Quarterly Journal of Economics, 70(1), 65-94.

Students Pye Nigeria Limited. (1998), Public Sector Accounting and Finance. Lagos Nigeria: Published by Students Pye Nigeria Limited.

Syed, A.R., Yasir, A., Farhan, M. (2012), Role of agriculture in economic growth in Pakistan. International Research Journal of Finance and Economics, 83, 180-186.

Tejvan, P. (2018), Economic Growth. Available from: https://www.economicshelp.org. [Last accessed on Nov 13].

Usman, O.A. (2011), Revenue allocation formula and its impact on economic growth process in Nigeria. Journal of Economics and Sustainable Development, 2(3), 29-37.

Vanguard News Nigeria. (2017), FG, States, LGs, Share N1.41trn in Q'1. 2017. Available from: www.vanguardng.com. [Last retrieved on 2017 Aug 07].

William, E., Serigo, R. (1993), Fiscal Policy and Economic Growth, an Empirical Investigation. NBER (National Bureau of Economic Research). Working Paper. p4499.