

# STRATEGIES FOR REDUCING UNEMPLOYMENT PROBLEMS IN NIGERIA: IMPLICATION FOR COMMUNITY DEVELOPMENT

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## **Abstract**

*The state of Nigerians has in recent time deteriorated in terms of the standard of living of the citizens. Nigerians are faced with a number of challenges as they strive to survive. One of the challenges includes unemployment. This paper looked at the factors responsible for unemployment in Nigeria, problems associated with unemployment, strategies for reducing unemployment in Nigeria for community development. The paper concludes that apart from the key responsibility of ensuring security of life and property, government is also mandated to provide a means of livelihood for her citizens. Not addressing the situation is breeding fresh problems for the Nation as intelligent youths set their minds to do the only thing left to do. They defraud, kidnap, rob, abuse drugs and sometimes go into suicidal missions. It is therefore, not an option for governments to allow this to happen as the repercussions are far worse than the fear of the cost of getting everyone engaged. The paper suggested among others that all arms of government should lead by example by patronising made-in- Nigeria goods to motivate local demands and empower local producers. The government should also create jobs through the value chain in agriculture, mineral exploitation, small and medium enterprises.*

**Keywords:** Strategies, Reducing, Unemployment, Unemployment problems, Community development

Nigeria like any other country of the world is facing large scale unemployment. International Labour Organization (2012) stated that about 6% of the world population is unemployed and the most unemployed are the youths. The source also disclosed that about 73.4 million youths were unemployed in 2013. As evidence that even developed nations of the world are struggling with unemployment, in December 2013, an estimate of 6.7 per cent Americans were unemployed (Uzochukwu, 2016). Vanguard (2014) reported that over 60 million Nigerians are unemployed. This menace in Nigeria affects the lives of not only the young graduates but also their families and the entire society.

### **Concept of Unemployment**

Unemployment is defined by Ipaye (1986) as a condition that exists when there is an individual who is able to work, wishing to work, is dependant on work to survive but is unable to obtain employment. In the opinion of Okonkwo and Okoye (2001), unemployment is a situation which arises when an employable individual is active but unsuccessfully seeking for work. Pettinger (2010) defined unemployment as a situation where someone of working age is not able to get a job but would like to be in full time employment. The unemployment rate is a measure of the prevalence of unemployment and it is calculated as a percentage by dividing the number of unemployed individuals by all individuals currently in the work force.

Pettinger (2010) outlined the following factors responsible for unemployment in the society:

1. Demand Deficient Unemployment. Demand deficient unemployment occurs in a recession or period of very low growth. If there is insufficient Aggregate Demand, firms will cut back on output. If they cut back on output then they will employ fewer workers. Firms will either cut back on recruitment or lay off workers. The deeper the recession, the more demand deficient unemployment there will be. This is often the biggest cause of unemployment, especially in a downturn. This is also known as cyclical unemployment – referring to how unemployment increases during an economic downturn.

2. Structural Unemployment: This is unemployment due to inefficiencies in the labour market. It may occur due to a mismatch of skills or geographical location. For example structural unemployment could be due to:

a. Occupational immobility. There may be skilled jobs available, but many workers may not have the relevant skills. Sometimes firms can struggle to recruit during periods of high unemployment. This is due to the occupational immobility.

b. Geographical immobility. Jobs may be available in a location, but, unemployed workers may not be able to move there due to difficulties in getting housing e.t.c.

c. Technological change. If an economy goes through technological change some industries will decline. This is likely to lead to structural unemployment. For example, new technology (nuclear power) could make coal mines close down leaving many coal miners unemployed.

3. Frictional unemployment: This occurs when workers are in between jobs e.g. school leavers take time to find work. There is always likely to be some frictional unemployment in an economy as people take time to find a job suited to their skills.

4. Natural Rate of Unemployment. This is the level of unemployment when the labour market is in equilibrium. It is the difference between the labour force and those willing and able to accept a job at going wage rate. It encompasses the different supply side unemployment like frictional and structural unemployment.

It should however be noted that what may be the major cause of unemployment in one country may not be the major cause in the other country.

### **Causes of Unemployment in Nigeria**

Several reasons account for unemployment in Nigeria. In this paper, the author concentrated on the following:

**Negligence of Agriculture and other Natural Resources:** Nigeria as a country is blessed with different un-taped natural resources which would be enough to engage able bodied unemployed persons. However, the boom in oil industry has made the government and individuals to direct all attention to only the oil industry. The Federal and Regional governments in Nigeria managed the country with agricultural and other natural resources before the oil boom. For example, cocoa production was the mainstay in the Western Nigeria, groundnut production was the mainstay in the Northern Nigeria, and coal was the main stay in Eastern Nigeria while rubber and palm oil were the main stay for Midwestern Nigeria.

**Corruption** is an immoral act which could involve bribery, embezzlement or misappropriation of public funds for personal use (Shamija, 2015). Corruption plays a major role in the problem of unemployment that is currently experienced in Nigeria this is because those in government who are to use public funds for building more industries embezzle the money. For example, the missing or unaccounted \$20 billion at the Nigeria National Petroleum Corporation (Owumi, 2014), this money would have been invested in infrastructures that will aid businesses which will create job openings or building of world class health and educational institutions.

**Lack of saving and investment culture:** Some of the unemployed Nigerians had jobs in the financial sectors, manufacturing sectors and service sectors, but because saving and investing are alien to some, they now have a situation whereby people who had worked for 15 years or more and were laid off with severance benefits still find themselves into the labour market instead of graduating to become employers of labour. **Crises:** Crises rendered many people homeless and destroyed many business establishments which resulted to joblessness. Many youths who are working in different parts of the country (crisis context) have lost their jobs. This situation results to massive unemployment because people move round in search of jobs. For example, people working in the Niger-Delta Region and the North-East Region of the country might not be much comfortable working in such places because of crisis.

**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 per cent (National Population commission, 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 (Uddin and Uddin, 2013). 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.

Rapid Expansion of the Educational System: The rapid expansion of the educational system in Nigeria has led to increase in the supply of educated manpower, and this contributes to the problem of the unemployment. Presently, with over 97 universities in Nigeria (both federal, state, and private) the increasing quest for higher education has been the problem of suitable employment for the varieties of graduates who are turned out by these higher institutions every year. Uddin and Uddin(2013) asserted that ordinarily, this would have not been a problem, but the reality is that the Nigerian economy is too weak to absorb this large number of graduates.

### **Consequences of Unemployment in Nigeria**

In a real sense, anything that affects an individual affects the society or the community where he or she lives. This is because, it is individuals that make-up the society. The following consequences and more accounts for unemployment in Nigeria:

1. Inequality of Income: Inequality of income is one of the effects of unemployment in Nigeria. The National Bureau of statistics according to Uddin and Uddin (2013) opined that in 2010 65% of Nigeria's wealth was 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) asserts that the crisis in Nigeria was as a result of failure of governance to address socio-economic issues facing the nation.

2. Crisis: According to the world investment report of United Nations Conference on Trade and Development (UNCTAD), the economy witnessed a decline 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's 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 the closure of schools. In a place like Jos, people were divided along ethnic lines due to unemployment and poverty.

3. Kidnapping and robbery: Kidnapping according to Wikipedia (n.d) is the unlawful taking away or transportation of a person against that person's will, usually to hold the person unlawfully. This may be done for ransom or in furtherance of another crime, or in connection with a child custody dispute. Kidnapping is of higher increase in the recent time and government and other important organizations are fighting on daily basis to see that the menace is reduced. Kidnapping would be traced to unemployment as one who has no job to sustain him can indulge in such act to make some money which he or she will use for daily expenses. Robbery is another social criminal activity

which can be as a result of unemployment. One whose conscience is dead and wants to make money either by hook or crook can force himself into robbery to make money.

4. Lawlessness: People are no longer obedient to certain Laws that govern a group of persons because the government who made the Laws are not able to provide opportunities for the citizens to get employed in many places of work. The constitution of every nation prohibits armed robbery, yet people break this Law as a result of what unemployment caused.

5. Prostitution: Youths, particularly females engage in prostitution in order to keep the body and soul together. This prostitution has its own accompanying problems like unwanted pregnancy, abortion and contraction of venerable diseases such as HIV/AIDS.

6. Drug abuse and trafficking: the National Drug Law Enforcement Agency (1991) reports that adolescents and youths constitute the highest group of drug abuses. Indulgence in hard drugs use is a serious social problem that can destroy the fabric of any society. As a way of escape from the poverty created by unemployment, many youths resort to smoking of marijuana and taking sleeping pills. The twin brother of drug abuse is trafficking. Nigerian youths have in recent times found new business in trafficking of hard drugs such as heroin, cocaine, marijuana, tremor and others. The youths are used by the drug barons to traffic the illicit drugs in and outside Nigeria.

7. Youth Restiveness: Another social problem arising from unemployment in Nigeria is youth restiveness; youth violence has been on the increase in the country. This has led to the destruction of lives and properties. Most of the unrests are motivated by the government inability to provide jobs and social amenities for the populace.

### **Strategies for Reducing Unemployment in Nigeria for Community Development**

Agriculture is a viable source of investments for young people if it is made attractive. There should be a swift transition from subsistence to commercialized farming. Farm and non-farm activities should be better packaged to make them really attractive. There should also be adequate investment in rural education. This will boost rural opportunities and reduce rural-urban migration and its concomitant challenges. Agriculture has always been the highest employer of labour and has contributed meaningfully to Nigeria's Gross Domestic Product (GDP). Mechanized agriculture will produce more food for the country, more raw materials for industries and can also engage more people to cultivate more hectares of land.

Support Small and Medium Enterprises (SMEs): The establishments made by private individuals contribute so much to the growth of manufacturing companies in Nigeria. When the Government provides more funds to support these SMEs, more employment will be made and unemployment will be reduced to some extent. The Small and Medium Enterprises (SMEs) can empower the youths who work in those companies. Strategies to build institutions should be formulated to create opportunities

to engage youths in meaningful enterprises and to discourage them from criminal activities.

Tackling corruption in the public and Civil Service: Corruption has been the problem hindering development in Nigeria. Though the present administration has promised to look critically into the menace; however, more needs to be done. The level of corruption in the public service sector has contributed to the slow pace of economic development in Nigeria thereby leading to a high rate of unemployment.

Industrial Development: The government should encourage the development of industries in the country both by foreigners and citizens of the country; these industries may employ massively at every point in time. For example, Dangote group of companies recently advertised for job vacancies for massive recruitments. The government should play a dominant role by ensuring that the required environment necessary for these industries to function is being provided. These favourable environments may include security, electricity and a fiscal policy.

The government should also promulgate inducing and instilling laws that will imbue discipline, encourage and boost hard work in the society. Opportunities should be made available and open to everybody without the power play of godfathers for easy bank credit. The Billions of money being wasted on National Directorate of Employment by the federal government should be converted to loans for people without means but with viable and profitable projects that could guarantee employment through the production of both industrial and agricultural consumable products/goods.

### **Conclusion**

Governments, apart from the key responsibility of ensuring security of life and property are also mandated to provide a means of livelihood for their citizens. However, it should be noted that this means of livelihood shoulders on all members of the society including parents/guidance and job seekers. Thus, the government alone cannot provide employment for the unemployed population of Nigeria because resources to employ are always scarce, useful skills are always low. The government should however note that not addressing the situation is breeding fresh problems for the Nation. Intelligent youths set their minds to do the only thing left to do; use their heads, literally. They defraud, kidnap, rob, abuse drugs and sometimes go into suicidal missions. It is therefore, not an option for the government to allow this to happen as the repercussions are far worse than the fear of the cost of getting everyone engaged.

### **Suggestions**

1. Emphasis on unemployment cannot be laid when the nation is massively importing every-thing on earth. All arms of government should lead by example by patronising made-in- Nigeria goods by creating local demand and empowering local producers.

2. The government would create jobs through the value chain in agriculture, mineral exploitation, small and medium enterprises.

3. Many youths face pressures from parents, peers and the public in the course of preparing for occupations of their choice. These pressures make them find problems in selection of subjects that will culminate in their preparedness for any career or occupation. The youth need guidance and counselling to understand themselves, the world of work and how to reconcile their wishes, aspirations and those of their parents.

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