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Examining the Implications of Public Debt for Job Creation and Financial Security in Nigeria

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Abstract

This study delves into the complex relationship between public debt and job creation in Nigeria, focusing on how increasing levels of public debt affect employment rates and the broader financial security. Using the documentary research method, this study examines the implications of public debt (PD) on job creation and financial security in Nigeria. The findings of the study revealed that while public debt can potentially stimulate job creation when used effectively, an increase in public debt can lead to a high unemployment rate owing to crowding-out of private investment effects that hamper higher labour force participation rates in the labour market adjustments influenced by fiscal policies and exacerbating fiscal deficits. The study recommends, among other things, that governments at all levels in Nigeria should embrace fiscal policies that prioritise sustainable debt levels where public debt is allocated strategically to fund projects and programmes (education and vocational training) with high economic returns, particularly in infrastructure development, to directly stimulate economic activity and foster job creation.

Keywords: Debt management, financial security, job creation, public debt, unemployment

Introduction

Economic performance in Africa has been severely impacted by a series of global shocks,

leading to a significant rise in the debt burden across many countries in the region. By 2023, the median public debt-to-GDP ratio had surged to 61.9% (International Monetary Fund, 2023), illustrating the increasing financial pressures faced by African economies, which are becoming more susceptible to external economic disturbances. Over the past decade, the proportion of African countries with debt-to-GDP ratios exceeding 60% has almost doubled, rising from 25% in 2013 to 46% in 2023 (World Bank, 2023). This alarming increase highlights the precarious fiscal positions of numerous nations within the continent, reflecting both the enduring impact of global economic uncertainties and deep-seated internal structural challenges. The escalating debt levels underscore the urgent need for comprehensive fiscal reforms and resilient economic

strategies to address the vulnerabilities and promote sustainable economic growth in the face of ongoing global economic volatility.

The rising debt burden in Africa has profound implications for Nigeria. High debt can lead to increased borrowing costs, reduced public investment in essential sectors like healthcare and education, and decreased government flexibility in responding to economic shocks. Moreover, the risk of default and subsequent financial crises becomes more pronounced. Additionally, international support in the form of debt relief, concessional financing, and technical assistance is essential to help these countries navigate their debt challenges and foster sustainable economic development. The African Development Bank (2023) emphasises that a combination of sound domestic policies and robust international cooperation is necessary to mitigate the adverse effects of high debt levels and ensure a stable and prosperous economic future for the region.

The relationship between public debt and job creation is crucial for policymakers and economists, particularly in developing economies like Nigeria. Public debt, the total amount of money a government owes to both domestic and foreign creditors, accumulates through borrowing to finance budget deficits—situations where government expenditures surpass revenues (Saka, 2024). Over the past few decades, Nigeria's public debt has grown substantially, primarily driven by the need to finance infrastructure projects, social services, and economic development initiatives (Ekuma, Inyiama, & Okwo, 2024). While such borrowing can provide essential funds for job creation, it also introduces significant economic challenges that can pose a threat to financial security. Financial security is the capacity and ability of people to provide for their survival or basic needs through legitimate means (Ayeni, 2024, p. 230). Job creation favours financial security as people who are actively engaged in economic activities can provide for their survival needs.

When the government borrows extensively, it often leads to higher interest rates as the demand for credit increases (Fonseca, 2023; Kariuki, 2023). This can make borrowing more expensive for private businesses, which may result in reduced investment in business expansion and job creation. In Nigeria, where the private sector plays a crucial role in absorbing the labour force, increased public debt can therefore stifle private sector growth and limit employment opportunities. The crowding-out effect is particularly pronounced in economies with underdeveloped financial markets, where government borrowing competes directly with the private sector for limited financial resources (Matos, 2024).

Nigeria, similar to many developing economies, grapples with the critical challenge of balancing public debt and job creation (Nwoye, Udunwoke, & Nworie, 2023). Over recent decades, the Nigerian government has increasingly relied on borrowing to finance vital infrastructure projects, social services, and other economic development initiatives. While public debt offers essential capital for these ventures, the growing debt levels raise significant concerns about long-term sustainability and economic stability (Elberry, Naert, & Goeminne, 2023). To corroborate the above, it has been noted that the refusal of public officeholders to implement a capital budget on infrastructure has negatively affected the participation of people in economic activities (Ayeni, Sani, Idris, & Uzoigwe, 2019, p. 269). Non-implementation of the capital budget can sometimes be a result of high public debt, which may have negative implications for financial security.

This is because servicing high levels of public debt requires substantial portions of government revenues to be allocated towards interest payments and debt repayment (Saka, 2024). In Nigeria, this allocation can reduce the funds available for other critical areas such as education, healthcare, and infrastructure development, which are essential for long-term economic growth and job creation (Eze & Ukwueni, 2023). For instance, limited investment in education and skills development can result in a workforce that is not adequately prepared to

meet the demands of the labour market, thereby exacerbating unemployment and underemployment issues. This is because inadequate infrastructure can deter investment by both domestic and foreign businesses, further hindering job creation (Yusuf & Mohd, 2023). This is so because the presence of infrastructural development can empower people (Ayeni, 2017). Non-availability of sufficient infrastructure poses a threat to job creation.

Following the foregoing, effective debt management is crucial in mitigating the adverse effects of public debt on job creation. Implementing sound fiscal policies, such as prudent borrowing practices, improved tax collection, and efficient public spending, can help ensure that debt levels remain sustainable and that borrowed funds are used productively (Shang et al., 2023). For example, investing in projects that directly stimulate economic activity, such as infrastructure improvements, can create immediate job opportunities and enhance the long-term productive capacity of the economy. Moreover, by fostering an environment conducive to private sector growth through supportive policies and reducing bureaucratic hurdles, the government can stimulate job creation and economic diversification (Alonge, Afolalu, & Olaniyan, 2023).

Statement of the Problem

A review of the existing literature reveals a complex and multifaceted relationship between public debt and economic growth, particularly in developing economies like Nigeria. Akpan, Awujola, and Impalure (2023) highlight the broader impacts of public debt on economic growth, emphasising that higher public debt levels can hinder economic performance by crowding out private investment. This crowding-out effect occurs when government borrowing drives up interest rates, making it more expensive for private enterprises to secure funding for their ventures. Consequently, reduced private sector investment leads to slower economic growth and fewer job creation opportunities. These studies also point out that the reliance on public debt to finance infrastructure and social services, while beneficial in the short term, can create a heavy burden on future economic stability if not managed prudently.

Furthermore, Okeke, Nwakoby, and Okeke (2022) emphasise that public debt in Nigeria has significant implications for sustainable economic development, particularly concerning employment. Their research indicates that high levels of public debt can strain government resources, limiting its ability to invest in job-creating sectors such as education, health, and industry. Collectively, these studies suggest that while public debt can be a valuable tool for financing critical development projects, its mismanagement can lead to adverse economic outcomes, including reduced job opportunities and slower economic growth. Therefore, effective debt management and strategic investment in productive sectors are crucial to harnessing the benefits of public debt without compromising long-term economic sustainability.

However, there are notable gaps in the existing body of research. For instance, many studies, such as those by Yusuf and Mohd (2023) and Akanbi and Uwaleke (2023), focus primarily on the macroeconomic impacts of public debt, often overlooking the specific mechanisms through which public debt influences job creation and financial security. Additionally, research by Aribaba et al. (2023) and Chen (2023) suggests that effective debt management strategies can mitigate some negative impacts of public debt, but there is a lack of detailed analysis on what constitutes effective debt management in the Nigerian context. This gap is significant because Nigeria's unique economic and political challenges, such as corruption and oil dependency, may require tailored debt management approaches. Therefore, there is a need for comprehensive studies that integrate these variables to provide more nuanced insights into how public debt affects job creation and financial security in Nigeria, thereby guiding policymakers in crafting more effective debt management strategies.

Objective of the Study

This study examines the "implication of public debt on job creation and financial security in Nigeria.

Research Question

This study provides an answer to the question that says what the implications of public debt are on job creation, and how public debt affects financial security in Nigeria?

Literature Review

Theoretical Review

This study employed investment theory and crowding-out theory as theoretical frameworks of analysis. The theoretical frameworks of investment theory, as posited by Sternberg and Lubart (1991), and the crowding out theory offer valuable insights into how public debt influences economic variables like job creation. According to investment theory, public debt can serve as a strategic tool when invested in productive sectors such as infrastructure, education, and healthcare, thereby stimulating economic growth and job opportunities. Conversely, the crowding out theory suggests that high levels of public debt may lead to increased borrowing costs, crowding out private sector investment, and potentially limiting job creation. This development might have negative implications for the financial security of the population. This is because financial security is the ability of individuals to meet their living expenses and other speculative needs that might arise (Ayeni, 2024a, p. 119). Understanding these theories is crucial for policymakers in Nigeria to effectively manage public debt, ensuring that it contributes positively to economic development while mitigating adverse effects on employment and overall economic stability.

According to the investment theory proposed by Sternberg and Lubart (1991), creativity involves taking risks to invest in novel ideas. This analogy can be extended to public debt, where the government invests borrowed funds into various sectors of the economy to stimulate activity and job creation. The key to this analogy lies in the effective utilisation of the borrowed funds. If the government allocates the debt efficiently towards productive projects such as infrastructure, education, and healthcare, it can spur economic growth and create employment opportunities. This is necessary because the provision of financial security for people undergoing structural violence is an attempt at peacebuilding since a hungry man is an angry man (Ogunode & Ayeni, 2024). In Nigeria's context, effective investment of public debt could lead to improvements in infrastructure, which in turn can boost private sector activities and job creation, aligning with the principles of the investment theory (Sternberg & Lubart, 1991).

Furthermore, the analogy also draws on the concept of risk-taking in investment. Just as creativity involves risk in pursuing innovative ideas, the prudent management and strategic allocation of public debt require careful consideration of risks and potential returns. Studies on public debt management emphasise the importance of directing borrowed funds towards projects with high economic returns and long-term benefits, ensuring that investments contribute positively to economic development and sustainability (Kumar & Woo, 2010). The above observation is because when a structure like a government fails to perform its expected role, there are bound to be negative consequences (Ayeni & Nwaorgu, 2018; Joseph, Cinjel & Ayeni, 2017). Directing borrowed funds to projects with high economic returns will harness public debt as a tool for economic stimulation, thereby fostering a conducive environment for job creation while at the same time enhancing financial security.

However, the crowding out theory offers a cautionary perspective. This theory posits that high levels of public debt can lead to higher interest rates as the government competes with the private sector for available funds in the financial markets (Ozcelik, 2024). As a result, private

investors may find it more expensive to borrow, which can reduce private-sector investment and potentially hamper job creation. In Nigeria, where public debt has grown substantially, there is a risk that increased government borrowing could raise interest rates, thereby crowding out private investment. This situation could negate the potential positive impacts on job creation if the cost of capital becomes prohibitive for businesses (Matthew & Mordecai, 2016).

In international contexts, the investment theory articulated by Sternberg and Lubart (1991) finds empirical support in various countries' strategic use of public debt to catalyse economic growth and job creation through targeted investments. Countries like South Korea and Singapore have exemplified this approach by leveraging public debt to finance large-scale infrastructure projects, enhance education systems, and foster technological innovation. These investments have not only bolstered their economic infrastructure but also contributed significantly to sustained economic expansion and improved living standards over decades (Eichengreen & Gupta, 2020; World Bank, 2021). The success stories of many countries that have experienced sustainable economic growth over time have been attributed to public debt that ensures sufficient infrastructure that supports job creation. This is because massive infrastructural development provides a suitable environment and support for the development of entrepreneurship skills and industrialisation (Ayeni, Abdullahi & Andeshi, 2021). All over the world, sufficient infrastructural development is known to have created jobs and facilitated financial security.

Conversely, examples illustrating the Crowding-Out Theory demonstrate how high levels of public debt can lead to adverse effects on private-sector investment and economic vitality. This phenomenon constrained business investments, stifled entrepreneurial initiatives, and hampered economic recovery efforts, underscoring the detrimental impact of excessive public debt on private sector dynamics and overall economic resilience (Vanlaer, Picarelli, & Marneffe, 2021; Kalemli-Ozcan et al., 2019). High levels of public debt can lead to debt crises when resources are not effectively utilised by political leadership. Hence, the reason why it has been noted that the extent of success or failure of any human society or organisation has its roots in leadership at all levels (Muhammed & Ayeni, 2018).

These contrasting theories highlight the critical importance of effective debt management and strategic allocation of public funds. While prudent investment in public debt can stimulate economic growth and job creation, as evidenced by successful cases, unchecked borrowing can lead to higher interest rates and reduced private-sector investment opportunities, reinforcing the relevance of theoretical frameworks in understanding the broader implications of public debt on economic outcomes globally. Both theories accentuate the complex relationship between public debt and job creation that leads to financial security. The investment theory highlights the potential benefits of strategic borrowing for economic growth and job creation, emphasising the importance of how borrowed funds are utilised (Manete, 2018). In contrast, the crowding out theory warns of the potential adverse effects of high public debt on private investment and employment.

For Nigeria, the challenge lies in balancing these dynamics by ensuring that public debt is managed prudently and invested in ways that maximise economic returns without stifling private sector growth. This is because infrastructural development provides long-term satisfaction (Ayeni, Doosuur & Kefas, 2021). This balance is crucial for achieving sustainable economic development and improving job creation. While these theories offer valuable frameworks for understanding the complexities of public debt's impact on job creation, their applicability varies widely across different economic contexts and policy environments. In Nigeria, for instance, it has been argued that Nigeria's lack of economic progress is made possible by poor institutions that generate powerful leaders who fight against possibilities for people to achieve, access to education, and technological innovation (Ayeni & Abdullahi,

2024). Therefore, policy interventions must not only consider economic theories but also address systemic issues to maximise the positive impacts of public debt on job creation and financial security.

Empirical Review

Empirical studies consistently highlight the negative impact of rising public debt on job creation in Nigeria, emphasising the crowding-out effect as a primary mechanism. For instance, Okeke, Nwakoby, and Okeke (2022) have shown that increasing public debt often correlates with reduced job creation due to the crowding-out effect, where substantial government borrowing raises interest rates and limits private sector access to credit. This restriction on credit availability stifles private investment, which is crucial for job creation and economic growth. Moreover, public debt diverts resources away from productive private sector activities, exacerbating unemployment and underemployment issues. The constrained investment environment created by high public debt levels limits the ability of businesses to expand and create new job opportunities, thereby slowing overall economic development.

In addition to the crowding-out effect, the efficiency and corruption issues surrounding public investment in Nigeria further compound the negative impact of public debt on job creation. Yusuf and Mohd (2023) indicate that while public debt can finance infrastructure projects intended to create jobs, inefficiencies and corruption often result in suboptimal outcomes. Mismanagement of public funds and delayed project implementations reduce the potential employment benefits of such investments. Similarly, Alesina (2019) found that high public debt levels constrained private-sector investment and job creation in Europe during economic downturns, suggesting a broader applicability of these findings. Additionally, the research by Kalemli-Ozcan, Papaioannou, and Peydró (2019) on financial regulation and economic synchronisation suggests that excessive public debt can lead to higher borrowing costs for businesses, thereby further reducing job creation opportunities. These studies collectively underscore the importance of prudent public debt management and transparent, efficient public investment strategies to mitigate the adverse effects of high debt levels on employment and economic growth.

These empirical studies collectively illustrate a pattern where high levels of public debt, whether in Nigeria or globally, tend to have negative implications for job creation. The crowding-out effect, identified in both Nigerian and international contexts, highlights how government borrowing can limit private-sector investment and hinder economic growth. In Nigeria specifically, inefficiencies in public spending and governance issues exacerbate the challenges associated with public debt, leading to suboptimal outcomes in job creation despite investments in infrastructure. Similarly, international studies underscore the broader impact of public debt on economic stability and the labour market, emphasising the importance of prudent debt management and policy interventions to mitigate adverse effects.

Methodology

This study employs a documentary research method, with secondary sources of data from 2000 to 2022, sourced from national statistical agencies, central banks, and credible economic databases. The datasets include key variables such as public debt (both external and domestic) expressed as percentages of GDP, and job creation metrics, including employment rates, unemployment rates, labour force participation rates, and sectoral employment trends. Each variable captures different aspects of labour market dynamics and economic performance affected by public debt policies.

Results/Discussion and Findings

The relationships between public debts, job-related metrics and financial security in Nigeria are complex and multifaceted.

Implications of Public Debt on Job Creation

The role of money is germane in the life of every organisation or society. This is because money is the lifeblood of every organisation or society (Ayeni, 2017). The vital role that the presence of money plays makes governments all over the world borrow for the sole purpose of funding their budgets. There is doubt about whether government borrowing leads to job creation or otherwise. The crowding-out effect occurs because when the government borrows heavily, it competes with the private sector for available financial resources, driving up the cost of borrowing. Higher interest rates make it more expensive for businesses to obtain loans for expansion and new ventures, which in turn hampers job creation. To answer the above, Ezenwobi and Anisiobi (2021, p. 95) have posited that government borrowings are important determinants of Nigeria's level of development and that both foreign and internal indebtedness have a positive association with Nigeria's level of development. To further explain the nature of development that the above scholars are referring to, Kalemli-Ozcan, Papaioannou, and Peydró (2019) submit that excessive public debt can reduce jobs because of the high cost of borrowing that private organisation has to contend with. This relationship can be understood through the lens of the crowding-out effect, where heightened government borrowing increases interest rates, thereby reducing private-sector investment and limiting job creation and opportunities.

In Nigeria, this dynamic is particularly critical given the country's reliance on public debt to finance budget deficits and development projects. This adverse impact on employment is compounded by the fact that a significant portion of Nigeria's public debt is used for debt servicing rather than productive investments that could stimulate economic growth and create jobs. For instance, Redo (2018) suggests that the increase in public debt increases the treasury bonds' yield and the cost of capital, which consequently causes a decrease in the creditworthiness and payment capacity of private entities (p. 28). The above is corroborated by a study by Okeke, Nwakoby, and Okeke (2022) and Yusuf and Mohd (2023), who support the foregoing position by highlighting that excessive public debt can stifle economic growth and employment by diverting resources from productive private investments to debt servicing. In Nigeria, where public debt is often used to cover budget deficits and fund development projects, the negative effects on employment are particularly pronounced. For instance, in 2024, Nigeria's public debt to GDP ratio was 52.9%. This means that the total public debt was equivalent to 52.9% of the country's Gross Domestic Product. In 2023, this ratio was 48.67% (O'Neill, May 13, 2025).

The heavy reliance on public debt means that a large portion of government revenue is allocated to interest payments and debt repayments, leaving fewer resources available for critical investments in infrastructure, education, and healthcare, sectors that are essential for long-term economic development and job creation. This situation underscores the necessity for Nigeria to adopt effective debt management strategies and implement economic policies that promote sustainable growth. Balancing debt levels with robust economic strategies is crucial to ensuring long-term economic stability and job growth. Policymakers need to focus on enhancing the efficiency of public spending, improving the business environment to attract private investments, and diversifying the economy to reduce reliance on debt and create more job opportunities.

Implications of Public Debt on Financial Security

In every state, the welfare of the citizens is of the utmost importance to the government. This is because the government is supposed to enhance the welfare of its citizens, where citizens can provide for their human needs, and not to put its citizens' situation where they are left to suffer untold hardship that is coterminous with structural violence. Every good government is

committed to ensuring that its citizens can provide for their human needs, a development that is often referred to as financial security. This is because the provision of financial security for people undergoing structural violence is an attempt at peacebuilding since a hungry man is an angry man (Ogunode & Ayeni, 2024). The argument put forward by many governments as a reason for borrowing is that such funds can be used to embark on infrastructural projects that will create a conducive environment for people to provide for their human needs, a development that is commonly referred to as financial security. For instance, it has been noted that the better road network a country or society has, the more empowered and secure the people will be (Ayeni, Andeshi, & Uzoigwe, 2022, p. 268). Infrastructural development creates direct and indirect jobs, a development that later provides people with the opportunity for people to provide the financial security that has to do with their human needs.

The above signifies that public debt has a positive and significant relationship with the Employment Rate (ER) and financial security in particular. This suggests that once employment levels are high as a result of infrastructural development courtesy of public debt, the financial security of people will also be high. This financial security tends to remain high in subsequent periods, reflecting stability and momentum in the labour market. For Nigeria, this implies that policy measures or economic conditions that improve employment rates are likely to have lasting effects on the citizens' financial security. The sustained spill-over effect of infrastructural development arising from public debt has a positive correlation with the financial security of the people's ability to provide for their basic human needs. This leads to a virtuous cycle where increased employment boosts household incomes, consumption, and further economic activity, thereby maintaining high employment levels that enhance financial security, where people can provide for their human needs.

This persistence can also reflect structural factors, such as demographic trends and the capacity of key economic sectors to consistently generate jobs where people's financial security is enhanced, thus increasing their ability to comfortably provide for their human needs. Recent studies, like those by Ezeaku et al. (2022) and Adeniyi (2021), support this view, showing that labour market interventions and economic policies that successfully boost employment can have enduring positive impacts.

The actions of a government that provides for sufficient infrastructural projects and empowerment programmes are an attempt to enhance the financial security of people, where it becomes easy for people to provide for their human needs. For policymakers, this emphasises the importance of implementing and maintaining effective policies to sustain job creation and enhance financial security and stability over time. Therefore, by focusing on long-term strategies that enhance employment enhance financial security, Nigeria can benefit from the resulting financial security and stability that makes the provision of human needs easy to come by. This highlights the critical need for targeted interventions that not only create jobs but also ensure that people can provide for their human needs through profitable employment gains, fostering a robust and resilient labour market. This is because borrowing to finance infrastructural development, industrialisation, and good economic policies are the only things that can reduce poverty (Ayeni, Doosuur & Kefas, 2021). The reduction of poverty by channelling government borrowing into capital projects naturally enhances financial security, where people can provide for their human needs. Not only that, Redo (2018) holds that without a doubt, the biggest debtors can be found among the biggest economies – their external debts reach even a few dozen of their GDPs.

Paradoxically, they are not the ones suffering the most because of shocks; weaker economies of developing countries with higher dependency on external financing of debt and development suffer far more (p. 34). Borrowing to finance strategic infrastructural projects has a significant effect on the welfare and the financial security of people as there will be

opportunities for people to enhance their financial security where they can provide for their human needs, however borrowing to finance concurrent expenditure or public infrastructure that might not be completed like in many developing country can have a negative consequence on the financial security of the people. Umar and Suleiman (2024, p. 1025) in a study revealed that unemployment and poverty have a significant positive effect on insecurity in Nigeria. Public debt and the level of education also have a significant positive effect on insecurity in Nigeria. Not only that, borrowing more than a reasonable portion of a country's gross domestic product can pose a challenge to financial security, as the private sector might find it difficult to create jobs because of the difficulty of raising more funds for their activities. This development can affect the level of employment in the country.

The reduction in the rate of employment in the country implies that there is a threat to financial security, a development that means that people are finding it difficult to provide for their human needs. Studies, like those by Bako (2022) and Olufemi (2021), highlight that effective policy responses to spikes in unemployment, such as investment in infrastructure, vocational training, and incentives for businesses to hire, can lead to significant reductions in unemployment rates over time. To corroborate the above, it has been argued that capital expenditure by the government will guarantee sustainable economic growth (Ayeni, Saman & Sani, 2019, p. 16). This highlights the importance for policymakers to focus on proactive and reactive measures to manage unemployment effectively by engaging in government borrowing that provides sufficient infrastructure and creates an enabling environment for job creation, in addition to creating direct and indirect employment opportunities. The level of the Labour Force Participation Rate (LFPR) and Sectoral Employment Trends (SET) determines the level of financial security in the country.

Strategic borrowing to finance growth in sectors like agriculture, manufacturing, and services can meaningfully affect overall employment levels and, by extension, the financial security level. In the Nigerian context, as emphasised by recent studies such as those by Nwaka (2021) and Alabi and Akinyemi (2020), there is a notable shift toward diversifying the economy beyond oil, with increased emphasis on agriculture and services, which has positively influenced employment trends. Government borrowing to ensure sustainable economic growth through diversification of the economy can create more opportunities for more people to provide for their human needs, thereby enhancing the financial security of people. The reason is that a sustainable economy is difficult to achieve in a country that depends solely on one sector of the economy. This diversification helps absorb labour into growing industries, reducing unemployment and fostering economic resilience. These findings suggest that targeted policies to enhance labour force participation and support emerging sectors can significantly improve employment outcomes in Nigeria.

The results of the study underscore that while public debt can potentially stimulate job creation when used effectively, an increase in public debt can lead to a high unemployment rate owing to crowding-out of private investment effects that hamper higher labour force participation rates in the labour market adjustments influenced by fiscal policies and exacerbating fiscal deficits. Further findings revealed that a high degree of public debt levels has potential sector-specific impacts to hamper the opportunities for people to enhance their financial security needs, where people cannot provide for their survival needs because of high public debt adverse effects on the private sector's ability to promote inclusive economic growth.

Conclusion

The study has been able to evaluate the implications of public debt, job creation and financial security in Nigeria. While public debt can potentially stimulate job creation and economic growth when used effectively, it also poses risks such as crowding out private investment and exacerbating fiscal deficits if not managed prudently. Implementing sound fiscal policies and

enhancing debt transparency can mitigate the adverse effects of public debt, thereby ensuring that it catalyses financial security where the majority of people can provide for their survival needs. Such an approach will not only improve employment rates but also enhance the overall quality of life for Nigerians, contributing to a more resilient and prosperous economy.

Recommendations

Based on the findings of the study, the study recommends as following:

1. Governments at all levels in Nigeria should embrace fiscal policies that prioritise sustainable debt levels where public debt is allocated strategically to fund projects and programmes (education and vocational training) with high economic returns, particularly in infrastructure development, to directly stimulate economic activity and foster job creation.
2. Governments at all levels in Nigeria should ensure the establishment of strong institutional frameworks for robust monitoring and evaluation mechanisms to ensure efficient use of borrowed funds and project accountability to enhance the financial security of people, facilitating evidence-based adjustments and optimizing economic benefits that enable large quantum of the population to provide for their human needs, as a spill-over effect from borrowed funds.

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