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## Abstract

*The aim of this study was to investigate Audience perception of federal government removal of fuel subsidy in Enugu metropolis. Three main research questions were formulated for the purpose of this study and other sub questions aimed at prying into audience perception, causes and effects of fuel subsidy removal in Nigeria. Survey research method was used because of its convenience, reliability and cheapness. The study population was Enugu Metropolis. A total of 200 respondents were selected, using the purposive random sampling. The number of retrieved questionnaire was 195, representing 97.5% response rate. Statistical analyses of data collected were performed using, frequency distribution, percentages, tables while Chi-square formula was used to test the formulated hypothesis. Results revealed that audience perceived the removal of oil subsidy as an act of selfishness, wickedness and the federal government means of promoting their selfish interest, thereby making the masses to suffer. Corruption in the oil sector and gross mismanagement and also due to few corrupt individuals that are united to promote their private interest among other factors have been found to be the reasons and causes for the removal of fuel subsidy. These in turn have led to increase in prices of fuel pump oil products; increase in prices of food commodities, transportation and increase in operating costs of micro and small enterprises. The researcher recommends that there was a significant relationship between fuel subsidy removal and cost standard of living of the general populace. She suggested that the federal government should look into other sectors of the economy such as agriculture, tourism etc. in order to boost the economy.*

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background of the Study**

For some number of years, Nigeria enjoyed subsidy on petroleum products. This came to an end on January 1st, 2012, after a declaration from President Goodluck Jonathan that afterwards, the subsidy was to be removed (Zaccheus, 2011). In Nigeria, the issue of appropriate pricing of petroleum product has always been a controversial policy issue. Successive governments have dealt with this problem to no avail. Suffice to say that in Nigeria, subsidy removal implemented by governments had always yielded negative effects on the citizens. According to Centre for Public Policy Alternatives (2012), a subsidy by definition is any measure that keeps the prices

consumers pay for a good or product below market levels for consumers or for producers above market. The essence of having subsidy in place for products and services is that it has direct positive impact on poverty reduction in the lives of the poor masses who could not afford high prices (Nwaoga and Casimir, 2013).

Subsidies were introduced in the Nigerian energy sector in the mid 1980's. Something of a creeping phenomenon, the value of the subsidies has gone from 1 billion in the 1980s to an expected 6 billion Dollars in 2011. In this period the specific products targeted for subsidy have changed. Diesel oil has had its associated subsidy redacted while petrol, gasoline; kerosene continues to enjoy a 54.4 % subsidy over the international spot market price at the Nigerian pump. Economists believed that social welfare is maximized when the price of each good and service is freely determined by the interaction of buyers and sellers in open competitive markets. In practice and especially in developing countries however, policy is often driven more by political consideration than rational economic theory. The risk of social unrest, street riots, and threats of civil war very easily make introduction of market distorting policies justified. Nigeria as a case in point is under increased pressures to grow its economy. Yet countervailing forces of corruption, mismanagement of public resources and poor governance conspire to frustrate efforts to sustain growth in the face of rising population numbers and demands for a democratic dividend by the citizenry (Centre for Public Policy Alternatives, 2012).

According to Centre for Public Policy Alternatives, the justifications for introduction or removal of subsidies vary markedly. In developed economies Environmental issues, international trade and maintaining competitiveness are the main drivers of policy. Whereas welfare, poverty alleviation and election cycle politics largely underpin the reasons for which subsidies are introduced in developing countries. A new factor in the current mix of policy drivers is the

renewed emphasis on governance reform championed by the Bretton woods institutions-The World Bank, IMF and the donor community. Lending urgency to this scenario is the global economic downturn and consequent rationalization by lenders, aid granting countries. As domestic demand for funds increase in these countries amounts available for aid, FDI and subsidies diminish. The consequence is a demand for greater efficacy in the economies of the aid receiving countries of which Nigeria is one.

Furthermore, the issue of fuel subsidy removal has torn this nation into two factions, the government and the economic experts on one hand and the masses on the other hand. The last fuel subsidy removal on 1st January, 2012 sparked an uprising that almost led to a revolution; this attracted a lot of public debate, opinions and reactions leading to NLC strike and demonstrations in various states. Therefore, the major focus of this study is to investigate audience perception of federal government removal of fuel subsidy in Nigeria on January 2012.

## **1.2 Statement of the Research Problem.**

Fuel is central to the economic pursuits of Nigerians, whose sustenance daily bread is tied to this bye product of Nigeria's rich crude oil deposits. The Petroleum Product Pricing Regulatory Agency (PPPRA) regulates the downstream Oil and Gas industry on behalf of the Federal Government and by the removal of subsidy on Premium Motor Spirit (Petrol), the downstream sub-sector of the Petroleum industry is deregulated for Petrol. Deregulation leaves market forces as the sole determinant of product prices. While over the years, many Nigerians have opposed the implementation of the policy in the Oil and Gas Industry, international finance and donor agencies like the World Bank and IMF have been very harsh in their criticisms of the successive governments that have sustained the policy for a single inherent flaw they condemned as harmful to the growth of the Nigerian economy. However it should be noted that there were obvious

flaws in the policy at inception and up to January 1, 2012 when it was removed there were more private retailers of petroleum products than the state owned NNPC stations. The regulatory framework (PPPRA) used to enforce the subsidy was weak, under resourced and suffered from the Nigerian disease. The secrecy and lack of transparency by the administrator of the subsidy (the NNPC) did not help matters either. Nigeria still could not make her refineries efficient. This means that Nigeria could not produce enough refined products for local consumption. Finally, due to the weak regulation by the PPPRA, some economic saboteurs/cabal were able to misappropriate the fuel subsidy money and channel it to their own personal pockets instead of using it for what it was intended for. These and more reasons triggered the federal government of Nigeria to remove the subsidy on fuel. By this removal of oil subsidy, the question this study seeks to answer is: What is the perception of the audience with regards to the removal of oil subsidy in January 2012?

### **1.3 Objectives of the Study**

The objectives of this study are:

1. To examine the audience perception of fuel subsidy removal
2. To examine the cause of the fuel subsidy removal
3. To ascertain the effects of fuel subsidy removal on the citizens of Nigeria.

### **1.4 Research Questions**

The study will proffer answers to the following research questions:

1. What is your perception of the fuel subsidy removal?
2. What would you consider to be the cause of fuel subsidy removal?
3. What do you consider to be the effects of fuel subsidy removal on the citizens of Nigeria?

### **1.5 Research Hypothesis**

H<sub>1</sub>: There is significant relationship between oil subsidy removal and cost/standard of living of the residents of Enugu metropolis.

### **1.6 Scope of the Study**

This study investigates audience perceptions of the Federal Government removal of oil subsidy in January 1, 2012 amongst residents of Enugu metropolis. It also investigated how the audience perceived removal of oil subsidy. Decision was then made to conduct this study amongst residents of Enugu metropolis because of proximity to the base of the researcher.

### **1.7 Significance of the Study**

The uniqueness of this study is that it will be used to determine the opinions, beliefs, attitudes and general behaviour of Nigerians on the Federal Government's removal of oil subsidy. Also, the study will add to the numerous literatures written on the issue of the removal of fuel subsidy by the government. It is also hoped that the findings of this study will help the government to be more alive to their duties, as it should be under a democratic government. Also, this study is significant politically because it will assist government in formulating formidable policies that will bring a more robust relationship with the people as well as engender the needed conducive environment for political and societal development. It will also help our future researchers to use the study as a source of reference for future research academic and other purposes.

### **1.8 Definition of Terms**

The following terms that formed the topic of this study are hereby defined conceptually and operationally. The conceptual definitions are the dictionary meanings whereas the operational definitions are their working meanings they include:

**Audience:** This means those who are directly or indirectly affected by the removal of the fuel subsidy.

**Perception:** The general opinion held by Enugu urban residents about the removal of fuel subsidy by the federal government.

**Fuel Subsidy removal:** This means the withdrawal of the policy which made the price of fuel to be reduced for the affordability of average Nigerians.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter does an extensive review of audience perception on federal government removal of fuel subsidy in Nigeria under the following captions: conceptual framework describing the concept of perception and subsidy, the origin of fuel subsidy in Nigeria, the history of fuel subsidy removal in Nigeria and the possible causes/reasons for removal, impact of fuel subsidy removal on the populace of Nigeria. Finally, the researcher reviews theoretical frameworks pertinent to the topic of study.

## **2.2 Review of concepts**

### **2.2.1 Concept of Perception**

Like most concepts within the social science disciplines, perception has been defined in a variety of ways since its first usage. From the lay man's perspective, perception is defined as an act of being aware of "one's environment through physical sensation, which denotes an individual's ability to understand". However, many social psychologists have tended to develop the concept around one of its most essential characteristics that the world around us is not psychologically uniform to all individuals. This is the fact, in all probability, that accounts for the difference in the opinions and actions of individuals/groups that are exposed to the same social phenomenon. At this point, it is important to take a look at some of these definitions in order to better appreciate the point being made (Durojaye, O. B., Hammed, T. A and Godwin, O. U., 2009).

According to Nelson and Quick (1997) perception is the process of interpreting information about another person. What this definition has clearly stressed is that the opinion an individual forms about another person depends on the amount of information available to the individual and the extent to which an individual is able to correctly interpret the information you have acquired. In other words, you may be in possession of the same set of information that other people have on a particular situation, person or group but still arrive at different conclusions due to individual differences in the capacity to interpret the information that you all have.

Rao and Narayan (1998) obviously share the main characteristics of the above definition. However, they emphasise that perception ranks among the "important cognitive factors of human behaviour" or psychological mechanism that enable people to understand their environment. In their own words, "perception is the process whereby people select, organise, and interpret

sensory stimulations into meaningful information about their work environment.” They argue that perception is the single most important determinant of human behaviour, stating further that “there can be no behaviour without perception.” Though focussing on managers in work settings, Rao and Narayan draw attention to the fact that since there are no specific strategies for understanding the perception of others, everyone appears to be “left with his own inventiveness, innovative ability, sensitiveness and introspective skills to deal with perception.

In respect to this, Asemah cited in GistArea (2013) sees audience perception as the views, expressions and feelings held by the general members of the society about issues, events, happenings and occurrences in the society. These happenings may be at the local, national or international level. The media be it electronic or print are always available to reflect and regulate interests in our society. When they raise such an issue, it is either one is affected directly or indirectly by the issues raised by the media.

### **2.2.2 Concept of Fuel Subsidy Removal**

Subsidy by definition is any measure that keeps prices consumers pay for good or product below market levels for consumers or for producers above market. Subsidy means benefit given by the government to individuals or businesses whether in form of cash, tax reduction or by reducing the cost of goods and services. The purpose of subsidy is to help individuals and businesses purchase/acquire essential goods and services that they may not be able to afford, under normal circumstances. Subsidies take different forms. Some subsidies have a direct impact on price. These include grants, tax reductions and exemptions or price controls. Others affect prices or costs indirectly such as regulations that skew the market in favour of a particular fuel, government sponsored technology or research and development (Adebiyi, 2011).

According to Onyishi, Eme and Emeh (2012), fuel subsidy was before the coming of the Jonathan administration, a policy of federal government to assist the people of Nigeria to cushion the effects of their economic hardship. Conceptually, fuel subsidy seeks to enhance financial capacity but also to accept the implied financial capacity but also to accept the implied financial losses by it in the spirit of its national responsibility to ensure the well-being of the populace.

Culminating from the above explanations, Balogun (2012) stated that majority of Nigerians judge government policies by their physical manifestations in their immediate environment. And when such manifestations are not favourable to their living condition, they feel no hesitation labelling the policy in question a negative one. This is exactly the case with the removal of oil subsidy. It should be stressed that to the average Nigerian, removal of fuel subsidy is a hike in the price of petrol. Referring to it as removal of fuel subsidy in a nutshell is government's way of sugar coating the bitter pill of pump price increase to ease its swallowing by the Nigerian masses.

Olorede, Adewoye, Odesanya and Abubakar (2012) were of the view that the removal of oil subsidy from the point of view of the ordinary Nigerian makes easy the task of explaining the nature of corruption that has marred the petroleum sector, which has not only actually made the payment of oil subsidy burdensome to the government, but also has called for its urgent removal. From the government point of view, the removal of oil subsidy will curb the fraudulent acts being perpetrated by some shady oil dealers, derogatorily referred to as cabals, who allegedly are the sole beneficiaries of the subsidy on petroleum product. They stressed that the removal of subsidy on petrol protects the masses against the onslaught of a group of few "super-rich"

businessmen who use smart means to enrich themselves at the costly detriment of the majority of the Nigerian populace.

The results of a recently released snap poll conducted by NOI Polls investigating audience perception on the removal fuel subsidy revealed that 48% of respondents stated that the removal of subsidy would help boost the economy, hence the reason they are in support of its removal; while 24% believed the money could be used to build refineries; and 19% support the subsidy removal because the money saved could be invested in other sectors of the economy. Of the 49% of respondents that are not in support of the fuel subsidy removal, 34% of respondents believed the masses will suffer the most; while 28% said it will affect the poor the most; and 14% said it will cause inflation. In addition, 8% of respondent said they are not in support of the removal because the money saved will be mismanaged, and 7% said the money saved will be embezzled (NOI -Polls, 2012).

Onyishi et al., (2012) in a study observed that supporters of the subsidy posit that the subsidy has to go because there is need to rebuild the economy with the money recovered from subsidy removal. Opponents of the policy argued that nothing like subsidy ever existed in Nigeria, and what was surreptitiously being promoted by government as removal of subsidy was actually increase of petrol price under a deceptive guise. In a similar vein, Salami and Ayoola (2012) were of the opinion that anger and resentment of the public in the use of direct verbal attack and insinuations by opposition politicians and opinion leaders about the motive of the government were various ways of showing their resentment on the federal government removal of fuel subsidy. Emotive use of language in the discourse, among others, takes the form of lexical choices, direct verbal attacks and insinuations. Lexis is often used as missiles by the underdog, or

the representatives of people who feel oppressed, to portray the ruling class negatively as being insensitive to their plight and unconcerned about their welfare.

Agboola cited in Ering and Akpan (2012) maintained that the Organised Private Sector (OPS) were not happy with the removal of fuel subsidy. They described the policy as a deliberate move by the federal government to worsen the decaying industrial sector. The Organised Private Sector (OPS), he further argued that companies may be forced to pay more for providing generating plants at its factories. Similarly, the Small and Medium Enterprises (SMEs) will be generally affected since most of them use petrol for their relatively smaller power generating plants.

Ering and Akpan (2012) in a study of the Politics of Fuel Subsidy, Populist Resistance and its Socio-Economic Implications for Nigeria, stated that the protagonists in their own view argued that fuel subsidy removal was a step in the right direction and in the interest of Nigerians. They maintained that it will help eliminate incentives for corruption and excess profiteering by an unpatriotic cabal in the petroleum sub sector. It will minimize borrowing and save money for investing into job creation, power and transport infrastructure and others. It will eliminate capital flight and build Nigeria's foreign reserve in order to position the economy for speedy growth and global competitiveness. Fuel subsidy removal Jonathan and his cohorts argue that it will trigger private sector investment in a deregulated downstream petroleum sector and enthrone efficiency and catapult the development of the nation's productive sector such as agriculture and industries. Furthermore, subsidy removal and the money realized will be used to build more refineries and buy buses that will help cushion the effect of the subsidy removal.

They added that the antagonists of the fuel subsidy removal present a contrary view. The antagonists argued that the total amount that will be generated and the actual sharing have not

been revealed by the federal government. In other words what will actually go to the states and local governments and what will be left for the federal government has not been worked out. The effect this will have on the infrastructural development as being put by the president and his economic advisers has not really been clear. Therefore, it was premature to speak of the benefits of the removal of subsidy. Fuel subsidy removal will automatically lead to increases in the pump price of fuel. Other marketers created artificial scarcity in order to raise the pump price (Ering and Akpan 2012).

### **2.2.3 Concept of Deregulation**

Deregulation in the economic sense means freedom from government control. It is the removal of government interference in the running of a system. This means that government rules and regulations governing the operations of the system are relaxed or held constant in order for the system to decide its own optimum level through the forces of supply and demand. Deregulation allows enterprises and services to be restricted as little as possible. For this study, deregulation means either the partial or total withdrawal of government controls in the allocation and production of oil and gas. The question that should be asked at this juncture is what are the gains of deregulation in Nigeria? The most contentious issue in Nigeria is arguably the question of deregulation of the oil sector which has been generating heated debates from its protagonists and antagonists. The protagonists suggested that the liberalization and deregulation of the downstream sector of the petroleum industry would finally actualize the objective of ending perennial fuel scarcity and maintaining sustainable fuel supply across the polity. It also added that liberalization and deregulation of the sector would open it up for foreign investments, and, the incidents of petroleum products smuggling and inefficiencies in the sector. Besides, they argued that petroleum products in Nigeria were the lowest in the world and with deregulation;

the government would be able to channel funds to other sectors of the economy (Onyishi et al., 2012).

In a similar vein, Umoru, (2001) cited in Okpaga, Ugwu, and Eme, (2012), stated that deregulation implies the absence of control or regulation of the prices of petroleum products of government leaving the determination of prices to the interaction of forces of demand and supply which also rule out subsidy and encourage competition, efficiency and increase output in the petroleum industries. Deregulation pre-supposes market forces as the determinant of prices rather than a decision to fix price by administrative fiat. It is the process of freeing federal government of its.

### **2.3 The Evolution of Fuel Subsidy in Nigeria.**

Fuel subsidy payment was introduced as a policy in Nigeria during the Ibrahim Badamosi Babangidas' administration at a time our refineries failed to refine crude oil due to non-maintenance. It was introduced to temporarily stabilize the price of petroleum product while the refineries undergo rehabilitation and this was meant to last for only six months. Licences to lift, import and market oil were issued to friends of the administration who happened to be mainly from the Hausa-Fulani stock of Northern Nigeria (Bestresearchprojects, 2012).

### **2.4 The History of Fuel Subsidy Removal in Nigeria**

According to Olorede et al., (2012), fuel subsidy removal dates back to 1978, when the then military Head of State, General Olusegun Obasanjo reviewed the pump price of fuel from 8.4 kobo to 15.37 kobo. The concern was for government to generate enough money to run the administration, particularly when it was preparing for the 1979 general elections and to cater to the social needs of Nigerians. In January 1982, the civilian regime of Alhaji Shehu Shagari also

raised the pump price to 20 kobo from 15.37 kobo. Money realized from the fuel increase was used by members of the regime to buy properties in major capitals of European nations (USA, UK, Spain, France and others), as against using same to put in place social services that Nigerians seriously needed then. The inept leadership of the then NPN national government and the corruption that bedevilled the administration led to its overthrow. Then the military regime of General Ibrahim Babangida increased the pump price of fuel to 39.50 kobo on March 31, 1986. This regime was notorious for numerous pump price increases. On April 10, 1988, the Babangida led regime increased it to 42 kobo from 39.50 kobo per litre. These increases came at the time the regime choose to adopt a home grown Structural Adjustment Programme (SAP) as against external borrowing. His decision sparked-off massive protests by Nigerians, for whom the economic down turn and fuel price increases made life unbearable. Nigerians reacted angrily. Again, on March 6, 1991, the Babangida administration raised the pump price from 60 kobo to 70kobo. Not too long, the Nigerian nation was subjected to another round of fuel increase, when in November 8, 1993; the pump price was raised to N5.00. Greeted with mass protests across Nigeria, the price was reduced to N2.50 on November 22, 1993. A year later, on October 2nd, 1994, it was again raised to N15.00 only to be reduced two days later to N11.00 by Gen. Sanni Abacha's regime. The reduction had considered the mass protests and the need to win the support of Nigerians. On December 20, 1998, the pump went up to N25, but was cut down to N20 on January 6, 1999, after a month. This was during Gen. Abdulsalam Abubakar's brief transitional reign as the Nigeria's military leader. Like others before him, he did not spare Nigerians the burden of fuel price increment. The decision triggered protests in which Nigerians, the organized labour and the Civil Society Organizations (CSOs) pressed for a reversal. It is necessary at this point to place on record that it was only both the military regime of Buhari/Idiagbon and Umaru

Shehu Yar'Adua that did not review the pump of fuel. However, this may have been due to the brief reign of the Buhari/Idiagbon regime and the ill health of Yar'Adua respectively.

Gen. Olusegun Obasanjo's second coming as a civilian president did not help matters. In his eight years reign, he increased the price per litre of fuel, beginning June 1, 2000, when he jerked up the price per litre to N30, only to be reduced to N25, having been rejected in massive protests by the organized labour, civil society organizations and the ordinary Nigerians. Five days later, on June 13, 2000, the pump price witnessed an adjustment to N22. On January 1, 2002, Obasanjo struck again raising the price of the commodity from N22 to N26, and then to N40 in the year that followed (June 23, 2003). In June 2007, it rose again to N70, which Yar'Adua cut down to N65 when he assumed office in May 2007. It had remained so, until President Goodluck Jonathan opted for an outright removal of fuel subsidy. The Petroleum Product Pricing Regulatory Agency (PPPRA) on January 1, 2012 announced the outright removal of fuel subsidy, leaving petrol to be sold at N141 per litre. The decision did not go down well with the public; it led to massive strike actions and protests by the Nigeria Labour Congress (NLC), Trade

Union Congress of Nigeria (TUC), PENGASSAN, Civil Society Organizations, and the Academic Staff Union of Universities (ASUU) among other advocacy bodies. The protests nearly transformed into a “Nigerian Spring” that could have wrecked grave consequences; so vehement were the demonstrations that government rescinded the option of outright removal, agreed to a partial removal, which brought and reduced the pump price to N97, thus, it remained so till date.

Below is a table presenting a clearer picture of the different pump prices orchestrated by the different administrations in Nigeria from 1978 to January 2012.

#### **Tabular Presentation of Fuel Pump Prices in Nigeria by Different Governments.**

S/N	Date	Administration	Price	Percent (%)
1	1978	Gen Olusegun Obasanjo (as military ruler)	15.3	
2	1982	Gen Shehu Shagari	20	
3	1990	Gen Ibrahim Babangida	60	300
4	1992	Gen Ibrahim Babangida	70	17
5	1992	Gen Ibrahim Babangida	3.25	364
6	1993	Gen Ibrahim Babangida		54
7	1994	Chief Ernest Shonekan	5	120
8	1994/9	Gen Sani Abacha	11	-
9	2000	Gen. Olusegun Obasanjo (as civilian ruler)	20	82
10	2000	Gen. Olusegun Obasanjo (as civilian ruler)	22	10
11	2001	Gen. Olusegun Obasanjo (as civilian ruler)	26	18
12	2003	Gen. Olusegun Obasanjo (as civilian ruler)	40	54
13	2004	Gen. Olusegun Obasanjo (as civilian ruler)	45	13
14	2007	Gen. Olusegun Obasanjo (as civilian ruler)	70	56
15	2007	Alhaji Umaru Musa Yar'Adua	65	0.07
16	2012 till date	Dr Ebele Goodluck Jonathan	141	117

**Source:** Communiqué by South-South Leaders 2012 (as cited in Olorede et al., 2012)

#### **2.5 Reasons/Causes of Fuel Subsidy Removal**

Nwaoga and Casimir (2013) stated that the reasons for fuel subsidy removal have been given by the previous and present administrations. One of which is the “cabal” issue. A cabal is a group of people conspiring and plotting illegal or evil activity. Also, they are few corrupt individuals

that are united to promote their private interest. Therefore, the government strongly believes that this group is responsible for large scale corruption in the downstream oil sector. This group of people has disregarded the value of Nigerian culture. They made the economy so unfriendly that it affected the ordinary and make standard of living so poor. Other reasons enumerated by Nwaoga and Casimir for fuel subsidy removal includes:

**To Curb Corruption in the Oil Sector:** corruption is one of the major problems affecting every sector of Nigeria economy. It was asserted by government that only some people benefit from the subsidized fuel. These people, they claim, buy Nigerian refined oil at N65 per liter and smuggle it out to neighbouring countries like Chad, and Benin Republic, whose fuel products are equivalent to N200 per liter. In a situation whereby the subsidy is removed, corruption would be tackled and masses are likely to benefit from their oil once again.

**To Create Jobs for the Citizens:** President Goodluck Jonathan had job creation as one of his transformation agendas. The term fuel subsidy entails wealth creation as it will enhance income, this income, will be translated into more savings and investment and of course greater income.

**Provision of Steady Power Supply:** according to Ngozi cited in Nwaoga and Casimir (2013), the availability of uninterrupted power supply is a *sin quo non* for running of businesses in Nigeria. The manufacturing sector, agro based industries etc. need energy to carry out their businesses. Availability of consistent power will lower the cost of production, as companies and individuals engaged in small and medium scale businesses would not have to rely on generating sets, with attendant high cost of fuel. Therefore, one major reason for fuel subsidy removal according to Jonathan's administration is that, when power is readily accessible and cheap, business concerns will make more profits and will run at optimum capacity; thereby generating more money for government through tax, as well as employing more people.

**Poverty Eradication and Alleviation:** according to the United Nations, any group of people that lives by less than one dollar per day is poverty stricken. Recently, the World Bank had it that more than 100 million Nigerians lives on less than one dollar per day. All these indices triggered the agitation for the removal of fuel subsidy by the Nigeria government.

## 2.6 The Effects/Impacts of Subsidy Removal on Nigerian Economy

Due to recent fuel subsidy removal, reports across Nigeria had it that motorist bought between N138 and N250 per litre of petrol on Monday, January 2, 2012. In Kano state, black market operators sold at N250 per litre. Nigeria national petroleum corporation (NNPC) stations had a uniform price of N138 across the country but for other marketers, prices were varied. The table below captures pump prices in some major cities.

### Prices of Fuel in some Nigeria Cities after Subsidy Removal

City	Prices per litre
Benin	N140-N150
Ibadan	N140
Ilorin	N140
Kano	N140-N175
Kaduna	N140-N150
Oyo	N150
Osogbo	N145
Abakaliki	N200
Lagos	N141-N158
Umuahia	N150
Jos	N150
Warri	N160
Akure	150-N170

(Adopted from Ugwu Emeh (2012))

The effects of the fuel subsidy removal were also captured both in the positive and negative perspective as follows:

**Increase in the Cost of Living:** whenever there is increase in pump price of fuel it is immediately followed by increase in other services. The effect of the subsidy removal extended to other social spheres of life, ranging from increase in school fees, transportation fare, house rent, food items, and other basic commodities.

**Mistrust of the Government:** Nigerians are no longer comfortable with the promises of the Government. Promises from past and present administration have failed to yield dividends. During Obasanjo's administration the pump price of fuel was increased by the government promising to improve the nation's economy, infrastructure and create jobs for the youths. But till date, little or nothing was achieved.

**Increase in Crimes/Civic Disturbance:** There was insecurity, robbery, bomb blast, kidnapping, hostility and many others among the citizenry during and after the removal of fuel subsidy in Nigeria. Suffice to say that kidnapping has never been part of Nigerian culture, but due to hardship, some people decided to employ themselves by indulging in different types of crimes.

**The Looming Insecurity Problem:** security is paramount to the sustenance of any society. Since the inception of the present democratic government in 1999, the Nigeria nation has been bedevilled with a lot of security crisis. These include armed robbery, ritual killings, religious riots, community and tribal wars, kidnapping and outright sabotage of Nigerian economy through the destruction of oil installations by Niger Delta Militants. Therefore, in other to put an end to this already problems of insecurity in the country became one major tenet for fuel subsidy removal.

**Increase in Poverty:** The notion is that, fuel subsidy removal will overhaul and complicate the pattern of living of the populace. The removal will skyrocket the prices of goods and services in

the country. From purchasing a car to buying salt and maggi, the story has been the same as even a grandmother that sells firewood has subsidy removal for the excuse of her price increase. So the order of the day became a reign of hardship and pain, especially on the common man who is either unemployed or is sited below the very meagre minimum wage.

**Widening of the Communication Gap between People and Institutions:** the primary lubricant of social life is communication. In the wake of the fuel subsidy removal, transportation costs skyrocketed to about 250% and even telecom service providers threatened to increase their tariffs or call rates since most of their activities depends on petrol for their powering. The above scenarios being the case, the communication link between people and institutions was hampered.

**Increase in Social Vices:** as a result of the effect of the removal of fuel subsidy, hardship became the order of the day making some people do dirty jobs like prostitution; armed robbery etc. Bribery and corruption came on the increase as fraudsters are now hanging all around the streets lying in wait for the next catch. Social vices are on the increase, the safety and wellbeing of the entire nation is hanging on a balance as Boko-Haram, kidnapping etc. are the order of the day.

**Improvement of the Economy by Creating Favourable Climate for Investment:** Removal of fuel subsidy creates conducive climate for investment, it will give room for a competitive market, and the result of such is a continual drop in prices of petroleum products to the delight of Nigerians.

**Infrastructural Development:** the savings accruing from the withdrawal of oil subsidy, would be fully channelled to key sectors of the national economy, like education, steady water supply, electricity, good road, good healthcare services, agriculture etc.

Fuel subsidy removal will allow government access to more funds to develop infrastructure; reduction in the pressures on foreign reserves; it will provide employment for the teeming jobless citizenry as well as improve education, health, power, water resources and agriculture; it will reduce borrowing allows free market operation; helps address the great imbalance between the recurrent and capital expenditure in Nigeria; encourages local and foreign direct investment in the oil sector; frees more funds for local investment in the oil sector; increases local refinery production; and reduces importation of refined products in the medium to long term (Nwadialo, 2012).

Other effects in terms of demerits of fuel subsidy removal are: drop in the standard of education; it will have a multiplier effect on various aspects of the people's lives thereby making more people to drop from the near non-existent middle class; public and private sector workers on low salaries will see their standard of living drop dramatically as they struggle to make ends meet; sharp increases in operating costs micro and small enterprises, many of which rely on small electricity generators powered by petrol; pressure from organized labour to increase the national minimum wage to between; it may lead to social and industrial unrest as the cost of living in Nigeria pushes the average citizen in Nigeria to below standard; unemployment will definitely rise as SMEs (accounting for more than 60% of employers in the Nigerian organized sector) find it more expensive to either hire or retain staff (bestresearchprojects, 2012)

In a similar vein, Balogun (2012) stated that each time the price of fuel rises, the price of every other thing jumps up correspondingly. The most affected areas include transportation, food commodities and security for human life, among others. Besides, the negative effects of such hike in the price of fuel on petty businesses and artisanship (of course, this is the territory of the

poor, and can hardly survive in Nigeria without generator!) can only be imagined. It is in these terms that the poor masses understand the new policy of the government.

Lagos Chamber of Commerce and Industry (2012) also corroborated that some of the adverse effects of fuel subsidy removal include the following: inflationary pressures resulting from sharp increases in transportation cost, high inflationary expectations across all sectors of the economy, and a devastating impact on the psyche of the common people as the new policy poses a serious risk to their survival. It added that the policy would also lead to the sharp increases in operating costs of micro and small enterprises, many of which rely on small electricity generators powered by petrol.

Ezumba cited in Lagos Chamber of Commerce and Industry (2012) noted that the growth of real GDP will reduce if the price of petrol is increased. In addition, the rise in petrol price due to subsidy removal and the certainty of uneven prices across the states of the federation, will add about 3 to 5 percentage points to consumer price inflation. Households' income and spending will both be affected by the removal of fuel subsidy. The value of minimum wage compensation will depreciate and lead to increase in inflation. At the same time, the average household's annual spending on energy goods and services will rise, and their saving rate dropped sharply. The fall in the saving rate, will erode about half of Nigeria's present middle-class citizens and further dampen the negative effects that higher prices would ordinarily have had on the economy in the short run. Consumer spending will be diminished greatly over the next few years, as citizens try to adjust and build up new savings. Corporations and non-energy producing firms won't be left-out and will be indirectly affected by the subsidy removal. It is well documented that the Nigerian power industry barely supports 20 percent of the Nation's needs; Corporations in turn will push their losses on consumers. On the other hand, the profits of energy producing

companies will increase sharply. Most energy using industries will pass on the higher costs of energy to their customers.

Onyishi et al., (2012) posit that the increase fuel price would provoke hyperinflation of prices in the consumer products market and thus compounded poverty; it would equally affect the cost of commodities at the various markets. There could also be increase in fire incidents nationwide as people are likely to store Premium Motor Spirit at home. Thus, lives and properties could be lost. The cost of doing business will equally respond to the trend. Businesses in the past few years have been relocating to neighbouring countries, with Ghana as the major beneficiary.

The removal of the fuel subsidy affected the cost of commodities at various markets in Nigeria; commercial motorcyclists instantly adjusted their fares as soon as the subsidy removal was announced. The prices of goods and services increased; PHCN, schools, hospitals, organizations and other employers of labour increased their charges since they would want to pay their workers more to enable them cope with the higher cost of living. This means that more children will drop out of school owing to their parents inability to pay their tuition fees, some of the sick people would die in the hospital or at home because they could not afford the hospital bills or drugs as food takes priority causing untold hardship for the citizens (www.sundaytribune.com cited in Nkwagu, 2012).

Fuel subsidy removal has worsened the Nigerian living condition significantly. The inimical effects of the reduction or withdrawal of subsidies on commodities had been captured. Such oil subsidy withdrawals have fuelled the inflationary spiral in the country. Apart from the general and persistent increases in the prices of goods, transport fares have skyrocketed resulting in lower living standards and an increase in the suffering of commuters, while hunger and

starvation are ravaging, given that families spend about 50% of their meagre incomes (where they are employed at all) on fuel or wood and charcoal (Anyanwu, 1992 cited in Balogun 2012).

## **2.7 Theoretical Framework:**

### **Agenda Setting Theory**

Theories are particularly useful in helping to predict the outcome of a research work. This means that the outcome of certain events can be predicted. The predictive power of theories makes them relevant and applicable to social researches.

Folarin cited in Nwanne (2014), stated that the Agenda Setting Theory has become increasingly relevant on account of the citizen's ever rising expectations of the mass media. He noted that Agenda setting theory implies that the mass media predetermine what issues are regarded as important at a given time in a given society. Also Agenda Setting Theory does not ascribe to the media the power to determine what the audience/public actually think; but it does ascribe to them the power to determine what they are thinking about.

McCombs and Shaw (1972) stated that in choosing and displaying news, editors, newsroom staff and broadcasters play an important part in shaping civil reality. Readers/audience learns not only about a topical issue, but how much importance to be attached to the issues they hear from radios, read from newspapers and watch on television stations. The level of coverage given to a particular story in the mass media goes a long way to shapen the audience/public perception on such stories or news. A typical example is the case of fuel subsidy removal by President Goodluck Jonathan on January 1, 2012.

Wimmer and Dominick cited in GistArea (2013) observed that the Agenda Setting Theory proposes that the public agenda or what kind of things people discuss, think and worry about is powerfully shaped and directed by what the media choose to publicise and how it was published

or captioned in the mass media. Nwanne (2014), concurred that Agenda Setting involved elements such as: the quantity or frequency of reporting, prominence given to the reports through headlines display, pictures and layout in newspapers, magazines, films, graphics or timing on radio and television, the degree of conflict generated in the reports and cumulative media specific effects over time.

The implication of the Agenda Settings theory to this study is that the media is responsible and saddled with the responsibility of monitoring the events happening in the society and reporting to the members of the society. They are also responsible for passing and driving home to the government the public perceptions of topical issues that could be detrimental to the wellbeing of the general audience as in the case of fuel subsidy removal.

## **2.8 Summary**

This chapter has discussed basic concepts pertinent to the topic of study. The researcher discussed the concept of perception, subsidy removal and deregulation; Agenda setting theory, the evolution of fuel subsidy in Nigeria, the history of fuel subsidy removal in Nigeria. Audience perceptions have been viewed in terms of possible reason/causes of fuel subsidy removal, effects of fuel subsidy removal in Nigeria.

The researcher has also discussed the economy, prices of subsidy removal on Nigerian subsidy removal, how fuel subsidy has increase in the cost of living, mistrust of Government, increase in poverty widening of the communication gap between people and institutions, increase in social vices, improvement of the economy by creating favourable climate for investment and Infrastructural Development



## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

Based on the nature of the study, the following interdependent tools were used to validate the contents of the research:

- (a) Research Design.
- (b) Population of the Study
- (c) Sample Technique/Sampling size.
- (d) Description of Research Instrument.
- (e) Validity of Data gathering Instrument.
- (f) Method of Data Collection.
- (g) Method of Data Analysis

#### **3.2 Research Design**

Research Design refers to the overall strategy that was used to integrate the different components of the study in a coherent and logical way, thereby, ensuring the effective address of the research problem; it constitutes the blueprint for the collection, measurement, and analysis of data. Based on the nature of the study the researcher employs survey method, using structured questionnaire to proffer answers to the research questions.

#### **3.3 Population of the Study**

Enugu metropolis which comprises Enugu North, Enugu East and Enugu South with a population of 242,140, 277,119 and 198,032 respectively (National Population Census, 2006), bringing the population of the study to 717,291. This was the population of Enugu metropolis as at 2006 national population census.

### **3.4 Sampling Size /Sampling Technique**

A sample is taken to mean is any scientific and empirical study a small group of element or subjects drawn through a definite procedure, which must be verifiable, from specified population. (Obasi 2013). It is also a section or part of an entire population of people or things which are studied to obtain information about the research variables (Madueme, 2010). Using purposive sampling technique, the researcher purposively selected a sample size of 200 respondents. Although the researcher's focus was on residents of Enugu metropolis yet the researcher decided to use the purposive sampling technique. Why the researcher had to use purposive sampling was because she had certain characteristics in mind and such characteristics had to do with the targeted population as reflected in the content of the questionnaire and of the audience can only provide answers to.

### **3.5 Description of Research Instrument**

The research instrument used to collect data for this study was questionnaire. A questionnaire is simply a 'tool' for collecting and recording information about a particular issue of interest. The questionnaire was structured using likert type scales to obtain information from the target audience. A total of (22) items were designed and administered to the respondents. The questionnaire was divided into two sections. The first section collected data on audience demographic information while the second section contained items that answered the research questions designed for the study.

Items 1-4 answered questions on the background information of the respondents

Items 5-9 answered questions on research question one.

Items 10-14 answered questions on research question two.

Items 15-19 answered questions on research question three.

### **3.6 Validity and Reliability of Data gathering Instrument**

The questionnaire used for this study was pretested with similar audience to test the validity and reliability of the instrument to measure what it is designed to measure and the consistency of measure. This was after been thoroughly scrutinized by the supervisor to ensure clarity, relevance, unambiguity and comprehensiveness.

### **3.7 Method of Data Collection**

The researcher distributed 200 copies of the questionnaire among the residents of Enugu metropolis. Hence the copies of questionnaire were self-administered to the respondents in order to have a high response rate and retrieval.

### **3.8 Method of Data Analysis**

For this study, descriptive statistic, frequency distribution, percentages and tables were used to present the findings that emanated from this study, while Chi-square statistical analysis was used to test the hypothesis. Chi-square is a non-parametric statistical tool which can be conveniently used in testing hypothesis when dealing with contented data. Chi-square formula is presented below:

$$X^2 = \sum \frac{(o-e)^2}{e}$$

Where  $X^2$  = Chi-square

$\sum$  = summation

o = observed frequency

e = expected frequency.

## CHAPTER FOUR

### DATE PRESENTATION AND ANALYSIS

#### 4.1 Introduction

This chapter presents the analysis, interpretation and discussion of findings of collected data. Section 4.1 focused on data analyses and interpretation, section 4.2 focused on test of hypothesis, while section 4.3 focused on the discussion of findings. Collected data were analysed and presented using, tables, frequencies, percentages and Chi-square statistical analysis.

#### 4.2 Data Analyses and Interpretation

A total of 200 copies of questionnaires were distributed amongst residents of Enugu Metropolis. The number retrieved was 195, representing 97.5% response rate. The study answered the following research questions.

1. What is your perception of the fuel subsidy removal?
2. What would you consider to be the cause of fuel subsidy removal?
3. What do you considered to be the effects of fuel subsidy removal on the citizens of Nigeria?

#### Analysis of Demographic Information of Respondents

Items 1-4 in the questionnaire answered questions on the background information of the respondents.

**Table 1: Gender distribution of respondents**

Variable	Frequency	Percentage(%)
Male	115	58.9
Female	80	41.0
Total	195	100.0

Source : Field Survey, 2014

The table above showed that the sampled respondents comprised of 115 (58.9% male and 80 (41.0%) female.

**Table 2: Age distributions of respondents**

<b>Variable</b>	<b>Frequency</b>	<b>Percentage (%)</b>
18-25	43	22.0
26-35	17	8.7
36-45	61	32.2
46-55	50	26.6
56 & above	24	12.3
Total	195	100.0

Source: Field Survey, 2014

Table: 2 above indicated that 43 (22.0%) respondents were within the age range of 18-25, 17 (8.7%) respondents were within the age range of 26-35, 61 (32.2%) respondents were within the age range of 36-45, and 50 (26.6%) respondents were within the age range of 46-55, while 24 (12.3%) respondents were within the age range of 56 and above.

**Table 3: Occupational distributions of respondents**

<b>Response</b>	<b>Frequency</b>	<b>Percentage(%)</b>
Civil Servant	60	30.7
Private office workers	41	21.0
Business/Trader	33	16.9
Student	35	17.9
Artisans	17	8.7
Unemployed	9	4.6
Total	195	100.0

Source: Field Survey, 2014

From table:3 above; out of 195 respondents, 60 (30.7%) respondents were civil servants, 41 (21.0%) respondents were private office workers, 33 (16.9%) respondents were business men/traders, 35 (17.9%) respondents were students, 17 (8.7%) of respondents were artisans while 9 (4.6%) respondents were unemployed.

**Table 4: Marital status distributions of respondents**

<b>Variable</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Single	89	45.6
Married	100	54.4
Divorced	2	10
Total	195	100.0

Source: Field Survey, 2014

Table: 4 above indicated that 89 (45.6%) respondents were single; 106 (54.4%) respondents were married, while 2 (1.0%) respondents were divorced.

## **Section B**

### **Analysis of Data from the field Survey.**

#### **Research question one: What is your perception on fuel subsidy removal?**

Items 5-10 answered this question

This question was an open ended question; table 5 below summarized the response from the respondents.

**Table 5: Response to question 5**

<b>Response</b>	<b>Frequency</b>	<b>Percentage(%)</b>
An act of selfishness and wickedness	54	27.7
Greedy and corrupt act	43	22.1
A means through which the elites becomes richer	35	17.9
A deliberate act of making the masses suffer	57	29.2
A step in the right direction for a better Nigeria	6	3.1
Total	195	100.0

Source: Field Survey, 2014

From the table above; out of 195 respondents, 54 (27.7%) perceived the removal of oil subsidy as an act of selfishness and wickedness by the federal government, 43 (22.1%) viewed the removal of oil subsidy as an act of greediness and corruption, 35 (17.9%) respondents perceived the removal of oil subsidy as a means through which the elites becomes richer, 57 (29.2%) respondents perceived federal government removal of oil subsidy as a deliberate act of making the masses suffer, while 6 (3.1%) respondents viewed the removal of oil subsidy as a step in the right direction for a better Nigeria.

**Table 6: Response to question 6**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Ro some extent	74	38.0
To a large extent	119	61.0
Can't say	2	1.0
Total	195	100.0

Source: Field Survey, 2014

From table 6 above; 74 respondents representing (38.0%) of respondents agreed to some extent that oil subsidy removal reflects the nature of corruption that has marred the petroleum sector, 119 respondents representing (61.0%) of the respondents agreed to a large extent that oil subsidy removal reflects the nature of corruption that has marred the petroleum, while 2 respondents representing (1.0%) of the respondents can't say if the subsidy removal reflects the nature of corruption that has marred the petroleum sector.

**Table 7: Response to question 7**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Agree	26	13.3
Strongly agree	23	11.8
Disagree	62	31.8
Strongly disagree	78	40.0
Undecided	6	3.1
Total	195	100.0

Source: Field Survey, 2014

From table 7 above, 26 (13.3%) respondents agreed that removal of oil subsidy will curb the fraudulent acts being perpetrated by some shady oil dealers, 23 (11.8%) respondents strongly agreed that removal of oil subsidy will curb the fraudulent acts being perpetrated by some shady oil dealers, 62 (31.8%) respondents disagreed that removal of oil subsidy will curb the fraudulent acts being perpetrated by some shady oil dealers, 78 (40.0%) respondents strongly disagreed that removal of oil subsidy will curb the fraudulent acts being perpetrated by some shady oil dealers, while 6 (3.1%) respondents were undecided on the statement.

**Table 8: Response to question 8**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Yes	187	95.8
No	8	4.1
Total	195	100.0

Source: Field Survey, 2014

From table 8 above; out of 195 respondents, 187 (95.8%) respondents agreed to the fact that subsidy removal is the elite smart means to enrich themselves at the costly detriment of the majority of the Nigerian populace, while 8 (4.1%) respondents disagreed to the fact that subsidy removal is the elite smart means to enrich themselves at the costly detriment of the majority of the Nigerian populace.

**Table 9: Response to question 9**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Agree	75	38.5
Strongly agree	120	61.5
Disagree	0	0.0
Strongly disagree	0	0.0
Undecided	0	0.0
Total	195	100.0

Source: Field Survey, 2014

Table 9 above indicated that 75 (38.5%) respondents agreed to the statement that fuel subsidy removal will automatically lead to increase in the pump price of fuel, 120 (61.5%) respondents

strongly agreed that fuel subsidy removal will automatically lead to increase in the pump price of fuel, 0 (0.0%) respondents neither disagreed nor strongly disagreed that fuel subsidy removal will automatically lead to increase in the pump price of fuel, while 0 (0%) respondents were undecided.

**Table 10: Response to question 10**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Agree	61	31.3
Strongly agree	105	53.8
Disagree	21	10.8
Strongly disagree	5	2.6
Undecided	3	1.5
Total	195	100.0

Source: Field Survey, 2014

Table 10 above indicated that 61 (31.3%) respondents agreed that federal government removal of fuel subsidy was a way of being insensitive to the plight of the masses and unconcerned about their welfare, 105 (53.8%) respondents strongly agreed that federal government removal of fuel subsidy was a way of being insensitive to the plight of the masses and unconcerned about their welfare, 21 (10.8%) respondents disagreed that federal government removal of fuel subsidy was a way of being insensitive to the plight of the masses and unconcerned about their welfare, 5 (2.6%) respondents strongly disagreed that federal government removal of fuel subsidy was a way of being insensitive to the plight of the masses and unconcerned about their welfare, while 3 (1.5%) respondents were undecided.

**Research question two: 11. What would you consider to be the cause of fuel subsidy removal?**

Items 11-15 answered this research question.

This question is an open ended question; table 11 below summarized the response from the respondents.

**Table 11: Response to question 11**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Because of corrupt individuals promoting their private interest known as cabal	25	12.8
To curb corruption in the oil sector	15	7.7
Because of government selfish interest	76	39.0
To improve the economy	4	2.1
To boost stealing and looting of oil wealth	75	38.5
Total	195	100.0

Source: Field Survey, 2014

From the table above; out of 195 respondents, 25 (12.8%) respondents opined that the removal of oil subsidy was because of corrupt individuals promoting their private interest known as cabal, 15 (7.7%) felt that the removal of oil subsidy was to curb corruption in the oil sector, 76 (39.0%) respondents opined that the removal of oil subsidy was because of government selfish interest, 4 (2.1%) respondents perceived federal government removal of oil subsidy in other to improve the

economy, while 75 (38.5%) respondents viewed the removal of oil subsidy as a step to encourage stealing and looting of oil wealth.

**Table 12: Response to question 12**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
To some extent	115	59.0
To a large extent	70	36.0
Can't say	10	5.0
Total	195	100.0

Source: Field Survey, 2014

From table 12 above; 115 respondents representing (59.0%) of the respondents agreed to some extent that oil subsidy removal was due to corruption in the oil sector and gross mismanagement, 70 respondents representing (36.0%) of the respondents agreed to a large extent that oil subsidy removal was due to corruption in the oil sector and gross mismanagement, while 10 respondents representing (5.0%) of the respondents can't say if the subsidy removal was due to corruption in the oil sector and gross mismanagement.

**Table 13: Response to question 13**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Agree	51	26.2
Strongly agree	105	53.8
Disagree	16	8.2
Strongly disagree	20	10.3
Undecided	3	1.5
Total	195	100.0

Source: Field Survey, May 2014

Table 13 above indicated that 51 (26.2%) respondents agreed that fuel subsidy removal was as a result of few corrupt individuals that are united to promote their private interest, 105 (53.8%) respondents strongly agreed that fuel subsidy removal was as a result of few corrupt individuals that are united to promote their private interest, 16 (8.2%) respondents disagreed that fuel subsidy removal was as a result of few corrupt individuals that are united to promote their private interest, 20 (10.3%) respondents strongly disagreed that fuel subsidy removal was as a result of few corrupt individuals that are united to promote their private interest, while 3 (1.5%) respondents were undecided.

**Table 14: Response to question 14**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Yes	10	5.1
No	176	90.3
Don't know	9	4.6
Total	195	100.0

Source: Field Survey, 2014

From table 14 above; out of 195 respondents, 10 (5.1%) respondents agree that the reason for the removal of fuel subsidy was to create Jobs for the Citizens at the costly detriment of the majority of the Nigerian populace, while 176 (90.3%) respondents disagreed that the reason for the removal of fuel subsidy was to create Jobs for the Citizens, while 9 (4.6) respondents do not know the reason.

**Table 15: Response to question 15**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
To some extent	130	66.6
To a large extent	59	30.3
Can't say	6	3.1
Total	195	100.0

Source: Field Survey, 2014

From table 15 above; 130 respondents representing (66.6%) agreed to some extent that poverty eradication and alleviation was the reason for the removal of fuel subsidy, 59 respondents representing (30.3%) of the respondents agreed to a large extent that poverty eradication and alleviation was the reason for the removal of fuel subsidy, while 6 respondents representing (3.1%) of the respondents can't say if the subsidy removal was due poverty eradication and alleviation.

**Table 16: Response to question 16**

<b>Audience perception</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Agree	8	4.1
Strongly agree	10	5.1
Disagree	61	31.3
Strongly disagree	109	55.9
Undecided	7	3.6
Total	195	100.0

Source: Field Survey, May 2014

Table 16 above indicated that 8 (4.1%) respondents agreed that provision of steady power supply for the citizens was one of the reasons for the removal of fuel subsidy, 10 (5.1%) respondents strongly agreed that provision of steady power supply for the citizens was one of the reasons for the removal of fuel subsidy, 61 (31.3%) respondents disagreed that fuel subsidy removal was to provide of steady power supply for the citizens, 109 (55.9%) respondents strongly disagreed that fuel subsidy removal was due to provision of steady power supply for the citizens, while 7 (3.6%) respondents were undecided.

**Research question three: What do you considered to be the effects of fuel subsidy removal on the citizens of Nigeria?**

Items 17-22 answered this research question.

This question is an open ended question; table 17 below summarized the response from the respondents.

**Table 17: Response to question 17**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Increase in prices of fuel pump and oil products	45	23.1
Increase in prices of food commodities and transportation etc.	40	20.5
Increase in cost and standard of living	46	23.6
An opportunity for the elites to become richer through corruption	35	17.9
Increase in the prices of products and service	29	14.9
Total	195	100.0

Source: Field Survey, 2014

From the table above; out of 195 respondents, 45 (23.1%) respondents opined that the removal of oil subsidy will lead to increase in prices of fuel pump and oil products, 40 (20.5%) argued that removal of fuel subsidy will lead to increase in prices of food commodities and transportation etc., 46 (23.6%) respondents opined that the removal of oil subsidy will lead to increase in cost and standard of living, 35 (17.9%) respondents perceived federal government removal of oil subsidy as an opportunity for the elites to become richer through corruption, while 29 (14.9%) respondents viewed the removal of oil subsidy as a key to Increase in the prices of products and services.

**Table 18: Response to question 18**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Yes	183	93.8
No	12	6.2
Total	195	100.0

Source: Field Survey, 2014

Table 18 above indicated that 183 (93.8%) respondents agreed that removal of fuel subsidy leads to increase in the cost/standard of living, 12 (6.2%) respondents disagreed that removal of fuel subsidy leads to increase in the cost/standard of living.

**Table 19: Response to question 19**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
To some extent	43	22.0
To a large extent	42	21.5
Can't say	110	56.4
Total	195	100.0

Source: Field Survey, 2014

From table 19 above; 43 respondents representing (22.0%) agreed to some extent that removal of fuel subsidy will improve the economy by creating favourable climate for investment, 42 respondents representing (21.5%) of the respondents agreed to a large extent that removal of fuel subsidy will improve the economy by creating favourable climate for investment, while 110 respondents representing (56.4%) of the respondents can't say if the removal of fuel subsidy will improve the economy by creating favourable climate for investment.

**Table 20: Response to question 20**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Agree	67	34.4
Strongly agree	122	62.5
Disagree	2	1.0
Strongly disagree	4	2.1
Undecided	0	0.0
Total	195	100.0

Source: Field Survey, 2014

Table 20 above indicated that 67 (34.4%) respondents agreed that removal of fuel subsidy will increase the prices of transportation, food commodities and thus compound poverty, 102 (62.5%) respondents strongly agreed that removal of fuel subsidy will increase the prices of transportation, food commodities and thus compound poverty, 2 (1.0%) respondents disagreed that removal of fuel subsidy will increase the prices of transportation, food commodities and thus compound poverty, 4 (2.1%) respondents strongly disagreed that removal of fuel subsidy will increase the prices of transportation, food commodities and thus compound poverty, while 0 (0.0%) respondents were undecided.

**Table 21: Response to question 21**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
To some extent	65	33.3
To a large extent	35	17.9
Can't say	95	48.7
Total	195	100.0

Source: Field Survey, 2014

From table 21 above; 65 respondents representing (33.3%) agreed to some extent that removal of fuel subsidy leads to infrastructural development, 35 respondents representing (17.9%) of the respondents agreed to a large extent that removal of fuel subsidy leads to infrastructural development, while 95 respondents representing (48.7%) of the respondents can't say if the removal of fuel subsidy will lead to infrastructural development.

**Table 22: Response to question 22**

Response	Frequency	Percentage (%)
Yes	179	91.8
No	5	2.6
Don't know	11	5.6
Total	150	100.0

Source: Field Survey, 2014

From table 22 above; out of 195 respondents, 179 (91.8%) respondents agree that fuel subsidy will lead to increase in operating costs of micro and small enterprises, 5 (2.6%) respondents disagreed that fuel subsidy will lead to increase in operating costs of micro and small enterprises, while 11 (5.6%) respondents do not know if fuel subsidy will lead to increase in operating costs of micro and small enterprises.

### 4.3 Test of hypothesis

The alternate hypothesis which was formulated by the researcher was tested using Chi-square and data already analysed in table 18 above.

#### Hypothesis

**H<sub>1</sub>: There is significant relationship between oil subsidy removal and standard of living of the residents of Enugu metropolis.**

**Table 23: Test of Hypothesis**

Response	o	e	o-e	o-e <sup>2</sup>	$\frac{(o-e)^2}{E}$
Yes	183	97.5	85.5	7310.25	74.98
No	12	97.5	-85.5	7310.25	74.98
Total	195				149.96

Therefore applying the calculated value above into the Chi-square test we get the following results

$$\begin{aligned} X^2 &= \sum \frac{(O-E)^2}{E} = \frac{7310.25}{97.5} + \frac{7310.25}{97.5} \\ X^2 &= 74.98 + 74.98 = 149.96 \\ X^2 &= 149.96, \end{aligned}$$

P= 0.05

DF= n-k = 2-1=1

Critical value = 3.841

**Decision Rule:** Since the calculated value is greater than the table value (149.96>3.841), we accept the alternate hypothesis which states that there is significant relationship between oil subsidy removal and standard of living of the residence of Enugu metropolis.

#### 4.4 Discussion of findings

The study aimed at achieving the objectives and proffering answers to the research questions stated in chapter one of this study. Therefore, this section discussed the findings emanating from the analysed data from the survey on “Audience Perception of Federal Government removal of Fuel Subsidy in Enugu metropolis”.

Hypothesis H1: There is significant relationship between fuel subsidy removal and cost/standard of living amongst residence of Enugu metropolis.

This hypothesis was formulated by the researcher as an assumption of the research or study to find out if there is a significant relationship between fuel subsidy removal and cost/standard of living amongst residence of Enugu metropolis. The chi-square formula was used to statistically test this statement. Using table 18 in the questionnaire and chi-square formula, the hypothesis showed that the calculated value (149.96) is greater than the table value (3.841), therefore, the

alternative hypothesis which states that there is significant relationship between fuel subsidy removal and cost/standard of living amongst residence of Enugu metropolis was accepted by the researcher.

**Research question 1: What is your perception on the federal government fuel subsidy removal in Nigeria??**

The aim of this question was to find out audience perception and views of federal government fuel subsidy removal in Nigeria. This question was answered in items 5-10 of the research questionnaire. The findings from the analysed data as shown in table 5, 6, 7, 8, 9 and 10 were discussed below:

The data on table 5 showed that 54 (27.7%) perceived the removal of oil subsidy as an act of selfishness and wickedness by the federal government, 43 (22.1%) viewed the removal of oil subsidy as an act of greediness and corruption, 35 (17.9%) respondents perceived the removal of oil subsidy as a means through which the elites becomes richer, 57 (29.2%) respondents perceived federal government removal of oil subsidy as a deliberate act of making the masses suffer, while 6 (3.1%) respondents viewed the removal of oil subsidy as a step in the right direction for a better Nigeria. The data on table 6 indicated that 74 respondents representing (38.0%) of respondents agreed to some extent that oil subsidy removal reflects the nature of corruption that has marred the petroleum sector, 119 respondents representing (61.0%) of the respondents agreed to a large extent that oil subsidy removal reflects the nature of corruption that has marred the petroleum, while 2 respondents representing (1.0%) of the respondents can't say if the subsidy removal reflects the nature of corruption that has marred the petroleum sector. Table 7 showed that 26 (13.3%) respondents agreed that removal of oil subsidy will curb the

fraudulent acts being perpetrated by some shady oil dealers, 23 (11.8%) respondents strongly agreed that removal of oil subsidy will curb the fraudulent acts being perpetrated by some shady oil dealers, 62 (31.8%) respondents disagreed that removal of oil subsidy will curb the fraudulent acts being perpetrated by some shady oil dealers, 78 (40.0%) respondents strongly disagreed that removal of oil subsidy will curb the fraudulent acts being perpetrated by some shady oil dealers, while 6 (3.1%) respondents were undecided on the statement. Table 8 showed that 187 (95.8%) respondents agreed to the fact that subsidy removal is the elite smart means to enrich themselves at the costly detriment of the majority of the Nigerian populace, while 8 (4.1%) respondents disagreed to the fact that subsidy removal is the elite smart means to enrich themselves at the costly detriment of the majority of the Nigerian populace. Table 9 indicated that 75 (38.5%) respondents agreed to the statement that fuel subsidy removal will automatically lead to increase in the pump price of fuel, 120 (61.5%) respondents strongly agreed that fuel subsidy removal will automatically lead to increase in the pump price of fuel, 0 (0.0%) respondents neither disagreed nor strongly disagreed that fuel subsidy removal will automatically lead to increase in the pump price of fuel, while 0 (0%) respondents were undecided. Table 10 indicated that 61 (31.3%) respondents agreed that federal government removal of fuel subsidy was a way of being insensitive to the plight of the masses and unconcerned about their welfare, 105 (53.8%) respondents strongly agreed that federal government removal of fuel subsidy was a way of being insensitive to the plight of the masses and unconcerned about their welfare, 21 (10.8%) respondents disagreed that federal government removal of fuel subsidy was a way of being insensitive to the plight of the masses and unconcerned about their welfare, 5 (2.6%) respondents strongly disagreed that federal government removal of fuel subsidy was a way of being

insensitive to the plight of the masses and unconcerned about their welfare, while 3 (1.5%) respondents were undecided.

Findings such as: removal of oil subsidy as an act of selfishness and wickedness by the federal government and deliberate act of making the masses suffer corroborate NOI Polls (2012) in their study of fuel subsidy removal, their study revealed that masses will suffer the most at the removal of fuel subsidy. Reflecting the nature of corruption that has marred the petroleum sector and elites smart means to enrich themselves at the costly detriment of the majority of the Nigerian populace supports Olorode et al., (2012), they asserted that fuel subsidy removal makes easy the task of explaining the nature of corruption that has marred the petroleum sector. Onyishi et al., (2012); Balogun (2012) and Ering and Akpan (2012); have all supported the view that audience perceived removal of fuel subsidy as increase in fuel pump prices and federal government act of been insensitive to the plight of the masses.

**Research question two: What would you consider to be the causes of fuel subsidy removal?**

The aim of this question is to find out the causes of fuel subsidy removal in Nigeria. This question was answered by items 11-16 on the research questionnaire. The findings from the analysed data as shown in table 11, 12, 13, 14, 15 and 16 are discussed below: The data from table 11 showed that 25 (12.8%) respondents opined that the removal of oil subsidy was because of corrupt individuals promoting their private interest known as cabal, 15 (7.7%) felt that the removal of oil subsidy was to curb corruption in the oil sector, 76 (39.0%) respondents opined that the removal of oil subsidy was because of government selfish interest, 4 (2.1%) respondents perceived federal government removal of oil subsidy in other to improve the economy, while 75 (38.5%) respondents viewed the removal of oil subsidy as a step to encourage stealing and looting of oil wealth. Table 12 showed that 115 respondents representing (59.0%) of the

respondents agreed to some extent that oil subsidy removal was due to corruption in the oil sector and gross mismanagement, 70 respondents representing (36.0%) of the respondents agreed to a large extent that oil subsidy removal was due to corruption in the oil sector and gross mismanagement, while 10 respondents representing (5.0%) of the respondents can't say if the subsidy removal was due to corruption in the oil sector and gross mismanagement. Data from table 13 indicated that 51 (26.2%) respondents agreed that fuel subsidy removal was as a result of few corrupt individuals that are united to promote their private interest, 105 (53.8%) respondents strongly agreed that fuel subsidy removal was as a result of few corrupt individuals that are united to promote their private interest, 16 (8.2%) respondents disagreed that fuel subsidy removal was as a result of few corrupt individuals that are united to promote their private interest, 20 (10.3%) respondents strongly disagreed that fuel subsidy removal was as a result of few corrupt individuals that are united to promote their private interest, while 3 (1.5%) respondents were undecided. Data from table 14 showed that 10 (5.1%) respondents agree that the reason for the removal of fuel subsidy was to create Jobs for the Citizens at the costly detriment of the majority of the Nigerian populace, while 176 (90.3%) respondents disagreed that the reason for the removal of fuel subsidy was to create Jobs for the Citizens, while 9 (4.6%) respondents do not know the reason. Table 15 indicated that 130 respondents representing (66.6%) agreed to some extent that poverty eradication and alleviation was the reason for the removal of fuel subsidy, 59 respondents representing (30.3%) of the respondents agreed to a large extent that poverty eradication and alleviation was the reason for the removal of fuel subsidy, while 6 respondents representing (3.1%) of the respondents can't say if the subsidy removal was due poverty eradication and alleviation. Table 16 indicated that 8 (4.1%) respondents agreed that provision of steady power supply for the citizens was one of the reasons

for the removal of fuel subsidy, 10 (5.1%) respondents strongly agreed that provision of steady power supply for the citizens was one of the reasons for the removal of fuel subsidy, 61 (31.3%) respondents disagreed that fuel subsidy removal was to provide of steady power supply for the citizens, 109 (55.9%) respondents strongly disagreed that fuel subsidy removal was due to provision of steady power supply for the citizens, while 7 (3.6%) respondents were undecided.

The study established that audience opined that the removal of oil subsidy was because of corruption in the oil sector and gross mismanagement, few corrupt individuals that are united to promote their private interest. This findings supports Nwaoga and Casimir (2013), they stated that the reasons for fuel subsidy removal as given by the previous and present administrations was the “cabal” issue, group of corrupt people conspiring and plotting illegal or evil activity in other to promote their private interest.

**Research question three: What do you consider to be the effects of fuel subsidy removal on the citizens of Nigeria?**

The aim of this question is to find out the effects of fuel subsidy removal on the citizens of Nigeria. This question was answered by items 17-22 in the research questionnaire. The findings from the analysed data as shown in table 17, 18, 19, 20, 21 and 22 are discussed below:

The data from table 17 showed that. 45 (23.1%) respondents opined that the removal of oil subsidy will lead to increase in prices of fuel pump and oil products, 40 (20.5%) argued that removal of fuel subsidy will lead to increase in prices of food commodities and transportation etc., 46 (23.6%) respondents opined that the removal of oil subsidy will lead to increase in cost and standard of living, 35 (17.9%) respondents perceived federal government removal of oil subsidy as an opportunity for the elites to become richer through corruption, while 29 (14.9%) respondents viewed the removal of oil subsidy as a key to Increase in the prices of products and

services. The data from table 18 indicated that 183 (93.8%) respondents agreed that removal of fuel subsidy leads to increase in the cost/standard of living, 12 (6.2%) respondents disagreed that removal of fuel subsidy leads to increase in the cost/standard of living. The data from table 19 showed that 43 respondents representing (22.0%) agreed to some extent that removal of fuel subsidy will improve the economy by creating favourable climate for investment, 42 respondents representing (21.5%) of the respondents agreed to a large extent that removal of fuel subsidy will improve the economy by creating favourable climate for investment, while 110 respondents representing (56.4%) of the respondents can't say if the removal of fuel subsidy will improve the economy by creating favourable climate for investment. Table 20 indicated that 67 (34.4%) respondents agreed that removal of fuel subsidy will increase the prices of transportation, food commodities and thus compound poverty, 102 (62.5%) respondents strongly agreed that removal of fuel subsidy will increase the prices of transportation, food commodities and thus compound poverty, 2 (1.0%) respondents disagreed that removal of fuel subsidy will increase the prices of transportation, food commodities and thus compound poverty, 4 (2.1%) respondents strongly disagreed that removal of fuel subsidy will increase the prices of transportation, food commodities and thus compound poverty, while 0 (0.0%) respondents were undecided. The data from table 21 indicated that 65 respondents representing (33.3%) agreed to some extent that removal of fuel subsidy leads to infrastructural development, 35 respondents representing (17.9%) of the respondents agreed to a large extent that removal of fuel subsidy leads to infrastructural development, while 95 respondents representing (48.7%) of the respondents can't say if the removal of fuel subsidy will lead to infrastructural development. Finally, data from table 22 showed that 179 (91.8%) respondents agree that fuel subsidy will lead to increase in operating costs of micro and small enterprises, 5 (2.6%) respondents disagreed that

fuel subsidy will lead to increase in operating costs of micro and small enterprises, while 11 (5.6%) respondents do not know if fuel subsidy will lead to increase in operating costs of micro and small enterprises.

The study also established that removal of fuel subsidy will lead to increase in the cost/standard of living, increase the prices of transportation, food commodities and thus compound poverty and increase in operating costs of micro and small enterprises. This corroborates a body called Best research projects, (2012), they affirmed that fuel subsidy removal will see to drastically drop of standard of living as masses will struggle to make ends meet and also sharp increase in operating costs of micro and small enterprises,

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.1 Introduction

The overall objective of this study was to investigate Audience Perception of Federal Government removal of Fuel Subsidy in Enugu Metropolis. The researcher also called attention to the effects of fuel subsidy removal amongst the citizen of Nigeria. This survey adopted questionnaire as a data collection tool towards proffering answers to the research questions. Having analysed the data collected, this chapter focused on the summary of findings, conclusion and recommendations of the study.

#### 5.2 Summary

The findings among others revealed that:

- i. Audience perceived the removal of oil subsidy as an act of selfishness and wickedness by the federal government. That is federal government's means of promoting its selfish interest.
- ii. The study also revealed that two major causes/reasons for fuel subsidy removal was because of corruption in the oil sector and gross mismanagement. Also due to few corrupt individuals that are united to promote their private interest.
- iii. Finally the study revealed that the removal of oil subsidy will lead to increase in the cost/standard of living, increase the prices of transportation, food commodities and thus compound poverty and increase in operating costs of micro and small enterprises

### **5.3 Conclusion**

This study provides information relating to perceptions, causes and effects of federal government fuel subsidy removal as it affects the residents of Enugu metropolis. It demonstrates that audience perceptions of federal government fuel subsidy removal are detrimental to the general populace of Enugu metropolis. Instead of improving standard of living it brings more harm to the citizenry. The researcher found that fuel subsidy removal is mainly due to corruption and gross mismanagement in the oil sector. These has culminated into increase in prices of fuel pump and oil products, increase in prices of food commodities and transportation and increase in operating costs of micro and small enterprises to mention but a few. The study finally revealed that there is a significant relationship between fuel subsidy removal and cost/standard of living of the general populace

### **5.4 Recommendations**

Based on the findings and conclusions of this study, the following recommendations were made:

1. The government should adjust and reprioritize the proposed spending in the yearly budget to fund fuel subsidy in a way that addresses basic needs and improve the wellbeing of its citizens and also checking the so called cabal.
2. If the fuel subsidy must be removed, modalities should be put in place before removing subsidy on fuel in other to help cushion the adverse effect of the subsidy removal.
3. Deregulation would work if the various law enforcement agencies such as the ICPC and EFCC and stakeholders are empowered and well-funded to perform effectively and also bringing to book the cabals that constitute the beneficiaries of the fuel subsidy removal.

4. The federal government should look in the direction of rebuilding our refineries in other to reduce operational cost and cost of producing fuel products.
5. The federal government should look into other sector of the economy such as agriculture, tourism etc. in other to boost the economy.
6. This study should also be extended to other metropolis possibly across the geopolitical zone of the country in other to have an insight into what is obtainable in other places.

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## APPENDIX A

Caritas University,  
Amorji-Nike,  
P.M.B. 01784,  
Enugu State,  
Nigeria.

Dear respondent,

I am a final year student in the Department of Mass Communication Caritas University conducting a research on Audience perception of Federal Government removal of fuel subsidy.

Kindly respond to all the questions. Your response will be treated with strict confidence.

Thanks for your anticipated cooperation.

Yours faithfully

Pius Uche Choice

## APPENDIX B

### QUESTIONNAIRE

#### SECTION A: Background Information

Kindly provide the following information. Tick (  ) wherever appropriate.

1. Gender? (a) Male [  ] (b) Female [  ]
2. Age? (a) 18-21yrs [  ] (b) 22-29yrs [  ] (c) 30-45yrs [  ] (d) 46-60yrs [  ] (e) 60yrs & above [  ]
3. Occupation? (a) Civil servant [  ] (b) Private workers [  ] (c) Business/Trader [  ] (d) Student [  ] (e) Artisans [  ] (f) unemployed [  ]
4. Marital status?(a) Single [  ] (b) Married [  ] (c) Divorced

#### SECTION B:

5. What is your perception on the federal government fuel subsidy removal in Nigeria?  
.....
6. To what extent do you agree to the statement that subsidy removal reflects the nature of corruption that has marred the petroleum sector?  
(a) To some extent [  ] (b) To a large extent [  ] (c) Can't say [  ]
7. How much do you agree to the statement that removal of oil subsidy will curb the fraudulent acts being perpetrated by some shady oil dealers?  
(a) Agree [  ] (b) Strongly Agree [  ] (c) Disagree [  ] (d) Strongly Disagree [  ]  
(e) Undecided [  ]
8. Do you agree that subsidy removal is the elite smart means to enrich themselves at the costly detriment of the majority of the Nigerian populace? (a) Yes [  ] (b) No [  ]
9. How well do you agree that the fuel subsidy removal will automatically lead to increase in the pump price of fuel? (a) Agree [  ] (b) Strongly Agree [  ]  
(c) Disagree [  ] (d) Strongly Disagree [  ] (e) Undecided [  ]
10. Do you agree that federal government removal of fuel subsidy was a way of being insensitive to the plight of the masses and unconcerned about their welfare?  
(a) Agree [  ] (b) Strongly Agree [  ] (c) Disagree [  ] (d) Strongly Disagree [  ]

(e) Undecided

11. What is the cause of fuel subsidy removal in Nigeria?  
.....
12. To what extent do you agree that fuel subsidy removal was due to corruption in the oil sector and gross mismanagement?  
(a) To some extent [ ] (b) To a large extent [ ] (c) Can't say [ ]
13. How strong do you agree that fuel subsidy removal was as a result of few corrupt individuals that are united to promote their private interest?  
(a) Agree [ ] (b) Strongly Agree [ ] (c) Disagree [ ] (d) Strongly Disagree [ ]  
(e) Undecided [ ]
14. Do you agree that the reason for the removal of fuel subsidy was to create Jobs for the Citizens? (a) Yes [ ] (b) No [ ] (c) Don't know [ ]
15. To what extent do you agree to the statement that poverty eradication and alleviation was the reason for the removal of fuel subsidy?  
(a) To some extent [ ] (b) To a large extent [ ] (c) Can't say [ ]
16. Provision of steady power supply for the citizens was one of the reasons for the removal of fuel subsidy? (a) Agree [ ] (b) Strongly Agree [ ] (c) Disagree [ ] (d) Strongly Disagree [ ] (e) Undecided [ ]
17. What do you consider to be the effects of fuel subsidy removal on the citizens of Nigeria?  
.....
18. How much do you agree to the fact that removal of fuel subsidy leads to increase in the cost/standard of living? (a) Yes [ ] (b) No [ ]
19. To what extent do you agree that removal of fuel subsidy will improve the economy by creating favourable climate for investment? (a) To some extent [ ] (b) To a large extent [ ] (c) Can't say [ ]
20. Do you agree that the removal of fuel subsidy will increase the prices of transportation, food commodities and thus compound poverty?  
(a) Agree [ ] (b) Strongly Agree [ ] (c) Disagree [ ] (d) Strongly Disagree [ ]  
(e) Undecided [ ]
21. Indicate the extent to which you agree to the fact that removal of fuel subsidy leads to infrastructural development. (a) To some extent [ ] (b) To a large extent [ ]

(c) Can't say [ ]

22. Do you agree that removal of fuel subsidy will lead to increase in operating costs of micro and small enterprises? (a) Yes [ ] (b) No [ ] (c) Don't know [ ]