

## GRADUATE YOUTH UNEMPLOYMENT: ROOT TO SOCIO-ECONOMIC PROBLEMS IN NIGERIA

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### Abstract

This paper empirically investigated graduate youth unemployment: root to socio-economic problems in Nigeria. The graduate youth unemployment in Nigeria is as a result of the fact that there are no jobs for them to do while some others do not want to work as a result of the fact that they are not able to be absorbed because they are not employable in the sense that some of them passed through the school and the school did not pass through them. We Nigerians demands that there should be redirection of the country's educational system towards skill acquisition in order to reduce unemployment. Also, we want to ascertain the perception of the government on how to alleviate unemployment in Nigeria and Africa as a whole. The study covered Office Technology and Management (OTM) graduates serving at the Osun State orientation camp, Ede, batch B, 2021 set. A 16 item questionnaire was constructed, validated and administered on a proportionate random sample of 290 subjects. Two null hypotheses were formulated to guide the study thus: Ho1 there is no significant relationship between the types and causes of unemployment in Nigeria. Ho2 there is no significant difference between causes and measures of curbing unemployment in the country. The instrument was administered over a period of one week with the help of field assistants. The data was analyzed with the Chi-square( $\chi^2$ ) test of independence at the significant level of 0.05. Surprisingly all four null hypotheses were rejected in favor of their alternatives. The paper concluded that Government should come up with supports in form of job creation policies, creation of an environment that is conducive for investors to do business in the country. And recommendations were made amongst others that the Government could also support youth skills development programs that are meant to improve their employability status.

**Keywords:** Graduates, Youths, unemployment, root, economic.

### Introduction

In Nigeria today, we are faced with great number of problems that were generated from the fact that graduate youth all over the country have nothing doing. Even when they are willing to work there are no jobs for them to do while some others do not want to

work as a result of the fact that they are not able to be absorbed because they are not employable in the sense that some of them passed through the school and the school did not pass through them. Despite the giant stride by the government to curb unemployment in Nigeria as a whole, a lot is yet to be put in place to really actualize this

goal. The Nigerian labour market leaves most graduates frustrated because the market is seemingly saturated. And as a result, the situation has been gradually declining over the past almost 20 years.

Almost all the time, there is a high turnout rate of graduates while job opportunities are very low. The National Youth Service Corps mobilized 66,000 Nigerian graduates for its mandatory one-year service to the country, *Vanguard*, 10<sup>th</sup> November, 2020. This practice has been ongoing since 22 May 1973 as an avenue for the reconciliation, reconstruction and rebuilding of the nation after the civil war. This trend makes it very difficult to check the rate of unemployment in the country. Also, the federal government has explained that millions of graduates in the country are unemployed because they do not have specific skills required for the job market as stated by Echono (2021). While in some cases, these graduates were not able to develop some hidden skills that could help them to succeed in life without looking for government jobs. Although, most of these unemployed youths wouldn't want to stand on their own because of lack of funding and the idea of failing in such businesses. As it stands youth unemployment is estimated to be twice more than unemployment among adults. This assertion was put forward by Kararach et al (2011) that stated 'Africa is facing a 'youth bulge'. This is because Africa is carrying something in its pocket that is very heavy. However, Africa should not reverse the benefits of the demographic dividend envied by developed countries that are facing ageing population.

In any case, it was noted by Simiyu and Sambu (2012) that youth unemployment is a crucial problem in Africa and other developing countries. And for this singular reason all heads must come together in order to proffer solutions to it so as to see if the scourging effects can be alleviated globally. Also UNESCO (2003:7) has stated that 'youth unemployment has its own unique problems and the programs and schemes designed to help young people find job have

inherent advantages and disadvantages. This was also supported by the view of Ilo (2013) who in his statement, stated that 'a number of strategies ought to be developed to help the youth out of unemployment. By the ongoing assertions, I agree that some strategies should be put in place like right from their foundation, youth should be taught entrepreneurial courses that may show case how to stand on their own by been creative and government would have to help them by providing funds, which should be accessible from every state. This fund should be used to fund mostly those who show good signs of creativeness in them and it will go a long way to help reducing unemployment because if after finishing and some fund is released, then such can be used to start off a business and also lead to others being employed by such ventures.

### **Statement of the problem**

The increasing rate of unemployment in Nigeria demands that there should be redirection of the country's educational system towards skill acquisition in order to reduce unemployment. Although, most of the graduates produced in various universities of technology, polytechnics, colleges of education, Technical colleges nationwide seems not to have specific skills required for the job market (market-relevant skills). In fact, for many years, budgetary provision for education has been under enormous pressure as a result of divergent demand on the singular source of Nigerian revenue vis-à-vis increase in student's enrolment. Definitely, there is need for a holistic approach to bring an ending solution to these menaces. It is the problems highlighted above the paper sought to proffer solution for.

### **Objective of study**

The major objective of the study was to ascertain graduate youth unemployment: root to socio-economic problems in Nigeria.

The objectives are:

1. To determine the types and causes of unemployment in Nigeria.
2. To investigate if Nigeria has come up with significant measures to curb unemployment in the country.

### Research Questions

The following research questions guided the study:

1. What are the types of unemployment in Nigeria?
2. What are the causes of unemployment in Nigeria?
3. What are the measures to curb unemployment in the country?

### Hypotheses

The following null hypotheses were formulated to guide the research:

**H<sub>01</sub>** There is no significant relationship between the types and causes of unemployment in Nigeria.

**H<sub>02</sub>** There is no significant difference between causes and measures of curbing unemployment in the country.

## LITERATURE REVIEW

### Concept Unemployment

When we talk about unemployment it simply refers to according to Adam (2022) a situation where a person actively searches for employment but is unable to find work. Unemployment is considered to be a key measure of the health of the economy. So, the official unemployment definition comes from the U.S. Bureau of Labour Statistics which states that 'people are classified as unemployed if they do not have a job, have actively looked for work in the prior four weeks and are currently available for work as sited by Adam (2022). Then Robert (2007) opined that 'unemployment occurs when a person is available to work and seeking for work but currently without work'. This is to say a number of people are not having jobs and that when people are of adult age and are willing to earn a living but they are not

gainfully employed so they become unemployed by so doing.

Unemployment is defined as the ratio of people who wants to do a job and is searching for a job but cannot find a job. Unemployment is considered a reflection of the economy of a country as sited by Muzamil (2019). This means that the problem of unemployment is due to its weak economic condition from the start. The inflation and the lack of industry is the major reasons of unemployment in Nigeria today. Also according to Awopegba (2002), he said 'the inability of the system to provide good jobs for economically active youths, there is a general loss of confidence in the constituted authority. Thereby generating disrespect and rendering government policies ineffective due to stricken-poverty among the unemployed', by this assumption, it clearly brings to light the feeling of the unemployed to the fore and the government is duty bound to clear their face in this situation. Furthermore, Hamid (2004), stated that 'unemployment rates are particularly high among youth and especially among school leaves and more recently graduates, giving rise increasingly to the problem of educated unemployed'. Paradoxically, youth unemployment seems to be correlated with level of education attained in some cases. Youth unemployment rates are probably 3 – 4 times higher than those of older workers, and in many countries in the region open unemployment among youth as a group in the labor force could be as high as 40 -50%. Moreover, youth and new entrance to the labor force are not as well placed as experienced workers when finding employment also there are no new opportunities for employment rather than to go into self employment.

Also the acts of unemployment are manifestation of unresolved conflicts and the inability of the government to overcome the challenges are reflections that the root causes of the conflicts are not identified and therefore the correct mechanism could not be

adopted to manage or resolve it. Also it is good to note that some scholars have propounded so many theoretical models to explain the prevalence of unemployment but for the purpose of this study, a combination of Neo-classical theories of employment / unemployment (Jubenkanda (2003), Ilo (2010), Kahraman (2011), Alain (2006) and mismatch theory (Kahraman 2011) theories were adopted. According to Alain (2006), he wrote that in classical economic theory, markets reach equilibrium where demand equals supply, so everyone who wants to sell at the market price can. Those who do not want to sell at the prevalent price do not sell at all. So this situation leads to classical unemployment.

### **Types of Unemployment**

From the accession of neo-classical theory unemployment can be categorized into voluntary, involuntary, technological, demand deficiency as cited by Jubenkanda (2003), while Ilo (2010) and Muzamil (2019) asserts types of unemployment to be structural, fractional, cyclical, total / classical / real wage and seasonal unemployment. Some of these types of unemployment are well known to be experienced by most graduate youth and they are going to be briefly discussed below under the following sub-heading thus:

**Voluntary unemployment** - is a situation which arises as a result of the fact that people choose not to work at prevailing market wage rate. This means that people in this state of voluntary unemployment prefer leisure or other activities to the available jobs.

### **Involuntary Unemployment**

This is as a result of the fact that arises when a qualified and able bodied people fail to get jobs at the prevailing wage rates. This situation can largely be caused by the fact that there is a wide disparity between the educational sector and the industries who are they final users of these finished products which turn out to be unemployable either as

a result of the disparity that exists between what is taught and what is to be practiced.

Voluntary unemployment is attributed to the individual's decision, whereas involuntary unemployment exists because of socio-economic environment which includes the market structure, government intervention and the level of aggregate demand in which individuals operate. While, frictional unemployment is voluntary since it reflects the individual's search behavior in the world of work. On the other hand, cyclical unemployment, structural unemployment is largely involuntary in nature. However, the existence of structural unemployment may reflect choices made by the unemployed in the past, while classical unemployment may result from the legislative and economic. Choice made by labor unions and or political parties. So in practice, the distinction between voluntary and involuntary unemployment is hard to draw. The clearest cases of involuntary unemployment are those where there are fewer job vacancies than employed workers even when wages are allowed to adjust, so that even if all vacancies were to be filled, there would be unemployed workers still. This is the case of cyclical unemployment for which macro-economic forces lead to micro-economic unemployment according to Jubenkanda (2003).

### **Fractional Unemployment**

The time period of unemployment when a person loses its current job and in search of another job is called fractional unemployment. This kind of unemployment is harmless and gives the basic idea why we cannot achieve full employment, some of the employees will always be in transition.

### **Structural Unemployment**

This a period when the dynamics of work changes and the experience of the people remain the same. The skill set required for the new jobs become rare. The people having the skills of their past jobs become useless. Such unemployment is termed structural unemployment. The main reason of such

unemployment is industrial revolution and automation etc.

### **Cyclical Unemployment**

When the economy is having the deficiency of not provide jobs to everyone who wants to work then many people will remain unemployed. Such unemployment is known as cyclical or Keynesian unemployment. The demand of most goods fall and in the response less production is required which will definitely require lesser workforce.

### **Classical unemployment**

Classical or real wage unemployment is when the employees demand high wages, and refuse to work to accept low wages. Such unemployment is classical unemployment.

Seasonal Unemployment. As the name signifies the unemployment occur in different seasons is called seasonal unemployment. The workforce of production of wheat will become useless in winters according to Muzamil (2019) and Ilo (2010).

### **Causes of unemployment in Nigeria**

‘It is obvious that an explanation of the employment problem in Sub-Saharan African Countries lies mainly in the structure and performance of the economy and functioning of the labor market. Other factors such as Institutional weakness in employment planning capability and political instability also have a bearing problem on the problem’ (Hamid (2004). This is just true of the way and manner by which unemployment are caused and below are the rest of them as opined by Muzamil (2019) as thus:

### **Jobless growth**

This is caused as a result of growth with very low employment content or in a more extreme case, what can be described as ‘jobless growth’. But then what is required more specifically is economic growth that is accompanied by commensurate rate of employment growth.

### **Labor market problem**

The impact of the economic crisis on the labor market has led to certain distortions which have a negative effect on employment and income objectives. They employment related problems can be traced to weakness of labor market institutions, particularly those who influence wage determination and skill development.

### **Intuitional weakness in employment planning**

It relates mainly to lack of resources and technical capacity to collect and analyze data on employment and the labor market, insufficient links and lack of coordination between labor / employment ministries and planning agencies and also lack of consultative mechanism for ensuring the participation of the social partners in employment and development planning.

### **Political instability**

Lack of political instability is known to have a negative impact on employment generation since it creates an unfavorable climate for foreign investment as well as frustrates local entrepreneurial initiatives. More so weak and unstable government are less likely to carry out economic reforms which could facilitate employment promotion. The credibility and ability of government to exercise governance could be seriously undermined by political instability to the extent that they may not be able to come to terms with the employment challenge in any meaningful manner.

### **Lack of internal competitiveness**

It is again say that economic stagnation and growing marginalization have left African economy ill-equipped and unprepared to compete effectively in increasing globalized system of world production. This is as a result of lack of investment, poor infrastructure, insufficient skills and limited technology constitute major constraints on possibilities for economic diversification and

for increasing the efficiency of production for exports.

### **Solution to unemployment in Nigeria**

According to Nurul (2021) the following were highlighted to justify unemployment solutions in Nigeria thus:

#### **Change in industrial technique**

Production techniques should suit the needs and means of the country. It is essential that labour-intensive technology should be encouraged in place of capital-intensive technology.

#### **Policy regarding seasonal unemployment:**

Seasonal unemployment is found in the agriculture sector and agro-based industries. To remove it:

- Agriculture should have multiple cropping.
- Plantations, horticulture, dairying, and animal husbandry should be encouraged.
- Cottage industries should be encouraged.

#### **Change in the education system**

The educational pattern should be completely changed. Students who have a liking for higher studies should be admitted to colleges and universities. Emphasis should be given to vocational education. Qualified engineers should start their own small units.

#### **Expansion of Employment exchanges**

More employment exchanges should be opened. Information regarding employment opportunities should be given to people.

#### **More assistance to self-employed people**

Most people in India are self-employed. They are engaged in agriculture, trade, cottage and small scale industries etc. These persons should be helped financially, providing raw materials and technical training.

#### **Full and more productive employment**

The main objective of the country's employment policy should be to increase employment opportunities and the productivity of labour. Govt. should adopt a

policy that provides employment to all people.

### **Increase in Production**

To increase employment, it is essential to increase production in the agriculture and industrial sectors. Development of small and cottage industries should be encouraged.

More importance to employment programs

In five year plans more importance should be given to employees. The programs like irrigation, roads, flood control, power, agriculture, rural electrification can provide better employment to people.

#### **High rate of capital formation**

The rate of capital formation in the country should be accelerated. Capital formation should be particularly encouraged in such activities which generate greater employment opportunities. The capital-output ratio should be kept low.

#### **Industries in the co-operative sector**

Industries in the cooperative sector should be encouraged. Kerala Govt.' set up a textile mill covering 600 unemployed persons on a cooperative basis. This is a novel approach to fight against unemployment. Different State Govt. should take necessary steps in this direction.

#### **Decentralization of industrial activity**

Decentralization of Industrial activity is necessary to reduce unemployment. If industrial activities are centralized in one place, there will be fewer employment opportunities in underdeveloped areas. So Govt. should adopt such policies which encourage the decentralization of industrial activity.

#### **Population control**

The growth of the population should be checked in order to solve the unemployment problem. Family planning programs should be implemented widely and effectively.

#### **Method**

A descriptive survey design was adopted for this study. It was chosen for this kind of study because the events had already taken place in their natural course of happening. The population for the study comprised all

Office Technology and Management graduates from Osun State Orientation Camp Ede Osun State Batch B, 2021 set. The sample for the study consisted of two hundred and ninety (290) graduates who were proportionately randomly sampled. And a 16 item questionnaire was administered. The instrument was administered over a period of one week with

the help of field assistance. The instrument was subjected to both face and content validity. The mean and standard deviation were used to answer the research questions while the chi-square ( $\chi^2$ ) was used to test the hypothesis at 0.05 level of significant. Mean rating below 2.5 was rejected while any rating of 2.5 and above was accepted.

## RESULTS

**Research Question 1:** What are the types of unemployment in Nigeria?

The data collected on the types of unemployment in Nigeria are shown in table 1 below:

Table 1: Types of unemployment in Nigeria

S/NO	Types of Unemployment	X	SD	Remark
1	voluntary unemployment	2.82	.42	Agreed
2	involuntary unemployment	2.87	.44	Agreed
3	fractional unemployment	3.11	.52	Agreed
4	structural unemployment	3.14	.53	Agreed
5	cyclical unemployment	3.61	.56	Agreed
6	classical unemployment	2.93	.51	Agreed
7	seasonal unemployment	3.03	.53	Agreed

The result of the study shows that all the items in the table were accepted as types of unemployment in Nigeria. They scored a mean point above 2.5, this indicates that all the items are accepted as the types of unemployment in Nigeria.

**Research Question 2:** What are the causes of unemployment in Nigeria?

The data collected on the causes of unemployment in Nigeria are shown in table 2 below:

S/NO	Causes of Unemployment	X	SD	Remark
1	jobless growth	3.12	.51	Agreed
2	labour market problem	3.17	.54	Agreed
3	intuitional weakness in employment planning	2.83	.41	Agreed
4	political instability	3.33	.66	Agreed
5	lack of internal competitiveness	3.52	.55	Agreed

The result of the study shows that all the items in the table were accepted as causes of unemployment in Nigeria. They scored a mean point above 2.5, this indicates that all the items are accepted as the types of unemployment in Nigeria.

**Research Question 3:** What are the measures to curb unemployment in the country?

The data collected on the measures to curb unemployment in Nigeria are shown in table 3 below:

S/NO	Solutions to Unemployment	X	SD	Remark
1	change in industrial technique	3.37	.55	Agreed
2	policy regarding seasonal unemployment	3.53	.52	Agreed
3	change in the education system	3.40	.50	Agreed
4	expansion of employment exchanges	3.17	.76	Agreed
5	more assistance to self-employed people	3.53	.63	Agreed
6	full and more productive employment	3.27	.45	Agreed
7	increase in production	3.03	.53	Agreed
8	more importance to employment programs	3.20	.43	Agreed
9	high rate of capital formation	3.53	.62	Agreed
10	industries in the corporate sector	3.47	.51	Agreed
11	decentralization of industrial activity	3.33	.46	Agreed
12	population control	3.32	.45	Agreed

The result in table 3 shows that all the items in the questionnaire were accepted as the solutions to unemployment in Nigeria. All the items scored a mean point above 2.5 showing that they all agreed to all the items listed as solutions to unemployment in Nigeria.

### Results of Hypotheses Testing

**Ho1:** There is no significant relationship between the types and causes of unemployment in Nigeria.

**Table 4: Chi-squared ( $\chi^2$ ) of the mean ratings of, types and causes of unemployment in Nigeria.**

Respondents	No	Mean	STD	z-cal	z-crit	Decision
Male	45	3.42	1.1	-1.7789	$\pm 1.96$	Do not reject the null hypothesis
Female	145	3.68	1.2			
P > 0.05			P value	= 0.075253		
			Standard error	= 0.146		

Table 4 above represents chi-square ( $\chi^2$ ) of the response of Male and Female on Graduate Youth unemployment: root to socio-economic problems in Nigeria. It can be seen that the calculated chi-square ( $\chi^2$ ) value of -1.7789 is lower than the critical chi-square ( $\chi^2$ ) value of 1.96, the null hypothesis is not rejected. As a result, there is no significant relationship on the types and causes of unemployment in Nigeria.

**Ho2:** There is no significant difference between causes and the measures to curb unemployment in the country.

**Table 5: Chi-squared ( $\chi^2$ ) of the mean ratings of causes and measure to curb unemployment in the country.**

Respondents	No	Mean	STD	z-cal	z-crit	Decision
Male	45	3.85	1.23	-0.1751	$\pm 1.96$	Do not reject the null hypothesis
Female	145	3.88	1.11			
P > 0.05			P value	= 0.8610		
			Standard error	= 0.1713		

Table 5 above presents chi-square of the responses of male and female graduate youth on graduate youth unemployment: root to socio-economic problems in Nigeria. It can be seen that the calculated chi-square ( $\chi^2$ ) value of -0.1751 is lower than the critical chi-square ( $\chi^2$ ) value of 1.96, the null hypothesis is not rejected. As a result, there is no significant difference between causes and the measures to curb unemployment in the country.

### Discussion

The analysis of the research question in table 1 revealed that the Graduate Youth agreed to the listed types of unemployment. This agreed with the findings of Jubenkanda (2003), Ilo (2010) and Muzamil (2019) asserts types of unemployment to be voluntary, involuntary, structural, fractional, cyclical, total / classical / real wage and seasonal unemployment.

While table 2 revealed that the Graduate Youth agreed to the listed causes of unemployment in Nigeria. This was asserted by Muzamil (2019) that the most causes of unemployment are jobless growth, labour market problem, intuition weakness in employment planning, political instability and lack of internal competitiveness.

Also table 3 revealed that the Graduate Youth agreed to the listed causes and measure to curb unemployment in the country. This was also according to the findings of Nurul (2021) and Muzamil

(2019) who discovered that the solution to take for unemployment to be averted were change in industrial technique, policy regarding seasonal unemployment, change in the education system, expansion of employment exchanges, more assistance to self-employed people, full and more productive employment among others.

### Conclusion

Unemployment is like a bomb about to explode which has social, political and economic effects. That is why the Government should come up with supports in form of job creation policies, creation of an environment that is conducive for investors to do business in the country. Therefore, Government should put in place programs that attract investments with the potentials to create jobs in Nigeria.

### Recommendations

From the finds, the researcher will recommend thus:

- 1 The Government could also support youth skills development programs that are meant to improve their employability status.
- 2 Job creation should and must be a priority if Nigeria wants to alleviate unemployment among the youth.
- 3 The private sector could be supported through government subsidy programs to create jobs for the economy.

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