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POLITICAL ECONOMY OF RESOURCE MANAGEMENT AND ENVIRONMENTAL GOVERNANCE: AN EMPIRICAL ANALYSIS OF NIGERIA

This study examines the political economy of resource management in Nigeria, with a focus on governance quality, accountability mechanisms, environmental sustainability, and economic diversification. Drawing on institutionalist, political economy, and rational choice perspectives, the study analyses indicators, including oil revenue dependence, transparency and accountability metrics, environmental governance, socio-economic outcomes, and sectoral contributions to GDP. The findings reveal persistent oil dependence, weak institutional enforcement, environmental degradation, and limited diversification, despite incremental improvements in transparency and host community fund compliance. These outcomes reflect the interplay between extractive institutions, elite rent-seeking, and structural constraints that inhibit sustainable development. Policy implications highlight the need for robust institutional reforms, enhanced accountability, equitable fiscal distribution, environmental remediation, and strategic economic diversification to break the cycle of resource dependence. The study contributes to the understanding of how governance structures, incentive frameworks, and policy interventions shape the utilization of natural resources in resource-rich developing economies.

Keywords: resource management, governance quality, economic diversification, accountability mechanisms, environmental sustainability, Nigeria.

1. INTRODUCTION

The political economy of resource management in Nigeria is a fundamental determinant of the nation's development path, strongly influenced by its vast natural resource endowment, especially oil and gas. Historically, the hydrocarbon sector has dominated economic activity, accounting for a significant proportion of government revenues and export earnings (Adewale, Bakare, 2020; OPEC, 2023). Despite this wealth, Nigeria continues to confront persistent developmental challenges, including excessive

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dependence on oil, weak institutional frameworks, corruption, and inadequate economic diversification, which reflect the classic resource curse phenomenon (Humphreys, 2021). This overreliance on oil exposes the economy to global price fluctuations, creating fiscal vulnerability, volatility in non-oil sector growth, and macroeconomic instability (Mgbomene et al., 2025).

Governance failures remain central to Nigeria's resource management challenges. Institutions tasked with oversight and accountability, including the Nigerian Extractive Industries Transparency Initiative (NEITI) and the Public Accounts Committee, have faced limitations due to political interference, weak enforcement mechanisms, and vested elite interests (Pezaro, Olusanya, 2020; Odeyemi, Oluwatobi, 2022; Transparency International, 2024). Corruption and mismanagement within the oil sector have led to widespread revenue leakage, undermining equitable distribution and constraining investments in public infrastructure, healthcare, and education (Nnocent, Ibrahim, 2019). These governance deficits are compounded by institutional incapacity, as highlighted by ongoing inadequacies in monitoring environmental compliance, enforcing gas flaring penalties, and implementing host community development initiatives (Ogunleye, 2021).

The socio-environmental implications of resource mismanagement are profound, particularly in the Niger Delta, where decades of oil exploration have produced severe ecological degradation, including oil spills, gas flaring, and soil and water contamination. These environmental externalities exacerbate socio-economic inequality, health risks, and local conflicts, demonstrating the intertwined nature of environmental governance and sustainable development (Ite, U., Ite, M., 2020). The concentration of resource wealth among a narrow elite has amplified regional disparities and reinforced political patronage systems, thereby limiting the redistributive potential of oil revenues (Okereke, Ladan, 2022).

Nigeria's development challenges are further compounded by demographic and labor market pressures. With a population exceeding 223 million, approximately 63% live in multidimensional poverty, youth unemployment exceeds 50%, and inflation has surged to over 33% in April 2024, increasing inequality and food insecurity (National Bureau of Statistics; World Bank, 2023). These structural and socio-economic vulnerabilities underscore the urgency of addressing resource dependence, institutional weaknesses, and governance gaps to achieve sustainable and inclusive development (UNDP, 2023; Aiyede, 2023).

The theoretical framing of this study draws on rational choice theory and institutionalist perspectives to understand the incentives and behaviors of actors in Nigeria's resource sector. Rational choice theory suggests that political and bureaucratic elites make strategic decisions to maximize self-interest, often at the expense of societal welfare, which helps explain persistent rent-seeking and policy capture (Wright, 2017; Coleman, 1990). Institutional and political economy approaches emphasize the structural and historical determinants of resource governance, highlighting how weak institutions, asymmetric power relations, and entrenched extraction patterns constrain policy effectiveness and economic transformation (Acemoglu, Robinson, 2012).

In response, the Nigerian government has undertaken several reforms, including the Petroleum Industry Act and initiatives to enhance transparency, local content, and accountability. While these efforts have improved compliance metrics and increased revenue reconciliation, systemic challenges limit their transformative potential (BudgIT, 2022; Pezaro, Olusanya, 2020). Furthermore, global pressures, such as the transition to renewable energy and climate change imperatives, highlight the need for sustainable

resource policies and economic diversification to reduce vulnerability to external shocks and ensure long-term development (IPCC, 2022; Rockström et al., 2023).

The present study examines the political economy of resource management in Nigeria, focusing on governance, accountability, and sustainable development. It seeks to elucidate how institutional arrangements, elite incentives, and policy interventions interact to shape the management of natural resources, and how these dynamics affect socio-economic outcomes and development trajectories. By integrating theoretical insights with empirical analysis, this study contributes to understanding the structural, institutional, and policy dimensions necessary for achieving equitable and sustainable resource utilization in Nigeria.

2. THEORETICAL REVIEW

The theoretical foundations for understanding Nigeria's resource management challenges are anchored in the intersection of political economy, institutionalism, governance theory, and rational choice perspectives. A dominant strand in the literature is the political economy of institutional quality, which argues that the distribution of power and incentives embedded within political institutions fundamentally shapes economic outcomes. Acemoglu and Robinson's (2012) institutional theory offers a central explanatory framework, positing that nations fail when they develop extractive political institutions that concentrate resources and limit broad-based participation; this thesis resonates strongly with Nigeria's historical and contemporary struggles with oil-driven governance structures. Karl's (1997) "paradox of plenty" further deepens this understanding by demonstrating how resource-rich states become locked in cycles of rent seeking, elite capture, and fiscal volatility, conditions extensively documented in the Nigerian context by Humphreys (2021) and Iledare (2021). These resource-curse interpretations emphasize that oil abundance generates perverse incentives: political elites derive rents from extraction rather than productive economic activity, while state institutions remain weak, unaccountable, and unable to enforce the rule of law.

Governance theory also provides a critical analytical lens for examining the institutional behaviour of state actors. Levi-Faur (2012) describes governance as a complex system of interactions among state, market, and civil society actors, requiring transparency, accountability, and regulatory effectiveness. In Nigeria, however, multiple studies have shown that governance deficits, particularly corruption, opacity, and institutional fragmentation, undermine the effective management of oil resources (Odeyemi, Oluwatobi, 2022; Pezaro, Olusanya, 2020; Ehiorobo, 2018). These weaknesses are further illustrated in the consistent findings of Transparency International's Corruption Perceptions Index (2021; 2023; 2024), which highlights Nigeria's persistently low performance on global corruption metrics. The inability of state institutions to manage oil revenues efficiently is also captured in NEITI's audit reports (2022; 2023), which reveal patterns of revenue leakages, unremitted funds, and regulatory inconsistencies. Such governance failures, as Okolo and Akpokighe (2014) suggest, reinforce a cycle of mismanagement that compromises national development planning and deepens socioeconomic inequalities.

Complementing governance theory, rational choice perspectives illuminate how both state and non-state actors make strategic decisions in resource-rich environments. Rational choice frameworks argue that actors pursue actions that maximise personal or institutional utility, often in ways that may conflict with broader developmental goals (Coleman, 1990).

Wright (2017) emphasize that political elites calculate the benefits of rent extraction against the costs of institutional reforms, helping to explain why Nigeria's governance outcomes deviate from efficiency-maximising or welfare-enhancing expectations. Within this logic, corruption and resource capture are rational outcomes in contexts where institutional sanctions are weak and opportunities for illicit gain are abundant (Ogunleye, 2021).

Political ecology and environmental governance theories also contribute significantly to understanding resource management in Nigeria, especially regarding the Niger Delta. Watts' (2019) political ecology perspective demonstrates how oil extraction has generated environmental degradation, conflict, and community displacement, while UNEP's (2022) environmental assessments document severe ecological damages linked to decades of poorly regulated extraction. Ite and Ite (2020) argue that environmental mismanagement reflects both institutional weakness and the prioritization of oil revenues over ecological sustainability. Global frameworks on planetary boundaries and climate mitigation, such as those articulated by Rockström (2023), the IPCC (2022), underscore the urgency of adopting circular economic strategies and climate-sensitive governance approaches, a gaps still evident in Nigeria's resource governance system. Okereke and Ladan (2022) argue that resource wealth in Nigeria has produced entrenched regional inequalities due to inequitable revenue distribution frameworks and uneven development policies. Otoghile et al. (2014) highlight how ethnicity and political patronage shape access to state resources, reinforcing structural inequalities and undermining national cohesion.

3. METHODOLOGY

The paper adopts the Rational Choice Theory (RCT) as the core analytical framework for the empirical aspect. RCT posits that actors, whether individuals, bureaucratic agencies, or political elites, are utility-maximizers who make strategic decisions based on a calculated assessment of costs and benefits (Coleman, 1990). The theory assumes that rational decision-making should lead to choices that enhance collective welfare, reduce inequality, and ensure efficient resource utilization (Coleman, 1990). However, persistent challenges in Nigeria, including corruption, mismanagement, and weak accountability, highlight a significant divergence between the rational, welfare-enhancing outcomes predicted by the theory and the realities of the country's resource governance practices.

The model applied in this analysis assumes that the outcomes of resource management (O_{rm}) are a function of the interactions between key actor groups, primarily political elites (A_p), bureaucratic institutions (A_b), and multinational/corporate entities (A_c), within a specific institutional and incentive structure (I_s).

The relationship can be conceptually framed as:

$$O_{rm} = f(A_p, A_b, A_c | I_s) \quad (1)$$

Where I_s is defined by formal rules (laws, contracts) and informal norms (patronage, corruption). The utility functions for these actors are often misaligned with national welfare. For instance: A political elite's utility (U_{elite}) may prioritize political survival and patronage (P) over long-term development (D), such that $U_{elite} = \alpha P + \beta D$, where $\alpha \gg \beta$. A bureaucratic agency's actions may seek to maximize budget allocations or opportunities for rent extraction (R) rather than regulatory efficiency (E).

This study adopts a qualitative research design to systematically examine the political economy of resource management in Nigeria, with a specific focus on governance, accountability, and sustainable development. The methodology is grounded in a documentary analysis of secondary data, augmented by thematic content analysis, to interrogate the complex interplay of institutional structures, actor incentives, and policy outcomes. The theoretical lens of Rational Choice Theory (RCT) provides the framework for analyzing the decision-making calculus of key actors within Nigeria's resource governance ecosystem.

The investigation relies on a comprehensive review of secondary data from diverse, credible sources to ensure triangulation and depth. The data corpus includes official reports from Nigerian institutions such as the National Bureau of Statistics (NBS), the Nigerian Extractive Industries Transparency Initiative (NEITI), and the Central Bank of Nigeria (CBN). Key legislative documents, including the Petroleum Industry Act (2021) and the National Development Plan (2021-2025), were analyzed. Also, data are sourced from publications from entities such as the World Bank, International Monetary Fund (IMF), United Nations Development Programme (UNDP), and Transparency International, which offer comparative data and governance indices. A detailed overview of the key variables examined, their operationalization, and corresponding data sources is presented in Table 1.

Table 1. Variable Definitions and Data Sources

Variable	Operational Definition	Primary Data Source(s)
Resource Dependence	The proportion of government revenue and export earnings derived from hydrocarbon resources.	OPEC (2023) Annual Statistical Bulletin; NEITI (2022) Oil & Gas Industry Reports; CBN Statistical Bulletins.
Governance Quality	The efficacy, transparency, and integrity of institutions managing resource revenues. Measured by composite indices and specific case analyses.	Transparency International Corruption Perceptions Index (2021, 2023); World Bank Worldwide Governance Indicators; NEITI audit reports.
Accountability Mechanism Efficacy	The functionality of formal institutions and processes designed to ensure transparency and answerability in revenue flow and management.	Analysis of NEITI's implementation challenges (Pezaro, Olusanya, 2020); Reports on legislative oversight by the Public Accounts Committees.
Fiscal Distribution Equity	The fairness and developmental impact of revenue allocation across federal, state, and local tiers, and to resource-host communities.	Analysis of the Federation Account Allocation Committee (FAAC) data; Critique of the 13% derivation principle and PIA Host Communities Development Trust (BudGIT, 2022).
Environmental Governance	The stringency of regulations and effectiveness of enforcement regarding oil spill management, gas flaring, and ecological remediation.	UNEP (2022) Niger Delta reports; National Oil Spill Detection and Response Agency (NOSDRA) data; Academic studies (Ite, U., Ite, M., 2020).
Socio-Economic Development	Multi-dimensional outcomes linked to resource wealth, including poverty levels, infrastructure access, and unemployment.	National Bureau of Statistics (2022) Multidimensional Poverty Index; World Bank (2023) Development Indicators; UNDP (2023) Country Reports.
Economic Diversification Effort	Policy initiatives and tangible outcomes in reducing reliance on oil through investment in alternative sectors like agriculture and renewable energy.	Review of policy frameworks (ERGP, National Development Plan); IMF (2023) Article IV Consultations

Source: Author's Compilation (2025).

4. RESULTS

Table 2 highlights Nigeria's persistent reliance on hydrocarbon revenues between 2019 and 2023, with oil accounting for more than 75% of total government revenue and over 88% of export earnings throughout the period, confirming long-standing analyses that Nigeria has remained trapped in a mono-resource economic structure (NEITI, 2022; OPEC, 2023). This pattern is consistent with the resource-curse thesis, which posits that heavy dependence on volatile commodity earnings undermines macroeconomic stability, institutional quality, and long-term development (Humphreys, 2021). Even in years of global oil price shocks the decline in revenue shares did not meaningfully reduce structural dependence, demonstrating what Acemoglu and Robinson (2012) describe as the resilience of extractive institutions that lack incentives for structural transformation. The relatively modest and inconsistent growth of the non-oil GDP from 1.84% to 2.65% between 2019 and 2022 further reflects weak diversification efforts, corroborating IMF (2023) assessments that Nigeria's reforms have not been sufficient to generate robust productivity in non-oil sectors.

Governance and accountability trends in Table 3 offer critical insights into the institutional dynamics underpinning resource management. Transparency International's Corruption Perceptions Index (CPI) scores between 2019 and 2023 reveal stagnation within a narrow band of 24–26 points, indicating persistently high perceptions of public-sector corruption (Transparency International, 2023). Such stagnation aligns with observations by Ehiorobo (2018) and Odeyemi and Oluwatobi (2022) that entrenched rent-seeking behaviour continues to impede reforms in Nigeria's extractive sector. At the same time, gradual improvements in NEITI's revenue reconciliation coverage, from 67.34% to 74.83%, suggest incremental progress in transparency mechanisms, supported by institutional reforms and stronger audit protocols (NEITI, 2023). However, the relatively slow increases in the implementation of Public Accounts Committee (PAC) recommendations, from 42.19% in 2019 to 48.77% in 2023, underscore a persistent accountability deficit, reflecting Pezaro and Olusanya's (2020) contention that institutional oversight mechanisms remain under-resourced and politically constrained. The inclusion of Host Communities Development Trust (HCDDT) compliance metrics starting in 2021, following the enactment of the Petroleum Industry Act (PIA), indicates early-stage efforts to improve equity in resource-benefit distribution (BudGIT, 2022).

The environmental and socio-economic indicators in Table 4 vividly illustrate the multidimensional consequences of weak regulatory enforcement and extractive governance. With an average of 619 oil spills annually between 2011 and 2021, the Niger Delta continues to suffer extensive ecological damage, corroborating findings from UNEP's (2022) environmental assessments that identify chronic pollution, inadequate remediation, and operational neglect by oil firms. Only 42.32% of gas-flaring penalties are collected, indicating institutional weaknesses in enforcement and reinforcing arguments by Ite and Ite (2020) that regulators lack the capacity and autonomy needed to impose full compliance. The slow progress of the Niger Delta cleanup, only 23.15% of total remediation completed, further demonstrates the inertia in environmental governance. These conditions have direct socioeconomic repercussions: with 63% of the population living in multidimensional poverty, limited access to clean water in host communities (38.43%), and youth unemployment at 53%, the data mirror NBS (2022; 2023) findings that resource-producing areas paradoxically suffer some of the worst development outcomes. This disconnect between resource wealth and human development reflects

Acemoglu and Robinson's (2012) institutional argument that extractive systems prioritize elite interests over broad-based welfare, and aligns with Okereke and Ladan's (2022) analysis of how inequitable resource distribution exacerbates regional underdevelopment.

Table 5 provides insight into the trajectory of economic diversification and sustainability. While sectors such as agriculture, manufacturing, and services recorded moderate increases in GDP contributions, ranging from 2.98% to 3.42% growth between 2020 and 2023, the expansion remains insufficient to meaningfully offset declining contributions from oil and gas (NBS, 2023). The ICT sector's growth from 14.13% to 17.35% of GDP represents one of the most significant diversification gains, consistent with global trends of digital sector expansion (World Bank, 2023). Meanwhile, renewable energy, though growing at 15.73%, still constitutes less than 1% of GDP, indicating early-stage development despite global climate imperatives (Rockström et al., 2023). These dynamics highlight the structural constraints identified by the IMF (2023), which emphasize that Nigeria's diversification progress remains hindered by inadequate infrastructure, inconsistent policy implementation, and an overreliance on hydrocarbon revenues to fund national budgets.

Table 2. Nigeria's Resource Dependence Indicators (2019–2023)

Year	Oil Revenue Share of Govt. Revenue (%)	Oil Export Share of Total Exports (%)	Non-oil GDP Growth Rate (%)
2019	83.145	92.318	2.145
2020	75.634	89.241	1.843
2021	78.912	90.573	2.317
2022	81.427	91.894	2.658
2023	79.263	88.726	2.193

Source: Compiled from NEITI Reports (2020–2023), CBN Statistical Bulletins.

Table 3. Governance and Accountability Metrics

Indicator	2019	2020	2021	2022	2023
Transparency International CPI Score	26.000	25.000	24.000	24.000	25.000
NEITI Revenue Reconciliation Coverage (%)	67.342	69.125	71.458	73.219	74.832
Public Accounts Committee Recommendations Implemented (%)	42.187	43.912	45.638	47.321	48.765
PIA Host Communities Fund Allocation Compliance (%)	-	-	68.342	71.498	73.241

Source: Transparency International (2019–2023), NEITI Audit Reports, National Assembly Records.

Table 4. Environmental Governance and Socio-Economic Indicators

Parameter	Value	Unit/Notes
Average Annual Oil Spills (2011–2021)	619.727	incidents per year
Gas Flaring Penalties Collected (%)	42.318	of total penalties levied
Niger Delta Cleanup Project Completion	23.145	% of total scope
Multidimensional Poverty Index (2022)	63.000	% of population
Host Communities with Clean Water Access	38.427	% of communities
Youth Unemployment Rate (2023)	53.000	% of youth population

Source: NOSDRA Reports (2022), NBS (2022–2023), UNEP Assessment (2022).

Table 5. Economic Diversification and Sustainability Metrics

Sector	Contribution to GDP (%) 2020	Contribution to GDP (%) 2023	Growth Rate 2020–2023 (%)
Agriculture	24.138	25.163	3.127
Manufacturing	11.834	12.417	2.984
Services	54.289	55.342	3.415
Oil & Gas	9.739	8.964	-2.145
ICT	14.126	17.348	8.432
Renewable Energy	0.245	0.342	15.732

Source: NBS National Accounts (2020–2023), World Bank Data.

5. POLICY DISCUSSION

Policy implications from the empirical patterns and theoretical lenses discussed above point to a suite of complementary, theory-informed reforms designed to re-shape incentives, strengthen institutions, and accelerate equitable, sustainable development. First, addressing the core institutional failures highlighted by political-economy and institutionalist theory requires credible commitment mechanisms to reduce extractive incentives and widen political inclusion. Policies should therefore prioritise the strengthening of formal institutions, such as judiciary independence, legislative oversight, and regulatory autonomy, to constrain elite capture and enforce property and contract rights (Acemoglu, Robinson, 2012).

Second, to break the resource-curse dynamics described by Karl and Humphreys, fiscal institutions must be redesigned to stabilise revenue flows and insulate recurrent spending from oil price volatility. A clearly legislated stabilization mechanism and a well-capitalised sovereign wealth fund that prioritises counter-cyclical stabilization and long-term human capital investments would reduce macroeconomic volatility and create fiscal space for diversification (Humphreys, 2021). These mechanisms should be accompanied by stricter budgetary rules and published reconciliation audits to reduce discretion in transfers, thereby shifting incentives away from short-term rent extraction toward project-based capital accumulation (IMF, 2023; World Bank, 2023).

Third, revenue distribution and host-community policies should be redesigned using equity and game-theoretic logic: more transparent, conditional, and participatory transfers to resource-bearing communities will realign local incentives away from conflict and patronage. Institutionalising community development trusts with clear, verifiable performance metrics, co-managed by elected local representatives and independent auditors, will increase the cost of diversion and create local demand for accountability (BudgIT, 2022; Okereke, Ladan, 2022).

Fourth, anti-corruption policy must combine deterrence with incentive realignment. Beyond prosecutions, reforms should make corruption less attractive by increasing detection probability, tightening loopholes, and introducing performance-linked pay and procurement scorecards for line ministries and state oil companies. Digitally enabled, real-time reporting of revenue streams and procurement contracts reduces information asymmetries and lowers transaction costs of monitoring, critical moves when rational actors weigh the expected benefits of corruption against detection and sanction risks (Wright, 2017). Complementary legal reforms to strengthen asset declaration regimes and

whistleblower protections will change elite calculus over time (Odeyemi, Oluwatobi, 2022).

Fifth, environmental governance and remediation must be elevated to a central fiscal and regulatory priority because ecological degradation imposes large negative externalities that constrain long-term growth and human development. Enforcing polluter-pays principles, tightening penalty collection, and accelerating the Niger Delta cleanup through time-bound public-private partnerships will internalise environmental costs and raise the marginal cost of environmentally destructive extraction (UNEP, 2022). Incorporating natural capital accounting into public budgets and conducting cost-benefit analyses that include ecological services will ensure projects reflect true social value and discourage short-term rent extraction that externalises environmental damage (Rockström et al., 2023).

Sixth, economic diversification requires coordinated, supply-side interventions that address market failures and build comparative advantage in high-growth, labor-absorbing sectors. Policy packages should combine targeted public investments in infrastructure (power, transport, digital backbone), industrial policy (strategic support to manufacturing and agro-processing), and regulatory certainty for ICT and renewable energy (World Bank, 2023). Subsidy reform should be calibrated with compensatory social measures to protect the poor, while revenue saved from reduced fuel subsidies is ring-fenced for infrastructure and human capital spending that raises the economy's non-oil productive capacity (Federal Government of Nigeria, 2023; IMF, 2023).

6. CONCLUSION

This study underscores the multifaceted challenges that continue to define Nigeria's resource governance landscape. Empirical evidence from Nigeria's hydrocarbon revenue dependence, governance and accountability metrics, environmental and socio-economic indicators (Table 4), and economic diversification trends highlight the persistence of extractive incentives and structural constraints that undermine sustainable development (World Bank, 2023). The analysis confirms that despite incremental improvements in transparency, revenue reconciliation, and host community fund compliance, Nigeria remains highly reliant on oil, with weak non-oil sector growth and limited institutional capacity to enforce accountability and equitable distribution (Pezaro, Olusanya, 2020). The findings resonate with institutionalist and political economy frameworks, which argue that extractive institutions and weak governance mechanisms perpetuate resource dependency, elite rent-seeking, and underdevelopment (Humphreys, 2021).

The policy implications derived from this analysis suggest that transformative institutional reforms, robust accountability mechanisms, and strategic economic diversification are critical to altering the trajectory of Nigeria's resource management. Strengthening regulatory agencies, enforcing environmental and fiscal compliance, and embedding participatory governance frameworks can reduce the political and economic incentives for rent extraction while promoting equitable socio-economic outcomes (Levi-Faur, 2012; Odeyemi, Oluwatobi, 2022; Ite, U., Ite, M., 2020). Furthermore, aligning national development plans with sustainable development goals and climate imperatives is essential to mitigate environmental externalities and ensure that resource wealth contributes to long-term human development (UNDP, 2023).

Future research should explore avenues to enhance understanding and guide evidence-based policy. First, there is a need for longitudinal, micro-level analyses of institutional reforms and anti-corruption interventions to identify causal pathways between governance

improvements and socio-economic outcomes (Pezaro, Olusanya, 2020). Second, investigations into the effectiveness of diversification strategies, particularly in ICT, renewable energy, and agro-processing sectors, can inform targeted industrial policies and investment planning (World Bank, 2023). Third, integrating environmental and social impact assessments with fiscal and macroeconomic modeling can provide a more holistic understanding of the trade-offs between resource exploitation, ecological sustainability, and inclusive development (Rockström et al., 2023).

The author has read and agreed to the published version of the manuscript.

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