

Education and Income Distribution in Nigeria

Onyido Josephine Azuka*, Akpan Bokime Gabriel

Department of Educational Foundations, Faculty of Education, University of Port Harcourt, Port Harcourt, Nigeria
*Corresponding author: azukaonyido@yahoo.com

Received January 10, 2019; Revised February 15, 2019; Accepted March 25, 2019

Abstract This paper critically analyses education and income distribution in Nigeria and establishes the disparity that exist in income distribution in almost every sector of the economy particularly in third world countries like Nigeria. The paper establishes that the unequal income distribution in Nigeria has created a divide between two distinctive groups. This paper establishes that the level of educational achievement, family pressure, family inheritance, gender issue to mention a few have influenced the income distribution. This distinctive groups classified as “have” and “have not’s” lead to economic exploitation, political domination and empowerment domination and educational advantage. The paper therefore views education as a significant determinant of the economic development of a country as well as the income of an individual and recommends that the present salary structure be reviewed that equal and free education should be accessible to every citizen regardless of age, gender or background. Furthermore, it suggests that an all encompassing social security scheme be introduced for its citizens and concludes that the disparity in the income distribution across the country can be reduced if education attains its proper place in the society and the lives of its populace because it will aid in bridging the gap in income distribution.

Keywords: *income distribution, education, social class*

Cite This Article: Onyido Josephine Azuka, and Akpan Bokime Gabriel, “Education and Income Distribution in Nigeria.” *World Journal of Social Sciences and Humanities*, vol. 5, no. 1 (2019): 32-36. doi: 10.12691/wjssh-5-1-5.

1. Introduction

Education has been earmarked by scholars and policy makers as an instrument of economic and social upliftment and a trigger for income distribution. Education and income distribution play an instrumental role in influencing each other. In the sense that, education offers improved opportunities at earning higher income and a high income offers individual better opportunities at obtaining quality and improved standards of education. Education therefore can be seen as a ladder for creating improved employment opportunities as well as long term success in finances [1]. It can thus be deduced that education is an essential instrument not strictly for development but sustainable development as well.

Scholars have established that in the Nigerian society, there is a wide gap that exists across the population and this disparity in the distribution of income disrupts the economic advancement and performance of the country [2,3]. This therefore requires that government should adopt a number of steps aimed at reducing this obvious gap. The uniformity in the provision of equal opportunities and facilities to every citizen continues to be the most effective instrument that can be employed in reducing the inequality imbalance in the distribution of income.

1.1. Definition of Terms

1.1.1. Meaning of Education

The term education has described in numerous way by researchers and scholars. As such, no description completely defines the term education. According to UNESCO, education is comprises planned and continuous communication that is intended to achieve learning [4]. Education can be viewed as a social institution that is obtained from the value of the society in which it finds itself [5]. Furthermore, according to E.B Castle (1965) education refers to the events that occur to an individual and around him till the day he lives this life. In furtherance to this, education can be posited to be the act of acquisition and utilization of knowledge [6,7].

Nevertheless the most engaging of these descriptions of education is the proposition by [8]. According to her, education is described “as a black box through which an individual passes through and become different when he/she comes out”. The implication of this definition is the proposition that the expected outcome of every educational process in improve the individual. As such, when an individual undergoes the black-box process of education, he becomes a better individual well equipped and empowered to function expectedly in the society they find themselves.

Education is therefore the process that involves learning beneficial, something significant that is impactful on an

individual that equips the person to become a functional member of the society. The term functional refers to that act of the individual can contribute significantly to the advancement of the society while sustaining the growth and development of other individuals around him [9].

1.1.2. Meaning of Income Distribution

Income distribution plays a critical role in establishing the economic institution any society. The society is made of various institutions that play vital roles in order to ensure the survival of the society at large. The economic institution therefore focuses on the distribution of wages that have been earned across members of its society.

Income distribution therefore refers to how the income is spread across members of the society. According to [10] it has to do with the allocation and distribution of the total Gross Domestic product of the nation amongst its citizens.

This view is further buttressed by [11] who propose that income distribution refers to how the gross domestic product is shared among households, collections of individuals, social classes or factors of production to compute an average for the purpose of comparison.

It must therefore be highlighted that in every society, societal class or status exist and this provides various categories of earners that range from low earners of income, middle earners of income and those at the apex of this categories; the upper or highest earners of income. The ranking of citizens based on their income earning establishes the inequality in the distribution of income and thus the fact that income distribution is not the same among members of any society [10].

Nigeria like most developing countries operates a capitalist system of economy. This system implies that there will be disparity in the allocation of income amongst its citizens. However, this disparity is increasingly becoming obvious in the Nigerian situation and has attracted debates by scholars, policy makers and stakeholders.

Scholars have raised attention to the continuously widening gap between the two distinctive groups of "have's and have not's." [12,13]. According to Seerys publication in the [14], this gap has become so vast that the basic needs of man has become a luxury to those in the classification of "have nots" that the interaction between these two classification can no longer be considered as cordial because the feeling of intimidation has been aroused.

Inequality in the distribution of income in Nigeria can be attributed to a number of factors which include:

1. Education: Education has been identified by scholars as one of the key determinants of the income of an individual. They highlight that the educational attainment of an individual to a certain degree determines his/her income. In situations where there is an inequality in the provision of educational facilities surely there will be an increase in the variance with regards to income earning. This is buttressed by [15] who asserts that individuals that have varying levels of education in most cases earn differently. As such it can be deduced that the level of education of an individual is most times proportional to the level of income paid. [16] highlights that, this is because higher

levels of education involve the acquisition of advanced competencies and experiences that justify higher incomes. In the Nigerian context, although there exist free education at the primary and junior secondary school levels the quality of education leaves much to be desired and still differs as a result of innate characteristics of each person such as motivation, comprehension, intelligence and accessibility of teaching aids and facilities.

2. Differences in talent acquired: variation in personal efficiency is a critical factor in the disparity in income. For instance, there is individual difference between siblings of same parents. [17] postulates that, talents acquired that are adequately modified by the environments impede the development and opportunities of an individual since primarily, the intelligence of a child are determined by two factors: nature and nurture. Nature refers to the inborn intelligence an individual is born with whilst nurture refers to the environmental influences that impact the advancement of this in-born intelligence. This explains why an intelligent child who is not favored by nurturing will fall behind in class and end being a low income earner.
3. Family influence: in the typical African context, Nigeria being no exception, the family has a strong influence on the life and decision making of individuals. These influence may span from choice of career, choice of place of education, choice of spouse, occupation, religious practice to mention a few. These situations see parents using their influence to get occupation for their children at the expense of qualified and brilliant graduates. These gives rise to brilliant graduates who come from not influential homes earning lower than graduates from influential homes. According to [18] this may be one of the reasons why there is a variation of earning power with people with same qualifications.
4. Gender Factor: a number of traditional practices, superstitions and ideas in the Nigerian society tend to reduce and impact the educational attainment and aspirations of women. These patriarchal influenced society thereby impact the ability of women getting high earning jobs. [19] opines that, women who seek to break from this norm and restrictions are seen by antagonist by their male counterparts. Scholars highlight that the African society associates the role of woman as being in the kitchen where she is believed to be responsible for tending to the domestic needs of her family and even in situations where she works is not expected to earn more than her husband. This ideology has greatly impacted the ability for women to aspire for higher education and rather settle for secondary education and rather engage in handcraft or menial jobs that offer them low income. according to available records, in developing countries, the probability of a male child been enrolled in school within the age bracket of (6-23) which is about 40 percent higher than that of a female child.
5. Availability of Opportunities: another key determinant of income variation is the availability of job opportunities. In the sense that access to

information determines the obtaining of job opportunities. An intelligent job seeker without access to job opening might not be aware of job opportunities either as a result of his location (rural area) or as a result of being cut-off from the public information system such as the internet and TV.

2. Effects of Unequal Income Distribution

The impact of unequal income distribution has been identified as one of the critical challenges that face the modern society today. The impacts include:

1. **Political Domination:** It is posited that in a situation where a man lacks financial and economic influences, he loses all his rights which include; social, political and even in most instances, religious rights. The political system is dominated primarily by the rich who enact policies that favour them and member of their social class. This suggests why rich nations continue to enrich themselves while underdeveloped countries continue to get poorer. According to a report by [20] when an individual is financial capable they is able to participate in politics while expressing or exercising his human rights. Whereas a low income earner can only participate in the electoral process as an electorate thereby preventing him from contesting for political positions.
2. **Enhancement of Capital formation:** As a result of unequal income distribution, there is a widening of the gap between the rich and the poor however, this enhances or encourages the formation of capital. In the sense that if income is equally distributed then the amount of income might not be enough to cater for the needs of the individual and would not encourage saving because the income will be enough. But when the income is unequal distributed it offers the flexibility for those who have more funds to invest the excess funds and use the fund to create job opportunities and generate more income.
3. **Class struggle and conflict:** As a result of unequal distribution in income which has widened the gap that exists between the rich and the poor thereby, promoting the class status. [21] opines that as long as the class status exist in a society there is bound to be a feeling of resentment, envy towards members of the upper social class. This may result in “class clash” which is not productive and appropriate for the society. Quoting a popular adage “a hungry man is an angry man”. As such a low income earner who is failing to meet the basic needs of himself and his family will be placed in an angry, resentful and envious state and this anger impacts with other members of his society.
4. **Moral Degradation:** As a result of unequal distribution of income in society the poor in most cases are demoralized. Buttressing this point, scholars have highlighted that the low income earner in a bid to survive throw out of the window his pride, integrity and honesty [22,23]. Furthermore, [24] argues that poverty has a negative impact that supersedes just lacking the basic requirement of life

but also creates psychological challenges. As a result of loss of pride, self-esteem, integrity and honesty the low income earner develops feelings of depreciation and frustration than can eventually lead to suicide if not adequately monitored and managed.

5. **Exploitation:** Unequal income distribution causes a number of challenges one of them is a situation where a select population of the society have economic and financial power. This social class own and control virtually all the factors of production which include; land, capital, labour and entrepreneurship. These rich few employ less privileged ones and have them work for long hours for small payments thereby enriching themselves.
6. **Undemocratic:** unequal income distribution faults the principles of democracy. In the sense that when income is not evenly distributed political equity cannot be achieved. Proponents have highlighted that “political equality is a myth without economic equality” when political leaders and contestant must have a reasonable level of income to sustain their political participation. Thus equal income distribution in an society is a clear indication that the democracy being practiced is flawed.

3. Conclusion

It is a well-known and researched fact that income distribution in Nigeria is not the same. This is a result of a number of causes such as educational achievement, family influence, inheritance from family, gender. This paper highlights that the impact of unequal income distribution include political exploitation and domination, class conflict between the poor and the rich, economical exploitation of the poor by the wealthy.

As a result of this issue mentioned above it is obvious the paper concludes that this unequal income distribution has consequently created a wide gap between the “rich and the poor” in the country and if the country must achieve a more stable and healthy economy this trend must be mitigated. It is on record that nations such as Singapore, Korea and China have overcome their numerous developmental challenges such as unemployment, population sizes and unequal income distribution to mention a few through the adoption of effective education programmes.

This paper therefore concludes that education serves as an effective and essential tool that if equally provided and free accessed by every citizen of a country can be used to minimize unequal income distribution.

4. Recommendations

Having analyzed education and income distribution, the consequent causes of unequal income distribution, it is therefore essential that for citizens of Nigeria to enjoy equal education, the government must guarantee that the concentration of wealth, power and income must not rest in the hands of a few. Nevertheless, the paper makes the following recommendations:

1. The implementation of a comprehensive social security scheme which ensures every individual a minimum standard of economic welfare. The scheme must among other services provide sick and accident compensation, free education, free maternity aid, free medical aid and old age pension. This measure ensures that substantial benefits which are available are also enjoyed by earners of low income. In doing so, the vast gap between the poor and the rich in the society is reduced if not completely eradicated. There is the need therefore for Nigerian government to articulate and implement policies aimed at enhancing the welfare of the poor and uplifting the welfare of low income earners.
2. The implementation of minimum wage: minimum wage implies that each citizen is paid consistently with a minimum standard of living. It well known that occupation/profession also has an impact on the distribution of income. Professions such as medicine attract high remuneration comparatively to other professions such as Economics. In essence, a graduate of medicine will earn more than a graduate of education. However, it is pertinent to highlight that a medical doctor in the army earns more than a medical doctor in public service. As such, this paper recommends that these variations in income should be regulated as most times the income gap is too far from other income earners. Furthermore, some sectors enjoy bumper pays. For instance, workers in the petroleum, telecommunication and banking sectors are paid higher than those in the civil service. The civil service has the highest population of workers in the country.
3. Education plays a critical role on income distribution as it serves a means of acquiring specialized competencies while increasing the level of productivity of an individual. Scholars highlight that a university graduate has average earnings approximately 12 times more than the illiterates earners and 4.5 times the secondary school earners. From this analysis it is obvious that education serves as a major determinant on income distribution. Hence, there is need for government to ensure uniformity in the provision of educational facilities across all levels of education which include primary to secondary and finally secondary institutions.

References

- [1] Onwuameze, N. C. "Educational opportunity and inequality in Nigeria: assessing social background, gender and regional effects". May, 2013. [Online] Available: [https://ir.uiowa.edu/cgi/viewcontent.cgi?article=4727&context=etd] Accessed on the 13th of Jan, 2019.
- [2] Tabassum, A., & Majeed, M. T. "Economic growth and income inequality relationship: role of credit market imperfection". *The Pakistan Development Review*, 727- 743. March, 2008.
- [3] Wahiba, N. F., & El Weriemmi, M. "The relationship between economic growth and income inequality". *International Journal of Economics and Financial Issues*, 4(1), 135-143. 2013.
- [4] Browne, A. W., & Barrett, H. R. "Female Education in Sub-Saharan Africa: the key to development?" *Comparative education*, 27(3), 275-285. August, 1991.
- [5] Boyi, A. A. "Education and sustainable national development in Nigeria: challenges and way forward". *International Letters of Social and Humanistic Sciences*, 14, 65-72. September, 2012
- [6] Hood, P. (2002). *Perspectives on knowledge utilization in education*. San Francisco, CA: West Ed.
- [7] Asaju, K., & Adagba, S. O. "Functional Education in Nigeria: A Catalyst for effective poverty alleviation". *Research Journal in Organizational Psychology & Educational Studies*, 3(4), 313-318. July, 2014.
- [8] Onyido, J.A "Sociology of Education Made Easy". Port Harcourt; Gen X press. 2016.
- [9] Türkahraman, M. "The role of education in the societal development". *Journal of educational and instructional studies in the world*, 2(4). November, 2012.
- [10] Dabla-Norris, M. E., Kochhar, M. K., Suphaphiphat, M. N., Ricka, M. F., & Tsounta, E. "Causes and consequences of income inequality: A global perspective". *International Monetary Fund*. June, 2015.
- [11] Hoeller, P., Joumard, I., & Koske, I. "Reducing income inequality while boosting economic growth: Can it be done? Evidence from OECD countries". *The Singapore Economic Review*, 59 (1), 1450001. February, 2014.
- [12] Ravallion, M."Income inequality in the developing world". *Science*, 344(6186), 851-855. May, 2014.
- [13] Kochuthara, S "Economic Inequality: An Ethical Response". Religions 2017, 8(8), 141, Department of Moral Theology, Faculty of Theology, Dharmaram Vidya Kshetram, Bangalore, India. August, 2017. [Online] Available: [https://doi.org/10.3390/rel8080141] Accessed on the 13th of Jan, 2019.
- [14] Seery, E. "Guardian Newspaper: Widening gap between rich and poor threatens to swallow us all". January, 2013. [Online] Available [https://www.theguardian.com/global-development/poverty-matters/2013/jan/19/widening-gap-rich-poor] Accessed on the 13th of Jan, 2019.
- [15] Wang, L. "How does education affect the earnings distribution in urban China?". *Oxford Bulletin of Economics and Statistics*, 75(3), 435-454. November, 2013.
- [16] Walker, I., & Zhu, Y. "Education, earnings and productivity: recent UK evidence". *Labour Market Trends*, 111(3), 145-152. March, 2003.
- [17] Bolívar, J., Daponte, A., Rodríguez, M., & Sánchez, J. J. "The influence of individual, social and physical environment factors on physical activity in the adult population in Andalusia, Spain". *International journal of environmental research and public health*, 7(1), 60-77. January, 2010.
- [18] Macmillan, L., Tyler, C., & Vignoles, A. "Who gets the top jobs? The role of family background and networks in recent graduates' access to high-status professions". *Journal of Social Policy*, 44(3), 487-515. December, 2015.
- [19] Hakura, M. D. S., Hussain, M. M., Newiak, M. M., Thakoor, V., & Yang, M. F. "Inequality, gender gaps and economic growth: Comparative evidence for sub-Saharan Africa". *International Monetary Fund*. September, 2016. [Online] Available: [https://www.imf.org/external/pubs/ft/wp/2016/wp16111.pdf] Accessed on the 13th of Jan, 2019.
- [20] OHCHR. "Factors that impede equal political participation and steps to overcome those challenges: Report of the Office of the United Nations High Commissioner for Human Rights". June, 2014 [Online] Available: [https://www.refworld.org/docid/55c88cc24.html] Accessed on the 16th of Jan, 2019.
- [21] Neckel, S. "From Envy to Rage? Social Structure and Collective Emotions in Contemporary Market Society". In *6th Conference of the European Sociological Association*. September, 2003, [Online] Available: [https://www.uni-bielefeld.de/en/ZIF/FG/2004Emotions/members/Neckel_Envy.pdf] Accessed on the 12th of Jan, 2019
- [22] Matsudaira, J. D., & Blank, R. M. "The impact of earnings disregards on the behavior of low-income families". *Journal of policy analysis and management*, 33(1), 7-35. May, 2014.
- [23] Peterson, E. "Is economic inequality really a problem? a review of the arguments". *Social Sciences*, 6(4), 147. December, 2017.

- [24] Mood, C., & Jonsson, J. O. "The social consequences of poverty: an empirical test on longitudinal data". *Social indicators research*, 127(2), 633-652. May, 2016. 2014 [Online] Available: [\[https://link.springer.com/content/pdf/10.1007%2Fs11205-015-0983-9.pdf\]](https://link.springer.com/content/pdf/10.1007%2Fs11205-015-0983-9.pdf) Accessed on the 16th of Jan, 2019.



© The Author(s) 2019. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license (<http://creativecommons.org/licenses/by/4.0/>).