ECONOMIC TOXICITY, WAGE PAUCITY, AND SERVICE QUALITY: WAY FORWARD FOR NATIONAL DIGNITY

Donald Igbinosa Eboigbe
Department of Political Science and Public Administration,
Igbinedion University, Okada, Edo State.
donald.eboigbe@iuokada.edu.ng

Adekunle Saheed Ajisebiyawo
Department of Political Science and Public Administration
Igbinedion University, Okada, Edo State.
ajisadey80@iuokada.edu.ng

ABSTRACT

This paper explored how national dignity can be achieved in a setting marked by economic hardship, low wages, and poor service outcomes. It argued that workers in Nigeria are poorly motivated due to inadequate compensation, which weakens service delivery. Drawing on institutional theory as its analytical framework and utilising qualitative content analysis of secondary data to explore institutional failures related to wage and service delivery, the paper examined how formal rules, social norms, and administrative structures shape individual and group behaviour in political and economic life. It observed that while effective institutions drive growth and stability, weak ones encourage corruption, poor governance, and low accountability. These problems block progress more than a lack of resources. It allowed for an interpretation to emerge in the data regarding when wages were paid, the deterioration of services, and the dysfunction of institutions. The paper stressed the need for institutional reform, clear policies, and strong enforcement to promote sustainable economic outcomes. It recognised labour as a key driver of economic growth and service improvement. It concluded that policies should centre on worker welfare, strengthen purchasing power, reduce inequality, and support broad-based development.

Keywords: Economy, Wage, Service Quality, Labour, National Dignity.

1. Introduction

Despite being Africa's largest economy by GDP, Nigeria faces a deepening crisis in public service delivery, rooted not in resource scarcity but in systemic economic dysfunction and institutional decay. This paper interrogated how *economic toxicity*, a condition marked by macroeconomic instability, inflationary pressure, and regulatory weakness, has led to *wage paucity* and a consequential collapse in service delivery across key public sectors. The argument advanced is that Nigeria's public sector wages are structurally insufficient, failing to meet the cost of living, which demoralises workers, fosters inefficiency, and erodes national dignity.

In the context of this paper, economic toxicity refers to a harmful atmosphere in the institutional setting where economic policies and employment conditions generate negative impacts on social well-being,

productivity, and civic morale. The recent empirical evidence has attested that the inflation-adjusted growth of wages in Nigeria has been negative for more than a decade, and the real incentives of the workers in the public sector have been dramatically worse. As episodes of nominal increases in earnings may be recorded, with the most recent being the increase in minimum wage from 30,000 to 70,000 Naira in July of 2024, real-value matching inflation has uninterruptedly destroyed a single-digit increment in wages such that, in most instances, wage adaptation is currently economically unproductive (Adeniyi et al., 2024; Reuters, 2024a). Wage paucity in this context refers to the continuing inadequacy of remuneration as compared to the cost of living and, more latently, cost of living-adjusted expenditure on food, housing, transport, education, and family size, which has become endemic in both of the federal and subnational pay scales (World Bank, 2025).

Nwokoji (2024) refers to NBS figures indicating that households were spending more than 50 percent of their earnings on food and spent a total of N61 trillion in the first half of 2023, a stress on poor income earners that cannot be satisfied with the constitutionally enhanced wages of ₦70,000 in July 2024 due to macroeconomic fluctuations that would limit its purchasing power. As an example, the headline rate rose to 33.2 percent in March 2024 when food inflation was already topping 40 percent, thus deepening the suffering of the wage earners and further cementing income insecurity and job instability trends within the civil service (Reuters, 2024b; IMF, 2025). Such structural weaknesses present a more general economic toxicity and an institutional framework of fiscal mismanagement, limited bargaining in earnings, and crazy policy execution to formulate negative consequences in productivity, well-being, and civic spirit (World Bank, 2025).

It has been disastrous to the quality of services. The educational sector has experienced skyrocketing teacher absenteeism and attrition, whereas underpaid employees and loss of qualified workers through emigration are characteristic of the public sector of health (Ochayi, 2024). The connection here is evident, as low-paid employees mean a dent in their motivation and output, which jeopardises the capability of institutions and service reliability.

Institutional theory, as developed by North (1990), describes that political and economic outcomes are shaped both by formal constraints (rules, policies) and by informal norms. The wage system of Nigeria constitutes institutional failure defined by the lack of application of minimum wage policy, politicisation of the salaries and wages commission, and inconsistency in labour protection (ILO, 2021). It has strengthened the informal coping of absenteeism, bribery, dual employment, and so on, which directly negatively affect the outcomes of services.

Finally, the paper submitted that loss of national dignity, in the sense of the ability of the state to provide the rudimentary terms of respect, security, and possibilities to the citizens, could be linked to this failure of institutional design. A lack of social agreement between citizens and the state, which is destroyed by economic neglect and state failings (Ibrahim, 2025), coupled with widespread civic alienation, is one of the most urgent research and policy questions that prompts the focus on this so-called civic toxicity and wage pauperisation.

The rest of this paper is organised in the following way: Section 2 is a clear review of the existing literature. In section 3, the theoretical framework of the study is defined. The approach followed is described in section 4. In section 5, the study has given an empirical investigation of the influence of economic toxicity

and wage paucity and their impacts on service delivery. Section 6 suggests policy actions that will reinstate the efficiency of the services and national dignity. The study ends with section 7.

2. Literature Review

In human resource management, the concept of wage is commonly understood as a subset of a broader compensation framework. While it narrowly denotes payment for specific labour outputs, compensation in general also encompasses various supplementary financial benefits. These include allowances, bonuses, overtime pay, and statutory entitlements such as holiday and health benefits (Fapohunda, 2012; Dessler, 2017). This broader understanding reflects evolving perspectives on equitable labour remuneration and workplace justice.

Maduabum (1998) explained that salary refers to the payment an employee receives regularly—whether weekly, monthly, or annually—for work done. Wages, in contrast, are often calculated based on specific units such as the number of days worked, hours spent, or tasks completed. Both terms describe financial compensation for labour and are commonly used to mean the same thing. Typically, a wage or salary is the outcome of a mutual agreement between an employee and an employer, where one offers labour and the other offers payment. The amount paid often reflects the effort and quality of work delivered by the employee (Oyedele, 2016; Dessler, 2017; Torrington et al., 2017).

According to the International Labour Organization (2001), compensation referred to the total payment system tied to an employee's effort, output, and performance. It included wages or salaries, along with other financial benefits—whether paid in cash or kind—in return for the work done. Henderson (2000) also defined compensation as any form of payment made to workers in exchange for their services. This payment could be provided directly as salary or indirectly through benefits. French (1998) asserts that indirect compensation is in the form of benefits such as healthcare, insurance, pension, and others.

Oyedele (2016) contended that employers owe employees the duty of timely wage or salary payment, which remains a primary factor in employment relationships. Despite this, salary administration has often triggered disputes between labour and management in Nigeria. Agbanike et al. (2020) observed that poor salary management negatively shaped workers' performance and could lead to misconduct such as corruption and theft in the workplace. Ideally, wage setting should result from mutual agreement between employers and workers. Nonetheless, Akintayo et al. (2020) explained that wage decisions in Nigeria, particularly within the public sector, have historically been determined by wage commissions, including during the colonial era.

Parasuraman et al. (1985) defined service quality as the gap between what customers expect and what they experience. Aremu et al. (2016) supported this view, stating that when businesses meet or exceed customer expectations, they improve service quality. Smith (1998) also explained service quality as the ability to meet customer needs and expectations. According to Lau et al. (2006), as well as Leung and To (2001), many customers return to stores where they trust the staff and value the service. The way sales staff behaves builds trust and affects how customers feel about the brand. The service sector's expansion has elevated the importance of service quality in management studies (Clottey & Collier, 2008). As economies shift toward services, delivering consistent quality becomes a key competitive differentiator.

Several scholars have explained the meaning of service quality. Parasuraman, Zeithaml, and Berry (1988) described it as a customer's overall judgment about how good a service is compared to others. Bitner and Hubert (1994) viewed it as the customer's general opinion about whether an organisation and its services are better or worse than others. Zeithaml and Bitner (1996) explained that service quality reflects how well a service matches what customers expect. In the banking sector, Adeyemi and Aremu (2008) suggested that service quality improves when banks expand their internet services to meet customer needs.

Kotler and Armstrong (2004, as cited in Obananya, 2020) described service as an activity or benefit offered by one party to another that does not involve ownership and is usually intangible. Lovelock (2004) explained service as a benefit perceived through the senses, whether it is linked to a physical item, and typically not associated with ownership. Zeithaml (2000) saw services as actions or tasks that do not produce physical goods but form part of economic activities. These services are often produced and consumed at the same time. Grönroos (2001) defined service as a process that leads to an outcome, where production and use happen together.

Researchers have noted that because services are not tangible and often involve multiple components, they require different methods for defining and assessing quality. Unlike physical goods, services are harder to evaluate due to their non-material nature. In many cases, customers take part in the delivery of services, especially those involving direct interaction with people. Therefore, it is necessary to consider both how the service is delivered and what the customer receives (Obananya, 2020). According to Melaku (2015), customers assess service quality by comparing what they experience with what they expected before the service was provided.

Dignity refers to the recognition and respect that every person deserves based on their inherent value. In widespread use, it means treating someone with respect and acknowledging their worth. The term is often invoked when individuals feel disrespected or when they fail to act in ways that show self-respect. Although the concept has philosophical, political, legal, and scientific roots, discussions rarely offer a clear definition. International human rights statements often refer to dignity without explaining it precisely. Some scientists and ethicists who oppose certain biotechnological practices, such as genetic modification, use the idea of dignity in their arguments but do not always clarify how it applies. According to Akani (2019), dignity can be undermined in several ways, including treating people as tools, ignoring their individuality, or subjecting them to humiliation and dehumanization. This idea draws from Kant's moral philosophy, which holds that people should never be used simply to achieve other ends but should always be valued as individuals with moral worth.

Degrading human dignity involves actions that reduce the inherent worth of individuals. These actions, even if carried out with consent, send a broader message that weakens the perceived value of human life. Such practices are widely regarded by modern societies as unacceptable, regardless of whether the affected individual feels personally humiliated. Examples include voluntary entry into slavery or when government institutions subject prisoners to harsh and inhumane conditions (Akani, 2019). These actions deny individuals their basic human traits, often by portraying them as less than human. This kind of treatment was evident in historical atrocities, such as the Holocaust and the Rwandan genocide, where victims were described as animals or pests (Akani, 2019).

Although prior research discussed either wage inadequacies (e.g., Oyedele, 2016; Agbanike et al., 2020) or service failure (e.g., Hayo, 2010; MacDonald et al., 2015), this effort is the first to integrate the effects of institutional wage structure on service delivery and national respect within the institutional theory framework.

3. Theoretical Framework

Institutional theory explores how formal structures, such as legal frameworks and policies, and informal norms shape political and economic outcomes. North (1990) argued that durable institutions support stability and progress, while dysfunctional ones obstruct sustainable development through mismanagement, weak enforcement, and systemic corruption. Acemoglu and Robinson (2012) similarly contended that institutional weaknesses, rather than resource scarcity, are the principal impediments to inclusive growth and effective governance.

When examining the difficulties associated with governance and the implementation of wage policies, institutional theory is especially pertinent. The purpose of wage incentives to workers is to tackle economic and developmental challenges faced by workers. However, it has not been as effective because of weak institutional structures, inconsistent policies, and frequent leadership changes (Social Action, 2021). Institutional flaws have hindered policy reforms from accomplishing significant development outcomes by causing wage system that does not reward merits, promote prudence in fiscal management, and ensure dignity of labour.

The prevalence of lackluster performance in the public service, lax enforcement of regulations, and frequent instances of money embezzlement all demonstrate institutional inefficiencies. Weak institutional governance, a dearth of accountability systems, and excessive political meddling are all blamed for the failure of the reward system in Nigeria's public sector, which prioritizes immediate political gains over sustainable development, a symptom of flawed institutional design. This flawed institutional design perpetuates policy instability and undermines wage reforms. According to institutional theory, to guarantee policy continuity and accountability, the governments need to implement robust regulatory frameworks, open governance structures, and independent oversight mechanisms.

4. METHODOLOGY

This was a qualitative research study that was done using the interpretivism approach, and documentary analysis was deployed to familiarise the study with the influence of economic toxicity and wage paucity on service delivery in Nigeria. The application of the institutional theory to the present analysis examined the effects of institutional rules, policy malfunction, and poor administration on the performance of workers and the delivery of their services to the citizens.

The secondary information was gathered through official reports, scholarly articles, policy, peer-reviewed academic articles, and media publications of authoritative sources whose release range falls within 2018-2024. This is the time chosen to catch up on post-recessional economic processes, the COVID-19 aftereffects, and the new adjustments to the national minimum wages. Only those documents that are related clearly to the wage systems, the quality of service, institutional behaviour, and economic justice were considered.

To provide legitimacy, only publications by reputable bodies like the National Bureau of Statistics, the International Labour Organisation, the World Bank, the IMF, and other reputable media houses like Premium Times, BusinessDay, Vanguard, and Reuters were relied on. The literature was obtained by use of academic sources published in research journals indexed in both Scopus and Web of Science. The materials were interpreted using thematic content analysis. Dominant ideas of wage stagnation, inflationary erosion, institutional failure, worker demoralisation, and service collapse were spotted and analysed in arenas like healthcare, education, and administration. And this approach allowed a context-sensitive triangulation of the structural relationship among economic circumstances, compensation practices, and national dignity.

5. Economic Reality and Human Dignity in Nigeria

In Nigeria, the concept of human dignity remains relevant, particularly considering current economic conditions that have eliminated many opportunities for personal and social development. The state's inability to ensure basic needs has made the erosion of human dignity widespread. In such a context, dignity often appears elusive, resembling what Brand (1999) described as a “fabulous ghost” when discussing salvation in African societies.

Corruption plays a significant role in this erosion. It contributes to economic instability and weakens institutions that should protect citizens. Despite these realities, people still strive for dignity. This desire reflects a deeper human need for meaningful existence and social recognition. Kure (2020) argued that the pursuit of dignity is a response to adversity, driven by the need to live with honesty and self-worth, both of which promote human development.

Volf (2015) identified three dimensions of human well-being—living rightly, achieving outcomes, and experiencing contentment. These dimensions reflect people’s hopes and relate directly to the call for dignity. Kure (2020) explained that all people seek a peaceful and stable life, free from threats, where they can feel respected. Wolbert (2007) described dignity as an inherent part of being human—something not earned but embedded in human nature. It is not based on merit or performance but belongs to every individual simply by being human.

De Lange (2007) further stated that respecting a person means refusing to act in ways that harm their humanity. In this sense, to be human is to possess dignity. Wolbert (2007) emphasized that dignity has no equivalent, cannot be reduced to a price, and cannot be measured. It is a fundamental attribute of human existence.

Koopman (2010) linked human dignity to the satisfaction of essential needs, arguing that access to necessities such as healthcare, education, food, shelter, and security creates a society in which people can live with respect and stability. He viewed the fulfilment of these needs as central to building an environment where individuals can live with dignity and integrity, aligning with Schweiker’s (1995) view that such a society honours the sanctity of human life.

This perspective helps explain the current situation in Nigeria, where the failure to meet basic human needs undermines the dignity of its citizens. Despite Nigeria’s substantial human and natural resources, poverty has risen sharply. Scholars have associated this trend with poor governance. Jev (2014) and

Ogbonnaya (2018) observed that the mismanagement and misuse of national wealth account for this contradiction. In addition, Moyosore (2015) and Ogbonnaya (2018) noted that ineffective leadership has led to policy failures and poor implementation practices, further weakening institutional responses to poverty.

These structural weaknesses, corruption, poor leadership, and policy failures have prevented millions from accessing the basic services required for a dignified life. As Kure (2020) stated, the denial of these necessities reflects not only a policy failure but also a moral failure by those in positions of authority. The lack of political accountability has allowed this condition to persist, turning what should be basic entitlements into unmet expectations for many Nigerians.

6. Nigerian Economy in Perspective

To exactly reflect on Nigeria's economy, many a time, seems an intimidating duty in realistic statistical data that may be fluke-proof. Furthermore, institutionalized corruption has found a perfect partner in poor service delivery and impunity in the country, resulting in ineffectiveness in checks and balances. Despite being Africa's largest economy with a GDP of $440 billion and a population exceeding 200 million, Nigeria faces significant economic challenges, including poverty and unemployment (Trading Economics, 2021). These issues stem from systemic inefficiencies rather than a lack of resources. Locked into the Gulf of Guinea, it is made up of over 250 ethnic groups and has enormous resources. Nigeria's economy remains heavily reliant on oil as its primary source of revenue, although recent growth has been noted in sectors such as banking, telecommunications, and the film industry. Over the past decade, the economy has grown at an average rate of 7% (Ezeonwuka, 2014). Despite this growth, Nigeria continues to face significant poverty, as evidenced by the United Nations Human Development Index, which ranked the country 161st out of 189 nations in 2020 (UNDP, 2020). This ranking reflects the ongoing challenges of high unemployment rates and widespread poverty, which continue to hinder the country's development. The dearth of infrastructure and electricity has for long marginalized development and investment in the country (Ezeonwuka, 2014). Nigeria has cumulatively relegated agriculture to the background as it operates an import-based economy. Nigeria's economy is in a perilous state now, regardless of its position as the eighth largest oil exporter in the world. Aside from the dominant fluctuations that impact the global oil prices, the country relies on outside refineries for much of its local oil consumption. While the power sector has been successfully privatized, it has little to show for it, a consequence of a host of reasons. Current statistics from the finance minister peg the National Reserve at $41.7 billion (Trading Economics, 2021).

In decades past, different governments have made Nigeria a defective product. Lengthy economic harshness, disparity in wealth distribution, political emasculation, wholesale human rights abuse, and deliberate denial of rightful deserts by the political leadership condensed and gave voice to eco-terrorism in the nation's Niger Delta areas. Embattled and impoverished, with a marginalized life span. Many Nigerians, especially the youths in their hopelessness, desperation, anguish, and pain, flee the country at the slightest opportunity. Viewed from any angle, Nigeria is an economic powerhouse whose strength lies in its diverse people and national endowments. Profligate and inept leadership has spread poverty and pain, creating a soft landing and hatchery for insecurity and a multi-faceted handshake with terrorism.

Lack of coordination and the enthronement of globally accepted principles and best practices in both the domestic and external transactions and trade have continued to marginalize the economic gains

accruable to the country. Nigeria's trading links with the United States of America, China, India, the United Kingdom, the Netherlands, France, Germany, Brazil, and Italy form a significant climate in its survival as a nation. Although many of these transactions are maritime based, it is important to highlight that inefficiency, corruption, and ineptitude among workers, along with underdeveloped seaports, have hindered what could have been a major source of revenue for the country. Much of Nigeria's wealth is externally exploited through brain drain, corruption, and health tourism.

7. Toxic Economy, Poor Wages, and Impact on Service Quality

The economy of Nigeria is still unstable with several macroeconomic setbacks, including the record-high inflation of 34.8 percent in December 2024 and depreciation of the currency that virtually halved the real wages (National Bureau of Statistics [NBS], 2024). These situations have a greater impact on the individuals who earn predetermined minimum salaries (₦30,000 or ₦70,000) since most are now unable to afford their basic needs (Okojie, 2022).

In the corporate world, especially within the Small and Growing Businesses (SGBs), the statutory protection is usually bypassed by the employees offering a longer period of probation than the three-month legal time enshrined in Section 7(1) of the Nigerian Labour Act. Such a practice puts off the normalisation of wages and denies employees the benefits, which are pensions, health insurance, and union protection, causing the promulgation of precarity to a high extent.

However, despite most states currently adopting the 70,000 naira as the minimum wage, there is still an issue regarding the actual effectiveness of these modifications. According to BusinessDay (2024), inflation has taken a big bite out of the 70,000 wages, and workers are unable to support basic food or transport requirements. The report also adds that, despite the states that have complied with the increase in the wage, the actual purchasing power has decreased (BusinessDay, 2024). To add to this problem, as of mid-2024, no less than 20 Nigerian state governments had not implemented the 70,000 N wage benchmark and were holding out on it, citing issues of budgetary limitations (Punch, 2024). This trend is echoed in Bamidele et al. (2024), who found that administrative reluctance, rather than fiscal incapacity, remains a key impediment to wage policy implementation and frontline service stability in state civil services. Such disproportionate implementation damages the stability of the national labour policy and enhances interstate disparities in welfare and service outcomes.

The systemic fallout also had labour union comments. Joe Ajaero, president of NLC, stressed that poor wages encourage corruption and contravene the human dignity of workers because, as he noted, poor wages played a significant role in corruption in Nigeria (Vanguard, 2023). A quantitative study conducted in the Sokoto State revealed that poor compensation had a statistical association with corruption and reduced quality of the services in the civil service (Ogundiya et al., 2024).

The impacts of wage instabilities on the delivery of public services are quite extensive. At the end of 2024, federal employees complained of serious income delays, and a substantial part of them got November and December payments after quite extensive delays, throwing them into debt and destabilising family welfare (Punch, 2024). The state and local governments are mirroring the same patterns. In February 2025, teachers and workers in federal primary schools and in the local governments of the Federal Capital Territory returned to strike following unpaid minimum wages (the 70,000 Naira minimum wage), bringing

about interruption of education systems and health services in the capital (Daily Trust, 2025). On June 3, 2024, a nationwide strike will also affect government operations in Lagos, Bauchi, Ondo, and the FCT because of schools, hospitals, and civil service functions (Premium Times, 2024).

These reported upheavals strengthen the link between non compensation or delayed payment and the collapse. Empirical evidence also supports this correlation: Uzochukwu et al. (2023), in their research of the Nigerian hospitality industry, discovered that "the extent of sizeable wage and salary reward system on employee quality of service delivery had a significant effect in the hospitality industry in Nigeria." Although the subject of the study is the private sector, its implications can be applied to the areas of the public service, where the compensation remains structurally underwhelming. Ineffective remuneration and irregular wage regimes also lower the morale of the workers, triggering absenteeism and general inefficiency in the institution.

In addition, a high rate of brain drain in the Nigerian healthcare sector has been attributed to poor wages and economic unpredictability. According to the Nigerian Medical Association, 15,000 doctors and 75,000 nurses emigrated since 2019 and 2017, respectively, significantly emptying the health workforce in the country (Premium Times, 2025). The national doctor-to-patient ratio is currently estimated at 1:8,000, which is almost not reaching the number given by the World Health Organisation of 1:600, being detrimental to existing care shortages (Premium Times, 2025; Leadership, 2022). According to Akinwale et al. (2024), more than 10,000 doctors abandoned Nigeria and went to the US, UK, UAE, and other European countries during 2019-2023, with poor remunerations, working conditions, and a weak infrastructure being identified as the reasons. This leads to overburdening, demotivation, and underpayment of the remaining personnel, which also contributes to the worsening of services and delegitimisation of the institution.

8. Restoring National Dignity

Every Nigerian dream about the opportunity to earn happiness, and the government has a responsibility to facilitate that. There was once a path to a stable and prosperous life in Nigeria that has since closed off. In the past, many Nigerians followed a clear path: they completed tertiary education, secured employment, often with the government, a local manufacturer, or a service-based company, and earned enough to support their families. This pattern made it possible for individuals across social classes to achieve a stable livelihood. However, this opportunity has become increasingly rare, and its decline reflects broader changes in the country's economic and employment systems.

Nigeria has significant resources and capacity that it can develop to achieve meaningful progress. With a huge population, its citizens can be mobilised and empowered to engage in manufacturing as China, Singapore and South Korea have done. This will change the society from a consuming country to a powerhouse in manufacturing and exportation. Nigeria should not be groping in the dark. There have been numerous wasted opportunities, no doubt, but it takes just a right turn at any second for a vehicle in the middle of nowhere to find its bearing (Folarin, 2020).

At the institutional level, tax breaks, waivers, and concessions are given to multinationals and the rich, while Small and Growing Businesses (SGBs) and traders are heavily taxed. Also, businesses often pass the burden of heavy taxes to consumers (some of whom are the underpaid working poor that are least able to

afford goods and services but end up paying with a proportionally greater share of their income). The support system (the Nigeria Labour Congress), which should have voiced out the plight of these workers, is non-existent because the Labour Congress is ineffective and too busy trying to increase the national minimum wage or fighting for other causes. Hence, even the institution contributes its own quota to the impoverishing of workers.

Workplace inequality reduces productivity and contributes to both poverty and social instability. When businesses promote fair treatment and equal opportunities, they support poverty reduction, improve job quality, and contribute to long-term economic and social development. According to Lawson (2017) "Inequality is not inevitable. It is a policy choice." From his statement, we can infer that we have many working poor in Nigeria today because of the policies and practices that we have developed and adopted overtime.

Since there is no one-size-fits-all solution to salvaging an economy facing multi-faceted challenges like ours, the business community and key stakeholders in the Nigeria Project believe that the economy can still undergo an economic renaissance that will place it among the world's top economies to achieve its desired goals, which will directly impact the well-being of its people. A mix of fiscal, monetary, and trade policies with political will in delivering the necessary impetus to bring the economy back on track is essential.

To achieve Goal 8 (Decent Work and Economic Growth) of the United Nations Sustainable Development Goals (SDGs), which aims to "promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all," businesses need to drop the very popular casualisation practice, which they have hung on to for far too long. Also, SGBs need to adopt responsible employment practices hinged on a culture of ethics and not of exploitation, and our institutions must rework the minimum wage setting systems that are adjusted to reflect the current cost of living and inflation rate.

An increase in the minimum wage would raise workers' purchasing power, thereby boosting aggregate demand, and fostering economic growth. Given that consumption represents a substantial share of Nigeria's national income, an uptick in consumption would have a significant impact on national income. Moreover, higher consumption would spur investment spending, triggering a multiplier effect across the broader economy.

9. **Conclusion**

Raising wages would stimulate Nigeria's economy by boosting consumer spending, creating a ripple effect across sectors from retail to education. This is because the salary from the wages will keep the economy rolling because as an average worker receives his salary, he has money to spend on household feeding. The average market woman will sell her goods, and she will have money to buy more wares and money to attend to her needs. The worker will also have money to pay school fees, which will translate to school authorities having money to pay their workers, who will in turn have money to solve personal problems (Punch, 2017).

An improved wage can be seen as a legal tool to enhance peoples' purchasing power. When purchasing power rises, it positively influences the economy. Artisans, traders, and other societal groups will experience the benefits, reviving economic activity. In fact, this wage increase has been long awaited.

A better wage will not only stimulate the economy but also enhance workers' purchasing power, leading to increased demand for goods and services. Additionally, higher wages will motivate workers to perform more effectively. When workers are adequately motivated and compensated, their optimal performance will contribute positively to the economy.

If labour is the most important fabric of every business, then our workplace policies must be people centric, one that strives to uphold fundamental human rights and put purchasing power into the pockets of those who need it most, whilst unleashing human and economic potential, narrowing social gaps and committing to sustainable growth and social justice.

References

Adeniyi, Okeowo Idowu, Oladoke Sunday Oladeji, Abu Zekeri, Isaac Oladapo Olasehinde, and Adenika Oluwasogo Abimbola. 2024. "Investigation of Inflation and Wage Dynamics in Nigeria: New Empirical Insights." *Asian Journal of Economics, Business and Accounting* 24 (11):297-306. https://doi.org/10.9734/ajeba/2024/v24i111558.

Adeyemi, S. L., & Aremu, M. A. (2008). The strategic importance of internet banking in Nigerian financial institutions. *Adamawa Business Journal of Management Decision Analysis, 1*(2), 138–148.

Agbanike, T. F., Agwu, G. A., Uwazie, U. I., Onwuka, K. O., Anochiwa, L. I., Enyoghasim, M. O., … Uma, K. E. (2020). How does bribery affect the wage performance of formal firms? Instrumental variables and matching evidence from Nigeria. *South African Journal of Economicand Management Sciences*, 23(1), 1–11. https://doi.org/10.4102/sajems.v23i1.3123

Agbanike, T. F., Agwu, G. A., Uwazie, U. I., Onwuka, K. O., Anochiwa, L. I., Enyoghasim, M. O., … Uma, K. E. (2020). How does bribery affect the wage performance of formal firms? Instrumental variables and matching evidence from Nigeria. *South African Journal of Economic and Management Sciences, 23*(1), 1–11. https://doi.org/10.4102/sajems.v23i1.3123

Akani, N. K. (2019). A Critical Appraisal of the Right to Human Dignity *Vis-À-Vis* the Rights of Women in Nigeria.

Akintayo, D. I., Oyaromade, R., Ayantunji, I. O. and Ajibola, K. S. (2020). Engagement and Compensation: A Historical Perspective of Wage Determination and National Minimum Wage in Nigeria. *Islamic University Multidisciplinary Journal IUMJ*, vol. 7 (3).

Akinwale, O.E., Kuye, O.L. and George, O.J. (2024), "Brain drain incidence and health-care infrastructural deficit challenges: the role of capacity development among "JAPA" physicians in Nigeria", *SAM Advanced Management Journal*, Vol. 89 No. 1, pp. 57-73. https://doi.org/10.1108/SAMAMJ-05-2024-0012

Aremu, M. A., Mustapha, Y. I., Apara, M. O., & Okpara, K. K. (2016). Competitiveness in telecommunication industry: A need for service quality and customer satisfaction. *Ilorin Journal of Marketing, 3*(1), 124–140. http://www.unilorin.edu.ng/ejournals/index.php/ijm

Bamidele, A. H., Adegoroye, A. A., & Olayinka, S. M. (2024). Challenges of national minimum wage implementation in Nigeria: The Kwara State civil service experience. *Journal of Administrative Science, 20*(1), 1-22. https://journal.uitm.edu.my/ojs/index.php/JAS/article/view/2477

Banjoko, S. (2006). *Managing corporate reward systems*. Pumark Nigeria Limited.

Bitner, M. J., & Hubbert, A. R. (1994). Encounter satisfaction versus overall satisfaction versus quality. In R. T. Rust & R. L. Oliver (Eds.), *Service quality: New directions in theory and practice* (pp. 72–94). Sage Publications.

Brand, G. (1999). Salvation in African Christian theology: A typology of existing approaches. *Exchange, 28*(3), 193–223. https://doi.org/10.1163/157254399X00014

BusinessDay. (2025). Workers' pain deepens as inflation eats up ₦70,000 minimum wage. https://businessday.ng/news/article/workers-pain-deepens-as-inflation-eats-up-70000-minimum-wage/

Clottey, T. A., & Collier, D. A. (2008). Drivers of customer loyalty in a retail store environment. *Journal of Service Science, 23*(1), 22–23.

Daily Trust. (2025, February). *Unpaid minimum wage: FCT primary school teachers, area council staff resume strike*. Retrieved from https://dailytrust.com/unpaid-minimum-wage-fct-primary-school-teachers-area-councils-staff-resume-strike/

Dakuku, P. (2021, October 1). Nigeria at 61: Realities, aspirations, and way forward. *Premium Times*. https://www.premiumtimesng.com/opinion/488086-nigeria-at-61-realities-aspirations-and-way-forward-by-dakuku-peterside.html

De Lange, F. (2007). "Having faith in yourself": Self-respect and human dignity. *Scriptura, 95*(1), 213–223.

Dessler, G. (2017). *Human resource management* (15th ed.). Pearson Education Inc.

Ezekwesili, O. (2021, January 25). The wealth and poverty of a nation: Who will restore the dignity of Nigeria? *Vanguard*. https://www.vanguardngr.com/2013/01/the-wealth-and-poverty-of-a-nation-who-will-restore-the-dignity-of-nigeria-oby-ezekwesili/

Ezeonwuka, I. N. O. (2014). Transforming Nigeria's economy on the path of sustainable development in the 21st century: Challenges and reflections. *Mgbakoigba: Journal of African Studies, 3*.

Fapohunda, T. M. (2012). Comparative analysis of wage determination in unionized and non-unionized organizations in Nigeria. *Educational Research, 3*(1), 72–79.

Folarin, S. (2020, October 1). Nigeria is still struggling at 60. But hope is still alive. *The Conversation*. https://theconversation.com/nigeria-is-still-struggling-at-60-but-hope-is-still-alive-146943

Grönroos, C. (2001). The perceived service quality concept – a mistake? *Managing Service Quality, 11*(3), 150–152. https://doi.org/10.1108/09604520110393386

Henderson, L. (2000). *Compensation management in a knowledge-based world*. Prentice Hall.

Ibrahim, J. (2025). Non-governance and Nigeria's disappearing civic space. *Premium Times Nigeria*. https://www.premiumtimesng.com/opinion/791711-non-governance-and-nigerias-disappearing-civic-space-by-jibrin-ibrahim.html

International Labour Organization. (2020). Minimum wages: What is minimum wage. https://www.ilo.org/global/topics/wages/minimum-wages/definition/WCMS_439071/lang--en/index.htm#1

International Monetary Fund (IMF). (2025). *IMF Staff Completes 2025 Article IV Mission to Nigeria*. Retrieved from https://www.imf.org/en/News/Articles/2025/07/01/pr-25231-nigeria-imf-staff-completes-2025-article-iv-mission

Jev, A. A. (2014). Politics, conflict, and Nigeria's unending crisis. *Journal of Global Peace and Conflict, 2*(1), 147–158.

Koopman, N. (2010). Human dignity in Africa: A Christological approach. *Scriptura, 104*, 240–249. https://doi.org/10.7833/104-0-184

Kure, K. U. (2020). Leadership, corruption, and the dignity of humans: Some reflections from the Nigerian context. *HTS Teologiese Studies/ Theological Studies, 76*(2), a5873. https://doi.org/10.4102/hts.v76i2.5873

Lau, M. M., Chang, M. T., Moon, K. L., & Liu, W. S. (2006). The brand loyalty of sportswear in Hong Kong. *Journal of Textile and Apparel, Technology and Management, 5*(1), 1–13.

Lawson, M. (2017). Inequality is not inevitable; it is a choice. *Positive.News*. https://www.positive.news/economics/inequality-is-not-inevitable/

Leadership. (2022). Brain drain: Nigeria only retains 30% of 4,000 doctors produced annually - MDCAN. https://leadership.ng/brain-drain-nigeria-only-retains-30-of-4000-doctors-produced-annually-mdcan/

Leung, C. S., & To, C. K. M. (2001). Measuring perceived service quality of fashion stores: A test–retest reliability investigation. *Journal of Fashion Marketing and Management, 5*(4), 324–329. https://doi.org/10.1108/EUM0000000007294

Ma, Q., Pearson, J. M., & Tadisina, S. (2005). An exploratory study into factors of service quality for application service providers. *Information & Management, 42*(4), 1067–1080. https://doi.org/10.1016/j.im.2004.11.007

Maduabum, C. P. (1998). Wage/salary administration: A sour-point in labour-management relations in Nigeria. *African Administrative Studies, 50*.

Martocchio, J. J. (2006). *Strategic compensation: A human resource management approach*. Prentice Hall.

Melaku, M. (2015). Impact of service quality on customer satisfaction: The case of Bank of Abyssinia S.C. [master's thesis, Addis Ababa University].

Moyosore, S. O. (2015). Corruption in Nigeria: Causes, effects, and probable solutions. *Journal of Political Science and Leadership Research, 1*(8), 22–35.

National Bureau of Statistics. (2023). *2023 Labour Force Statistics Report (Q4)*. Abuja: NBS.

Nwokoji, C. (2024). Over N61.08trn spent on food, others as analysts decry minimum wage injustice. *Tribune Online.* https://tribuneonlineng.com/over-n61-08trn-spent-on-food-others-as-analysts-decry-minimum-wage-injustice/

Obananya, C. G. (2020). Service quality and customers' loyalty in Nigerian commercial banking industry. *International Journal of Innovative Finance and Economics Research, 8*(4), 1–12.

Ochayi, E. (2024). *World Bank report reveals 34% of Nigeria's education, health expenditures lost due to absenteeism.* Prime Business Africa. https://www.primebusiness.africa/world-bank-report-reveals-34-of-nigerias-education-health-expenditures-lost-due-to-absenteeism/

Ogbonnaya, A. K. (2018). Effect of corruption in Nigeria economy: A critical view. *International Journal of Academic Research in Business and Social Sciences, 8*(6), 130–128. https://doi.org/10.6007/IJARBSS/v8-i6/4191

Ogundiya, I. S., Titus, U., Monday, T., & Medupin, C., F. (2024). Low wages-corruption nexus: The Sokoto state of Nigeria civil service dilemmas. *African Journal of Political Science and International Relations, 17*(4), 65-77. https://doi.org/10.5897/AJPSIR2023.1441

Okeke, P. A., Nwele, J. O., & Achilike, N. I. (2017). Impact of effective wages and salary administration on civil service productivity in Nigeria: A study of Anambra State. *Asian Journal of Applied Science and Technology, 1*(9), 421–438.

Okojie, J. (2022). Nigeria's public servants most hit by cost-of-living crisis. *BusinessDay.* https://businessday.ng/business-economy/article/nigerias-public-servants-most-hit-by-cost-of-living-crisis/

Omekwu, E. D. (2003). *Law libraries in Nigeria*. Nigeria Association of Law Libraries.

Onunaiwu, E. (2018, May 12). Social justice and the "working poor" in organisations in Nigeria. *Medium*. https://medium.com/@ebukaeddow/social-justice-and-the-working-poor-in-organisations-in-nigeria-716329385520

Oyedele, S. O. (2016). Wages erosion and compression in the Nigerian civil services: Implications for performance. *Journal of Public Administration, Finance and Law, 9*, 27–34.

Parasuraman, A., Berry, L. L., & Zeithaml, V. A. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing, 46*(4), 41–50.

Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing, 64*, 12–40.

Premium Times Nigeria. (2025). Brain drain: NMA laments increasing demand for doctors' services. *Premium Times*. https://www.premiumtimesng.com/health/health-news/792041-brain-drain-nma-laments-increasing-demand-for-doctors-services.htm

Premium Times. (2024, June 3). *Minimum wage: Workers' strike disrupts academic activities across Nigeria*. Retrieved from https://www.premiumtimesng.com/news/top-news/700574-minimum-wage-workers-strike-disrupts-academic-activities-across-nigeria.html

Punch. (2017, May 1). Will an increase in minimum wage help economy? *Punch Newspapers*. https://punchng.com/will-increase-minimum-wage-help-economy/

Punch. (2024, December 25). *FG workers face gloomy Christmas over delayed Dec salaries*. Retrieved from https://punchng.com/fg-workers-face-gloomy-christmas-over-delayed-dec-salaries/

Punch. (2025). 20 governors under fire for delaying ₦70k minimum wage. https://punchng.com/20-governors-under-fire-for-delaying-n70k-minimum-wage/

Reuters. (2024a, July 23). Nigerian lawmakers pass minimum wage bill, ending labour dispute. Retrieved from https://www.reuters.com/world/africa/nigerian-lawmakers-pass-minimum-wage-bill-ending-labour-dispute-2024-07-23/

Reuters. (2024b, April 30). Nigeria announces up to 35% pay hike for government workers. Retrieved from https://www.reuters.com/world/africa/nigeria-announces-up-35-pay-hike-government-workers-2024-04-30/

Sanusi, L. S. (2010, November 26). Growth prospects for the Nigerian economy. *Convocation Lecture*, Igbinedion University, Okada, Edo State.

Schweiker, W. (1995). *Responsibility and Christian ethics*. Cambridge University Press.

Smith, S. (1998). How to create a plan to deliver great customer service. In R. Zemke & J. A. Woods (Eds.), *Best practices in customer service*. McGraw-Hill.

Torrington, D., Hall, L., Taylor, S., & Atkinson, C. (2017). *Human resource management* (10th ed.). Pearson.

Trading Economics. (2021a). Nigeria GDP. https://tradingeconomics.com/nigeria/gdp

Trading Economics. (2021b). Nigeria's foreign reserve. https://tradingeconomics.com/nigeria/foreign-exchange-reserves

Trading Economics. (2025). Nigeria inflation rate. https://tradingeconomics.com/nigeria/inflation-cpi

United Nations Development Programme. (2020). *Human development report 2020: The next frontier: Human development and the Anthropocene*. http://hdr.undp.org/en/2020-report

Uzochukwu, A. C., Nwankwo, E. C., & Okafor, S. O. (2023). Effect of reward system on employee's productivity in Nigeria hospitality industry. *World Journal of Advanced Research and Reviews, 17*(1), 361–373. https://doi.org/10.30574/wjarr.2023.17.1.0035

Vanguard. (2023). Poor wages fuelling corruption - NLC. https://www.vanguardngr.com/2023/11/poor-wages-fuelling-corruption-nlc/

Volf, M. (2015). *Flourishing: Why we need religion in a globalized world*. Yale University Press.

Wolbert, W. (2007). Human dignity, human rights, and torture. *Scriptura, 95*, 166–176.

World Bank. (2021). *Nigeria Development Update: Resilience through Reforms*. https://www.worldbank.org/en/country/nigeria/publication/nigeria-development-update

World Bank. (2025, May). *Nigeria development update: Building momentum for inclusive growth* (Report No. P175280). https://documents1.worldbank.org/curated/en/099050925195027786/pdf/P175280-8be71c83-76a1-4153-bde9-1332eba1a6a3.pdf

Zeithaml, V. A. (2000). Service quality, profitability, and the economic worth of customers: What we know and what we need to learn. *Journal of the Academy of Marketing Science, 28*(1), 67–85. https://doi.org/10.1177/0092070300281007

Zeithaml, V. A., & Bitner, M. J. (1996). *Services marketing*. McGraw-Hill.