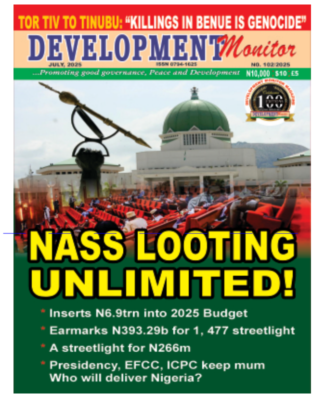
Dear Editor

Billions burnt, futures mortgaged: Nigerians query subsidy windfall to governors



When Nigeria's federal government ended fuel subsidy in mid-2023, it was hailed as a bold step toward fiscal discipline. The move, economists argued, would free up significant revenue that could be redirected toward infrastructure, education, health, and other pressing national priorities. Two years later, a new reality is settling in: the billions saved from ending fuel subsidy have indeed been disbursed, but not necessarily in ways that have improved the lives of ordinary Nigerians. In 2024 alone, the Federation Account Allocation Committee (FAAC) shared N28.78 trillion to the three tiers of government, a 79 percent jump from the N16.28 trillion shared in 2023 and more than double the N12.36 trillion in 2022, according to data from FAAC and Agora Policy. For context, N1.681 trillion was disbursed in May 2025 alone, a sharp rise from N976 billion shared in May 2023, reflecting a 72.17 percent increase. Much of this bonanza went to state governments, presenting what experts called a "once-in-a-generation" opportunity to reset development priorities and rebuild state capacity. Yet, as Nigerians continue to grapple with inflation, poor infrastructure, unpaid salaries, and underfunded schools and hospitals, many are asking: Where is the impact of all that money? For veteran observers of Nigeria's fiscal history, today's situation evokes memories of an earlier era, the days of the Excess Crude Account (ECA). Established in 2004 under President Olusegun Obasanjo's administration, the ECA was designed to save oil revenue earned above a set benchmark. By the time President Goodluck Jonathan assumed office in 2010, the account held more than $20 billion. But by the time he left in 2015, that figure had dropped to just around $2 billion.

Jonathan later revealed that state governors led by then Rivers State governor, Rotimi Amaechi, routinely pressured the federal government to dip into the ECA to augment FAAC disbursements. "At any time, the earnings dropped, the governors would insist that there is no place in our laws that actually says that the federal government should keep the reserve," he said in a 2016 interview with Bloomberg. Ngozi Okonjo-Iweala, former finance minister, who spearheaded the creation of the ECA, echoed that sentiment. She described how the lack of political will, particularly from state governors, frustrated attempts to sustain savings. "We saved $22 billion [at first] because the political will to do it was there. And when the 2008/2009 crisis came, we were able to draw on those savings… and we never had to come to the Bank or the Fund," she said at the IMF/World Bank annual meetings in 2016. Today, Nigeria's ECA balance has dwindled to a paltry $473,754.57, according to Shamseldeen Ogunjimi, the accountant-general of the Federation, as of April 2025. Many Nigerians fear that the current fuel subsidy windfall is going the way of the ECA, if not worse.

Instead of channeling the saved funds into long-term infrastructure and human capital development, states are accused of spending them on recurrent expenditure and politically expedient projects. Simon Samson, an economics lecturer at Baze University and chief economist at ARKK Economics and Data Limited, is among those sounding the alarm. "Sharing the subsidy savings instead of saving and investing means depletion of savings (dissaving); pursuing consumption instead of investment; putting the present ahead of the future," he warned.

Dear Editor,

Nigerian Youths should re-order their educational priorities

There is a lot of unemployment in Nigeria, not necessarily because there are no jobs. The actual cause of unemployment in Nigeria is that there are no skills. There are over half a million vacancies in Nigeria in the oil sector and the construction industry in * plumbing, * carpentry, * dry walling, * welding, * roofing and * masonry, etc. But Nigerians do not like to study those skills. As a result, Nigeria imports thousands of Filipinos, Indians, Bangladeshis, Pakistanis, Beninoise, Togolese, Ghanaians, and other foreigners to do these jobs we refuse to do. Instead, Nigeria graduates hundreds of thousands of university degree holders in * sociology, * philosophy, * linguistics, * political science, * library science, * religious studies and * anthropology. After graduation, with hubris these graduates will complain that there are no jobs in Nigeria due to bad governance. False. There are no jobs suited for those highlighted courses. But there are jobs in Nigeria. When Dangote needed technicians for his refinery, he could not find up to one thousand qualified Nigerians. He had to import eleven thousand technicians from India, or that refinery would not have been completed on schedule. Sadly, Nigerians are looking for employers to pay them to do what they want to do, rather than what the employer's needs. Nigerians erroneously think all degrees are equal. No. * Science, * Technology, * Engineering and * Mathematics degrees are superior to all others. Followed by * Business, * Economics, * Law, * Education and * Accounting, the rest are low-priority courses. Abroad, they are called vanity courses and many universities are shutting them down as a drain on the economy.

It is a bitter fact, I know, but it is true. In terms of value, a non-graduate who studied the skills of * Nursing, * Cloud Computing, * Web Design, * Ethical Hacking, * Block chain,

* Laboratory technology, etc, is more valuable to the economy than a graduate who read sociology or philosophy. *Be Spiritually Sensitive Professor OSULARU warned!!*

Keep deceiving yourself with, 'I am a degree holder!'

Degree isonu!