

YOUTH UNEMPLOYMENT SYNDROME IN NIGERIA: A CASE FOR REVIEW AND POLICY IMPLEMENTATION

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Abstract

Nigeria's youth unemployment rate is at 54.4% in the last quarter of 2020 (National Bureau of Statistics, 2020) which thus gives us an obvious reality of the danger of ever-increasing youth unemployment flooding the landscape of Nigeria, while several governmental initiatives in time past have not been able to help in curbing youth unemployment challenges in Nigeria, this study adopt the systematic review analysis in assessing the capacity of apprenticeship and informal sector capacity in reducing youth unemployment in Nigeria. This study calls for apprenticeship modernization and informal sector support in reducing youth unemployment in Nigeria as both apprenticeship and informal sector were proven to be significant measures in reducing youth unemployment in Nigeria.

Keywords: *unemployment; youth unemployment; apprenticeship; Igbo apprenticeship; informal sector.*

JEL Classification: E24 ; E26

1.1. Introduction

The consistent pattern of youth unemployment trends in Nigeria has attracted the phrase "youth unemployment syndrome" in this article. Youth Unemployment exists in every economy of the world as people may choose to become voluntarily unemployed for reasons best known to them. However, when youth unemployment rises consistently on the wings of structural, cyclical, and seasonal unemployment which are the basic, and the most common description of unemployment in any economy, it then calls for an urgent shift of focus and investigation to see to its ending as youth unemployment breeds significant negative social-economic effects on any country. Yarima (2014); Serifat (2020), confirmed the critical impact of unemployment and youth engagement in social crime in Nigeria. Sub-Saharan Africa is projected to increase the global population by more than half by 2050 and Nigeria, alongside seven countries is expected to spearhead such an increase in population (United Nations Department of Economic and Social Affairs, Population Division [UNDESA PD], 2022). Nigeria's youth unemployment rate is at 54.4% in the last quarter of 2020 (National Bureau of Statistics [NBS], 2020) which thus gives us a clear picture of the effect of increasing population and youth unemployment flooding the landscape of Nigeria and Sub-Saharan Africa. Several initiatives have been given by the government to address youth unemployment syndrome in Nigeria, however, these initiatives seem not to have an acute effect on the reduction of youth unemployment level. Ruth, Emmanuel & Ndubusis-Okolo (2014); Farayibi (2015) confirm that governmental initiatives toward ending unemployment have not yielded any positive results but rather witnessed an increasing unemployment level.

This study seeks alternative measures that can help shrink the present youth unemployment challenge in Nigeria. Theoretically, Apprenticeship and the informal sector have been depicted as a strong multidimensional model in curbing the youth unemployment syndrome in a growing number of evidence in Germany, Switzerland, and other developed countries. German, Switzerland's success in the apprenticeship model has proven its ability in reducing unemployment with the absorbing capacity of the informal sector at hand. The uniqueness of this study to literature is the contribution of the study in reviewing and evaluating alternative measures to ending youth unemployment syndrome in Nigeria that can be implemented even by other stakeholders with little governmental support, owing to the limitations of past government intervention plans. The study also observed no or few investigations of similar evaluation in literature thereby contributing to the pool of policy options.

2.1 Statement of Problem

Globally, 67 million youth are reported to be unemployed with an alarming figure pointing towards Africa (United Nations Department of Economic and Social Affairs, World Youth Report [WYR], 2018). This report further reveals that 57.4% of active youth are unemployed in South Africa while Lesotho, Mozambique, and Namibia are 38.5%, 42.7 and 45.5% respectively. Youth unemployment syndrome becomes a place for urgent and constant review, steering towards alternative measures in curbing this challenge. Over the years, different policy interventions had been rolled out to address the issues of youth unemployment in Nigeria, however, rather than a reduction in the youth unemployment trends, what we keep experiencing is a snowballing rate in youth unemployment. As also observed by past Akande (2014) that several policies and programs initiated by the government to address youth unemployment in Nigeria have not been able to bring a tangible positive effect on the Nigerian youth unemployment owing to the limitation of the country's policy formulation and implementation.

2.1 Objectives of Study

The study aimed at reviewing and evaluating alternative measures that can curb youth unemployment in Nigeria. Particularly, the study:

1. Evaluate the capacity of Apprenticeship in reducing youth unemployment in Nigeria
2. Evaluate the capacity of the informal sector in reducing youth unemployment in Nigeria

3.1 Conceptual Clarification

Youth Unemployment

NBS (2020) adopted the categorization of youth unemployment as young people within the age group of 15-34 years who are actively looking to work but unable to find any for at least 20 hours during the period of consideration to the active Labor Force. Youth unemployment is mostly caused by structural changes in the economy, in terms of shifts in the industrial skills and practices or due to the influence of cyclical fluctuations in the economy resulting in unemployment during the depression, and recession, and the seasonality structure of some economic activities which tends to determine the need for labor engagement for some season

only. These types of unemployment will not be the case when people intentionally decide not to work, which is a situation of voluntary unemployment.

Apprenticeship

Several classifications have been given to the concept of apprenticeship in literature. Apprenticeship is a way of unique skills acquisition from a master craftsman to his apprentice making provision for skills preservation and transfer between generations, countries, industries, and individuals. Lerman (2019) refers to apprenticeship as a program of courses, work-based learning, and productive employment in which workers achieve occupational mastery and industry-recognized credentials. Apprenticeship only occurs when there is an agreement between the apprentice and the master craftsman, this agreement can be verbal or written depending on the parties involved (Gerald, Ifeanyi & Phina, 2020; Udua 2015).

Informal Sector

The term informal sector is commonly associated with economic activities that are undertaken with the major objective of generating employment and income for the owner (International Conference of Labour Statisticians [15th ICLS], 2002). The Informal sector is also categorized as a small-scale business where the owner doubles as the labor and Capital for production since most of the informal sector is owned by individual household members or several members of the same or different household (International labour Office [ILO], 1993).

3.2 Literature Review

Unemployment and Apprenticeship

Youth unemployment is closely associated with a lack of current industrial skills and practices by young individuals as most of them only have their degree at hand, which is more of theoretical learning. Organisation for Economic Cooperation and Development [OECD], (2018) categorically identifies that formal educational institutions continue to place a premium on theoretical knowledge and deliver subjects that are not in line with current trends in the labor market and industry. The gap between formal education programs and current industrial skills and practices is a major influence on increasing youth unemployment as employer tends to prefer worker with previous work reference or experience in a similar work role (Schoer & Rankin, 2011). Akor, Livala, Rumji & Zakari (2021); Ruth et al., (2014) concluded that the absence of labor demand, outdated curriculum, and lack of vocational and technical education not incorporated in university education

is the causer effect of graduate unemployment in Nigeria. Adeyey, Falola, Waribo & Akinbode (2015) reveal in their study that apprenticeship systems can impact positively on employees' skill development in the printing industry in Lagos, Nigeria. Since apprenticeship smoothen the gap between theoretical learning and practical skill development, thereby, enhances the competency of the apprentice to be able to perform on the job and increases the chances of being able to engage in either the formal or informal sector of the economy.

Deep in the history of Nigeria is the Igbo apprenticeship system that has paved way for their success in business, entrepreneurship, and increasing wealth capacity. This kind of apprenticeship structure is mostly practiced by people from the eastern region of Nigeria culturally. The Igbo apprenticeship is mostly captured as "Igba-boi" where the apprentice learns by living close to the master apprenticeship. "Imu ahia or Imu-oru" is another traditional apprenticeship practiced by the Igbo where the apprentice or the apprentice family pays a fee to learn. The uniqueness of the Igbo apprenticeship system makes it regarded as the largest apprenticeship business support program in the world because an apprentice will be provided with start-up capital by his master at the end of the apprentice service year (Neuwirt, 2015). Even though in the case of "Igbo-boi" apprentices are not paid during services but have access to basic social amenities that will be provided by their master, and by so doing, discourages a lot of youth from being idle and reduces the tendency for social vices in society. Alake (2018); Okwuowulu, (2022) opined that the Igbo apprenticeship system has stayed ahead of the business curve in Nigeria. Mary (2021) regards the Igbo business and entrepreneurial activities as a significant influence on their increasing wealth and standard of living for Nigerians both in Lagos and other regions of Nigeria.

Unemployment and the Informal Sector

The changeover of interest to the potential of the informal sector of the economy globally is a result of its contribution to employment generation and the national gross domestic product of countries. Africa's informal employment constitutes 85.8% of the total employment with more than 60% of the world's employed population earning their livelihood in the informal economy (ILO, 2018). The informal sector can no longer be silent or be at the mercy of partial policy support. Its capacity to offer such huge employment support for people that cannot be absorbed by the formal sector is a sufficient condition to look closely and offer policy support that can help steam the informal sector for optimal economic performance. Tamunomiebi & Ukachukwu (2018) oppose that historic and

institutional abandonment are the factor that had reduced the performance of the informal sector in Nigeria. The study also ends that the informal sector can be the strength of the Nigerian economy because of its role in employing people that can't be taken in by the formal sector. Onwo & Ohazulike (2021) revealed that the informal sector is a major driver of the economy, accounting for a large portion of the employment generation and up to 90% of employment in other developing countries. The growing evidence in literature concerning the informal sector has revealed the adequacy of this sector to be an alternative source of employment for the ever-increasing population both in the developing and developed economies of the world. Fasanya & Onakoya (2012) also concluded that the informal sector activities have a significant impact on absorbing the large pool of labor force in Nigeria as it provides more than 50% of the employment in the non-agrarian sector. Onwe (2013) identifies that the informal sector is a safety belt in providing employment and income to less educated people.

4.1. Research Methodology

This study adopted the design of the systematic review analysis. The systematic review analysis seeks to collate all appropriate proofs that fit pre-specified eligibility criteria to answer a specific research question using the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (Moher, Liberati, Tetzlaff, Altman, & The PRISMA Group, 2009).

The systematic review analysis was used for the search and selection of published papers on Youth Unemployment, Apprenticeship, and the Informal sector, narrowing it down to lessons for the Nigerian government and other stakeholders. The search strategy included terms for youth unemployment, youth unemployment in Nigeria, Apprenticeship, and Apprenticeship in Nigeria, Informal economy, Informal sector, and covered countries such as Nigeria, Sub-Saharan Africa, Korea, Germany, and the United Kingdom.

A search of multidisciplinary scientific electronic databases such as ERIC and worldwide sciences, together with manual searches of journals was conducted in locating articles published in journals from 2022 to 2000, for inclusion and based on relevance to the subject of interest,

Articles include met these criteria:

- 1.1 Focused on youth unemployment and apprenticeship;
- 1.2 Focused on youth unemployment and the informal sector;
- 1.3 Inclusion of the search items in the title/abstract;
- 1.4 Relevance of literature to the objectives of this study;

1.5 The internal validity of the body of evidence in the study is based on the research method adopted.

Based on these reviews, relevant data were extracted and synthesized. The overall findings are summarized in two areas in line with our research objective as stated.

5.1. Discussion of Finding

Youth Unemployment and Apprenticeship

The literature reviewed shows that Apprenticeship can significantly reduce unemployment in Nigeria. The study of Gerald, Ifeanyi & Phina, (2020) concluded that embracing apprenticeship is the most visible way forward in curbing the army of unemployment in the southeast region and Nigeria in general with little governmental support. Mary, (2021) also confirms that the Nwaboi apprenticeship system has the potential to significantly increase the level of entrepreneurial practices in Nigeria and can spearhead the socio-political and techno-economic sectors of Nigeria, Africa, and the world at large. Utilizing the Likert scale structural questionnaire in Anambra, Nigeria, Okwuowulu, (2022) revealed that the Igbo apprenticeship system has a positive and significant impact on the development of small and medium-scale enterprises in Nigeria. The study further recommends the modeling of such apprenticeship as a policy for the development of Nigeria and Africa. Adeyeye, Falola, Waribo & Akinbode, (2015) indicate that the apprenticeship system has positive significant impacts on employees' skill development in the informal sector and particularly in the printing industry in Lagos Nigeria using a Structural equation model.

Youth Unemployment and Informal sector

The literature reviewed shows that the informal sector can significantly absorb unemployment in Nigeria. The study by Onwo & Ohazulike, (2021) revealed that Nigeria's informal sector accounts for a significant portion of employment and covers over 90% of the developing countries' national gross domestic product. Abakpa, Kwajaffa & Tinyang, (2020) also confirm that the informal sector in Nigeria is continuing to grow and taking the position of the formal sector in terms of job creation, and wealth generation due to their profitable engagement in manufacturing activities. Farayibi, (2015); Yusuf, (2014); Fasanya & Onakoya, (2012) conclude in their study that the Nigeria informal sector can take all levels of workers irrespective of their education, and serve as a perfect tool for employment creation, income generation, and poverty reduction in Nigeria. Philip, Samson &

Haruna, (2013) explore the role of the informal sector as a strategy for reducing unemployment in Kogi State, Nigeria, and conclude that the informal sector is pivotal in the social-economic development of Nigeria.

5.2. Conclusion

The systematic analysis adopted by this study reviews that both apprenticeship and the informal sector can significantly reduce youth unemployment in Nigeria. One of the most prominent contributors to youth unemployment is the lack of current industrial skills and training as general education tends to focus on theoretical learning that doesn't match up with the current skills demand in the labor market. The gap between industrial skills demand and training will continue to result in unemployment for the youth, as firms will always choose someone or prefer someone with previous or similar work experiences ahead of other young graduates with no experience (Schoer & Rankin, 2011). Apprenticeship empowers apprentice with certain occupation skills, mentoring, current industrial ethic, and fund assistance for start-ups, leading to a reduction in youth unemployment as evident in the literature reviewed and the reasons for the increasing wealth of the Igbo ethnic group in Nigeria (Mary, 2021).

On the other hand, the informal sector of the economy will continue to open doors for small-scale businesses in respect of their gender, and educational attainment, and be a source of livelihood for most Nigerians (Farayibi, 2015).

5.3. Recommendation

Based on the findings of this study, the following recommendation will be suitable to harness apprenticeship and the informal sector to reduce youth unemployment in Nigeria:

1. A call for the modernization and the general acceptance of the traditional apprenticeship system for the Nigerian Youth as a means of enhancing the needed occupational skills demand. Apprenticeship is mostly viewed and practiced in the traditional setting where there is a lack of stable and common structure for the operation of the apprenticeship system in terms of durations, ethics, competency measures, and operating policies. Modernizing the apprenticeship system in Nigeria will create room for an accommodated innovational structure that will help enhance the overall impact of apprenticeship in empowering youth with occupational competency. On the other hand, youth orientation and the public perspective on the apprenticeship system need to change as it's the most visible way out of youth unemployment in Nigeria. Government should provide incentives

that will support apprenticeship practices in Nigeria, through financial support, public reorientation on apprenticeship, and policy initiatives in apprenticeship practices.

2. Other stakeholders such as NGOs, Parents, and religious organizations should partner in enhancing the practices of the apprenticeship system among the youth to empower unemployed youth and reduce future unemployment as the youth population is expected to increase speedily by 2050 (UNDESA PD, 2022).

3. Government and other stakeholders should provide support for the informal sectors that will gear up their operations and capacity to continue to absorb more unemployed youth from the formal sector of the economy. Business loans, business support, environmental support, and other policies inclusion should be customized to boost the informal sector for optimal performance.

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