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### Research Article

## Neoliberal Policies and Poverty: An Examination of the Impact of Fuel Subsidies Removal on Women in Nigeria

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### About Article

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### ABSTRACT

Neoliberal policies implemented by African nations have adversely affected the quality of life for citizens, especially women. The elimination of subsidies on petroleum products has resulted in a heightened cost of living in Nigeria, impacting transportation, food, and other consumer items, and exacerbating poverty rates. This study examined the effects of eliminating fuel subsidies on the livelihoods of women in Nigeria. A survey research design was adopted in this study, where data from the questionnaire, focus group discussions, and in-depth interviews were triangulated. Secondary data were also used to complement the primary data. The study embraced the dependency theory, providing a comprehensive analysis and framework on the nature and character of neoliberalism. It was established that the elimination of fuel subsidies has resulted in the increasing impoverishment of women in Nigeria and throughout Africa. The research demonstrated that several women have lost their livelihoods, particularly since various Small and Medium Enterprises (SMEs) managed by women have failed, impoverishing countless women and their dependents. The study concluded that neoliberalism has exacerbated social welfare difficulties, intensified poverty in certain regions, and enlarged disparities in pre-existing injustices. The abrupt elimination of subsidies has resulted in the impoverishment of citizens, with women experiencing particularly severe hardships. By this removal, the poor have been disproportionately affected by economic austerity measures and reduced government expenditure on social services. It was recommended, among others that inclusive development solutions should be prioritised by policymakers. Again, the government ought to fund transport services to alleviate the difficulties caused by rising prices of products and services resulting from increased fuel costs. The study also recommends that the Nigerian government should introspect and enact widely supported policies aimed at poverty alleviation.

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## 1. INTRODUCTION

Neoliberal policies have been a prominent yet contentious approach to poverty alleviation in Africa. The prominent financial and political ideology known as neoliberalism has profoundly influenced international economic policies since the late 20th century. Since the mid-1980s, neoliberal strategies, including market liberalisation, privatisation of state-owned enterprises, and reduced government interference, have been central to economic reforms and development attempts in Nigeria (Ajisebiyawo *et al.*, 2025). It is important to recognise that neoliberalism has influenced and organised poverty in the United States, the UK, and other regions. Its approach to impoverished individuals is quite paradoxical. Neoliberalism perceives the impoverished as autonomous individuals capable of transcending poverty through market mechanisms (Katz, 2013). In this regard, it dismisses pathological explanations of poverty and perceives the impoverished as equivalent to the broader society. As all individuals are expected to make market-oriented decisions to enhance their lifestyles, the impoverished are consequently encouraged to do likewise. Conversely, neoliberalism characterises the poor, particularly women, as inadequate and unethical individuals who fail to assume complete accountability for their circumstances (Ajisebiyawo *et al.*, 2025). The influence of neoliberalism on impoverished individuals is manifested through various interconnected aspects, such as the reconfiguration of the welfare state, increasing precarity and inequality, and the cultivation of entrepreneurial identity.

In response to global trends and under the influence of international financial institutions such as the World Bank and the International Monetary Fund (IMF), Nigeria implemented various neoliberal policies in the 1980s (Olaniyi *et al.*, 2023). Notwithstanding their objective of fostering economic progress, neoliberal policies have failed to effectively address Nigeria's poverty problem. Nonetheless, these policies have often intensified social stratification and increased inequality, which complicates the alleviation of poverty. This paper analyses the neoliberal policies implemented by President Bola Ahmed Tinubu, particularly the impact of withdrawing the gasoline subsidy on poverty in Nigeria.

### 1.1. Objectives of the study

- To investigate the effect of neoliberal policies on poverty in Nigeria, and
- To assess the impact of removing fuel subsidies on women in Nigeria.

## 2. LITERATURE REVIEW

### 2.1. Conceptual review

#### 2.1.1. Neoliberal policies

Neoliberalism is a political and economic policy framework that advocates for individual economic liberty, government expenditure, and the minimisation of economic intervention. These frequently culminate in free trade, globalisation, deregulation, and privatisation. This political and economic concept advocates for the expansion of private firms and the reallocation of economic control from the public sector (government) to the private sector (individuals). The premise is

that individuals manage the economy more effectively owing to self-interest, which enhances entrepreneurship, innovation, and ultimately economic growth. Neoliberalism thus promotes the establishment of free markets, the abolition of social services, and regressive taxes (Titus, 2023). Academics concur that neoliberalism is a political and economic policy framework that prioritises the principles of free market capitalism and aims to shift the regulation of economic elements from the public sector to the private sector (Longley, 2021).

Consequently, neoliberalism constitutes a policy framework that integrates both political and economic dimensions. It promotes private entrepreneurship and aims to shift control of economic elements from the government to the private sector. Numerous neoliberal policies pertain to the effective operation of free market capitalism and emphasise the restriction of government expenditure, regulation, and public ownership (Manning, 2024). According to Rutar (2023), neoliberal policies seek to enhance individual economic freedom while minimising government engagement in the economy. He asserts that the particulars of these policies may differ according to the unique characteristics of the implementing country; still, they typically encompass initiatives aimed at establishing free trade zones, privatising national assets, reducing tax rates, and dismantling trade unions. Neoliberal policies frequently lead to the privatisation of public goods and services, as well as the diminishment of social welfare programmes. The primary objective of these policies is to enhance economic efficiency and growth while constraining government expenditure, regulation, and public ownership.

#### 2.1.2. Poverty

Research indicates that poverty is most effectively analysed through both economic and sociological lenses. Crossman (2019) defines poverty as a social and psychological state marked by an absence of fundamental resources required for survival or to achieve a minimum level of living. This indicates that poverty is most effectively represented by conditions of human existence, including inadequate shelter, clothing, and access to food. Individuals in these circumstances commonly endure malnutrition, chronic hunger, inadequate or nonexistent access to excellent healthcare and education, and are often marginalised from mainstream society.

Poverty is a complex topic that necessitates the differentiation of its various forms for comprehensive comprehension. Absolute and relative poverty are fundamental terms in this setting, each possessing unique definitions, metrics, and consequences. Absolute poverty denotes a state in which persons are devoid of essential resources for survival, including food, shelter, and clothes. This criterion is established on a predefined threshold, typically described as the minimum income or resources necessary to satisfy fundamental demands. The World Bank defines individuals living in poverty as those subsisting on less than US\$1.90 per day. Chen (2024) contends that poverty encompasses not just insufficient income but also inadequate access to services and vital items. Conversely, relative poverty is defined as the economic condition of individuals inside a certain society. This transpires when people or households earn substantially below the average income in their society,



resulting in social exclusion or inequality (Atkinson, 2019). Relative poverty considers the economic inequalities present within a certain society. It illustrates individuals' positions within the broader income distribution. The preceding statement denotes that poverty is the circumstance wherein individuals or groups are devoid of essential resources for a basic level of existence. Consequently, they are unable to fulfil their fundamental human need.

Consequently, the profound scarcity of possessions markedly diminishes an individual's quality of life. Individuals in poverty face difficulties in fulfilling fundamental requirements, including restricted access to food, clothes, healthcare, education, shelter, and safety. Individuals impacted by poverty may also be deficient in social, economic, political, or material assets and resources. This indicates that poverty is a multifaceted network of conditions that obstructs individuals' existence (Chen, 2024). Poverty encompasses more than just financial deficiency; it possesses socioeconomic components, including the inability to access services and social protection, express opinions and choices, negotiate authority, and attain social status, suitable employment, and chances.

### 2.1.3. Fuel subsidy removal

A subsidy, according to Gordon and Suzanne (2023), denotes the provision of financial support to enterprises, individuals, or institutions, usually by the government, either directly or indirectly. A subsidy is an economic advantage or financial assistance granted by a government to promote a favourable activity, stabilise prices, sustain employment levels, or stimulate investment to alleviate unemployment. The purposes and objectives are to mitigate certain financial constraints, frequently for the public good, thus promoting social welfare or economic goals (Francis & Lucas, 2023). Subsidies typically entail financial assistance, offered either directly or indirectly, to beneficiaries. They are often regarded as a beneficial kind of welfare support, as they alleviate existing burdens or motivate certain acts through cash compensation. The elimination of fuel subsidies pertains to governmental actions aimed at diminishing or abolishing financial support for petroleum products, including fuel, petrol, and diesel (Akinwale *et al.*, 2018). It can alleviate the financial strain on the government's budget and promote more efficient resource distribution. This often results in elevated fuel expenses, which may lead to increased prices for business proprietors and consumers, potentially producing a significant inflation rate and disproportionately affecting lower-income entities and individuals.

### 2.2. Empirical review

The domain of neoliberalism and the political dynamics surrounding the elimination of gasoline subsidies have garnered significant interest from academics and policymakers. Neoliberalists contend that a primary advantage of eliminating subsidies is the prospective cost savings for the government, which can be reallocated to alternative development initiatives (Oluwabukola, 2023). They assert that the funds conserved from subsidies can be allocated to other vital areas, including healthcare, education, and focused infrastructure development. Moreover, the elimination of subsidies can enhance competition

within the petroleum sector, hence improving efficiency and service delivery (Civic Keypoint, 2023). The elimination of subsidies increases investment opportunities in the upstream, midstream, and downstream sectors, attracting both local and foreign investors to allocate their resources. It will certainly generate employment and enhance the local community in which the investment takes place.

Conversely, Ajisebiyawo *et al.* (2025) investigated "Neoliberalism and its Theoretical Explanation of Poverty in Africa", specifically from the Nigerian perspective. The study employed dependency theory to examine the influence of neoliberalism on the rate of poverty in Nigeria. Utilising secondary data, the researchers contended that although neoliberal policies have stimulated economic development, they have concurrently exacerbated poverty and inequality. Neoliberal policies such as fiscal austerity and privatisation have adversely affected rural and marginalised populations, leading to an inequitable distribution of wealth and the reinforcement of poverty cycles. The research determined that neoliberal policies have exerted a substantial and complex influence on poverty in Nigeria. Sodeeq (2024) examined the "Impact of Fuel Subsidy Removal on Household Expenditure in Nigeria." This research analyses the effects of abolishing fuel subsidies on household expenditures in Nigeria. The findings indicate that although the elimination of subsidies may result in governmental cost savings and more efficiency within the petroleum industry, apprehensions over inflationary impacts and the affordability of critical goods and services remain. The report advises policymakers to formulate subsidy reform strategies that safeguard the impoverished and most at-risk populations, incrementally adjust prices, communicate efficiently with all demographics, allocate supplementary resources to productive sectors, and establish transparency measures.

Evans *et al.* (2023) examined "The socio-economics of the 2023 fuel subsidy removal in Nigeria." The report contended that the government's elimination of fuel subsidies in Nigeria in 2023 instigated a significant transformation with extensive repercussions across economic, social, and environmental domains. The paper investigates the intricate ramifications resulting from this significant policy shift, analysing both the direct and indirect impacts on Nigerian society and economy. The paper highlights the significance of managing public sentiment and stakeholder responses, based on historical precedents of subsidy withdrawal initiatives in Nigeria. The study emphasises the importance of informed decision-making to reduce adverse short-term effects, capitalise on long-term benefits, and protect at-risk populations.

Adepoju *et al.* (2023) conducted research titled "The Impact of the Removal of Fuel Subsidy on Gross Domestic Product and Transportation Cost in Nigeria," which confirmed that transportation costs had risen significantly owing to the withdrawal of fuel subsidies in Nigeria. Secondary data sources were obtained from Statista, the World Bank website, and Premium Motor Spirit (PMS) pricing from 2011 to 2023. The study's results revealed a 64 percent rise in inflation, while the decline in gasoline prices contributed to a 42.5 percent reduction in GDP. Inflation was observed to rise while GDP declined. Fuel is undeniably crucial for the nation's prosperity.



The effects of fuel directly influence GDP, and remarkably, price inflation affects Nigerians and numerous other African nations. Addressing the fuel issue might potentially exert a substantial influence on the economy.

Additionally, Olaniyi (2016) examined "The Effects of Fuel Subsidy on Transport Costs and Transport Rates in Nigeria." The research employed a qualitative design. It was determined that gasoline is a significant element, among others, affecting cost fluctuations and transportation rates in Nigeria. The function it plays is crucial in the manufacture of commodities and the provision of services across all economic sectors, which is one reason countries deem it vital to subsidise and guarantee citizens sufficient access to fuel, a matter of national and international significance. Fuel in Nigeria is an inelastic commodity on both the supply and demand sides, rendering it difficult for consumers to identify alternatives. The study concludes that the elimination of fuel subsidies has resulted in inflation in the pricing of products and services due to increased transportation costs for commodities. The elimination of fuel subsidies may trigger a ripple effect throughout various sectors of the economy. These elevated expenses are frequently transferred to consumers via increasing pricing for products and services, diminishing households' purchasing power and affecting their overall expenditure capacity. Moreover, the administration and execution of subsidy policies may be compromised by corruption and inefficiencies, resulting in the misallocation of resources and the enrichment of a select few to the detriment of the broader populace (Ray, 2023). The preceding statement indicates that although there is extensive research on the neoliberal strategy of eliminating gasoline subsidies, there is no specific study addressing the impact of this policy on women's livelihoods. This study aims to address such a deficiency.

### 2.3. Theoretical framework

This study employs Dependency theory as a framework to analyse and comprehend neoliberalism in Nigeria and its impact on economic development and the livelihoods of citizens. Dependency theory is a prominent framework in the social sciences that elucidates the economic evolution of nations. The theory was formulated in the late 1950s and further refined during the subsequent two decades, primarily by liberal reformer Raúl Prebisch, director of the United Nations Economic Commission for Latin America (UNECLA), and development economist Hans Singer. Dependency theory is linked to notable Marxist thinkers, like Andre Gunder Frank, Paul A. Baran, and Paul Sweezy, as well as world systems theorists like Immanuel Wallerstein (Scott, 2017).

The idea posits that underdevelopment is a direct consequence of the integration of Third international economies into the capitalist international system, which is predominantly controlled by the West. In social science research, dependency denotes a condition wherein a specific country or region depends on another for assistance, sustenance, and development (Emeh, 2013). This encompasses concepts for development and poverty alleviation through the implementation and acceptance of neoliberal policies such as privatisation, deregulation, free-market economy, and the elimination of subsidies. The

literature on dependency theory presents various and frequently conflicting viewpoints and discourses. Dependency theory pertains to the connection between industrialised and poor nations. The link pertains to both developed and developing countries. Dependency theory characterises the globe as comprising a capitalist or imperialist core, referred to as affluent states, and an impoverished, or exploitative, periphery.

Furthermore, Scott (2017) asserts that the subjective characteristics of discussions inherent in dependence theory allow for numerous diverse and frequently constructive approaches to analysing the environment. These perspectives can engender rigorous yet enlightening discussions. Countries central to the international system are referred to as the "haves," while those on the periphery are designated as the "have-nots." Core countries are characterised by industries, government, social elites, financial power, and education. In contrast, peripheral countries have mining, forestry, and agriculture, but lack power, possess inadequate educational systems, and offer low earnings that cannot support wealthy lifestyles. These elements are fundamental constituents of the interaction between the core and the peripheral (Gilpin & Gilpin, 2001). It is sufficient to note that a facet of Nigeria's economic dependency is its reliance on foreign assistance. International groups and donor countries often assist Nigeria in addressing developmental challenges, especially poverty. This support is dependent on neoliberal policies that prioritise market liberalisation, deregulation, and privatisation. Although these reforms aim to stimulate economic advancement, they often exacerbate poverty and generate inequality by benefiting elites and multinational corporations at the cost of the disadvantaged (Ajisebiyawo *et al.*, 2025). Dependence theory underscores Nigeria's economic reliance on affluent nations and international institutions, providing a framework for understanding poverty in the country from a neoliberal perspective. Policymakers should formulate more equitable and sustainable strategies for alleviating poverty and promoting inclusive development by addressing how Nigeria's dependence on foreign trade, investment, and aid intensifies poverty and perpetuates its underdevelopment.

### 3. METHODOLOGY

A survey research design was utilised for data collecting in this study. Data were obtained from primary and secondary sources. The primary data were obtained from questionnaire copies, focus group discussions, and comprehensive interviews. In-depth interviews and focus groups with women's organisations were conducted to obtain nuanced insights into their experiences about the government's elimination of gasoline subsidies and the consequent social isolation. Secondary data were sourced from journals, books, government papers, online resources, and various printed materials. The acquired data were analysed and discussed utilising basic percentages. The study population comprises women from six states of the federation, selected randomly from the six geopolitical zones of Nigeria. The selected states were Sokoto (North-West), Adamawa (North-East), Benue (North-Central), Enugu (South-East), Ogun (South-West), and Akwa-Ibom (South-South). Questionnaire copies were sent, and telephone interviews were





conducted as needed. Knoema (2023) estimates the population of Nigerian women to be 108,093,075 which constitutes over half of the nation's total population. The sample size was calculated at a 5% margin of error and a 95% confidence level, based on the study's population, utilising Taro Yamane's (1967) formula. This sampling technique helps improve the accuracy level in determining the sample size of the study population with a reasonable margin of error. It was used to arrive at an appropriate sample size in qualitative and quantitative research.

$$n = \frac{N}{1 + N(e)^2}$$

Where,

n = sample size,

N = population size,

e = error tolerance (5%),

1 = constant

From the study, the sample size is computed as:

$$n = 108,093,075 / (1 + 108,093,075 (0.05)^2)$$

$$n = 108,093,075 / (108,093,075 (0.0025))$$

$$n = 108,093,075 / (270,232.69)$$

$$n = 399.9. \text{ Therefore, } n = 400.$$

Simple stratified and random sampling techniques were employed to distribute the questionnaire to respondents across the six Area Councils of the FCT, ensuring equitable representation. The collected data were examined using a straightforward percentage to assess their relevance.

#### 4. RESULTS AND DISCUSSION

The total number of questionnaire distributed was 400 copies; out of this, 365 were properly filled and returned. The data presented and analysed through the Special Package for Social Sciences (SPSS) were generated from the total returned copies of the questionnaire.

##### 4.1. The effect of neoliberal policies on poverty in nigeria

**Table 1.** Neoliberal policies create rather than reduce poverty in nigeria

Response	Frequency	Percentage
Strongly Agreed	270	74%
Agreed	48	13%
Undecided	11	3%
Strongly Disagreed	29	8%
Disagreed	7	2%
<b>Total</b>	<b>365</b>	<b>100%</b>

Source: Fieldwork (2024)

Table 1 above reveals that 270 respondents strongly concurred and 48 respondents concurred that neoliberal policies exacerbate poverty rather than alleviate it in Nigeria. The data indicated that 11 respondents were undecided, whilst 29 and 7 respondents strongly opposed and disagreed, respectively, that neoliberal policies generate rather than alleviate poverty in Nigeria. Additionally, it indicates that 87% of the respondents

confirmed that neoliberal policies contribute to poverty in Nigeria. Conversely, 10% of the respondents held a differing opinion. The respondents' overall feedback concurs with the assertion that neoliberal policies have exerted a substantial and complex impact on poverty in Nigeria. Ajisebiyawo *et al.* (2025) assert that, contrary to the assertions of proponents that these measures promote economic growth, the evidence presents another narrative. Even in periods of economic expansion, societal benefits have not been equitably distributed. Neoliberalism has exacerbated social welfare difficulties, intensified poverty in certain regions, and enlarged disparities in pre-existing injustices.

##### 4.2. The impact of fuel subsidy removal on the livelihoods of women in nigeria

**Table 2.** Fuel subsidy removal has led to an increase in the prices of household essential needs and feeding one to two times a day has been very difficult for women and the less privileged.

Response	Frequency	Percentage
Strongly Agreed	350	96%
Agreed	15	4%
Undecided	0	0%
Strongly Disagreed	0	0%
Disagreed	0	0%
<b>Total</b>	<b>365</b>	<b>100%</b>

Source: Fieldwork (2024)

According to the table, 96% strongly agreed and 4% agreed that fuel subsidy removal has led to an increase in the prices of household essential needs of citizens, especially women and the less privileged. The aforementioned indications demonstrate that the elimination of gasoline subsidies has resulted in a rise in the pricing of key household goods. This aligns with Evans *et al.* (2023), which states that despite Nigeria being the largest nation in Africa and the sixth largest oil producer globally, successive Nigerian governments have failed to leverage oil wealth to alleviate poverty and provide essential economic and social services to its citizens.

**Table 3.** The removal of fuel subsidies has adversely affected the livelihoods of women in nigeria.

Response	Frequency	Percentage
Strongly Agreed	332	91%
Agreed	18	5%
Undecided	0	0%
Strongly Disagreed	0	0%
Disagreed	15	4%
<b>Total</b>	<b>365</b>	<b>100%</b>

Source: Fieldwork (2024)



According to Table 3, 91% strongly agreed, 5% agreed, 0% were undecided, 0% strongly disagreed, and 4% disagreed. This obviously indicates that a substantial proportion of respondents concur that the elimination of gasoline subsidies has adversely affected women's livelihoods, particularly their small and medium-sized enterprises (SMEs). This aligns with Sodeeq (2024), indicating that the elimination of fuel subsidies leads to increased costs of petroleum products, hence affecting the entire cost of goods and services and adversely impacting several SMEs. This similarity between the respondents' viewpoints and academic discussions reinforces the literature's emphasis on the inflationary impact of eliminating gasoline subsidies.

**Table 4.** The removal of fuel subsidies has increased the cost of transporting goods and services.

Response	Frequency	Percentage
Strongly Agreed	277	76%
Agreed	37	10%
Undecided	7	2%
Strongly Disagreed	18	5%
Disagreed	26	7%
<b>Total</b>	<b>365</b>	<b>100%</b>

Source: Fieldwork (2024)

According to Table 4, 76% strongly agreed, 10% agreed, 2% were undecided, 5% strongly disagreed, and 7% disagreed. The challenge of petroleum product costs has persistently been problematic in Nigeria and requires careful and strategic management. The low-income levels of citizens and inadequate infrastructural development, particularly in transportation, electricity, and communication, render the effects of rising petroleum product prices acutely perceptible, especially in developing nations such as Nigeria. For over fifty years, Nigeria's economic policies, development, and associated activities have been shaped by the oil sector. The country's economy is profoundly reliant on the oil industry, serving as its lifeblood (Iken & Oluka, 2023).

**Table 5.** The removal of fuel subsidies has led to an increase in women's poverty rate.

Response	Frequency	Percentage
Strongly Agreed	336	92%
Agreed	18	5%
Undecided	7	2%
Strongly Disagreed	0	0%
Disagreed	4	1%
<b>Total</b>	<b>365</b>	<b>100%</b>

Source: Fieldwork (2024)

According to Table 5 92% strongly agreed, 5% agreed, 2% were undecided, 0% strongly disagreed, and 1% disagreed. These

reactions corroborate the findings of Sodeeq (2023), which indicate that the elimination of fuel subsidies engenders corruption and precipitates poverty and misery within a nation. He further said that a cadre of corrupt officials aggressively subverts efforts to maintain existing refineries and obstructs the establishment of new ones, thereby prolonging gasoline importation and perpetuating fuel subsidies for their own selfish purposes.

#### 4.3. Discussion

of recent decades, the adoption of neoliberal policies has significantly influenced the socioeconomic landscape of Nigeria. Neoliberal policies are condemned for their adverse effects on social welfare, poverty, and inequality, but proponents argue that these policies foster economic growth and advancement. Nigeria's economic expansion has been associated with neoliberal policies, particularly in the 2000s when liberalisation and oil revenue propelled the nation's economy. However, significant disparities in this increase have been observed among different socioeconomic groups in urban and rural areas (Olajide & Lawrence, 2022). Neoliberal policies have benefited certain demographic groups and urban centres, however, they have often neglected rural areas and underprivileged communities. The disproportionate distribution of growth has exacerbated poverty in many regions and perpetuated existing inequalities.

Despite the modifications in Nigeria's economy resulting from neoliberal policies, these alterations have not universally yielded positive outcomes. The policies impeded citizens' access to stable and secure employment. This adversely affects families and communities, exacerbating their impoverishment. The neoliberal agenda in Nigeria has prioritised fiscal austerity, resulting in reduced government expenditure on social services such as social protection, healthcare, and education. The impoverished, who heavily rely on public services for their essential needs, have been disproportionately affected by this. Anazonwu *et al.* (2023) assert that user fees and cost recovery strategies have hindered the supply of essential services, hence exacerbating access gaps and perpetuating cycles of poverty. The primary conclusion is that a reduction in government investment in programmes such as healthcare and education results in fewer individuals receiving assistance. Envision a scenario in which you are unwell, yet the expense of consulting a physician is prohibitively high. These and numerous other manifestations of adversity resulting from neoliberal policies sustain the cycle of poverty for the underprivileged. Low-income households indicate that the elimination of gasoline subsidies has significantly affected their livelihoods and level of living.

Several ladies participating in a focused group discussion (FGD) assert that several customers can no longer afford to purchase the same quality and quantity of food and non-food goods as they did before the removal of the subsidy. A respondent asserted that the fuel subsidy elimination has placed me in more hardship than before. Prices of everything have skyrocketed. It started with the spike in transportation and later food commodities and non-food products. It has not been easy on us here. The incidence of food theft in the neighbourhood has escalated due



to hunger. As transportation expenses rise, securing low-skilled employment is becoming increasingly challenging, particularly when it necessitates commuting. — Focus Group Discussion, Low-Income Households, Benue State.

Moreover, elevated transportation expenses exert a cascading influence on the pricing of both food and non-food commodities, resulting in diminished revenue for entrepreneurs and decreased purchasing capacity for consumers. According to a participant, "The rise in petrol prices has impacted my business due to the escalation in the costs of my purchases. My sales have declined due to the price rise. I now purchase on credit to ensure supplies remain operational" (KII, Proprietor, A Small Business, Uyo, Akwa-Ibom).

Another responder stated that the loss of the gasoline subsidy impacts all public transport providers and users of both public and private vehicles, regardless of their socio-economic position. It was apparent that the majority of carriers are apprehensive about the sustainability of their transportation enterprises in light of increased fuel expenses, leading to a decline in passengers, reduced daily revenue, and constricted profit margins. The study additionally determined that income levels in Sokoto State had either decreased or stayed static since the elimination of fuel subsidies. An increasing number of individuals are opting to walk great distances rather than utilise motorised transportation. Several pupils have ceased attending school solely owing to elevated commuting expenses. "The rise in fuel prices has altered my standard of living." My children would stay home most of the time because of the transport expense, which is becoming unsustainable. My source of livelihood has not increased but rather is declining" (KII, Micro Business Owner, Enugu).

Smallholder farmers are currently facing elevated prices for seeds, fertilisers, and other agricultural inputs. As a coping mechanism, certain farmers are contemplating a reduction in the acreage they cultivate this growing season. Yesterday, we employed labourers for our fields; but, upon arrival, they declined to work, demanding a rise in their salary from NGN 300 to 700, citing rising transportation and food costs as justification. We ultimately had to remit 700, having previously covered their transport expenses and meals" (FGD, Smallholder Farmers, Benue State). The impact of fuel subsidy withdrawal on women's livelihoods can fluctuate based on various factors, including commerce, geography, political dynamics, social conditions, and the broader economic landscape. The withdrawal of fuel subsidies in Nigeria has affected SMEs in sectors such as transportation, energy expenses, agriculture, and retail services, among others. In the transportation industry, it is noteworthy that numerous women-led SMEs, particularly in transportation and logistics, have encountered significant rises in fuel expenses. Women who own or operate commercial vehicles or small enterprises reliant on transportation have experienced a significant increase in operational costs, hence diminishing their profitability (Akinwale *et al.*, 2018). Women in industries dependent on generators owing to unreliable power supply, such as food processing and retail, have incurred elevated operational costs. The rise in gasoline prices directly affects their capacity to sustain regular operations (Ojo, 2016).

Furthermore, women engaged in agriculture, who frequently utilise fuel-powered machinery and irrigation systems, have experienced a rise in their production expenses. This impacts their profit margins and their ability to compete in the market. Women in retail and service sectors have seen increased expenses for energy and transportation, resulting in elevated consumer prices and diminished sales (Reuters, 2023). Moreover, the elimination of fuel subsidies has resulted in heightened vulnerability and economic adversity for women. Women-led small and medium enterprises are frequently more susceptible to disruptions. The rising cost of living, driven by elevated fuel prices, has resulted in economic difficulties for women entrepreneurs and their employees, adversely affecting their general well-being and quality of life.

Similarly, the financial burden from heightened operating expenses has resulted in social tension and anxiety among women entrepreneurs, adversely impacting their mental health and productivity. Consequently, women who serve as the principal earners and manage small and medium-sized enterprises are especially impacted by the rising expenses. Increased fuel prices result in diminished household income and financial pressure, adversely affecting family wellbeing. The elimination of subsidies has intensified income inequality, disproportionately affecting women-led SMEs in lower-income categories more severely than their male counterparts. The elimination of fuel subsidies in Nigeria has adversely affected women's livelihoods, exacerbating poverty levels. These encompass elevated operational expenses, diminished profit margins, fiscal pressure, and reduced competitiveness. Moreover, the societal ramifications, including economic adversity, heightened susceptibility, and restricted access to support programmes, further intensify the difficulties faced by women entrepreneurs. Resolving these difficulties necessitates focused assistance initiatives, enhanced access to financial resources, and policies that address the distinct requirements of women to assist them in efficiently managing the economic repercussions of subsidy elimination.

## 5. CONCLUSION

Neoliberal policies have exerted a substantial and complex influence on poverty in Nigeria. Notwithstanding assertions that these measures promote economic growth, the data indicate a contrasting reality. Even in periods of economic expansion, the benefits have not been equitably distributed among all members of society. Neoliberalism has exacerbated social welfare difficulties, intensified poverty in certain regions, and enlarged disparities in pre-existing injustices. Privatisation of state-owned enterprises has further alienated vulnerable groups, leading to employment losses and intensified economic instability. The destitute have been disproportionately affected by economic austerity measures and reduced government expenditure on social services, hindering their access to social assistance, healthcare, and education. This deficiency in access intensifies inequality and perpetuates cycles of poverty, particularly among women. Consequently, neoliberal policies have not alleviated poverty and inequality, while they may have facilitated Nigeria's economic advancement.



## RECOMMENDATIONS

The following recommendations have been advanced to inform policy as it relates to the removal of petroleum subsidies in Nigeria and elsewhere in Africa:

i. Given the adverse effects of neoliberal policies on poverty in Nigeria, inclusive development solutions should be prioritised by policymakers. This involves considering the needs of all societal groups, with particular emphasis on women. The government can ensure that economic advancement benefits all individuals, rather than a select minority, by focusing on areas such as small enterprises and agriculture, which are crucial for alleviating poverty.

ii. Again, measures that support SMEs must be implemented to address this disparity and promote inclusive growth. This may involve providing SMEs with access to capital, technical assistance, and market connections to enhance their competitiveness in the global economy.

iii. The government ought to fund transport services to alleviate the difficulties caused by rising prices of products and services resulting from increased fuel costs.

iv. It is also recommended that the federal government implement targeted fuel subsidies for vulnerable groups, including women, to mitigate the impact of price increases on their livelihoods.

v. More so, the government should establish and sustain social protection programmes, such as conditional cash transfers, food assistance, and healthcare support, to help women cope with the economic shocks of fuel subsidy removal.

vi. The government can also implement policies and programmes that promote economic empowerment for women, such as vocational training, microfinance initiatives, and support for women's entrepreneurship.

## FURTHER DIRECTIONS

For further research, the following recommendations are made:

i. There is a need for a comparative analysis of the impact of fuel subsidy removal on women in different countries or regions to identify best practices.

ii. Again, a longitudinal study is imperative. This will examine the long-term effects of fuel subsidy removal on women's livelihoods and poverty levels.

iii. More so, to ensure intersectionality, there is a need to investigate how different identity factors, such as age, disability, rural and urban residence, intersect with gender to affect women's experiences of fuel subsidy removal.

iv. Furthermore, research on quantitative analysis is imperative. This implies there is a need to use econometric models to quantify the impact of fuel subsidy removal on poverty and inequality among women in Nigeria.

## LIMITATIONS

This study investigated neoliberal policies and poverty: An examination of the impact of fuel subsidies removal on women in Nigeria. There were various challenges that this study encountered. These are stated below:

i. *Sample Size and Representation*: Considering the size and diversity of the Nigerian population, the study was limited by a small sample size and may have suffered from inadequate

representation from diverse socio-economic groups in Nigeria, since the focus was only on women.

ii. *Data Collection Method*: The study relied on surveys, interviews, or focus group discussions. The singular group was women, who volunteered information about their gender and none other. Thus, there were cases of bias and prejudice, as the women volunteered information about themselves.

iii. *Short-term focus*: The removal of petroleum subsidies by the Bola Tinubu Administration was effected in 2023, and this study was conducted in 2024. Thus, the study focused on short-term impacts of fuel subsidy removal, whereas long-term effects could be more significant.

iv. *Limited Generalisability*: The study focused on the effect of the removal of fuel subsidy on women, neglecting other socio-economic groups in Nigeria. Consequently, findings might not be generalisable to other contexts or countries with different economic or social conditions.

v. *Challenge of Funding*: The study area covered the entire country and six states of the federation were randomly selected to represent the geo-political zones. The researcher received no funding and was limited by the available funds to traverse the country to meet the study population and interact with them.

Despite these limitations, the researcher obtained adequate data through the employment of research assistants and in-depth interviews with women's groups from different geo-political zones of the country. The data obtained was adequate and reliable. More so, the empirical and quantitative methodology adopted gave credence to the findings of the research, which are equally valid and reliable. In addition, existing and related literature on the topic were available to complement the empirical data from the field.

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