

Ethical Considerations In The Execution Of Post-Fuel Subsidy Removal Support Initiatives In Kwara State, Nigeria: A Focus On Islamic Principles

BY

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Abstract

This study investigates the ethical implications of post-fuel subsidy removal support initiatives in Kwara State, Nigeria, with a focus on the application of Islamic principles. The contentious issue of subsidy removal carries significant social and economic consequences, emphasizing the crucial role of ethical considerations in policy implementation. The research provides a comprehensive background on fuel subsidy removal in Nigeria and its implications. Examining post-fuel subsidy removal palliative measures in Kwara State, the study focuses on design and implementation challenges, ethical considerations, transparency, equity, and public trust. Utilizing a case study approach, it offers insights and best practices. The analysis is based on a qualitative study, using interviews and document analysis to gather data. aiming for a holistic understanding of the ethical dimensions of support initiatives within the context of Islamic principles in Kwara State The findings reveal that the ethical aspects of the execution of post-fuel subsidy removal support initiatives in Kwara State are largely influenced by Islamic principles, including fairness, justice, and accountability. The study recommends an ethically sound implementation of post-fuel subsidy removal support initiatives, emphasizing transparency, accountability, and inclusivity. It advocates for the inclusiveness of governmental palliatives, reaching both civil servants and common individuals in the state. Continuous distribution during fuel subsidy removal challenges is deemed vital. Additionally, extending free or subsidized transportation beyond higher institutions to the general populace is suggested. Consideration should also be given to reducing governmental hospital bills or providing free health services. The study underscores the importance of Islamic ethics in Nigerian governance and employs a case study approach to assess palliative measures in Kwara State, offering practical insights for policymakers and stakeholders.

Keywords: Ethical considerations, Post-fuel subsidy removal, Palliative, Execution

Introduction

Fuel subsidy removal in Nigeria has been a recurring and contentious issue in the country's economic and political landscape. It involves the government's decision to eliminate or reduce subsidies on petroleum products, particularly gasoline (petrol) and kerosene. Subsidies were initially introduced as a means to keep fuel prices low for Nigerian consumers and mitigate the impact of rising global oil prices. However, the subsidy programme faced numerous challenges over the years.

In his contribution, Adenikinju (2015) observes that fuel subsidies in Nigeria have roots dating back to the 1970s when the government, as a major oil producer, sought to provide affordable fuel to its citizens. Subsidies were seen as a way to ensure social stability and reduce the economic burden on the population. Also, Ebohon, & Ebohon (2014) note that the subsidy programme became increasingly expensive as Nigeria's population grew, and domestic demand for petroleum products surged. Rising global oil prices also put pressure on the government's budget, as it had to cover the difference between the cost of importing fuel and the regulated retail price.

However, a major challenge associated with fuel subsidies in Nigeria according to Obi (2016) was corruption and mismanagement within the system. Subsidies provided opportunities for fraud, with some individuals and companies exploiting the subsidy regime for personal gain. The high cost of fuel subsidies strained Nigeria's fiscal resources and had adverse effects on the country's economy. It led to budget deficits, reduced funds available for critical infrastructure and social programs, and contributed to the depletion of foreign exchange reserves. (Oviasuyi & Oke, 2014). In response to these challenges, the Nigerian government periodically attempted to reform the subsidy system. These reform efforts aimed to reduce or eliminate subsidies, increase transparency in the sector, and encourage private sector participation in the downstream oil industry (Oyinlola & Akpan, 2013). Hence, subsidy removal efforts often met with public resistance and protests. Nigerians were concerned that removing subsidies would lead to a sharp increase in fuel prices, exacerbating the cost of living and economic hardships.

Statement of the Problem

The removal of fuel subsidies is a complex policy decision that often triggers socio-economic implications, potentially exacerbating inequalities and posing ethical challenges in its

execution. In the context of Kwara State, Nigeria, the execution of post-fuel subsidy removal support initiatives necessitates a thorough examination of the ethical dimensions, particularly concerning Islamic principles. The ethical considerations in the implementation of support initiatives post-subsidy removal demand careful scrutiny due to the potential impact on vulnerable populations, the distribution of benefits, and the adherence to Islamic values.

Objectives of the Study

The primary objective of this study is to comprehensively investigate the ethical considerations associated with the execution of post-fuel subsidy removal support initiatives in Kwara State, with a specific focus on Islamic principles. It explores the ethical considerations in the execution of post-fuel subsidy removal support initiatives in Kwara State, Nigeria. Specifically, the study aims to examine the ethical framework, evaluate the impact on vulnerable populations, assess transparency and accountability, recommend ethical guidelines and contribute to academic discourse.

Conceptual clarifications

Ethical considerations: Ethical considerations in the removal of fuel subsidies and the implementation of palliatives revolve around three key principles. Firstly, there is a focus on equity and social justice, emphasizing the fair distribution of the impacts of subsidy removal and the benefits of palliative measures, considering the diverse socio-economic backgrounds of the population. Transparency is deemed essential, necessitating clear communication about the reasons for subsidy removal and the criteria for distributing palliatives to build trust and ensure accountability. Additionally, inclusivity is highlighted, emphasizing the need to address the specific needs of vulnerable and marginalized groups to prevent the deepening of existing inequalities during the implementation of palliative measures (Beauchamp &

Childress, 2019). Thus, these ethical considerations aim to ensure a just and equitable distribution of both challenges and relief measures among the population.

Fuel Subsidy Removal: Fuel subsidy removal refers to the deliberate policy decision by a government to eliminate or reduce subsidies provided on the cost of fuel. Subsidies are typically implemented to stabilize fuel prices, making them more affordable for consumers. (U.S. Energy Information Administration, 2017). The removal of fuel subsidies involves discontinuing or reducing financial assistance from the government, resulting in an increase in the market price of fuel. This policy shift often aims to address economic challenges, promote fiscal sustainability, or redirect funds to other priority areas (International Monetary Fund, 2019). Thus, conceptual clarification of fuel subsidy removal involves understanding the economic, social, and political implications associated with this policy measure.

Palliative: In the context of governance and public policy, a palliative refers to a temporary and relieving measure implemented to cushion the impact of challenging circumstances. In the case of fuel subsidy removal, palliatives could include social welfare programmes, financial aid, or support initiatives designed to ease the immediate burden on affected individuals or sectors (Pastrana, et al,2012).

Historical Perspective of Fuel Subsidy Removal in Nigeria

Fuel subsidies in Nigeria can be traced back to the 1970s when the government, as a major oil producer, sought to provide affordable fuel to its citizens. Subsidies were initially introduced to ensure social stability and mitigate the economic impact of rising global oil prices (Adenikinju, 2015). By the 1980s, Nigeria faced severe economic challenges, including declining oil revenues, fiscal deficits, and mounting debt. These economic pressures compelled the government to reduce fuel subsidies as part of structural adjustment

programmes (Ebohon & Ebohon, 2014). Despite subsidy reductions in the 1980s, subsequent governments faced public resistance and reinstated fuel subsidies in various forms, largely due to political considerations and public protests (Obi, 2016).

In recent decades, the Nigerian government has periodically attempted to remove or reduce fuel subsidies, citing the need to address fiscal constraints, corruption, and inefficiencies in subsidy management (Oyinlola & Akpan, 2013). Each attempt to remove fuel subsidies has been met with public protests and resistance, reflecting concerns about the potential for sharp fuel price increases and their impact on the cost of living (Adenikinju, 2015). The history of fuel subsidy removal is replete with debates on the economic implications, social justice, and political consequences. Subsidy removal has been seen as a necessary step to address fiscal challenges, but it also raises concerns about income inequality and social unrest (Ebohon & Ebohon, 2014).

Implementing Post-Fuel Subsidy Removal Palliatives in Kwara State and the Influencing Factors

The Kwara State Governor, AbdulRahman AbdulRazaq, unveiled a 12-member palliative distribution committee to oversee the distribution of subsidy removal palliatives to the needy in the state (Punch Newspapers., 2023, August 22). The governor also approved a monthly palliative of N10, 000 for all Kwara public workers to alleviate the effect of the petrol subsidy removal (The Cable, 2023, July 24). The government also clarified that food palliatives are only a stopgap measure to show empathy and strengthen the economy (Kwara State Government, 2023, August 22). The Kwara State government has started the distribution of palliatives to cushion the impact of the fuel subsidy removal (Channels Television, 2023, August 31). The government has also urged for a nonpartisan and transparent process in the distribution of the palliatives (Kwara State Government, 2023,

August 22). Additionally, the Federal Government announced a financial support of five billion naira (N5bn) per state and constituted a committee to meet with labor unions to resolve issues surrounding the petrol subsidy removal across the states (Premium Times, 2023, August 17). Further still, The Kwara State Government has implemented a free transport palliative for students and staff of some tertiary institutions in the state. This initiative involves the deployment of government buses to support the movement of students and workers, particularly those attending public tertiary institutions (Guardian.ng. 2023, June 12). The palliative is part of the measures taken by the government to cushion the effects of subsidy removal and evolving challenges. The program aims to provide immediate support to the people of Kwara State in light of the changes in the economic landscape. The government has also approved the deployment of large buses to transport students, including those attending Kwara State University (KWASU) and other campuses (Punch.ng,2023, June 11). Thus, the initiative is part of a series of palliatives and support measures introduced by the government.

However, the implementation of palliative measures in Kwara State has been a subject of analysis and scrutiny. The following are some of the factors that have been examined in the implementation of palliative measures in Kwara State:

Transparency: The transparency of the distribution of palliatives has been a subject of analysis, with some stakeholders calling for a more transparent and nonpartisan process (Kwara State Government, 2023, August 22).

Effectiveness: The effectiveness of the palliative measures in alleviating the impact of the removal of subsidy has been analyzed, with some stakeholders questioning the adequacy of the measures (Channels Television, 2023, August 31).

Inclusivity: The inclusivity of the palliative measures has been analyzed, with some stakeholders calling for a more inclusive approach that reaches all those who are in need, regardless of their social status or political affiliation (TheCable, 2023, July 24).

Accountability: The accountability of those responsible for the implementation of palliative measures has been analyzed, with some stakeholders calling for more accountability and transparency in the process (Punch Newspapers, 2023, August 22)

Islamic Principles and Ethical Considerations on Executing Post-Fuel Subsidy Removal Support Initiatives in Kwara State, Nigeria

Ethical considerations in the implementation of policies related to fuel subsidies are of paramount importance due to the wide-ranging economic, social, and political implications associated with these palliative distributions. However, Islamic ethics offer valuable guidance for the ethical implementation of policies in various domains, aligning governance with moral values derived from Islamic teachings. Some of the key Islamic principles for ethical policy implementation are discussed below:

Justice and Fairness (Adl and Qist): Islamic ethics emphasize the principles of justice (Adl) and fairness (Qist) as fundamental in policy implementation. Policies should ensure equitable treatment and resource distribution. (Kamali,2013). These principles can provide valuable guidance when designing and implementing fuel subsidy support initiatives. The Qur'an emphasizes equitable distribution of resources, and this principle can be applied to fuel subsidies. Allah says:

And what Allah restored to His Messenger from the people of the towns - it is for Allah and for the Messenger and for [his] near relatives and the orphans, the needy, and the [stranded] traveler, so that it will not be a perpetual distribution among the rich from among you. (Qur'an Chapter 59:7)

This verse underscores the importance of ensuring that subsidies reach the needy, like orphans, the poor, and stranded travelers.

Consultation (Shura): The concept of Shura encourages leaders to seek advice and consult with experts and the public when formulating and implementing policies. This fosters inclusivity and transparency. (Rahman,1982). The Qur'an mentions the importance of consultation in various verses. Allah says in the Glorious Qur'an:

And consult them in the matter. Then when you have taken a decision, put your trust in Allah, certainly, Allah loves those who put their trust (in Him). (Qur'an Chapter 3:159)

This verse encourages leaders to consult with their constituents before making significant decisions. In the context of fuel subsidy support initiatives, governments and policymakers should seek the input and opinions of various stakeholders, including experts, citizens, and affected communities.

Accountability and Transparency (Muhasabah and Shuhra): Islamic ethics stress the importance of accountability (Muhasabah) and transparency (Shuhra) in policy implementation. Leaders should be accountable to the people and governed by the rule of law. (Ramadan, 2004) The Glorious Qur'an highlights the concept of accountability in several verses. Allah says in the Glorious Qur'an:

Certainly, Allah knows the unseen [aspects] of the heavens and the earth. And Allah is Seeing of what you do. (Qur'an Chapter 58:18)

This verse underscores the idea that individuals will be held accountable for their actions, and by extension, governments and policymakers are accountable for their decisions, including those related to fuel subsidy support. In addition, transparency, known as "Shuhra" in Islam, is essential in public affairs. The Qur'an emphasizes transparency in the Glorious Qur'an as thus:

Indeed, Allah commands you to render trusts to whom they are due and when you judge between people to judge with justice. Qur'an Chapter 4:58)

This verse implies that decisions should be made openly and justly. In the context of fuel subsidy support, transparency in the decision-making process is critical to ensure that the public understands the reasons behind the policies and their benefits.

Protection of Human Rights (Huquq al-Insan): Policies must prioritize the protection of human rights, including freedom of religion, expression, and the right to life. Islamic governance aligns with international human rights standards. (Kamali,2008). Islamic principles are deeply embedded in the Qur'an and Hadith. These principles are essential when designing and implementing policies, such as fuel subsidy support initiatives, to ensure that the rights and dignity of individuals are upheld. The Qur'an establishes the fundamental dignity of all human beings. Allah says in the Glorious Qur'an:

And We have certainly honored the children of Adam and carried them on the land and sea and provided for them of the good things and preferred them over much of what We have created, with [definite] preference. (Qur'an Chapter 17:70)

Thus, fuel subsidy initiatives should be designed to preserve the dignity and equality of all, ensuring that vulnerable segments of society are not marginalized.

Economic Justice (Adl and Ihsan): Policies should uphold economic justice by prohibiting usury (Riba) and promoting equitable distribution of wealth. Zakat and Sadaqah contribute to wealth redistribution (Chapra, 2008). The Glorious Qur'an repeatedly underscores the importance of justice in economic matters. Allah says in the Glorious Qur'an:

We sent aforetime our messengers with clear signs and sent down with them the Book and the Balance, that people may stand forth in justice. (Qur'an Chapter 57:25)

Similarly, these principles promote the equitable distribution of resources. In (Qur'an Chapter 59:7) the Qur'an mentions the allocation of resources to various groups, including "the

needy" and "the [stranded] traveler." And also, Islam strictly forbids exploitation in economic dealings. Allah says in the Glorious Qur'an:

Those who devour usury will not stand except as stand one whom the devil has driven to [madness by (a touch of)] insanity. (Qur'an Chapter 2:275),

This verse warns against usury and exploitation in economic transactions. It implies that fuel subsidy support initiatives should be designed to prevent any form of exploitation and usurious practices that disproportionately burden the disadvantaged.

Rule of Law (Ismah and Ta'ah): The rule of law is a cornerstone of ethical policy implementation in Islamic governance. Leaders are expected to govern within the bounds of Islamic law and legal institutions (Hallaq,2009). The Glorious Qur'an places great importance on justice and lawful behavior. Allah says in the Glorious Qur'an thus:

Indeed, Allah commands you to render trusts to whom they are due and when you judge between people to judge with justice. (Qur'an Chapter 4:58)

This verse highlights the obligation to uphold justice and maintain the rule of law when making decisions, including those related to fuel subsidy support initiatives.

Social Welfare and Welfare State (Ijtima' al-Maslaha): Ethical policies should include provisions for social welfare programmes to support vulnerable populations. This aligns with the concept of social justice and economic support for the less fortunate. (Siddiqi, 1981). The Glorious Qur'an emphasizes the principle of collective well-being. In the Glorious Qur'an it is stated:

And what Allah restored to His Messenger from the people of the towns - it is for Allah and for the Messenger and for [his] near relatives and the orphans, the needy, and the [stranded] traveler so that it will not be a perpetual distribution among the rich from among you. (Qur'an Chapter 59:7),

This verse underscores the importance of using resources, including those related to fuel subsidies, for the benefit of the entire community, especially the vulnerable and less fortunate.

Conflict Resolution (Sulh and Musaalah): Ethical policy implementation encourages peaceful conflict resolution (Sulh) and reconciliation (Musaalah), promoting diplomatic solutions to disputes. (Ramadan, 2010). The Glorious Qur'an encourages reconciliation and the pursuit of peace. In the Glorious Qur'an, it states:

And if two factions among the believers should fight, then make settlement between the two. But if one of them oppresses the other, then fight against the one that oppresses until it returns to the ordinance of Allah. (Qur'an Chapter 49:9)

This verse underscores the importance of resolving disputes and conflicts among believers and highlights the obligation to seek peaceful solutions. Therefore, the above Islamic principles serve as a guide for policymakers and leaders to ensure that their policies are ethically sound and aligned with Islamic values, promoting justice, fairness, and the welfare of society.

Conclusion

The removal of fuel subsidy in Kwara State prompted the implementation of palliative measures to alleviate its impact on citizens. However, ensuring ethical considerations in the implementation is crucial for fairness and justice. Islamic principles provide guidance in this regard. Community engagement and education, including distribution efforts, sensitization campaigns, and town hall meetings, are integral to fostering transparency, inclusivity, and accountability. Capacity building for public officials is essential in promoting these values. These initiatives contribute to sustainable development, skill enhancement, and community empowerment. In summary, the ethical execution of post-fuel subsidy removal initiatives in Kwara State necessitates transparency, inclusivity, empathy, and accountability to ensure fairness and equity in the implemented measures

Suggestions

- Clear policies should be developed that shall outline the ethical principles that guide the implementation of palliative measures.
- There should be transparency in the distribution process to ensure that the process is fair and just, and that those who are in need receive the palliatives.
- The governmental palliative should cut across both civil servants and common individuals in the state.
- The distribution of palliatives should not be stopped while people are suffering from the removal fuel subsidies.
- Free or subsidized transportation should not be restricted to some higher institutions but extended to the general populace.
- There should be a reduction in governmental hospital bills or the provision of free health services.
- The Nigerian government should reduce its overreliance on the oil and gas sector and endeavor to diversify the country's economy and exports.

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