



Impact of Fuel Subsidy Removal on Research Programmes of Tertiary Institutions in Nigeria

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Abstract: This paper discussed the impact of subsidy removal on research programme of tertiary institutions. Secondary data were used in the paper. The data were collected from print and online publications. The paper concluded that subsidy removal has led to **increment in operational cost of conducting research, loss of interest in research**, disruptions of research conferences programme, reduction in volume of research findings publications and led to research abandonment and completion. Based on these findings, the paper recommended that Federal and state governments should allocate at least 2% of the total monthly subsidy funds saved on tertiary education research programme development.

Key words: Impact, Tertiary Education, Subsidy Removal.

INTRODUCTION

Tertiary education according to Ogunode, Edinoh, & Nwafor, (2023) is an education designed for post-secondary education. Tertiary education is a social agent of progress and development in the society and aids technological advancement. Tertiary education is designed to help in the development of nations by providing the high as well as the middle level manpower needed for the social, economic and political advancement through the programme of teaching, learning, research and community services. This places tertiary education at the apex in the ranking of educational institutions and is designed to accommodate knowledge acquisition and production. Tertiary education are institutions of higher learning that provide facilities for teaching and research and are authorized to grant academic qualifications such as Diplomas Nigerian Certificate in Education, Bachelors, Masters, and the ultimate being a Ph. D.

Federal Republic of Nigeria's national policy on Education (2013), viewed tertiary education as an education given after Post Basic Education in institutions such as Universities and Inter- University Centres such as the Nigeria French Language Village, Nigeria Arabic Language Village, National Institute of Nigerian Languages, institutions such as Innovation Enterprise Institutions (IEIs). There are Colleges of Education, Monotechnics, Polytechnics, and other specialized institutions such as Colleges of Agriculture, Schools of Health and Technology and the National Teachers' Institutes (NTI). Adeyemi (2001), higher education is a system which embraces much of the country's research capacity and reproduces the majority of the skilled professionals that are required in the labour market.

The goals of tertiary education according to the National Policy on Education of FRN 2013), shall be to: Contribute to national development through high-level manpower training; provide accessible and affordable quality learning opportunities in formal and informal education in response to the needs and interests of all Nigerians; provide high-quality career counselling and lifelong learning programmes that prepare students with the knowledge and skills for self-reliance and the world of work; reduce skill shortages through the production of skilled manpower relevant to the needs of the labour market; promote and encourage scholarship, entrepreneurship and community service; forge and cement national unity; and promote national and international understanding and interaction.

Ogunode, Jegede, Adah, Audu, Ajape (2021b) and Ogunode (2023) noted that tertiary education is one of the strongest educational institutions because of its contributions to national growth and development. The tertiary education is very important to the manpower development and training in any country. Tertiary education is the pillar of every nation. The greatest of all nations depend on the tertiary education for both theoretical orientation and practical application.

Tertiary education goals are centred on teaching, research and provision of community services according to (Ogunode, Akin-Ibidiran & Ibidiran 2022; Ogunode & Ohunene, & Olatunde-Aiyedun, Tope Gloria 2022; Ogunode, Ugochukwu. & Jegede 2022 Ogunode, & Ohiosumua, 2022)

Concept of Research Programme

There are many definitions of research. For Bako (2005), research is a systematic search and investigation for increasing the sum of knowledge; research and development (R&D) is the search and application of knowledge for the development of improved products, services and industrial processes of capital development. Research according to Okeke (2004) is an activity that involves the observation and description of the characteristic properties of objects or events for the purpose of discovering relationships between variables and developing generalizations that may be used to predict future occurrences. At its core, research involves the identification of problems, gathering of new data, and finding solutions to extant problems through carefully designed procedures and logical analysis.

Research is therefore an intensive and extensive search for solutions to societal problems, and it is oriented towards discovering the relationships that exist among the varying phenomena that exist in the world (Osuala, 2001). Ajoku (2006) reiterated that research is the search for knowledge, truth, similarities and relationships, and finding solutions to problems through the systematic collection, analysis and interpretation of data. Yusuf (2012) observed that universities' research can take diverse forms such as:

(i) Individual research:

This is initiated and conducted by an individual researcher or a team of researchers who may seek funding from the University Board of Research or from alternative funding agencies, including international organizations, non-governmental organizations (NGOs) and private organizations.

(ii) Institutional research:

This is initiated and supervised by the institution or a unit of the institution (faculty, department or unit) and usually involves a team of researchers. Funding is internal, except where assistance is obtained from external sources.

(iii) Commissioned or contractual research:

This is carried out at the instance of an external body, which may be government or government organ, the private sector, Non-Governmental Organisations etc, that also funds the research. The sponsor of the research has the right of ownership of the research results.

(iv) Collaborative Research:

This is a joint research effort with common objectives or goals and involving the sharing of ideas, methodologies, and facilities between individual researchers or research teams, from same or different institutions, organizations, countries or regions of the world.

(v) **Student Research:**

This is an undergraduate or postgraduate research project undertaken by a student, supervised by a lecturer in the student's department, and the results of which are reported in the student's thesis or dissertation. Student research is usually jointly funded between the student himself (or his sponsor) and his department.

The research programmes of universities, Colleges of Education, Polytechnics and other Research Institutes are to aid the social, economic and technological advancement of the country. According to Yusuf (2012), the roles of higher education research in national development cannot be overemphasized. However, research in Nigeria's institutions of higher learning (comprising of universities, polytechnics, monotechnics, and colleges of education) has yet to make real impact on the technological development of the country and the socio-economic well-being of its citizenry. Research in education has contributed in no small measure to educational progress, solution of educational problems, development of human capital in education, promotion of social progress, development and national survival. Hence the role of research in general and education in particular cannot be overemphasized.

Concept of Subsidy

There are many definitions of subsidy. According to IMF et al. (2020), subsidies can take various forms, including direct government expenditures, equity infusions, tax incentives, soft loans, government provision of goods and services and procurement on favorable terms, and price supports such as price reduction. Subsidies are provided in diverse formats, according to Haley and Haley (2013) encompassing direct assistance such as cash grants and interest-free loans, as well as indirect support such as tax exemptions, insurance coverage, low-interest loans, accelerated depreciation, and rent rebates.

Concept Subsidy Removal

Subsidy removal is the official termination of subsidies on goods and services that are enjoying subsidies before. Subsidy removal is a policy to end subsidy payment on goods and services with a country. Subsidy removal is defined by Ogunode, & Aregbesola, (2023) as an official elimination of subsidies on products formerly subsidized. Subsidy removal is the decision of the government or institutions to stop payment of subsidies on products or services previously subsidized. Subsidy removal is the stoppage of the subsidy regime in institutions or countries. Subsidy removal is the policy of liberating the prices of goods and services to be regulated by forces of demand and supply (Ogunode et al., 2023). For instance, when fuel subsidy was still in operation, fuel was being purchased for a price of ₦194 per liter at filling stations owned by Nigerian National Petroleum Corporation (NNPC) and most other major oil marketing companies but immediately after the removal as announced by the President, Commander in Chief of the Armed forces, His Excellency, Senator Ahmed Bola Tinubu on 29th may 2023 during his swearing- in and subsequently inaugural speech, the price of petrol immediately jumped to ₦540 per liter. Presently as at September 2023, the price of the premium motor spirit, otherwise called fuel is being purchased at between ₦600 and ₦640 per liter in different states of the federation with the propensity for further hike. This phenomenon of fuel subsidy removal is bedeviled with attendant negative and agonizing consequences to the academic community as far as research endeavor and other worthy activities are concerned.

Effect of Fuel Subsidy Removal on Academic Research of Tertiary Institutions in Nigeria

There are many impacts of subsidy removal on research programme of tertiary institutions. Some of the impacts of subsidy removal include; increment in operational cost of conducting research, loss of interest in research, disruptions of research conferences programme, reduction in volume of research findings, publications and research abandonment and delay in completion and publication.

Increment in Cost of Conducting Research

The removal of subsidy has led to a hike in the price of fuel, which automatically leads to inflation in the country, it is evident that this hike in the price of fuel have affected the operational cost of carrying out research or conducting research in various tertiary institutions across the country. Tertiary institutions in Nigeria in order to meet up with the cost of operation, especially with regard to the overhead, the various institutions increased drastically the school fees payable by each student in addition to sundry charges. Specifically, laboratories fees were jacked up in all most the tertiary institutions because of increment in the prices of research resources as a result of subsidy removal coupled with the floating of the naira leading to major losses in its value compared to international currencies such as the dollar or pound. Majority of research resources used for conducting research are imported and are moved from states to states for distribution. Subsidy removal have led to increase in prices of fuel directly and indirectly have led to increment in prices of the research resources. The removal of fuel subsidies has a cascading effect on various services that rely heavily on transportation. For instance, the price of research resources has increased due to the elevated costs of transporting necessary supplies. Middlemen, to offset the increased expenses, have raised their prices. Darlington, & Monday (2023) maintained that the rise in transportation costs resulting from subsidy removal affects the price of food and groceries. Farmers, suppliers, and retailers incur higher transportation expenses to bring their produce to the market, ultimately increasing the prices for consumers. This prompts consumers to reconsider their shopping choices, potentially opting for cheaper alternatives or reducing their overall consumption.

Loss of Interest in Research

Subsidy removal on fuel Ade (2023) submitted that lack of money may discourage people from embarking on projects. Many people may lose interest in education and other related activities that has to do with pursuing education such as academic research project. A research work conducted by Ogunode & Ojochenemi (2023) and Ade (2023) established that many people lost interest in their research pursuits after teaching activities because of lack of funds to continue. The subsidy removal in Nigeria have worsened many people's economic situation and subjected them to depression. Project clue (2023) noted that due to the removal of subsidies, which led to a high price of fuel in Nigeria, some academics may lose interest in research due to the fact that they do not have enough funds to take care of their daily needs, let alone enough funds to buy fuel to write research in this period of spiral inflation. A new public opinion poll conducted by NOI Polls to determine how the removal of fuel subsidy has impacted the daily activities of Nigerians revealed the following results. A larger proportion (73 percent) of adult Nigerians opined that it has caused an increase in their spending while 10 percent lamented that they can no longer sustain their businesses. A further 10 percent revealed that it has caused an astronomical increase in transportation fares amongst other predicaments.

Disruptions of Research Conferences

Subsidy removal on fuel has led to disruption on local and international conference attendance. Many academic staff since removal of fuel subsidy which have resulted in an unprecedented increase in prices of goods and services and high cost of living, have also contracted people's expenditures. Many academic staff have declined going for planed conferences within and outside the country. Ade (2023) noted many people including researchers and academic staff cancelled or postponed their programmes that involved traveling due to increment in transportation fare and other associated costs. Increment in transportation fare within inter and intra-state in Nigeria is as a result of subsidy removal. Project clue (2023) asserted subsidy removal on academic research have led to disruptions of seminars, presentations, and conferences due to the high cost of transportation and other extra costs of making such regular academic exercise possible. Furthermore, some academic researchers who do not get support from cooperating organizations may even stop researching since they do not have enough funds to fuel cars in their quest to gather relevant information and data from various sources. Darlington, & Monday (2023) submitted that the removal of fuel subsidies has negatively impacted the travel and tourism industry as well. Higher fuel costs may lead to increased airfare, transportation

fees, and accommodation expenses. As a result, consumers may reconsider their travel plans, opt for shorter trips, or seek alternative destinations that offer more affordable options. This shift in consumer behavior can influence the overall performance of the tourism sector. Okonkwo, (2023) also asserted that fuel subsidy removal can also impact exchange rates. If the increased fuel costs lead to a rise in inflation and put pressure on the country's foreign exchange reserves, it can result in a devaluation of the local currency. A weaker currency would make imported goods more expensive, further contributing to inflationary pressures.

Reduction in Publication of Research Findings

Subsidy removal in Nigeria have led to reduction in publication of finding in both local and international journals. Research publications is one of the functions of academic staff and researchers. Publications in journals both local and international are used to promote and assess the academic staff job performance and productivity. Paper publication is one of the indicators used by tertiary institutions to promote their academic staff. Large amount of monies are required to publish in highly indexed journals with wide visibility coverage. (Okonkwo, 2023). Researchers are also affected by the removal of the fuel subsidy, as they have to pay more for transportation to and from workplace. Many researchers rely on public transport, such as buses, taxis and motorcycles, which have also increased their fares due to the higher cost of fuel. Some researchers may have to spend more than half of their salaries on transportation alone, leaving little for other expenses such as food, rent and health care. Some researchers may have to look for alternative sources of income or seek employment closer to their homes to reduce their transportation costs. Some researchers may also decide to reduce paper publication (Ogunode & Aregbesola 2023; Okonkwo, 2023). Students carrying out researches are another group that is affected by the removal of the fuel subsidy, as they must pay more for transportation to and from school. Many research students depend on public transport or private vehicles to get to school, which have become more expensive due to the higher cost of fuel. Some students may have to delay or postpone their research work due to high cost involved in completion of the project carried out in partial fulfilment for the award of their certificates. (Okonkwo, 2023).

Abandonment and Delay in Research Completion and Publication

Subsidy removal have led to the outright abandonment and delay in completion and publication of the finding of research work. Many researchers, both professionals and students alike are negatively affected by the recent fuel subsidy removal policy that as changed the pattern of living across the country. Sunday (2017) noted one of the major reasons why research students abandon their research work is economic factor. Ogunode, Ukozor, & Kware, (2023) noted that the major issue that has delayed dissertation and thesis writing for most postgraduate students in Nigerian public universities is the challenges of financing their dissertation or thesis. Dissertation and thesis writing are financially intensive. A large sum of funds is required daily, weekly and monthly for the literature searching, sorting of materials, consultation, data analysis and production. Many postgraduate students are self-sponsored and majority of them are family men and women. One of the most serious problems threatening dissertation writing by postgraduate students in Nigerian universities is that of dwindling family and personal income. Ola (2016) opined that the financial expenditures associated with a study are another constraint on feasibility. The major areas that involve finance are the production of questionnaires; allowance(s) to research assistant(s); transportation cost; cost of Analysis of Data; office supplies and equipment and Use of computers and required soft-wares. This shortage of funds affects the speed at which most of them devoted themselves to writing their dissertation. Also, student researchers are having less money on them because of the cost of living occasioned by the fuel subsidy removal. Project clue (2023) maintained that in Nigeria, an academic researcher, who might either be a lecturer, student, scientist or engineer always has power failure issues and solely depends on the use of a generator for a smooth and constant power supply since electricity is not to be depended upon. With the removal of subsidies, the overall cost of engaging in and writing research will be on the high side as the cost of the procurement of petroleum products, which may lead to a delay in the publication of the result of the academic work. Also, many researchers and academic staff due to high exchanges rate of Naira against Dollar was an offshoot of the fuel subsidy removal and liberalization of the

economy has totally shut out individuals who may like to travel abroad for research collaboration or international exchange programmes due to inability to pay for their air tickets. This is inimical to scientific breakthrough and progress.

Conclusion and Recommendations

This paper examined the impact of subsidy removal on research programme of tertiary institutions. The paper concluded that subsidy removal has led to **increment in operational cost of conducting research, loss of interest in research**, disruptions of research conferences programme, reduction in volumes of research findings/ publications and has consequently resulted in research abandonment or non- completion. Based on these findings, the paper recommended that

1. Federal and state government should allocate at least 2% of the total monthly subsidy funds saved on tertiary education research programme and development.
2. The Federal Government should increase the minimum wage and salaries of academic staff and researchers of tertiary institutions to cushion the effect of the fuel subsidy removal.
3. The Federal Government should provide school buses to all tertiary institutions across the country to facilitate easy movement of both staff and students alike.
4. The Federal Government should increase grant allocation for researchers to enable them cope with the exigencies of the present economy.
5. Multinational corporations operating in the country could inject funds into the research efforts by various tertiary institutions.
6. Many philanthropic organizations and wealthy individuals could award grants for specific researches in any area of their choice in state and federal tertiary institutions in the country.
7. Power is central to almost all productive processes and as such, the generation and distribution of power must be removed from the exclusive legislative list to that of concurrent legislative list so that various states and even well-endowed individuals who can generate power on their own could do so without hinderance. With adequate and stable power supply, researchers can carry out their work seamlessly.
8. Our four refineries- two in Port Harcourt, one in Warri and the other one in Kaduna must be revitalized and made to be fully functional so that we will not solely depend on fuel importation which is quite injurious to our economy. We should not also pile our hopes on the yet to be operational Dangote refinery since monopoly of any business enterprise is most often not beneficial to the common man.

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