عنوان مقاله:
Price and Income Elasticities of Domestic Petroleum Consumption in Nigeria

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نویسندگان:
Sa’ada Abba Abdullahi - *Department of Economics, Baze University, Abuja, Nigeria*

Sabiu Bariki Sani - *Department of Economics, University of Abuja, Abuja, Nigeria*

خلاصه مقاله:
This paper estimates the price and income elasticities of domestic petroleum consumption in Nigeria using the Johansen cointegration and vector error correction model approaches. The paper used annual time series data for domestic petroleum consumption, petroleum price, and real income over the period ۱۹۸۵ to ۲۰۱۸. The result indicates the existence of a long-run cointegration relationship between domestic petroleum consumption and the independent variables. The estimates of the long-run price and income elasticities are -۰.۲۱۲ and ۰.۲۹۳ which suggest that petroleum consumption is both price and income inelastic in Nigeria. The short-run analysis indicates that the elasticity coefficient of price is insignificant while income is negative -۰.۶۲۸ but significant. The result of the Granger causality test shows evidence of short-run and long-run unidirectional causality running from income to domestic petroleum consumption. The results imply that there is a need for a strong policy that will improve the efficiency of the electricity sector and promote the use of power-saving machines and technology to reduce domestic petroleum consumption .which may result in an increase in per capita income in Nigeria

کلمات کلیدی:
Petroleum Consumption, Price elasticity, income elasticity, Cointegration, Nigeria