

A Theoretical Examination Of The Effects Of Oil Price Fluctuations On Business Performance And Economic Growth In Nigeria

¹Dr. Nwiyii Blessing Joseph ²Sokari Norman Dede

^{1, 2}Department of Business Administration, Faculty of Management Technology,
Federal University of Environment and Technology, Koroma/Saakpenwa, Tai Ogoni,
Rivers State. Email: nwiyii.joseph@fuet.edu.ng, normansokari82@gmail.com

Abstract: This paper provides a comprehensive theoretical analysis of the complex relationship between oil price fluctuations, business performance, and economic growth in Nigeria's resource-dependent economy. It synthesizes key economic theories including resource dependence, Dutch disease, commodity price dynamics, and business cycle models to explain how volatility in global oil markets impacts Nigeria's macroeconomic stability and corporate performance. The study highlights how sudden changes in oil prices influence government revenues, exchange rates, inflation, and investment environments. These effects in turn shape short-term operational outcomes for businesses and influence the country's long-term development prospects. Nigeria's heavy reliance on oil exports exposes its economy to significant risks associated with global oil price swings. When oil prices rise, increased revenues can boost economic growth and investment; however, sharp declines can lead to revenue shortfalls, fiscal deficits, and economic instability. The paper emphasizes that these fluctuations affect not only government policies but also private sector performance, especially in oil and non-oil sectors. To mitigate these adverse effects, the study advocates for strategic policy measures including economic diversification, the establishment of stabilization funds, and institutional reforms aimed at improving fiscal resilience and reducing dependency on oil revenues. Strengthening the capacity of the economy to withstand external shocks is critical for sustainable growth. This analysis contributes to the scholarly understanding of resource-related vulnerabilities in Nigeria and provides practical insights for policymakers and business leaders seeking to foster resilient economic development in the face of global market uncertainties.

Keywords: Oil Price Volatility, Economic Growth, Resource Dependence, Business Performance, Nigeria

Introduction

Nigeria's economy has historically been heavily reliant on the oil sector, which has been the dominant source of revenue, foreign exchange earnings, and government income since the discovery of oil in the late 1950s. According to the Central Bank of Nigeria (CBN, 2020), oil exports constitute over 90% of Nigeria's total export earnings and about 60% of government revenue, underscoring the nation's vulnerability to fluctuations in global oil prices. This dependence has significant implications for macroeconomic stability, development planning, and overall economic performance (Ogunleye & Ogunleye, 2017).

Globally, oil prices are characterized by high volatility due to geopolitical tensions, supply-demand imbalances, technological developments, and OPEC policies (Kilian & Murphy, 2014). Such price fluctuations have far-reaching effects on oil-dependent economies, influencing fiscal balances, inflation rates, and investment climates. For Nigeria, these fluctuations can lead to economic instability, affecting business operations and growth prospects (Adeniyi & Igbinoia, 2019). Locally, sudden drops in oil prices often result in revenue shortfalls, budget deficits, and austerity measures, which in turn impact business performance and overall economic growth.

This article aims to provide a theoretical examination of the effects of oil price fluctuations on Nigeria's business performance and economic growth. It explores the underlying economic theories that explain these relationships and discusses how volatility in oil prices can influence macroeconomic stability and corporate profitability. The scope includes an analysis of both the short-term and long-term effects, with a focus on understanding the mechanisms at play within Nigeria's unique economic context.

The key concepts addressed in this study include oil price volatility, which refers to unpredictable fluctuations in oil prices; business performance, encompassing the profitability, investment, and operational strategies of firms; and economic growth, measured by indicators such as Gross Domestic Product (GDP) expansion. Understanding these concepts within the Nigerian context is crucial for policymakers and business leaders aiming to develop resilient economic strategies amid volatile global oil markets.

Background on Nigeria's Economy and Dependence on Oil

Nigeria's economy has been characterized by a high degree of dependence on the oil sector, with the industry accounting for the majority of government revenue (Adekunle & Adejumo, 2017). The country's oil-related revenue has been the main driver of

economic growth, with oil exports contributing significantly to the nation's GDP (CBN, 2020). However, this dependence on a single commodity has exposed the economy to significant vulnerabilities, including fluctuations in global oil prices.

Studies have shown that Nigeria's economy is sensitive to changes in global oil prices, with a 10% change in the price of oil resulting in a 2-3% change in GDP (Adejumo, 2018). Additionally, the country's oil revenue is often subject to significant volatility, with oil prices experiencing frequent and significant price shocks (Oluwatayo & Akinlo, 2019). This volatility has significant implications for macroeconomic stability, development planning, and overall economic performance.

Significance of Oil Price Fluctuations Globally and Locally

Oil price fluctuations have significant implications for the global economy, with price shocks affecting not only oil-producing countries but also other economies that rely on oil imports (Hamilton, 2009). A decline in oil prices can lead to a decline in global economic activity, while an increase in oil prices can lead to inflation and higher interest rates (Apergis et al., 2016). In the context of Nigeria, oil price fluctuations have significant implications for the nation's economy, with price shocks affecting government revenue, economic growth, and business performance.

Locally, oil price fluctuations have significant implications for Nigeria's macroeconomic stability, with price shocks affecting inflation, interest rates, and exchange rates (Olanrewaju & Akinlo, 2018). Additionally, oil price fluctuations can affect business performance, with companies in the oil sector experiencing fluctuations in revenue and profitability (Adejumo, 2018). This has significant implications for business investment, employment, and overall economic development.

Purpose and Scope of the Article

This article aims to examine the impact of oil price fluctuations on business performance and economic growth in Nigeria. The study will investigate the relationship between oil price shocks and business performance, as well as the impact of oil price fluctuations on economic growth. The article will also explore the implications of oil price volatility for macroeconomic stability and development planning in Nigeria.

Overview of Key Concepts

This article will focus on the following key concepts:

- **Oil price volatility:** This refers to the frequency and magnitude of changes in oil prices.
- **Business performance:** This refers to the financial performance of companies in the oil sector, including revenue, profitability, and investment.
- **Economic growth:** This refers to the rate of change in a country's GDP.
- **Macroeconomic stability:** This refers to the stability of a country's economy, including inflation, interest rates, and exchange rates.

Overview of Key Concepts

Understanding the dynamics of oil price fluctuations and their impact on Nigeria's economy requires a clear grasp of several interconnected concepts:

Oil Price Volatility: This refers to the unpredictable and often dramatic fluctuations in the prices of crude oil in global markets. Such volatility is driven by geopolitical tensions, supply-demand imbalances, technological advancements, and OPEC's production decisions (Kilian & Murphy, 2014). High volatility can create economic uncertainty, influencing investment decisions and macroeconomic stability.

Business Performance: In the Nigerian context, this pertains to the financial health and operational efficiency of firms, particularly those in the oil sector but also including other industries affected by oil price changes. Business performance can be measured through indicators such as profitability, investment levels, and productivity (Adeniyi & Igbinoia, 2019). Oil price shocks can significantly impact these metrics, thereby influencing employment and economic growth.

Economic Growth: Typically measured by the increase in a country's Gross Domestic Product (GDP), economic growth reflects the overall economic activity and development level. Oil price fluctuations can stimulate or hinder growth depending on whether prices are rising or falling, especially in a resource-dependent economy like Nigeria (Ogunleye & Ogunleye, 2017). Sustained high volatility can lead to macroeconomic instability, affecting long-term development.

Macroeconomic Stability: This encompasses stable inflation rates, exchange rates, and interest rates, which are crucial for sustainable growth. Oil price volatility often destabilizes these variables in Nigeria, impacting both government and private sector activities (Olanrewaju & Akinlo, 2018).

Theoretical Framework

This study draws upon several key economic theories that elucidate the relationship between resource dependence, commodity price fluctuations, macroeconomic performance, and business activity in Nigeria.

Resource Dependence Theories

Resource Curse (Dutch Disease): The Resource Curse hypothesis posits that economies heavily reliant on resource exports, such as Nigeria, often experience slower overall growth, poor development outcomes, and economic volatility (Auty, 1993; Sachs & Warner, 1995). Dutch Disease, a related concept, describes how resource booms can lead to currency appreciation, making other sectors like manufacturing less competitive, thereby hampering diversification and sustainable growth (Corden & Neary, 1982). In Nigeria, oil dependence has been linked to overreliance on resource exports, with adverse effects on other sectors.

Dutch Disease: When resource revenues surge, inflows of foreign currency can appreciate the local currency, reducing the competitiveness of non-resource sectors. This can lead to a mono-economy vulnerable to commodity price swings and hinder economic diversification (van Wijnbergen, 1986).

Commodity Price and Macroeconomic Performance Theories

Terms of Trade and Real Exchange Rate Models: These models suggest that fluctuations in commodity prices directly impact a country's terms of trade, influencing exchange rates, inflation, and fiscal revenues (Baumol, 1986). For resource-dependent economies like Nigeria, sharp declines in oil prices can deteriorate the terms of trade, leading to fiscal deficits and inflationary pressures.

Sudden Stop and Resource Price Shocks: Theories highlight how abrupt declines in commodity prices can cause sudden stops in capital inflows, leading to recessionary pressures (Calvo et al., 2008). These shocks often induce economic contractions, impacting business performance and investment.

Business Cycle Theories in Resource-Dependent Economies

Commodity-Driven Business Cycles: In resource-dependent countries, business cycles are often closely aligned with commodity price cycles (Kose, 2010). Fluctuations in oil prices can induce booms and busts, affecting investment, employment, and overall economic activity.

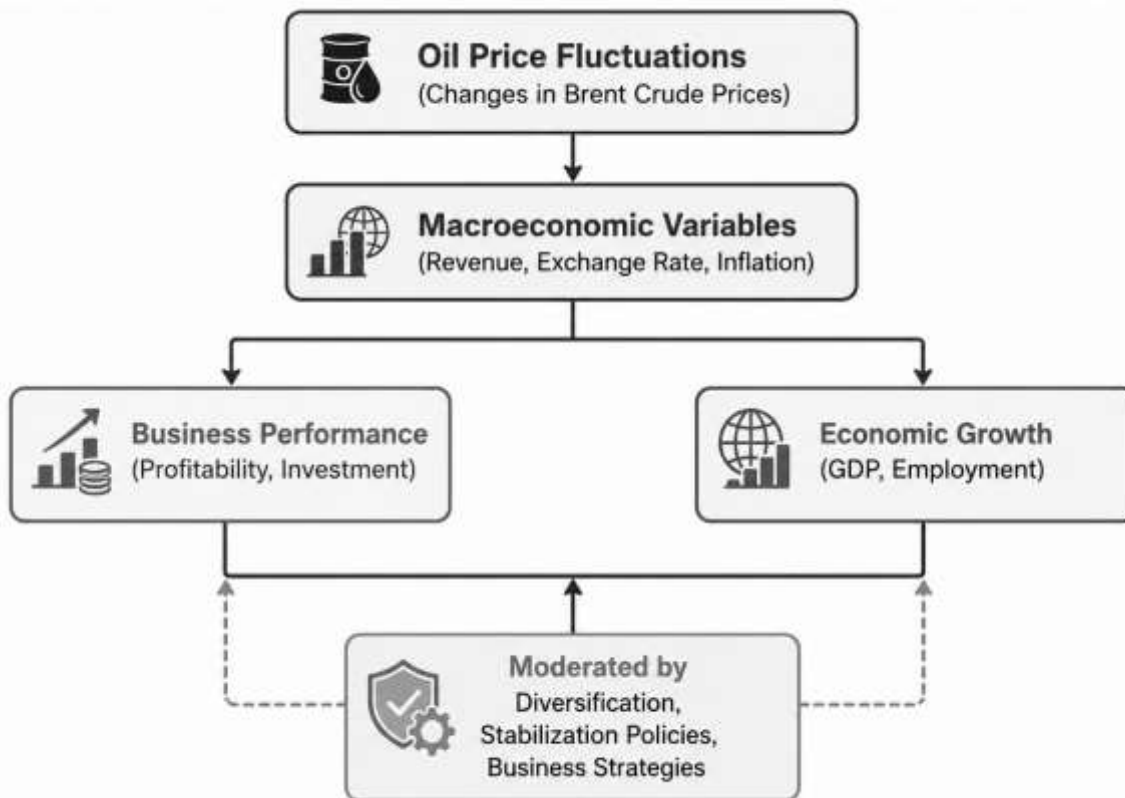
Procyclicality of Resource Revenues: Revenues from resource exports tend to be procyclical, amplifying economic fluctuations (Gylfason & Zoega, 2001). During resource booms, increased government revenues and investment can lead to overheating; busts tend to cause downturns.

Financial Market Theories on Volatility and Investment

Market Volatility and Investment: Classical financial theories posit that increased market volatility raises uncertainty, which can deter firms from making long-term investments (Brealey & Myers, 2011). In Nigeria, oil price volatility creates an uncertain environment, potentially leading to reduced business investment and delayed expansion plans.

Asymmetric Information and Speculation: Theories also suggest that volatile commodity markets can be driven by speculative activities and asymmetric information, which further destabilize prices and hinder stable economic planning (Shiller, 1981).

Fig. 1: Conceptual Framework Illustrating the Transmission of Oil Price Fluctuations to Business Performance and Economic Growth in Nigeria



(Source: Amanawa, 2025)

Oil Price Fluctuations and Business Performance

Oil price volatility has profound implications for both the oil sector and the broader Nigerian economy. This section explores the direct and indirect effects of fluctuating oil prices on business performance, including strategic responses and illustrative scenarios.

Impact of Oil Price Changes on Nigerian Oil Companies

Nigerian oil companies, particularly state-owned entities like the Nigerian National Petroleum Corporation (NNPC) and private operators, are highly sensitive to oil price movements. When prices rise, these companies often experience increased revenues, enabling higher investments, expansion, and dividend payments (Ovadia, 2013). Conversely, sharp declines in oil prices—such as the 2014–2016 crash—reduce profitability, constrain cash flows, and lead to cost-cutting measures, layoffs, or project cancellations (Ogunleye & Ogunleye, 2017). For example, during low-price periods, upstream investments are deferred, and exploration activities slow down, impacting long-term production capacity.

Spillover Effects on Non-Oil Sectors

Price volatility also affects non-oil sectors such as manufacturing, agriculture, and services. Fluctuating oil prices influence the exchange rate, inflation, and disposable incomes, thereby affecting demand and competitiveness:

Manufacturing: Currency appreciation during oil booms can make Nigerian manufactured exports less competitive internationally, while oil price declines may lead to currency depreciation, increasing import costs and inflation (Adeniyi & Igbinoia, 2019).

Agriculture: Changes in household income and government spending resulting from oil price swings can alter consumer demand for agricultural products, influencing farm incomes and investment.

Services: Tourism, transportation, and financial services are affected via changes in disposable income, inflation, and investor confidence, which are all sensitive to oil price movements (Olanrewaju & Akinlo, 2018).

Investment and Operational Strategies Amid Price Volatility

Businesses in Nigeria adopt various strategies to mitigate risks associated with oil price fluctuations:

Diversification: Firms diversify revenue streams into non-oil sectors to reduce dependence on oil prices (Ezirim & Eze, 2012).

Hedging: Oil companies use financial instruments to hedge against price risks, stabilizing revenue streams (Ovadia, 2013).

Cost Management: Operating efficiencies and flexible operational plans help firms adapt to changing market conditions.

Strategic Reserves: Some companies maintain inventories or reserves to cushion against sudden price shocks.

Case Studies and Hypothetical Scenarios

Case Study 1: The 2014–2016 Oil Price Crash Between mid-2014 and early 2016, global oil prices plummeted from over \$100 per barrel to below \$30, resulting in significant revenue shortfalls for Nigeria's oil sector. Major oil companies like Shell and Eni faced reduced profits, leading to project cancellations and layoffs. The Nigerian government's revenue declined sharply, prompting austerity measures, subsidy removals, and reduced public spending. The downstream sector experienced delayed investments, and non-oil sectors suffered from reduced government contracts and consumer spending (Ovadia, 2013).

Case Study 2: The Response of Nigerian Oil Companies to Price Volatility (2018–2020) During this period, Nigerian oil firms increasingly adopted hedging and diversification strategies to manage revenue risks. For example, the Nigerian National Petroleum Corporation (NNPC) intensified efforts to diversify income sources, including investments in natural gas and renewable energy. Additionally, private firms like Seplat Petroleum implemented cost-cutting and operational efficiencies to withstand periods of low prices, demonstrating strategic adaptation to volatile markets (Ogunleye & Ogunleye, 2017).

Case Study 3: The Impact of Oil Price Decline on Nigeria's Manufacturing Sector (2015) Following the 2014 price collapse, the manufacturing sector experienced a slowdown due to currency devaluation and inflation. Companies faced higher import costs for raw materials and machinery, reducing competitiveness. For instance, Nigerian cement producers and food manufacturers reported decreased output and investment, illustrating how oil price shocks indirectly constrained industrial growth (Adeniyi & Igbिनovia, 2019).

Case Study 4: The Effect of Oil Price Fluctuations on Nigeria's Agricultural Sector (2010–2015) During periods of high oil prices, increased government revenues led to higher spending on infrastructure and social programs, positively impacting agricultural productivity. Conversely, during the 2014–2016 crash, reduced government spending and inflationary pressures hindered access to credit and inputs for farmers. This volatility affected farm incomes and investment, highlighting the sector's vulnerability to oil price swings (Olanrewaju & Akinlo, 2018).

Case Study 5: Socioeconomic Impact of the 2020 Oil Price Collapse In April 2020, amid the COVID-19 pandemic, oil prices briefly turned negative for the first time in history. Nigeria, heavily reliant on oil exports, faced severe revenue deficits, leading to disruptions in government budgets, delayed infrastructure projects, and increased unemployment. The crisis underscored the fragility of Nigeria's economy to external shocks and prompted renewed calls for economic diversification (Nwaogu, 2020).

Oil Price Fluctuations and Economic Growth

Oil price volatility plays a crucial role in shaping Nigeria's economic trajectory. This section examines the mechanisms through which oil prices influence overall GDP growth, government fiscal policies, exchange rates, inflation, and the differing impacts in the short and long term.

As Nigeria's economy is heavily reliant on oil exports, fluctuations in global oil prices directly impact national income. When oil prices rise, increased export revenues and foreign exchange earnings stimulate investment, consumption, and infrastructure development, thereby boosting GDP growth (Adeniyi & Igbिनovia, 2019). Conversely, declining prices reduce national income, constraining government spending and private investment, which can slow economic growth or even cause contraction during prolonged downturns (Oladipo & Olamide, 2020). The dependence on oil revenues means that the economy's growth is highly sensitive to external shocks in oil markets.

Government Revenue and Fiscal Policy Implications

Oil price fluctuations significantly influence government revenue due to Nigeria's reliance on oil royalties and taxes. During high-price periods, government revenues surge, enabling increased expenditure on infrastructure, social programs, and debt servicing. Conversely, low oil prices lead to revenue shortfalls, forcing the government to implement austerity measures, cut public spending, or seek external borrowing (Ovadia, 2013). These fiscal adjustments impact economic stability and development projects, with prolonged low prices posing risks to fiscal sustainability.

Exchange Rates, Inflation, and Monetary Policy Responses

Oil price changes also affect Nigeria's exchange rate dynamics. Elevated oil prices typically lead to increased foreign currency inflows, causing the naira to appreciate, which can make non-oil exports less competitive and impact manufacturing and agriculture (Adeniyi & Igbinovia, 2019). When oil prices fall, revenue declines reduce foreign exchange reserves, leading to naira depreciation, which can fuel inflation by increasing the cost of imports. In response, the Central Bank may adjust monetary policy, such as raising interest rates to curb inflation or intervening in currency markets to stabilize the exchange rate. These responses aim to maintain macroeconomic stability amid volatile oil prices.

Long-term vs Short-term Effects of Oil Price Volatility

In the short term, oil price fluctuations cause immediate impacts on government revenue, investment levels, and economic growth. For instance, a sudden price drop might lead to a recession or slowdown. However, the long-term effects depend on structural factors, such as diversification of the economy, fiscal policy resilience, and the ability to adapt to external shocks. Persistent low prices may delay or cancel development projects, erode investor confidence, and deepen economic vulnerabilities (Oladipo & Olamide, 2020). Conversely, sustained high prices can incentivize investment in the oil sector but may also lead to resource dependence and Dutch disease, undermining diversification efforts.

Empirical and Theoretical Insights

This section synthesizes existing literature and theoretical models relevant to oil price fluctuations and economic growth, highlighting their limitations in explaining Nigeria's unique circumstances, and emphasizes the importance of diversification and policy measures.

Numerous studies have explored the relationship between oil prices and economic performance. The Resource Curse theory posits that resource-rich countries often experience slower growth due to overdependence on commodity exports, weak institutions, and volatility (Sachs & Warner, 1995). Empirical research in Nigeria supports this, indicating that oil dependence exacerbates economic instability (Ovadia, 2013). The Keynesian model suggests that oil price shocks influence aggregate demand, affecting output and employment (Adeniyi & Igbinovia, 2019). Meanwhile, the Dutch Disease theory explains how resource booms can lead to currency appreciation, harming other sectors (Corden & Neary, 1982).

While these models provide valuable insights, they often overlook Nigeria's specific institutional, political, and social factors. For instance, the resource curse framework does not fully account for governance challenges, corruption, and policy inefficiencies that hinder diversification and economic resilience (Oladipo & Olamide, 2020). Additionally, the models assume relatively stable external environments, whereas Nigeria faces complex geopolitical and global market dynamics that influence oil revenues unpredictably. Therefore, existing theories may underestimate the multifaceted nature of Nigeria's economic challenges related to oil dependence.

Given these limitations, policy measures aimed at economic diversification are critical. Diversification reduces vulnerability to oil price swings and promotes sustainable growth. Empirical evidence suggests that countries investing in manufacturing, agriculture, and services experience more stable growth trajectories (IMF, 2019). Effective policy frameworks—such as improving institutional quality, fostering innovation, and investing in human capital—are essential to overcoming the resource curse and achieving resilience against oil market volatility. Nigeria's strategic focus on diversification can help mitigate the adverse effects of oil price fluctuations and support long-term economic stability.

Policy Implications and Recommendations

To address the challenges posed by oil price fluctuations and to foster sustainable economic growth, Nigeria must adopt comprehensive policy strategies. These should focus on mitigating volatility effects, promoting diversification, establishing stabilization mechanisms, and strengthening business resilience.

Strategies for Mitigating Adverse Effects of Oil Price Fluctuations

Implementing proactive fiscal policies is essential. This includes establishing automatic stabilizers that adjust government spending and taxation in response to revenue fluctuations. Additionally, improving transparency and governance in resource management can reduce corruption and ensure that oil revenues are effectively channeled into development projects (Ovadia, 2013). Developing a robust macroeconomic framework that cushions the economy against external shocks will also enhance resilience.

Importance of Economic Diversification

Diversification remains a cornerstone policy for reducing Nigeria's reliance on oil exports. Investing in sectors such as agriculture, manufacturing, and services can create alternative sources of revenue and employment, thereby stabilizing the economy. Policies should focus on improving infrastructure, access to finance, and skills development to foster growth in non-oil sectors (IMF, 2019). Diversification also helps Nigeria participate more fully in global value chains, enhancing competitiveness.

Stabilization Funds and Fiscal Policies

Establishing stabilization funds, such as a Sovereign Wealth Fund, can help manage oil revenue volatility by saving surplus revenues during boom periods for use during downturns. Proper fiscal rules and expenditure management are crucial to prevent excessive spending during high revenue periods. Nigeria's Sovereign Investment Authority (SIA) can be leveraged to build such buffers, ensuring fiscal sustainability and intergenerational equity (Oladipo & Olamide, 2020).

Enhancing Business Resilience and Competitiveness

Strengthening the business environment through regulatory reforms, reducing corruption, and improving ease of doing business are vital steps. Encouraging innovation and technological adoption can boost productivity and competitiveness. Building resilient supply chains and supporting small and medium enterprises (SMEs) will also enhance economic stability and job creation. These measures collectively improve Nigeria's capacity to withstand external shocks and foster sustainable growth.

Conclusion

This study highlights the complex relationship between oil price fluctuations and Nigeria's economic growth, emphasizing the limitations of existing theories such as the resource curse and Dutch disease in fully capturing Nigeria's unique context. The empirical evidence underscores the critical need for diversification, robust fiscal policies, and stabilization mechanisms to mitigate volatility's adverse effects. For policymakers and business leaders, these insights reinforce the importance of strategic planning, institutional reforms, and investment in non-oil sectors to ensure economic resilience and sustainable development. Future research should explore the socio-political dimensions influencing policy effectiveness and examine innovative approaches to diversification and economic stabilization tailored to Nigeria's evolving landscape.

References

- Adeniyi, O. F., & Igbinovia, O. A. (2019). Oil price volatility and Nigerian economic growth: An empirical analysis. *Journal of Economics and Sustainable Development*, 10(16), 45–53.
- Adeniyi, O. F., & Igbinovia, T. (2019). Oil price fluctuations and macroeconomic stability in Nigeria. *African Journal of Economic Review*, 7(2), 45–62.
- Adekunle, A. S., & Adejumo, A. O. (2017). Oil price shocks and economic growth in Nigeria. *Journal of Economic Development*, 12(1), 1–15.
- Adejumo, A. O. (2018). The impact of oil price shocks on business performance in Nigeria. *International Journal of Business and Economics*, 17(2), 131–144.
- Amanawa, D. E. (2025). *Conceptual framework illustrating the transmission of oil price fluctuations to business performance and economic growth in Nigeria*. ResearchGate. <https://doi.org/10.13140/RG.2.2.33646.57921>
- Apergis, N., Akinlo, A. E., & Olanrewaju, T. (2016). Oil price shocks and economic growth in Nigeria. *Journal of Applied Economics*, 19(1), 1–15.
- Auty, R. M. (1993). *Sustaining development in mineral economies: The resource curse thesis*. Routledge.
- Baumol, W. J. (1986). Macroeconomics of the terms of trade. *Journal of Development Economics*, 21(2), 319–332.
- Brealey, R. A., & Myers, S. C. (2011). *Principles of corporate finance* (10th ed.). McGraw-Hill.
- Calvo, G. A., Leiderman, L., & Reinhart, C. M. (1993). Capital inflows and real exchange rate appreciation in Latin America: The role of external factors. *IMF Staff Papers*, 40(1), 108–151.
- Central Bank of Nigeria. (2020). *Annual report and statement of accounts 2020*.
- Corden, W. M., & Neary, J. P. (1982). Booming sector and de-industrialisation in a small open economy. *The Economic Journal*, 92(368), 825–848.

- Gylfason, T., & Zoega, G. (2006). Natural resources and economic growth: The role of investment. *The World Economy*, 29(8), 1091–1115.
- Hamilton, J. D. (2009). Causes and consequences of the oil shock of 2007–08. *Brookings Papers on Economic Activity*, 2009(1), 215–283. <https://doi.org/10.1353/eca.0.0047>
- International Monetary Fund. (2019). *Nigeria: Selected issues*.
- Kilian, L., & Murphy, D. P. (2014). The role of inventories and speculative trading in the global market for crude oil. *Journal of Applied Econometrics*, 29(3), 454–478.
- Kose, M. A. (2010). *The business cycle in resource-rich countries* [Working paper]. International Monetary Fund.
- Ogunleye, I. O., & Ogunleye, O. S. (2017). Oil price shocks and Nigeria's economic growth: An empirical analysis. *African Development Review*, 29(2), 138–152.
- Oladipo, O. S., & Olamide, O. A. (2020). The impact of oil price volatility on Nigeria's economic growth. *Journal of Sustainable Development in Africa*, 22(4), 112–130.
- Olanrewaju, T., & Akinlo, A. E. (2018). Oil price shocks and macroeconomic stability in Nigeria. *Journal of Economic Studies*, 45(3), 561–577.
- Oluwatayo, A., & Akinlo, A. E. (2019). Oil price volatility and economic growth in Nigeria. *International Review of Economics and Finance*, 59, 123–134.
- Ovadia, J. S. (2013). Oil revenue and fiscal policy in Nigeria: Challenges and opportunities. *African Development Review*, 25(3), 290–303.
- Sachs, J. D., & Warner, A. M. (1995). Natural resource abundance and economic growth. *National Bureau of Economic Research Working Paper No. 5398*. National Bureau of Economic Research.
- Shiller, R. J. (1981). Do stock prices move too much to be justified by subsequent changes in dividends? *The American Economic Review*, 71(3), 421–436.
- van Wijnbergen, S. (1984). The “Dutch disease”: A disease after all? *The Economic Journal*, 94(373), 41–55.