

# THE PARADOX OF NIGERIA HIGHER EDUCATION AND THE EMPLOYMENT PROBLEM AMONG YOUTHS: A CRITICAL ANALYSIS

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## **Abstract**

*This paper examined the problem relating to higher education and youth employment in the Nigerian labour market. The national survey data obtained from the Bureau of Statistics and other relevant government data bank formed the source of information for the research questions raised in the study. The data were analysed using the simple descriptive statistics. Findings showed that the signals from the Nigerian labour market were becoming more precarious than ever before owing to the growing unemployment problem among youth graduates from the various higher institutions of learning. It revealed that there was a paradox between Nigerian higher education and the labour market. The paradox was that, while graduates supply increased from the various higher institutions over time, there were shortages of relevant and required labour force needed by the labour market for meaningful development. The study concluded that there was a growing mismatch between higher education output and the labour market demand. It therefore recommends that higher education should respond to the changing challenges by directing attention to generic competencies and skill development of students and prepare them for the growing globalisation beyond the usual classroom teaching and learning.*

## **Introduction**

The evolving links between higher education and the labour market is fast becoming a major focus of policy as the role of higher education in development efforts expands. Ultimately, most of the technological and economic advances can be traced directly or indirectly to higher education, either through the training provided, the knowledge spill-

over or actual researches conducted which have enabled efforts directed towards development (Yusuf, 2007; and OECD, 2007). In today's life long learning, higher education provides not only the higher level skills necessary for the labour market, but also the training essential for teachers, doctors, nurses, civil servants, engineers, humanists, entrepreneurs, scientists, social scientists and a host of other personnel. According to World Bank (2002), it is these trained individuals who develop the capacity and analytical skills that drive the local economies, support civil societies, teach children, lead effective governments and make important decisions which affect the entire society.

In Nigeria today, there is a growing number of higher institutions of learning. These institutions comprise mainly the universities, polytechnics and colleges of education. For instance, between 2000 and 2005, the total number of universities in Nigeria increased from 45 to 75, the polytechnics increased from 64 to 66 while colleges rose from 64 to 72 during the period under consideration (FME, 2007; and National Bureau of Statistics, 2006). As at 2007, the number of universities alone in the country stood at 91 (Babalola, 2007). All of these institutions together form a network of institutions that support the production of the needed human capacity for development.

However, despite the increasing supply of higher education in Nigeria in response to the demand, particularly at the university level, they seem not to provide the relevant and required labour force needed by the labour market for meaningful development; thus suggesting a state of disequilibrium in the supply and demand of labour in the market. This scenario manifested in the rising wave of unemployment among graduates from higher institutions of learning. This development implies that there are crises in the system. According to the World Bank (1995), one of the key elements of "higher education in crises" is the tension between higher education and employment. This confirms an earlier assertion by Coombs and Hallak (1987). According to them, the increasing number of "educated unemployed" and the growing "mismatch" between the world of education and the world of work is one of the most salient problems plaguing education both in developing and developed countries (though at different degrees of intensity) Coombs and Hallak (1987:1).

### **Higher Education and Youth Unemployment in Nigeria**

The growing unemployment problems among youths who form the bulk of the products of higher education in Nigeria have long become an issue of very important local and international concern. For instance, in the mid 1990s, the higher rate of unemployment in Nigeria was estimated at about 30 per cent, contributing significantly to high level of poverty, "its twin evil" (Odumosu, 1999; and The World Bank, 1999).

According to the Nigerian Minister for Youth Development, available data from the 2006 provisional census figure show that Nigeria has a youth population of over 80 million or 60 per cent of her total population. Of this population, more than 80 per cent, that is, above 64 million are unemployed, while 1.6 million of the 16 million youths that were engaged were actually underemployed. Moreover, according the data made available by the National Manpower Board and Federal Bureau of Statistics, only about 10 per cent of the graduates released into the labour market annually by universities and other higher institutions in the country were able to get paid employment (The Punch, 2008; 6).

The implication of this worrisome scenario is a frustrated youth population with the tendency towards vices such as prostitution, cultism, armed robbery, drug and child trafficking, kidnapping, hostage taking and a host of other vices. This is unacceptable in view of the importance of youth to national development effort.

The emphasis on youth stems from the fact that in a series of legally binding international conventions such as CEDAW in 1979, CRC of 1989 and other historic agreements - DEVAN, of 1994; FWCN, of 1995; and WSSD, in 1995, a number of governments have expressed strong commitment to the development of the youth, adolescents and children as a cornerstone to people-centered sustainable development (UNDP, 2000). No country can achieve meaningful and sustainable development without investing in its youths. In fact, children and the youth constitute not only a formidable democratic force but also make up the next generation of parents, workers and leaders. Their well-being has implication for the society at large.

Today, the dynamics of globalization has indeed led to a global market for advanced human capital in which individuals with higher education are most likely to participate. In recognition of the increasing role of higher education as a means for achieving individual and

society's advancement through meaningful employment for its recipients, the World Bank resonates that education and health are essential to empowerment efforts (The World Bank, 2002; Carrington and Detragiache, 1999). Similarly, The World Bank (1999:16) remarked that knowledge related jobs in arrays of discipline which have emerged over time (World Bank, 1999:16).

Notably, in spite of the tremendous growth and reforms in higher education development, several crises still bedevil the system. These crises, according to Babalola (2008), include, among others, the problems of low leverage of technology, brain drain coupled with inadequate human capital in all sectors, haphazard expansion and most worrisome, the low demand from private sector for poorly trained graduates, resulting in what Coombs and Hallak (1986) inter-alia referred to as the "educated unemployment". In the light of the immense danger posed by unemployment problems, especially among young graduates from higher institutions of learning, it is pertinent to provide a more detailed understanding of the labour market situation which could help formulate and implement more relevant policies in the area of employment generation among the youth in the country.

#### **Factors Contributing to Youth Unemployment in Nigeria**

At the end of the 20<sup>th</sup> century, the connection between higher education and the world of work came among the issues of debate. For instance, the relation between education and employment particularly among youth came into focus when unemployment problem increased (Teichler, 1999). According to Ritzen (1981), the major reason for increased unemployment lie in factors such as the type of education practised. Ritzen (Ibid) blamed the unemployment situation in the Dutch country during his days on the growing inconsistencies between the supply and demand for labour manpower. In a related argument by the World Bank (2002:60), the haphazard expansion of tertiary education to meet the social demand of the citizens has resulted in a high risk of unemployment. The bank specified that this has resulted in a high risk of unemployment of 22 per cent in Nigeria and 35 per cent in Sri Lanka (The World Bank, 2002:60). Today, the unemployment situation has risen to about 80 per cent (Muo, 2007). Quoting the Federal Ministry of Education 2006, Babalola (2007) enumerated the

various reasons why a large number of university graduates go jobless. His position was based on two major factors – viz:

- i. The labour supply factor; and
- ii. The labour demand factor.

The labour supply problem arose out of a mismatch between teaching in the various institutions and the needs of the labour market. This is a major concern in Nigeria where tertiary institution graduates skills that are not required by the labour market. Other problems under the labour supply factor are those of lack of consultation with the private sector which has led to outdated curriculum, resources and teaching method, lack of experience and exposure to practical machineries and techniques associated with their profession, lack of qualified teachers to teach vocational innovative, entrepreneurship and job skill.

The labour demand factors, on the other hand, result from the problem of low demand from the private sector for poorly trained graduates from Nigeria institutions, as against the shortage of skilled labour and technicians in such areas as oil industries and services (Babalola, 2007:5-6; and Babalola, 2008:36; Teichler, 1999:285-312; National Planning Commission (NEEDS 2004;37).

### **The Problem**

Unemployment is one of the most prominent determinants of poverty. A high and growing unemployment increases the number of poor people. At about 6.0 per cent, the rate of urbanisation in Nigeria is among the highest in the world. Since manufacturing is stagnant, there are few jobs for the growing youth population in the cities, and urban unemployment is currently estimated at about 11.0 per cent while it is about 13.0 per cent in rural areas (NBS, 2006; NEEDS, 2004:xv).

The number of higher education graduates continues to increase with the expected increase in graduate supply coupled with the persistent low demand from private sector for poorly trained graduates (Babalola, 2008:36). As at 2005, the rate of unemployment among higher education graduates was 9.5 per cent. Today, more than 64 million (80 per cent of the youth population, or 57.1 per cent of the total population), out of the 80 million youth in the country, are unemployed. While 1.6 million of the 16 million youths that were

actually engaged are underemployed. Similarly, only about 10 per cent of the graduates released into the labour market annually by higher institutions of learning were able to get paid employment.

This development has grave consequence for the country. Graduate youths who are unable to get meaningful employment may become frustrated with a high tendency towards vices such as prostitution, cultism, armed robbery, drug and child trafficking, kidnapping and hostage taking. Growing crimes and violence, especially in the urban area due to unemployment, is imminent and poses a great threat as it could affect meaningful economic growth. While millions of knowledge related jobs are being created in most knowledge-based technologically advanced economies, gross unemployment among young graduates persist in Nigeria.

### **Research Questions**

The following questions are generated for the study with a view to providing the relevant answers.

- i. What is the state of the labour market and the employment situation in Nigeria?
- ii. What are the output levels of higher education graduates in Nigeria?
- iii. What is the rate of unemployment by educational level in Nigeria?
- iv. What is the distribution of unemployment by age group of the labour force?

### **Methodology**

This study estimated the unemployment status of the youth from Nigerian higher institutions of learning. It depends mainly on secondary data obtained from the National Bureau of Statistics (NBS) and other relevant government agencies. They include the statistical fact sheet on Economic and Social Development; General Household Survey Report (GHS); and The Annual Abstract of Statistics. It also includes data obtained from the Statistics on Education (Federal Ministry of Education) and the National Planning Commission Economic Policy Review. The research questions raised in the study were analysed using the simple descriptive statistics.

## Results and Discussion

### RQ 1: What is the state of the labour market and the employment situation in Nigeria?

Table 1 presents a response to research question one earlier raised in the study and the subsequent analysis of the data.

**Table 1: Labour Market and Employment Situation in Nigeria (1999-2005)**

	1999	2000	2001	2002	2003	2004	2005
Total labour force (in million)	47	50	51	51.23	53	54	54
	3,659,203	3,539,89	4,079,381	4,244,968	4,244,968	4,354,612	4,523,792
Total employment generated by all economic activities (in million)	8,228	8,857	12,444	18,402	20,394	21,887	25,781
Employment generated by educational services	12.50	18.01	13.7	12.2	14.8	11.8	11.9
Total rate of unemployment (in percentage)							

**Source:** (1) NBS: *Quick National Employment – Generation Survey, 2006*  
(2) *Economic Performance Review, National Planning Commission, 2006.*

Table 1 shows an increase in the total labour force of the country. While the total labour force was 47 million in 1999, the figure increased to 54 million in both 2004 and 2005. This implies that the labour force

has grown by 15.81 per cent since 1999. Similarly, the total employment generated since 1999 to 2005 stood at 2.2 per cent (Economic Performance Review, National Planning Commission 2006). Data of unemployment show that the highest rate was in year 2000 with about 18%, followed by 14.8% rate in 2003. The education sector generated its own employment opportunity during the period. According to Economic Performance Review (EPR) of the National Planning Commission, the education sector ranked the second highest employment generation industry in the country after the telecom services during the period under consideration (NPC, 2006). This underscores the rising importance of education industry not only as a knowledge generating sector but also as an important source of employment. The labour force in the country increased from 47 million in 1999 to 54 million in 2005, while the employment generated during the same period were 3,659,203 in 1999 and 4,523,792 in 2005 representing an increase of 1,064,589 or 29 per cent.

**Question 2: What is the level of higher education graduate output in Nigeria?**

**Table 2: Graduate Out-Turn and Rate of Unemployment by Educational Attainment ( 2005)**

<b>Graduate Out-Turn from Higher Education</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
Universities	NA	68,135	79,154	88,930	68,350	39,506
Polytechnics	30,823	32,124	77,647	64,930	72,274	74,568
Monotechnics	11,227	15,003	17,727	18,770	19,869	20,853
Total						



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42,050      115,262    174,528    172,620    160,493    134,927

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**Source:** *Computed from Statistical of Education in Nigeria: 1999-2005 – Federal Ministry of Education, Abuja, 2007.*

**Note:** *University data include Bachelor and Postgraduate Degrees; data for Colleges of Education output were not included.*

Table 2 shows the trend in higher education out-turns in the country from 1999 to 2005. In 2003, the universities in the country had the highest out-turn of 88,930 students, while it had its lowest out-turn in 2005 with a total of 39,506 graduates. Although the figures increased steadily from 2001 to 2003, the figures began to decline in 2004 (68,350) and 2005 (39,506). Generally however, with the increases in the number of universities, graduate out-turn is expected to rise owing to the expansion in that level of education. Polytechnics and monotechnics have had a general increase in the number of graduate output for the years under review. The number of students who graduated from the polytechnics in 2000 was 30,823; in 2001 it was 32,124; it was 77,647 in 2002; and 74,568 in 2005. Likewise, monotechnics also had a steady increase in the number of students out-turn during the period.

**Question 3: What is the rate of unemployment by educational level?**

**Table 3: Unemployment Rate by Educational Attainment in Nigeria (1999 to 2005)**

<b>Educational Attainment</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
No Schooling	1.60	1.50	14.10	11.50	18.80	12.80	12.50
Primary Education	3.10	2.40	11.40	10.40	10.40	8.70	8.40
Secondary Education	9.00	9.10	16.00	16.60	16.60	13.00	14.00
Tertiary Education	6.40	3.40	12.80	11.90	7.50	9.50	9.80

**Source:** *NBS: General Household Survey Report (1999-2005) FRN, 2007.*

In Table 3, the trend in the national unemployment rate by level of educational attainment shows that in 2001, 12.8 per cent of the unemployed were among those from higher education in the country. It however had its lowest unemployment rate of 7.5 per cent in 2003; its unemployment rate increased to 9.5 per cent and 9.8 per cent in 2004 and 2005 respectively. For the period under consideration, secondary education graduates suffer more from the unemployment problem as it had the highest rate of unemployment in the years under review. In 1999, its unemployment was 9 per cent and by 2005, the unemployment rate had risen to 14 per cent.

#### **Question 4: Unemployment Rate by Age Group**

<b>Age Group</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
15 – 24 years	59.40	62.50	34.20	27.50	32.10	28.90	26.01
25 – 44 years	27.70	29.50	47.40	11.10	14.70	11.40	10.83
45 – 59 years	1.10	0.90	10.30	7.40	10.70	7.70	6.60

**Source:** *Economic Performance Review: National Planning Commission, Abuja April/July, 2006. Data for age 45 to 59 was obtained from NBS (GHS Report 1995 to 2005, FRN, March, 2007).*

The national estimate in Table 4 indicates that the age group of 15 to 24 years had highest unemployment rate when compared with the other age groups. Expectedly, this represents the most youthful group of the population whose education is within the secondary and tertiary levels. This poses serious threat to the social-economic development of the country.

#### **Discussion**

The purpose of this study was to examine the labour market situation with respect to the growing unemployment problem among youths who graduate from the various higher institutions of learning in Nigeria.

Analysis of results showed that there were a lag between the growing labour market and employment growth. In 1999, the total labour force in the country was 47 millions, while the employment generated was about 3.6 million. The rate of unemployment stood at about 12.5 percent during the period. While the number of graduate from the various higher institutions continues to grow, the employment opportunities generated did not respond in the same proportion.

This could have serious implication for social and economic development (Odumosu, 1999; Punch, July 2008:6; World Bank, 1999). However, the rising importance of higher institutions as a knowledge generating industry and human capacity development agent cannot be underestimated. This underscores the need for effective restructuring of the institutions to meet with the complex challenges of the technology-based world economy (Coombs and Hallak 1987, Ritzen, 1981).

The haphazard increase in the number of higher institution without careful consideration for the supply and demand for labour is responsible for the gap in unemployment and the labour market (World Bank, 2002; Ritzen, 1981). A lack of meaningful employment especially among youths may have grave consequence on the country. Many unemployed youth may be frustrated and take to non-profitable ventures.

One of the most worrisome development from the analysis (see table 2) is the growth in graduate out-turn from the polytechnics. It is a paradox to find out that while there is a drive towards technological development, the Nigerian labour market still lacks the ability to absorb these graduates. This has some interpretation for the kind of economy activity that is dominant in the country. If the type of economic activities dominant in the country is such that does not need such products from the higher institution, then there will be the need to redirect efforts towards creating higher institutions that will contribute meaningful to the growth of the economy.

Earlier data from table 1 for instance revealed that unemployment was highest in the year 2000 with about 18 per cent. The disequilibrium between the growth in labour force and the employment market could have negative impact on the productive capacity of the country. This in turn could increase the rate of poverty and other social vices. There is therefore the need for policy shift

towards closing the gap between unemployment and the labour market. The mismatch between the growth in graduate out-turn and the level of unemployment can be rectified through an effective link between the instruction of learning and the labour employers. This was also suggested by the World Bank (1999), Teichler (1999), Skilback and Conneit (1996), and Shahid (2007).

The critical role of higher institutions of learning in developing high quality human resources, especially in an increasingly technology driven world economy, is becoming more recognised. However, in the Nigerian context, the increasing number of higher institutions does not seem to provide the expected solution to the problem of unemployment especially among youths from these higher institutions of learning. From the foregoing data analysis in the various tables, it is observed that the rate of unemployment has been unfavourable. This is in spite of the concerted government efforts to reduce unemployment figures.

In spite of this frightening figures of youth unemployment, the number of graduates out-turn from higher institutions of learning continues to be on the increase. Except some drastic steps are taken by way of repositioning the Nigerian higher institutions to respond to the labour market demand, the problem of youth unemployment may persist with its attendant negative consequences.

#### **Conclusion and Recommendations**

The nation's higher institutions emphasises more of theoretical knowledge at the expense of technical, vocational and entrepreneurial education which could resolve the unemployment problem among higher education graduates. Moreover, the study established the problem of labour mismatch due to inappropriate interaction between higher institutions and the labour market. This is evidenced in the over-production of graduates in some fields as against serious shortage of skilled labour in some other sectors of the economy (Babalola, 2007:6-7).

As a result of the complexities in the process of transition from higher institution to the labour market, this study makes the following recommendations:

**(1) Embarking on lifelong learning**

The growing importance of lifelong learning is one of the most salient challenges of higher education responsibilities vis-à-vis the employment world. Nigerian higher institutions should ensure training of graduates beyond general education to that of training and retraining to adequately equip the recipients with the relevant skills. This could be in the form of advanced professional training programmes, short refresher courses and other forms of knowledge dissemination. It should cover both the students and the teachers.

**(2) Links between the employment market and academic responsibilities**

The more knowledge becomes a productive force, the more higher education is expected to contribute tangibly to the economy and the society. Institutions of higher education need not be too far removed from the world of work. Appropriate mechanism should be put in place to enable the institution be aware of the needs of the economy and the society at large, in order to be able to produce the needed manpower for the economy.

**(3) Cooperation between higher education institutions and the world of work**

This is closely related to the above point. However, Higher Education Institution (HEI) is advised to seek cooperation with the world of work. This is because the more HEI expands; the more knowledge becomes a key factor for productivity and a greater global competitiveness. Hence, HEI should accord communication and cooperation priority with the world of work to improve the type of education provided, as well as employment opportunities of HEIs' graduates. This could be in the form of participation in curriculum development (Skilbeck and Connell, 1996), involvement of industries in decision-making process, for example, being member of boards of advisory councils. It is gratifying to note however that this approach is being practised in some Nigerian universities today.

**(4) Providing practical experience for up-coming graduates**

A comprehensive experimental learning (practical exposure) could be a powerful means of supplementing the existing cognitive learning design which does not usually match the work environment.

**(5) Provision of vocational skill development and innovative training support for graduates**

This would help the graduates take up responsibilities for self with the necessary vocational skills to be self-reliant.

**(6) Formulation of appropriate and relevant employment policies and programmes**

Government should put in place appropriate programme and policies that will cater for the immediate employment of young graduates from the various higher institutions of learning. For instance, government could create multiple pathways linking the lower levels of education, both general and vocational, to tertiary education. This will help graduates from higher education institutions become more professional and skilful in the acquired knowledge.

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