

**THE EFFECT OF SHORTAGE IN THE SUPPLY OF
PREMIUM MOTOR SPIRIT (FUEL SCARCITY) ON SOCIO-
ECONOMIC ACTIVITES OF CITIZENS IN NIGERIAN**

OBI CALLISTAR KIDOCHUKWU

Department of Economics, Delta State University, Abraka, Nigeria

Email: obicallistar@yahoo.com

Abstract

This study tried to ascertain the effect of shortage in the supply of premium motor spirit (fuel scarcity) on the socio-economic activities of Nigeria citizens. Primary and secondary sources of information/data were used for the study and a 4-Likert questionnaire was designed and administered to solicit responses from the public. Simple percentage method of analysis was adopted. The analysis of the result showed that the incessant hike in fuel prices and the scarcity of the product has caused untold hardship to Nigerians. The burden of the fuel scarcity is borne more by the poor, thereby increasing their suffering and their poverty level. Price hike of fuel had led to increase in transportation cost of goods and in turn increased the prices of goods, resulting to inflation. These had affected the growth rate of the country. It was recommended that government should carry on with the turnaround maintenance of the refineries if and only if the comparative advantage of producing locally is lower than importing fuel from abroad and also government should remove subsidy on petroleum products and allow the forces of demand and supply to allocate the petroleum resources among the citizens.

Keywords: Scarcity; Premium Motor Spirit; Socio-Economic Activities; Nigeria

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