

Analysing Flood Control Cost, Financing and Budget Deficit in Nigeria

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Abstract

Nigeria is Susceptible to flood disasters due to natural and human factors resulting in Budget Strains and disequilibrium (Budget Deficit). The paper analysed the effects of flood control costs, budget deficit, and financing in Nigeria between 1986 and 2016. A Secondary Method of Data Collection was used in the study. Data collected from the Central Bank of Nigeria Statistical Bulletin (CBN) 2016 were analysed using descriptive statistics to determine the mean and standard derivation of the valuables and vector error correlation regression analysis to estimate the data. The effect of budget deficit on flood control costs in Nigeria is positive and significant, while external and domestic financing negatively affects the flood control cost. Considering the negative effect of the financing strategies on the flood control cost, the study recommends that the Government ensure that proceeds from debt financing, especially for flood and ecological control costs, are utilised for the intended purpose.

Keywords: Flood Control Cost, Financing and Budget Deficit