

Causes, Effects and Solutions to Youth Unemployment Problems in Nigeria

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Abstract

The purpose of this paper is to look into the causes, effects and solutions to youth unemployment problems in Nigeria. The rate at which unemployed graduates roam the street after the National Youth Service constitutes social malice to the country as a whole. The data for this paper was collected from secondary sources using descriptive approach of previous researches and analysis of scholars to gather empirical data. The findings revealed that unemployment in Nigeria among youths are caused by six major problems and six major effects which has created tension and hatred between the haves and have not, leading to communal clashes and the rise of such groups such as Boko Haram, Niger Delta Militant, armed robbery, prostitution and child trafficking constituting hiccups to security of lives and properties. Also, the findings revealed that unemployment in Nigeria increased from 21.1% in 2010 to 23.9% in 2011 with youth unemployment at over 50%. From 2011 to 2013 there is an increase of 16% unemployment growth rate in Nigeria. Significantly, the impact of this paper is that government should create labour market that work better for the youths employment and recommends that the government should invest heavily on education to enable the youth become self reliance instead of job seekers through skills development and training.

Keywords: causes, effects, solutions, youth unemployment, Nigeria

INTRODUCTION

In Nigeria, it is expected that both individuals and government at all level should join hands to build a Nigeria where everyone is resourceful and useful. What is the guarantee that large army of unemployed youths will not engage in activities that would undermine the stability of democracy in Nigeria? The problem of chronic youth unemployment is very evident in Nigeria. Every year thousands of graduates are turn out for whom there are no jobs. Nigerian streets are littered with youth hawkers and bike riders who ordinarily would have found gained employment in some enterprises; or would have demonstrated their skills and resourcefulness if there are enabling environments and reliable management structures on ground. Instead, the youths have now shifted their attention to Cybercrime popularly known as '419'.

This is the wrong use of technological innovation, which ordinarily should have been channeled towards technological advancement as witnessed in U.S., Canada, United Kingdom and China- the emerging world's production and economic power. The large number of youths who are unemployment is capable of undermining democratic practice as they constitute a serious threat if engaged by the political class for clandestine activities (Adepegba, 2011; Ibrahim, 2011; Lartey, 2011; Olatunji & Abioye, 2011.)

Simply put, unemployment describes the condition of people who are without jobs. The International Labor Organization (ILO) defines the unemployed as numbers of the economically active population who are without work but available for and seeking work, including people who have lost their jobs and those who have voluntarily left work (World bank, 1998:63). Also, Adebayo (1999) stated that unemployment exists when members of the labor force wish to work but cannot get jobs. Governments at all level should strive to create viable structure which will encourage the youths to think rationally towards job creation rather than job pilferage and almost unending unemployment proliferation in vogue in Nigeria. Youth unemployment, therefore, could be described as the conglomerate of youths with diverse background, willing and able to work, but cannot find any; or cannot find the type of job that they are trained to do, and which they will be proud to do as their area of expertise. When the supply labor outstrips the demand for labour, it causes joblessness and unemployment. Given the lack of sufficient employment opportunities in the formal sector, young people may be forced to engage in casual work and other unorthodox livelihood sources, thus leading to underemployment (Echebiri, 2005; Gibb & George, 1990; Onah, 2011). Good Governance has to do with the perception of the

higher number of the citizens on the general performance of their leaders, from local, state and federal levels; whether their socio-economic policies have affected their lives positively or negatively. Usually, the concept of good governance should provide structures where the youth segment of the society are gainfully employed either in the public or private sector of the economy through direct entrepreneurial activities. It also connotes a system where electoral processes give room for credible to emerge, those who must be accountable to the people and whom the people can collectively can say no to any of his or her unfavorable social and economic policies at all times.

In Nigeria, accurate unemployment rates are difficult to access. However, according to Oyeade (2003), Nigeria's unemployment can be grouped into two categories: first, the older unemployed who lost their jobs through redundancy or bankruptcy and second, the younger unemployed, most of whom have never been unemployed. According to Awogbenle and Iwuamadi (2010), the statistics from the Manpower Board and the Federal Bureau of Statistics showed that Nigeria has a youth population of 80 million, representing 60% of the total population of the country. Also, 64 million of them are unemployed, while 1.6 million are under-employed. The 1990-2000 data on youth unemployment showed that the largest group of the unemployed is the secondary school graduates. Also, 40% of the unemployment rate is among urban youth aged 20-24 and 31% of the rate is among those aged 15-19. Also, two-thirds of urban unemployed are ranged from 15-24 years old. Moreover, the educated unemployed tended to be young males with few dependents. There are relatively few secondary school graduates and the lowered job expectations of primary-school graduates. The author, however, admitted that there is no consistent trend of unemployment rates in Nigeria. An increase in one or two years is sometimes followed by a decline in the subsequent years. But the fact remains that the tree of unemployment is growing progressively in our contemporary Nigeria, except some radical measures are adopted to retard its growth by the deliberate actions and reactions of genuine leaders.

RESEARCH METHODOLOGY

Data for this paper were derived from secondary sources of previous researches and analysis of scholars, government documents, newspaper as well as journal articles that are related to the subject of study.

CONCEPT OF UNEMPLOYMENT

Every economy is characterized by both active and inactive populations. The economically active ones are referred to as the population willing and able to work, and include those actively engaged in the

production of goods and services and those who are unemployed. The International Labor Organization (ILO) defines the unemployed as numbers of the economically active population who are without work but available for and seeking work, including people who have lost jobs and those who have voluntarily left work (World Bank, 1998). According to Fajana (2000), unemployment refers to a situation where people who are willing and capable of working are unable to find suitable paid employment. It is one of the macro-economic problems which every responsible government is expected to monitor and regulate. The higher would be the poverty level and associated welfare challenges. Fajana (2000), Alao (2005), and Wikipedia (2010) identify the following types of unemployment.

Frictional Unemployment is caused by industrial friction in which jobs may exist, yet the workers may be unable to fill them either because they do not possess the necessary skill, or because they are not aware of the existence of such jobs. The employable may remain unemployed on account of shortage of raw materials, or mechanical defects in the working of plants. Therefore, the better the economy is doing, the lower this type of unemployment is likely to occur.

Residual Unemployment is caused by personal factors such as old age, physical or mental disability, poor work attitude and inadequately training.

Technological Unemployment is caused by changes in the techniques of production. Technological changes are taking place constantly, leading to the increased mechanization of the production process. This naturally results in the displacement of labor and finally causing unemployment (Oladele, et al 2011).

CAUSES OF YOUTH UNEMPLOYMENT IN NIGERIA

In the study of youth unemployment in Nigeria, Adebayo (1999), Alanana (2003), Echebiri (2005), Ayinde (2008), Morphy (2008 and Awogbenle and Iwuamadi (2010) have identified the main causes of youth unemployment in Nigeria.

Rural Urban Migration: Rural urban migration is usually explained in terms of push-pull factors. The push factor includes the pressure resulting from man-land ratio in the rural areas and the existence of serious underemployment arising from the seasonal cycle of the lack of infrastructural facilities, which makes the rural life unattractive. Youths move to urban areas with the probability of securing lucrative employment in the industries. In addition to this, there is the concentration of social amenities in the urban centers. This meant that the rural areas are neglected in the allocation of social and economic opportunities.

Rapid Population Growth: Going by the 2006 census in Nigeria, the nation's population was put at 140,431,790 and projections for the future indicate that the population could be over 180 million by the year 2020, given the annual growth rate of 3.2 percent (National Population commission and ICF Macro, 2009). With this population, Nigeria is the most populous nation in Africa. It is argued that the high population growth rate has resulted in the rapid growth of the labour force, which is far outstripping the supply of jobs. The accelerated growth of population on Nigeria's unemployment problem is multifaceted. It affects the supply side through a high and rapid increase in the labour force relative to the absorptive capacity of the economy.

Low Standard of Education: Some scholars and commentators have argued that as far as the formal sector is concerned, the average Nigeria graduate is not employable and, therefore, does not possess the skills needed by the employers of labour for a formal employment. After all employers do not need people to pay or spend their money on but people that will help their organization grow and make more profit as the primary goal of every enterprise is to make profit. Often, this is attributed to the Nigeria's education system, with its liberal bias. The course contents of most tertiary education in Nigeria lack entrepreneurial contents that would have enabled graduates to become job creators rather than job seekers. Access to entrepreneurial training such as tailoring, computer, incubation is been constraints by access to capital to establish their own after the training. Inadequate farming tools that could enhance mechanized agriculture. Henrik (2006) cities in Onno (2011) assert that low opportunities for young graduates create problem of violence due to lack of job and idleness, because without job they will not be able to play a useful role in the society.

The Rapid Expansion of the Educational System: The rapid expansion of the educational system which directly leads to increase in the supply of educated manpower above the corresponding demand for them, contributes to the problem of the youth unemployment in Nigeria. For instance, according to Manning and Junankar (1998), the total number of graduates turned out by the higher institutions in Nigeria, which were 73,339 in 1986/1987 which rose to 131,016 in 1996/1997. Presently, with over 97 universities in Nigeria (both federal, state, and private) and the increasing demand for higher education there has been the problem of suitable employment for the varieties of graduates who are turned out by these higher institutions every year. Ordinarily, this should not have been a problem, but the reality is that the Nigerian economy is too weak to absorb this large number of graduates (Utomi, 2011).

Lack of Steady and Sustainable Power Supply: The fact is that the Nigeria is becoming hostile to investment due especially to lack of steady and

sustainable power supply/energy crises in spite of the various attempts of reviving this sector leading to firms depending on generators for their operation whose cost of buying, fueling and maintenance are high, thereby increasing the cost of operation in Nigeria besides, high and multiple levies and taxations being paid by these companies, energy crises have combined to make the cost of doing business in Nigeria to be very exorbitant. When the industries and factories closed shops or relocated to a friendlier economic environment, workers were laid off and prospect of recruiting new ones were dashed. All these exacerbated the crisis of youth unemployment in the labor market (Adeloye, 2010; Onifade, 2011).

Corruption: Corruption, which has permeated the entire social structure of Nigeria, has robbed the country of developing a vibrant economic base. Funds meant for development projects have been misappropriated, diverted, or embezzled and stashed away in foreign banks, while some incompetent and corrupt bureaucrats and administrators in the public enterprise and parastatal have liquidated these organizations (Okafor, 2010). The point being made here is that the collaboration of the political elites, local and foreign contractors in the inflation of contract fees have robbed Nigeria of the chances of using more than \$500 billion estimated revenue from the oil sale in the last 50 years to develop a vibrant economy that would have created jobs for the youths in various sectors of the economy. The ruling (political) class failed because they replaced the vision, policy and strategy, which should be the thrust of every leadership with transactions (contract award and other mundane money-related activities), as each successive government took turns to prey on the nation's wealth, by using public power, resources, good will, utilities, instrument of abuse, and personal gains (Okafor, 2005). Thus, crippling the economy and engendering and exacerbating unemployment which creates abject poverty, hunger and frustration.

EFFECTS OF UNEMPLOYMENT PROBLEMS IN NIGERIA

The following are some of the effects of unemployment in Nigeria which include:

Inequality of Income: Inequality of income is one of the effects of unemployment in Nigeria. The National Bureau of statistics opined that in 2010 65% of Nigeria's wealth is owned by 20% of the population, which manifest itself in so many dimensions such as concentration of wealth on the hands of few individual while many are in abject poverty. Inequality of income, poverty and unemployment has led to increase in violent crimes in Nigeria. Hallary (2012) assert that the crisis in Nigeria was a result of failure of governance to address socio-economic issues facing the nation.

Boko Haram: According to the world investment report of UNCTAD, the economy witnessed declined

in foreign direct investment from USD 8.65 billion in 2009 to USD 6.1 billion in 2010 due to activities of Boko Haram. Sanusi (2012) opined that Nigeria slower growth rate could be attributed to corruption and political obstacles associated with the removal of fuel subsidy. In addition, unemployment resulted in increase in activities of Boko Haram and many other crimes going on in the affected areas especially the north-west and north east of Nigeria which resulted in closure of schools. In a place like Jos, people were divided along ethnic lines due to unemployment and poverty.

Decline in Quality of Life: Decline in quality of life depends largely on family income, insecurity, tension and conflict. Decline in access to shelter, education and health care, nutrition are drastically reduced which ultimately led to reduction in life span. NLC (2012) assert that bodied employment growth and improvement in the GDP had not transform into social well being, adding that unemployment had aggravated the spate of insecurity among other social vices in the polity.

The Tourism Sector: The tourism sector was also affected by the crisis in Nigeria. The sector is one of the employers of labour and fetched 80 billion annually but due to activities of Boko Haram, Niger Delta militant, kidnapping etc the sector was also in shamble. Aviation industry has also witnessed low turnout of customers due to flight cancellation and air crash. The recent crash was that of Dana air crash that claimed more than one hundred and sixty (160) lives.

Unemployment Rate in Nigeria: Statistics have shown that unemployment rate is on the increase yearly in Nigeria – Table 1 and 2.

Table 1: Statistics of Unemployment in Nigeria

Unemployment	2010	2011
Unemployment (%)	21.1	23.9
Population (Million)	158.8	168
GDP percentage	1,224	-
Purchasing power	2,160	-

(Adapted from Nigeria Economic Fact Sheet 2013)

Table 2: Nigerian Unemployment by Age

Age	2009	2010	2011
15-24	33.5	38.2	37.7
25-44	16.3	24.1	22.4
45-59	12.5	19.6	18.0
60-64	17.8	22.1	21.4

(Adapted from Danjuma, 2012)

From the table above, it is clear that unemployment increased from 21.1% in 2010 to 23% in 2011. Most of the populations affected by unemployment are middle age between ages 15-24 year old. Female has the highest unemployment rate than male with ratio of 24.9% to 17.7% and the region with highest rate of unemployment is the northern part of Nigeria especially the north west follow by the north east National Bureau of Statistics (2011).

It is important to note that the figures above may not have captured in totality the youth unemployment situation in Nigeria, however, they are pointing to the fact that the phenomenon is a very critical issue with far-reaching implications for stability of democracy, good governance and socio-economic virility.

Job Insecurity: Job security is the panacea for any meaningful socio-economic activities which has not been fully understood and integrated in our scheme of things. The South African White Paper on Defence (1996) defined job security as an all encompassing condition in which individual citizen lives in freedom, peace and safety, participate fully in the process of governance, enjoy the protection of fundamental rights, have access to resources and the basic necessities of life, and inhibit an environment which is not detrimental to their health and well-being. In the same vein in Nigeria job security is an all-encompassing condition in which individual citizen lives in an environment where job equals opportunities are not provided for all citizens but exceptionally for the rich and those with the highest connection. In Nigeria, job security suppose to have been a situation whereby one can have access to the type of job he or she is trained to do which gives individual job satisfactions. In Nigeria today, accurate unemployment rates are difficult to access. However, according to Oyebede (2003), Nigeria's unemployment can grouped into to categories: first, the older unemployed who have lost their jobs through retrenchment, redundancy, or bankruptcy and the second ones are the younger unemployed, most of who have never been employed.

SOLUTIONS TO YOUTH UNEMPLOYMENT IN NIGERIA

First the Nigeria Government must play its constitutional role by creating enabling socio-economic and political environment including the provision of infrastructure to make industrial climate investment friendly. This will encourage investors to invest and there by create jobs in order to absorb the unemployed youths. Recently, the minister of Youth Development, Senator Akinlabi Olasunkanmi undertook a facility tour of the eight standard Youth Development Centers being constructed by the Nigerian Government across the country. A pet project that will massively equip the youth with useful trade and entrepreneurial skills in Automobile, Agricultural production and processing, integrated science clinic, computer and information technology among other. Nigeria and Africa with massive natural and mineral resources is important and strategic members of the global community that needed understanding, patience, and support towards the socio-economic development of the continent.

According to Ayinde (2008), the implementation of the United Nations Credit Unit Programs in Africa has the potentials to create 38,000 jobs in the

agricultural sector within a year: 50,000 skilled and unskilled jobs in the real estate project, the pharmaceutical project will absorb over 1000 pharmacists and marketers. More so, the Credit Unit will partner with African Universities for the training of Nigeria and African youths as credit professionals, sponsor seminars and conferences. On conflict prevention and resolutions based on our new approach on peace advocacy. I am convinced that the current efforts of UN to enforce the operations of United Nations Credit Unit in Africa will complement and strengthen the efforts of African Governments.

CONCLUSION

The findings revealed that unemployment in Nigeria increased from 21.1% in 2010 to 23.9% in 2011 with youth unemployment at over 50%. From 2011 to 2013 there is an increase of 16% unemployment growth rate in Nigeria. From all indications, youth unemployment is a menace in Nigeria and constitutes a real danger and a threat to Nigeria's democracy. This is because these youths could be manipulated to undermine the stability of Nigeria's democracy at any point in time. Against this background, there is the need by government at all levels, international community and other stakeholders to embark on massive job creation to take these youths off the streets. Granted, there may not be a quick fix to this problem, but all the stakeholders must as a matter of fact do something urgently.

Finally, democracy is a journey not a destination. For Nigeria, it is a learning process. As a matter of fact it may not be a perfect system of government, but it has several advantages over other systems. People including the Nigerian youths must feel the positive impact of democracy in their lives. The situation whereby only a few privileged persons in positions of authority benefit from this system of government at the expense of the impoverished masses portends a great and real danger that may incur the wrath of the unemployed youths in Nigeria if not addressed urgently. Nigerian leaders should strive to promote good governance in order to engender youth empowerment, employment and socio-economic development.

RECOMMENDATIONS

1. Anti corruption crusade should attack the root of corruption: Both the EFCC and Anti corruption commission should look deeply into the root causes of corruption and address it from the beginning which will help greatly in minimizing corruption.
2. Strengthen existing institutions by appointing decent people to head them, respect their tenure and appoint successors rather than political appointees.

3. Investment in education: government should invest heavily on education, education that will enable the youth to become self-reliant instead of job seekers through skills development and training.
4. Infrastructural building that will provide employment to thousands of people such as good roads, electricity, provision of portable drinking water etc should be embarked upon by the government of the day.
5. Create labour market that works better for the youth
6. Promotion of conducive atmosphere for investment.

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