



Nigeria's Web of Crisis

A Brief from NISER's Reflective Session | DECEMBER 2025

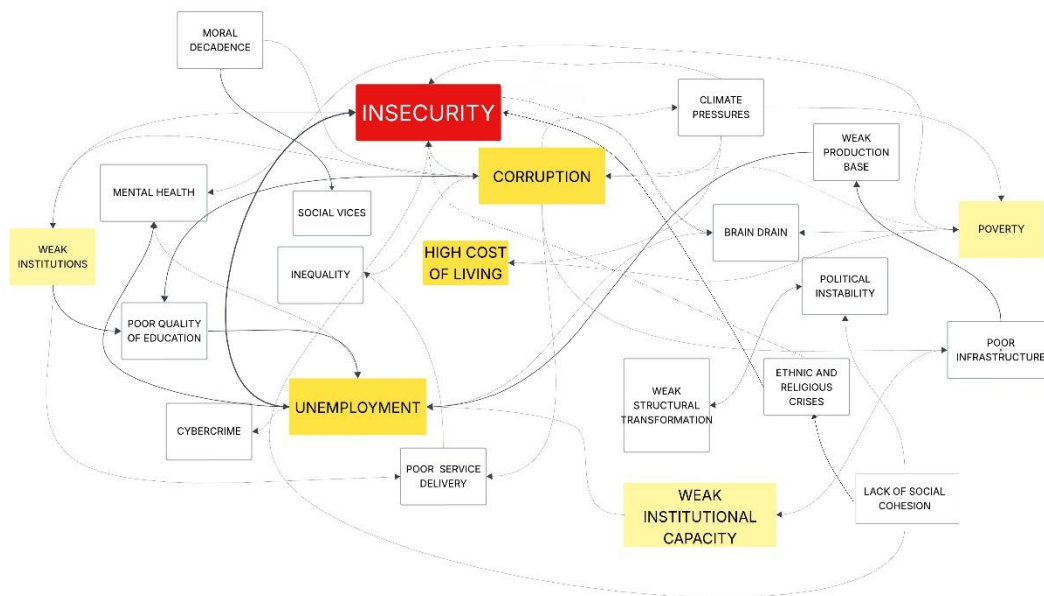
Introduction

On December 16th 2025, NISER researchers gathered for a Reflective Session on Nigeria's current state, the multiple challenges faced by citizens, and the interconnections of these challenges. The purpose of the forum was to facilitate an open, informed, and solutions-oriented dialogue on how Nigeria's multiple challenges intersect, considering also the sensitive context of an approaching election year, and its potential for escalating some of these challenges. NISER researchers identified Insecurity, corruption, unemployment, and the high cost of living as the country's most pressing and mutually reinforcing constraints, and this is exemplified in the web in Figure 1.

These constraints/challenges illustrated (among others) as nodes in Figure 1 have the highest number of interconnections to other crises nodes in the web. NISER researchers posit that the systemic interdependence depicted in the web demands multi-dimensional policy responses.

Figure 1: Nigeria's Web of Crisis

(click image to download high-quality version)



Crisis 1: Insecurity

Current status: Nigeria's Security Threats Index at 8.7 (high)¹ in 2024, above the world average; high fatalities; widespread kidnappings; insurgency;

Key drivers: Weak state capacity and limited territorial control; poor governance and elite resource capture; centralized, inefficient policing architecture; compromised justice system; economic hardship and youth unemployment.

¹ Nigeria Security Threats Index (https://www.theglobaleconomy.com/Nigeria/security_threats_index/)

Impacts: The most severe impacts are on agriculture, health, education, business enterprises, and transportation sectors across all demographics. The cascading effects are economic stagnation, capital flight, business closures, food insecurity, and infrastructure deterioration.

Election year risks: Desperate zero-sum competition in the political scene will heighten crime and insecurity, identity politics mobilization, political militia recruitment, and arms proliferation.

Crisis 2: Unemployment

Current Status: Official rate 4.3% (Q2 2024), youth unemployment 6.5%, but measurement challenges suggest underestimation.

Structural Drivers: Population pressure straining systems; poor education quality and skills mismatch; infrastructure deficits; corruption diverting resources; labor market rigidities.

Disproportionate Impact: Youth, women, and Northern Nigeria most affected across all sectors.

Reinforcing Cycle: Unemployment reduces investment capacity and skills development, further constraining job creation while driving insecurity, poverty, and social vices.

Electoral Dimension: Political uncertainty slows formal investment; election-related inflation and violence force business closures.

Crisis 3: Corruption

Current Status: Nigeria ranks 140th out of 180 countries in Transparency International's 2024 Corruption Perception Index (CPI) with a score of 26/100, indicating high perceived public sector corruption.

Drivers: Income inequality; weak institutions and poor governance; greed and lack of discipline; inadequate remuneration.

Impact: Most severe in public service, particularly education, health, and oil and gas sectors.

Multiplier Effect: Corruption amplifies all other crises by diverting resources, undermining meritocracy, and eroding institutional trust.

Electoral Dimension: Vote-buying, other electoral malpractices and compromised judicial oversight intensify during election cycles.

Crisis 4: High Cost of Living

Current status: inflation² still in double digits -14.45%; Food inflation- 11.08%; but economic growth struggling in single digit- GDP growth at 3.9%³.

Drivers: fuel subsidy removal cascading through transportation and production costs; and exchange rate unification raising import costs in import-dependent economies.

Expected ease-off: Increased local refining capacity to moderate costs of petrol.

External Pressures: Global supply chain disruptions (Russia-Ukraine war); domestic factors including multiple taxation, ethnic/religious crises, food insecurity, and agricultural labor migration.

² Annual inflation rate, November 2025

³ As at Q3 2025

Strategic Policy Leverage Points

Security Sector Transformation

- i. Decentralize policing to enable state and community-level responses tailored to local contexts
- ii. Reform justice system for speed, fairness, and certainty of punishment to restore deterrence
- iii. Professionalize security forces with improved welfare, training, and robust civilian oversight
- iv. Strengthen intelligence gathering, early-warning systems, border management, and small arms control

Employment and Skills Revolution

- i. Provide free education through SS3 with integrated TVET emphasizing market-relevant skills
- ii. Improve business environment by reducing bureaucratic barriers, eliminating multiple taxation, and providing critical infrastructure
- iii. Strengthen university-industry linkages for practical training and employment pathways
- iv. Support SMEs through single-digit interest rates, concessional loans, and tax rebates
- v. Diversify economy through systematic investment in agriculture, manufacturing, creative industries, and services

Anti-Corruption Framework

- i. Strengthen anti-corruption agencies with adequate funding, independence, and investigative powers
- ii. Ensure judicial independence to process corruption cases swiftly without political interference
- iii. Reform value systems starting from families, schools, and religious institutions
- iv. Review public sector remuneration while addressing corruption rooted in greed beyond pay issues

Cost of Living Mitigation

- i. Transform agriculture through climate-smart innovations, improved value chains, and direct input access for smallholder farmers
- ii. Deploy security technologies (drones) to protect farming areas and enable land cultivation
- iii. Implement adaptive safety nets targeting vulnerable populations.
- iv. Enable private sector through reduced regulatory burdens in agriculture and manufacturing
- v. Promote value addition over raw material exports through digitally-enabled innovations

Cross-Cutting Governance Imperatives

- i. **Credibility and Accountability:** Transparent resource management, published performance metrics, and accessible citizen feedback with meaningful consequences for officials who abuse trust.
- ii. **Political Leadership Reform:** Enforce ethical standards, reduce financial incentives for office-holding, and promote servant leadership models.
- iii. **Federalism and Decentralization:** Devolve appropriate powers to state and local governments in policing, education, and economic regulation for context-tailored responses.
- iv. **Data and Evidence:** Improve statistical capacity for accurate measurement of unemployment, poverty, and inflation, capturing informal sector realities.

Conclusion: Breaking the Vicious Cycle

Nigeria faces one interconnected system of constraints, rather than a multiplicity of separate crises. Breaking this vicious cycle requires integrated interventions addressing multiple constraints simultaneously, underpinned by three critical elements: political will to resist elite capture, institutional capacity to execute solution-oriented programs, and social consensus bridging ethnic, religious, and regional divides. The approaching elections present both risks and opportunities—risk; with respect to amplification of existing constraints, and opportunities that offer a democratic moment for citizens to demand accountability and transformative leadership. The cost of inaction grows daily as each crisis reinforces the others. The time for decisive, integrated action is now.