



## **Fuel Subsidy Removal and the Economic Burden on Students in Akwa Ibom State University**

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### **Abstract**

*The study examines the effect of fuel subsidy removal on the welfare of students at Akwa Ibom State University, Nigeria, with particular emphasis on two dimensions: the impact of increasing transportation costs and the cost of printing academic materials on students limited financial resources. The removal of fuel subsidy led to a significant rise in petroleum prices, thereby intensifying economic pressures on students. Guided by the economic shock theory, the study adopted a quantitative approach and employed a descriptive survey design. A sample of 384 university students was selected from a population of 9,660 using the Taro Yamane formula and weighted sampling technique across faculties. Data were analyzed using the Chi-square test of independence. Findings revealed that the increase in transportation costs had a significant adverse effect on students' mobility, while the rising cost of printing academic materials further strained their financial resources. These challenges collectively undermined students' ability to meet academic demands. The study recommends that the university, in collaboration with the Akwa Ibom State Government, implement subsidized transportation services and consider establishing a support mechanism to reduce the cost burden of printing academic materials for students.*

**Keywords:** Fuel Subsidy, Students' Welfare, Transportation Costs, Academic Materials.



## 1.1 Introduction

Fuel subsidy is a government policy aimed at reducing the cost of fuel for consumers by offsetting a portion of the price through direct financial support (International Energy Agency, 2020). While subsidies are often implemented to ease economic pressure on citizens, their removal can lead to widespread economic disruptions, particularly in fuel-dependent economies such as Nigeria (Ozili & Obiora, 2023). On May 29, 2023, the Federal Government of Nigeria, under President Bola Ahmed Tinubu, announced the complete removal of fuel subsidy, leading to immediate and sustained increases in fuel prices and associated goods and services (Majeed, 2023).

For students in Nigerian public universities, particularly those at Akwa Ibom State University, the economic implications of fuel subsidy removal are far-reaching. The most immediate impact has been the sharp increase in transportation costs, affecting students' daily commute and overall mobility. In addition, the rising cost of fuel has indirectly driven up the cost of printing academic materials, a critical component of academic engagement in resource-constrained learning environments.

Student welfare, which encompasses financial stability, access to educational resources, and general well-being (Pritchard & Wilson, 2003; Cohen et al., 2015), is particularly vulnerable to such economic shocks. With limited income sources, many students struggle to cope with the dual burden of increased transportation expenses and academic costs. These financial pressures have the potential to hinder academic performance and compromise the quality of the student experience. This study, therefore, seeks to investigate the effects of fuel subsidy removal on student welfare in Akwa Ibom State University, with specific attention to how increasing transportation costs have affected students, and how the high cost of printing academic materials has impacted their already lean financial resources.

## 1.2 Statement of the Problem

The removal of fuel subsidies in Nigeria has significantly impacted students in public universities, particularly at Akwa Ibom State University, by increasing their financial burdens. A major consequence of this policy shift is the sharp rise in transportation costs. Students commuting to campus now face higher daily expenses, making access to education more difficult, especially for those from low-income backgrounds (Okonkwo, 2023). For example, transport fares from Oron Street to the Obio-Akpa campus rose from ₦100 to ₦200, while fares from the Abak Independence Hall increased from ₦150 to between ₦300 and ₦350. These increases present serious challenges to students' mobility and overall access to learning.

In addition to transport-related hardship, the cost of printing academic materials has escalated significantly. Printing, which is integral to coursework, assignments, and exam preparation, rose from ₦30–₦40 per page to ₦100–₦150 per page after the subsidy removal. This surge places a considerable strain on students already limited financial resources, further limiting their access to essential academic materials.



Together, these developments threaten students' academic performance, access to learning resources, and overall welfare. The compounded effect of increased transportation and printing costs warrants empirical investigation, in order to provide evidence for policy responses that can mitigate these challenges and promote student success in the wake of economic reforms.

### **1.3 Research Objectives**

The main aim of this research is to examine the effect of fuel subsidy removal on students, with the following specific objectives:

- i. To investigate how the increase in transportation costs has affected students at Akwa Ibom State University following the removal of the fuel subsidy.
- ii. To assess the impact of the rising cost of printing academic materials on the limited financial resources of students at Akwa Ibom State University following the removal of the fuel subsidy.

### **1.4 Research Questions**

- i. How has the increase in transportation costs affected students at Akwa Ibom State University following the removal of the fuel subsidy?
- ii. What is the impact of the rising cost of printing academic materials on the financial resources of students at Akwa Ibom State University after the removal of the fuel subsidy?

### **1.5 Research Hypotheses**

The research was guided by the following null hypotheses:

- i. The increasing transportation costs may likely not have affected students in Akwa Ibom State University after the fuel subsidy removal.
- ii. The high cost of printing academic materials most likely has no negative impact on students in Akwa Ibom State University after the fuel subsidy removal.

### **Significance of the Study**

This study is significant in its contribution to understanding how the removal of fuel subsidies has affected students' welfare at Akwa Ibom State University, with particular emphasis on transportation costs and the cost of printing academic materials. The findings hold both theoretical and empirical value.

Theoretically, the study adds to the existing literature on the socio-economic effects of subsidy removal in Nigeria by focusing on its implications for the higher education sector. It also provides a reference point for future research on the relationship between national economic policies and student welfare in Nigerian universities. Empirically, the study offers evidence-based insights into how increased transportation and printing costs have strained students' financial resources. These insights are

valuable for policymakers, university administrators, and stakeholders in designing targeted interventions and support mechanisms to mitigate the negative effects of economic shocks on vulnerable student populations.

## **Literature Review**

### **Concept of Fuel Subsidy**

#### **Empirical Review**

##### **2.1 Conceptual Framework**

###### **2.1.1 Fuel Subsidy**

Fuel is any material used to produce energy, typically through combustion. It powers transportation, generates electricity, and supports industrial and domestic activities (IEA, 2020; EIA, 2022). A subsidy, on the other hand, is a financial intervention by the government to lower the cost of goods or services, often to support economic development, reduce inequality, or address market failures (Bhagwati, 1983; WTO, 2020; Krugman & Obstfeld, 2009). Fuel subsidy, therefore, refers specifically to government actions that reduce fuel prices below market levels, either through direct financial transfers, tax relief, or price controls (Koplow, 2009; IEA, 2020). While intended to make energy affordable and support economic stability, fuel subsidies often strain public finances and distort energy markets. The removal of such involves ending such interventions, allowing domestic fuel prices to reflect global rates, aimed at reducing government expenditure and promoting more efficient energy use (Koplow, 2009; IEA, 2020).

According to Udoh, Iyoho & Akpabio (2024), who conducted a qualitative, survey-based related study in the same State, serious and positive motivations drove the government's decision to remove the subsidy, with chief among them being the intent to combat corruption and mismanagement in subsidy disbursement. However, while these motivations may be commendable, subsidy removal placed a heavy burden on rural households. The study recommends that the Federal Government transparently and accountably deploy the estimated ₦400 billion in monthly savings, ensuring legitimacy for the reform and delivering tangible socio-economic benefits.

###### **2.1.2 Impact of Fuel Subsidy Removal on Transportation Costs for Students**

The removal of fuel subsidy leads to an increase in transportation costs, which directly affects students' ability to commute to school. With higher fuel prices, transportation fares rise correspondingly, making it increasingly difficult for students to afford travel to and from their academic institutions (Hill, 2016). This development imposes a heightened financial burden on students and their families, particularly those from low-income backgrounds, who may struggle to adjust to the sudden rise in living costs.

The increase in transportation expenses can result in reduced class attendance and punctuality, as some students may be compelled to skip lectures or arrive late due to

unaffordable transport fares. This situation may also deter participation in extracurricular activities, which are essential for students' holistic development. Moreover, the additional financial pressure may compel students to reallocate funds meant for other essential needs, such as meals, educational materials, and accommodation, further affecting their well-being.

As a result, students may experience heightened financial stress and diminished academic performance, stemming from reduced concentration, fatigue from long treks to school, or the necessity to engage in part-time work to cover expenses. Ultimately, the removal of fuel subsidy and the resulting transportation cost hikes threaten to exacerbate inequalities in access to education and hinder academic outcomes for many students.

### **2.1.3 Impact of Fuel Subsidy Removal on Cost of Printing Academic Materials for Students**

The removal of fuel subsidy significantly affects the cost of printing academic materials, such as textbooks, lecture notes, and assignments. As fuel prices rise, the cost of operating printing machines and transporting materials increases, leading to higher overall production costs for printed academic resources (Olayinka et al., 2018). These increased expenses are often transferred to students, making essential educational materials less affordable and accessible.

This situation can result in reduced access to critical learning resources, particularly for students from economically disadvantaged backgrounds. Without adequate access to printed materials, students may find it difficult to keep up with coursework, complete assignments effectively, or prepare adequately for examinations. Consequently, academic performance may decline, and students' ability to engage fully with their academic programs may be compromised.

The financial burden of purchasing academic materials under this condition places additional strain on students and their families, forcing many to choose between academic expenses and other basic needs. Over time, this may contribute to increased educational inequality, reduced motivation, and potentially higher dropout rates. Ultimately, the impact of fuel subsidy removal on printing costs undermines students' academic progress and poses a serious challenge to achieving quality education outcomes.

## **2.2 Theoretical Framework**

This study is hinged on economic shock theory popularized by Naomi Klein (2007) in *The Shock Doctrine*. It posits that governments and corporations often exploit crises, such as wars, natural disasters, or economic downturns, to introduce radical free-market reforms. These reforms, frequently implemented without public consent, tend to benefit the elite while exacerbating social inequality and undermining welfare (Mirowski, 2009; Harvey, 2007). Such policies typically involve deregulation, privatization, and cuts in public spending.

While critics argue the theory oversimplifies economic complexities and generalizes across contexts (Crouch, 2011; Peck, 2010), it remains a useful lens for analysing the socio-economic consequences of abrupt policy changes, particularly in vulnerable populations.

The theory offers a relevant framework for understanding the consequences of fuel subsidy removal on students' welfare, as the policy shift can be viewed as an economic shock, disproportionately impacting students through rising transportation costs, accommodation expenses, and academic material costs. These burdens affect students' well-being, access to education, and academic performance. By applying this theory, the study critically examines how such economic disruptions affect student populations differently, especially along socio-economic lines, and highlights the need for protective measures and targeted support during periods of fiscal transition.

### **2.3 Empirical Literature Review**

The removal of fuel subsidies in Nigeria has attracted widespread scholarly attention due to its far-reaching implications on economic welfare and public services. Ogboru and Akinyotu (2024) assessed the impact of subsidy removal on household income and sustainability in Ondo City, revealing that rising transportation and food costs imposed significant economic strain on families. They recommended government interventions such as wage increases and business incentives to cushion these effects.

Oboro and Agbamu (2024) employed a price pass-through model to examine long-term effects of subsidy removal on economic welfare from 1990 to 2022. Their findings indicated that inflation, unemployment, and population growth, exacerbated by subsidy removal, negatively impacted welfare. They advocated for welfare funds to mitigate adverse effects.

Sennuga et al. (2024) studied smallholder farmers in Niger State and found that increased transportation costs due to subsidy removal hampered agricultural output and market access. Recommendations included subsidized transportation and infrastructural development. Also, Adepoju et al. (2023) focused on macroeconomic indicators and found that fuel subsidy removal led to a 64% increase in inflation and a 42.5% decline in GDP. The study proposed alternative fuels and non-motorized transport systems as viable solutions.

Adinoyi and Kpae (2023) explored palliative policy failures, advocating for transparency, increased wages, and stakeholder participation in relief distribution. Izom et al. (2023), using structural functionalism, criticized the government for the lack of effective cushioning mechanisms post-subsidy removal. They called for policy reassessment and inclusive palliative measures.

Focusing on the education sector, Ogunode and Aregbesola (2023) reported that fuel subsidy removal increased school administration and supervision costs, negatively affecting teaching and learning quality. They recommended targeted governmental



support to mitigate the rising operational costs in educational institutions. Ugochukwu and Nwara (2024) investigated the academic effects of subsidy removal on undergraduates in South-East Nigeria. Their study found a decline in academic engagement and performance, urging the provision of food and financial palliatives for students.

In Calabar, Bisong et al. (2023) linked fuel subsidy removal to increased living costs, notably in food and transportation, and underscored the need for social safety nets to support low-income households.

While existing studies have examined the impact of fuel subsidy removal on household welfare (Ogboru & Akinyotu, 2024), macroeconomic indicators (Adepoju et al., 2023), agriculture (Sennuga et al., 2024), and education administration (Ogunode & Aregbesola, 2023), they have largely overlooked specific effects on students' welfare, particularly in relation to transportation and academic material costs.

Given the foundational role of students in national development and innovation, this gap presents a significant oversight in the literature. Thus, the current study aims to fill this void by empirically assessing how fuel subsidy removal affects students' access to education through increased transportation expenses and the rising cost of academic materials. It further seeks to provide actionable recommendations to safeguard students' academic welfare in times of economic transition.

### **3 Research Methodology**

This study utilized both primary and secondary sources of data. Primary data were obtained through the administration of structured questionnaires directly to respondents across the two campuses of Akwa Ibom State University. Secondary data, drawn from journals, periodicals, newspapers, magazines, and reputable internet sources, were used to support and contextualize the primary findings. The main instrument for data collection was a researcher-developed questionnaire comprising two sections: Section A gathered demographic information, while Section B contained 12 items tailored to address the study's objectives, research questions, and hypotheses. These items were divided into three thematic subsections with four questions each, utilizing a five-point Likert scale ranging from Strongly Agreed (5) to Disagreed (1). The questionnaires were distributed with the assistance of five trained research assistants on each campus. To ensure validity, the questionnaire was reviewed by an academic expert, specifically, the research supervisor, who applied both face and content validity techniques to refine the instrument. For reliability, the questionnaire was tested using SPSS (Version 28) under the guidance of a professional statistician. Data collected were presented using tables and percentages, while inferential analysis was conducted using the Chi-Square ( $\chi^2$ ) statistical method to examine the relationship between independent and dependent variables. The Chi-Square formula used is represented as follows:

$$X^2 = \frac{\sum (f_o - f_e)^2}{f_e}$$

**Where;**

$X^2$  = Chi-Square

$\sum$  = Summation Sign

$F_o$  = Observed Frequency

$f_e$  = Expected Frequency

#### 4. Presentation of Data and Analysis

##### Research Question One:

How has the increase in transportation costs affected students at Akwa Ibom State University following the removal of the fuel subsidy?

**Table 4.2.4: Increase in Transportation Costs for Students as a Result of Fuel Subsidy Removal**

<i>Options</i>	<i>Frequency</i>	<i>Percentage (%)</i>
<i>Strongly Agree</i>	138	38.98%
<i>Agree</i>	165	46.61%
<i>Undecided</i>	7	1.98%
<i>Disagree</i>	23	6.50%
<i>Strongly Disagree</i>	21	5.93%
<i>Total</i>	354	

*Source: Field Survey, 2024.*

Table 4.1 illustrates the significant financial strain fuel subsidy removal has placed on students. A substantial majority (85.59%) agree that rising transportation costs have impaired their ability to meet other essential needs, with 38.98% strongly agreeing and 46.61% agreeing. This reflects a broad consensus that the policy has intensified financial hardship, affecting students' overall well-being and academic experience. In contrast, only 12.43% (6.50% disagreeing and 5.93% strongly disagreeing) reported no such impact, possibly indicating differing levels of financial resilience or coping strategies. A minimal 1.98% remain undecided, reinforcing the dominant view of adverse economic effects.

##### Testing of Hypothesis One

**Null Hypothesis ( $H_0$ ):** The increasing transportation costs may likely not have affected students in Akwa Ibom State after the fuel subsidy removal.

Table 4.1 reflects the overall responses of the respondents concerning the impacts of transportation cost on transportation costs among students in Akwa Ibom State University.

**The chi-square calculation is as follows:**

**(fe) = Row total x column total**

**Grand total**

**Calculating Expected Frequency**

To calculate the expected frequency for each cell:

**Since this is a one-way table, the Row Total and Column Total are the same.**

Row Total = Column Total = Category Total

Grand Total = Total Sample Size = 354

CELL A =  $(354 \times 354) / 354 = 70.8$

CELL B =  $(354 \times 354) / 354 = 70.8$

CELL C =  $354 \times 354 / 354 = 70.8$

CELL D =  $(354 \times 354) / 354 = 70.8$

CELL E =  $(354 \times 354) / 354 = 70.8$

Therefore, the expected frequency for each category is 70.8.

This is represented in the contingency table below:

**Table 4.2: Chi-square Contingency Table**

Cell	f <sub>o</sub>	f <sub>e</sub>	f <sub>o</sub> -f <sub>e</sub>	f <sub>o</sub> -f <sub>e</sub> <sup>2</sup>	$\frac{(f_o-f_e)^2}{f_e}$
A	138	70.8	67.2	4505.84	63.59
B	165	70.8	94.2	8865.64	125.11
C	7	70.8	-63.8	4068.44	57.43
D	23	70.8	-47.8	2283.84	32.29
E	21	70.8	-49.8	2480.04	35.03
<b>TOTAL</b>					<b>X<sup>2</sup> = 313.45</b>

Degrees of Freedom (df) = (Number of rows - 1) \* (Number of columns - 1)

To calculate the degree of freedom (df) for the chi-square test:

Number of rows (r) = 5 (Strongly Agree, Agree, Undecided, Disagree, Strongly Disagree)

Number of columns (c) = 1 (single variable)

df = (r - 1)

df = (5 - 1)

df = 4

Critical  $\chi^2$  value (df=4,  $\alpha=0.05$ ) = 9.488

Comparing the calculated  $\chi^2$  to the critical value:

$X^2$  (calculated) = **313.45**

$X^2$  (critical) = **9.488**

**Decision:** Since the calculated Chi-square value (313.45) exceeds the critical table value (9.488) at the 0.05 level of significance, the null hypothesis ( $H_0$ ) is rejected in favour of the alternative hypothesis ( $H_1$ ).

**Research Question Two:**

What is the impact of the rising cost of printing academic materials on the financial resources of students at Akwa Ibom State University after the removal of the fuel subsidy?

**Table 4.3: Increase in Cost of Academic Materials as a Result of Fuel Subsidy Removal**

<i>Options</i>	<i>Frequency</i>	<i>Percentage (%)</i>
<i>Strongly Agreed</i>	151	42.66%
<i>Agreed</i>	122	34.46%
<i>Undecided</i>	19	5.37%
<i>Disagreed</i>	33	9.32%
<i>Strongly Disagreed</i>	29	8.19%
<b>Total</b>	<b>354</b>	<b>100%</b>

*Source: Field Survey, 2024*

Table 4.3 highlights a strong consensus among respondents on the adverse effects of fuel subsidy removal on the cost of printing academic materials and the quality of assignments. Approximately 77% of students agree that increased printing costs have negatively impacted their academic output, with 42.66% strongly agreeing and 34.46% agreeing. In contrast, about 17% of respondents disagree or strongly disagree, suggesting some variability in individual experiences or coping mechanisms. A small proportion (less than 6%) remain undecided, possibly reflecting uncertainty or limited direct impact. This overall distribution underscores a significant perceived link between rising printing costs and diminished academic performance, resulting from the removal of fuel subsidy.

**Testing of Hypothesis Two**

**Null Hypothesis ( $H_0$ ):** The high cost of printing academic materials most likely has no negative impacts on students in Akwa Ibom State after the fuel subsidy removal.

Table 4.3 reflects the overall responses of the respondents concerning the impacts of fuel subsidy removal on printing costs among students in Akwa Ibom State University.

$$(fe) = \frac{\text{Row total} \times \text{column total}}{\text{Grand total}}$$

### Calculating the Expected Frequency

To calculate the expected frequency for each cell:

Since this is a one-way table, the Row Total and Column Total are the same

Row Total = Column Total = Category Total

Grand Total = Total Sample Size = 354

CELL A =  $(354 \times 354) / 354 = 70.8$

CELL B =  $(354 \times 354) / 354 = 70.8$

CELL C =  $354 \times 354 / 354 = 70.8$

CELL D =  $(354 \times 354) / 354 = 70.8$

CELLE =  $(354 \times 354) / 354 = 70.8$

Therefore, the expected frequency for each category is 70.8.

**Table: 4.4 Chi-square Contingency Table**

Cell	f <sub>o</sub>	f <sub>e</sub>	f <sub>o</sub> -f <sub>e</sub>	f <sub>o</sub> -f <sub>e</sub> <sup>2</sup>	$\frac{(f_o-f_e)^2}{f_e}$
A	151	70.8	80.2	6436.04	90.83
B	122	70.8	51.2	2627.44	37.05
C	19	70.8	-51.8	2681.24	37.84
D	33	70.8	-37.8	1431.84	20.23
E	29	70.8	-41.8	1747.24	24.65
<b>Total</b>					<b>X<sup>2</sup> = 210.60</b>

Degrees of Freedom (df) = (Number of rows – 1) \* (Number of columns – 1)

To calculate the degree of freedom (df) for the chi-square test:

Number of rows (r) = 5 (Strongly Agree, Agree, Undecided, Disagree, Strongly Disagree)

Number of columns (c) = 1 (single variable)

df = (r - 1)

df = (5 - 1)

df = 4

Critical  $\chi^2$  value (df=4,  $\alpha=0.05$ ) = 9.488

Comparing the calculated  $\chi^2$  to the critical value:

$X^2$  (calculated) = 210.60

$X^2$  (critical) = 9.488

Since the calculated Chi-square value (210.60) exceeds the critical table value (9.488) at the 0.05 level of significance, the null hypothesis ( $H_0$ ) is rejected in favour of the alternative hypothesis ( $H_1$ ). This indicates that the high cost of printing academic materials most likely has a significant negative impact on students in Akwa Ibom State following the removal of the fuel subsidy.

### **4.3. Discussion of Findings**

#### **4.3.1 Impact of fuel Subsidy Removal on Transportation Costs for Students**

Accepting the alternative hypothesis ( $H_1$ ), which posited that increasing transportation costs have significantly affected students in Akwa Ibom State following the fuel subsidy removal, the first major finding revealed a statistically significant relationship between the policy change and rising transportation expenses. The Chi-square analysis produced a value of  $\chi^2 = 313.45$ , which exceeds the critical value of 9.488 at a 0.05 level of significance with 4 degrees of freedom. Consequently, the null hypothesis ( $H_0$ ) was rejected, confirming a significant impact of the subsidy removal on student transportation costs.

This finding is further substantiated by a comparative assessment of transportation costs before and after the subsidy removal. For instance, in the Obio Akpa campus, costs rose from ₦100–₦350 pre-removal to ₦150–₦600 post-removal. Specific routes such as Stella Idiong Street, Obio Ibiet Street, and Oron Street experienced increases of ₦100–₦150, while New Road recorded the highest surge, rising by ₦200–₦350. This aligns with empirical evidence from Abaekih et al. (2024), whose study on the *Impact of Fuel Subsidy Removal on Transportation Systems in Nigeria* showed an 83.2% drop in frequent motor park users post-removal due to increased travel costs. Similarly, Soile et al. (2014), using co-integration and error-correction models, found a positive correlation between fuel subsidies and transport sector performance, concluding that subsidy elimination would elevate operational costs and negatively affect Nigeria's GDP. These findings collectively highlight the adverse economic implications of the fuel subsidy removal on students' mobility and financial stability.

#### **4.3.2 Impact of fuel Subsidy Removal on Cost of Printing Academic Materials for Students**

The high cost of printing academic materials most likely has negative impacts on students in Akwa Ibom State following the fuel subsidy removal. Statistical analysis revealed a significant relationship between the increased cost of printing and its adverse effects on students, as indicated by a chi-square value ( $\chi^2 = 210.60$ ) that far exceeds the

critical value of 9.488 at a 0.05 significance level with 4 degrees of freedom. This led to the rejection of the null hypothesis ( $H_0$ ), affirming that the removal of the fuel subsidy has significantly burdened students financially in terms of academic material production.

The researcher affirms the practical validity of this finding based on current printing costs at Akwa Ibom State University. Following the subsidy removal, the price of printing an A4 page rose from ₦30 to ₦50—a 67% increase. Typing and printing costs doubled from ₦50 to ₦100, lamination rose by 33% (₦150 to ₦200), and spiral binding surged by 100–150% (₦100 to ₦200–₦250). These increases underscore the additional financial pressure placed on students. The finding aligns with Ogunode and Chukwuemeka (2023), who reported that subsidy removal has negatively impacted research programmes in Nigerian tertiary institutions, citing higher operational costs, reduced research engagement, disrupted academic activities, and incomplete research outputs.

### **5.1. Summary of Findings**

The findings are summarized as follows:

#### **i. Impact on Transportation Costs**

The removal of fuel subsidy has significantly increased transportation costs for students, adversely affecting their welfare. The Chi-square analysis yielded a value of  $\chi^2 = 313.45$ , which far exceeded the critical table value of 9.488 at a 0.05 significance level with 4 degrees of freedom. This result led to the rejection of the null hypothesis ( $H_0$ ) and acceptance of the alternative hypothesis ( $H_1$ ), confirming that rising transportation costs have had a substantial negative impact on students.

#### **ii. Impact on Printing Costs**

The study also found that the increased cost of printing academic materials post-subsidy removal has negatively affected students. The calculated Chi-square value ( $\chi^2 = 210.60$ ) significantly surpassed the critical value of 9.488 at the same significance level and degrees of freedom. Consequently, the null hypothesis was rejected, and the alternative hypothesis was accepted, indicating that elevated printing costs have hindered students' academic productivity and well-being.

### **5.2. Conclusion**

Public policy serves as a crucial instrument for state regulation, control, and development across various sectors, including social, economic, political, cultural, and religious spheres. Among these policies, fuel subsidy, initially introduced during the 1970s oil boom to mitigate the effects of rising fuel prices, has remained one of Nigeria's most controversial interventions. The eventual removal of this subsidy has had far-reaching implications, particularly in a country heavily reliant on crude oil for its

economic and energy needs. This study sought to examine the effects of fuel subsidy removal on students' welfare in Akwa Ibom State University.

The findings reveal that the policy has significantly increased transportation costs for students, limiting their mobility and access to academic activities. Similarly, the high cost of printing academic materials has further strained students' finances, impeding their ability to meet academic requirements effectively.

Collectively, these outcomes underscore the broader impact of macroeconomic policy decisions on the welfare of students in higher education institutions. This study contributes to the growing discourse on the intersection between economic policy and education, emphasizing the necessity for policymakers to consider the socio-academic realities of students when formulating or revising national policies.

### **5.3 Recommendations**

Based on the findings of this research, the following recommendations are proposed to mitigate the adverse effects of fuel subsidy removal on students' welfare in Akwa Ibom State University and Nigeria at large:

- i. Akwa Ibom State University, in partnership with the Akwa Ibom State Government, should establish a subsidized transportation scheme to alleviate the burden of increased transportation costs on students. This programme should provide free or reduced-fare bus services, with routes designed to serve areas with high student populations. The service should operate at least twice weekly and include special provisions for vulnerable student groups, such as those with disabilities or from low-income backgrounds.
- ii. In addition to the Federal Government's proposed student loan initiative, the Akwa Ibom State Government should implement a hardship mitigation scheme targeted at students of Akwa Ibom State University. This programme should provide eligible students with a minimum monthly stipend of ₦25,000 for at least two months per semester. The disbursement should be phased to ensure continued support, with the aim of easing the impact of rising food prices and improving students' access to basic necessities.
- iii. Lecturers at Akwa Ibom State University should consider alternative assignment submission methods to reduce students' printing expenses. Recommended approaches include accepting digital submissions through online platforms, allowing handwritten submissions for short assignments (5–10 pages), and providing soft copies of reading materials to limit the need for printed handouts.



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