

**CHARACTERISTICS AND DETERMINANTS OF URBAN YOUTH
UNEMPLOYMENT IN UMUAHIA, NIGERIA: IMPLICATIONS FOR
RURAL DEVELOPMENT AND ALTERNATIVE LABOUR MARKET
VARIABLES**

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ABSTRACT

Umuahia metropolis typifies a fast growing capital city in terms of population growth rate. Its population grew from less than 20,000 residents in 1991 to an estimated excess over a million at present. This astronomical growth in population followed the creation of Abia State in 1991 and the subsequent change in the status of Umuahia as a state capital territory. Following this tremendous rise in population, Umuahia North metropolis which is the core capital city now has a teeming population of youths, most of whom are unemployed. This study was conceptualized against the backdrop of the increasing social and economic problems associated with youth unemployment in the metropolis. Some effort was made to characterize youth unemployment in the city from the perspective of the socio-economic and labour market perceptions of a sample of 220 youths drawn from areas with varying residential configurations. The sample randomly included youths, unemployed and employed in order to provide some basic counterbalancing assessment of the situation. It was found that youth unemployment in the town shared common characteristics with that observed in several other cities in the developing world. In particular, age of respondent was found to be inversely related to level of unemployment, hence suggesting that unemployment in the city was most pronounced among youths. Educational attainment and job preference were interrelated variables which had direct relationship with unemployment level. It was particularly noted that majority of the unemployed and first-time job seekers preferred salaried employment to self-employment. This orientation, although deriving from the economic and human capital development realities of the country, could be retrogressive in a liberalized market-driven economy. The youths showed strong aversion to rural-residency for several reasons prominent among which were lack of employment opportunities and poor social and physical infrastructures. Some policy issues were raised to provide a basis for a stronger community-driven rural and agricultural development strategy and alternative labour market variables.

INTRODUCTION

In a context of declining growth and economic restructuring, the employment situation in Africa has become critical and labour absorption problematic. In particular, the problem of what is generally referred to as youth unemployment has increasingly come to be recognized as one of the serious socio-economic problems currently confronting many developing countries, especially those in Africa (Curtain, 2000; ILO, 1999). However, statistics showed that Africa, compared to other regions of the world has the largest segment of youth in her population being 36.7 percent in the year 2000 compared to 27.3 percent for the world (Curtain, 2000). In absolute terms; it is estimated that there are presently about 122 million youths on the African continent (Chigunta, 2002).

During the early years of independence in the 1960's and 1970's, young people did not pose a serious social problem. Unemployed youths were therefore not a major target for government and funding agencies. Since then, however, concerns have been rising over the socio-economic situation of young people and the prospects of creating additional livelihood opportunities for them (Gibson, 1990). Urban youth unemployment is an important dimension of the widespread unemployment which is a major problem facing Nigeria. With a stagnant economy and low economic growth rates, demand for labour has been declining resulting in high levels of urban youth unemployment (Okojie, 2003).

In Nigeria, since the early eighties, unemployment has assumed alarming and disturbing dimensions with millions of able-bodied persons who are willing to accept jobs at the prevailing rates yet unable to find placements (Onah, 2001). According to the Labour Force Survey conducted by the Federal Office of Statistics in December 1997, Nigeria had a

composite unemployment rate which stood at 3.2% compared with 3.4% in the corresponding period of 1996 (F.O.S., 2001). Similarly, the urban and rural unemployment rates declined from 6.1% and 2.8% in December 1996 to 6.0% and 2.6% in December 1997. The composite registered unemployment rate for December 1998 stood at 3.2% but declined to 3.1% in 1999, whereas the urban unemployment rate in December 1998 was 4.9% but increased to 5.8% in 1999. The rural unemployment rate declined from 2.8% in December 1996 to 2.5% in 1999 December. In December 2000, the composite unemployment rate increased to 4.7% and similarly the urban and rural unemployment rates increased to 7.2% and 3.7% respectively compared with previous years.

Comparatively, the survey results show clearly that urban unemployment is higher than rural unemployment. One of the causes according to Fadayomi (1992) was the inability to develop and utilize the nations manpower resources effectively, especially in the rural sector. This, however, resulted in a high rate of urbanization and an increasing number of youths migrating to urban areas seeking to participate in the booming commercial and other activities, thereby leaving agriculture to the aged (Usoro, 1997). Several Scholars and commentators on social and economic issues have canvassed a host of factors responsible for the high and ever-rising levels of urban unemployment. They are severally agreed that rural to urban migration of young and educated people is at the very root of it (Okonjo, 1974; Adepoju, 1986; Yotopoulos, 1991; Sarr, 2000, Onah, 2001, Otaki, 2003). This is an aversion response to the prevalent poor socio-economic conditions in rural areas. Most rural areas are characterized by gross inadequacy and often total lack of basic social and physical infrastructures, very low net returns to labour and capital, low life expectancy and various poverty linked characteristics that tend to have deep-rooted cultural underpinnings. (Okonjo, 1974; Adepoju, 1986;). Many research reports have given indications that this trend is worsened by the shortage of physical and financial productive assets and economic opportunities on one hand, and lack of human capital development facilities in many rural settings.

Apart from rural to urban migration, several other factors responsible for high urban unemployment have been identified. They include economic reform programmes that result to closure of companies and public establishments and staff retrenchment, as well as poor job attitude among the youth (Manning and Junankar, 1998).

Urban unemployment in Nigeria has affected youths from a broad spectrum of socio-economic groups, both the well and less well educated, although it has particularly stricken a substantial fraction of youths from low income backgrounds and limited education (McGrath and King, 1995). Youth employment is a crucial issue in Nigeria because the youth constitute a major part of the labour force and they have innovative ideas, which among other factors are important in the development process of the country. A large proportion of the youths, however is unemployed. The negative consequences include psychological problems of frustration, depression, hostility and gradual drift of some visible unemployed youths into all manner of criminal behaviour (Adebayo, 1999; Egbuna, 2001).

The issues that underline high urban youth unemployment in Nigeria have not been given serious attention as confirmed by some contemporary literature such as Okojie, 1994, 2003). Some of such issues can be summarized by the following research questions, which translate into the objectives that the study was set to achieve.

- (a) What are the socio-economic characteristics of the unemployed and employed youths alike?
- (b) What are the major forms of unemployment affecting youths?
- (c) Why do youths continue to migrate from diverse rural areas into the crowded and congested urban areas in spite of high and rising urban unemployment in the country?
- (d) What is the magnitude and direction of causality between urban youth unemployment and socio-economic variables

THEORETICAL FRAMEWORK AND LITERATURE REVIEW

Conceptual Issues: Urbanization, Youth and Unemployment

Okonjo (1974) characterized urbanization as a social process or change whereby a sizeable proportion of the population of a country lives in the cities. Onah (2001) observed that urbanization no longer denotes merely the process by which persons are attracted to a place called the city and are incorporated into its system of life; it rather refers to that cumulative accentuations of the characteristics distinctive of the mode of life which is associated with the growth of cities or urban areas, and finally to the changes in the direction of the mode of life recognized as urban which are apparent among people. Also, the new Encyclopedia Britannica (1995) defines urbanization as the process by which large a number of people become permanently concentrated in relatively small areas, forming urban areas.

From the foregoing, it can be deduced that urbanization denotes the movement of people from rural areas concerned chiefly with agriculture to other large urban areas whose activities are primarily centered on government, trade, manufacture or allied interest. According to Tacoli (1998) urban dwellers are thought to engage primarily in industrial production and services. In censuses and other statistical exercises, urban population is usually defined by residence in settlements above or below a certain size. In Nigeria, an urban center was defined for the purpose of the 1991 census, as a settlement with 20,000 or more people (Nigeria Migration and Urbanization Survey, 1993).

In Philippines, urban areas are defined by the national census as all settlements with a population density of at least 500 persons per square kilometer (Manning and Jayasunya, 1996). Urban areas are seen as places with relative abundance of blue collar jobs. Urban dwellers are thought to be well dressed, well fed and well exposed to modern civilization than rural dwellers. According to Zoomers and Kleinpenning (1996), the high cost of food and accommodation in the urban areas has resulted in high levels of daily commuting from peripheral villages, which show a strong involvement in the food chain in urban areas.

Urban areas have large-scale farms and enterprises, which could be public or private owned. Urban labour markets can be divided into formal and informal sectors (Mazumdar, 1989). Wages in the formal sector are relatively high and are in a sense protected from being negotiated downward by employers of lower-income labour in the urban informal sector. Mazumdar (1999) points out that the informal sector is easy to enter. The urban informal sectors include casual labour hired by the day, workers in fields like transportation and construction, owners of small establishments. The formal sector includes public and large-scale firms and private large enterprises, and public establishments.

Economic activities present in the urban areas promote the movement of people and goods from rural areas to urban areas. These economic activities lead to large markets for marketing of products in large quantities, exposure to people of different social and ethnic groups, availability of social amenities like good roads, good electrification, easier transportation, easier communication, good water supply facilities, good housing, proper sanitation, and so on.

According to Simelane (1995), the location of more service points supplying a variety of services to the urban areas attracts rural dwellers thereby contributing to rural-urban migration. The location of such service supply points for agricultural inputs and consumer goods in the rural areas will play a crucial role in rural development and thereby reduce rural urban migration which is the main cause of urban youth unemployment.

Henderson (2002) observed that a high degree of concentration – the share of large metropolitan areas in total urban population – characterizes the rapid urbanization in many developing countries today. The report further observed that developing countries today face greater urbanization challenges than developed countries faced. Developed countries urbanized at a comparatively leisurely pace. The United States was 40 percent urbanized in

1900, 70 percent in 1960 and 75+ percent in 1990. This gradual pace is in marked contrast with that in many developing countries. For example, the Republic of Korea was 40 percent urbanized in 1970 and 78 percent by 1990. What took the United States 90 years to accomplish took Korea 20 years and Brazil 30 years.

That gradual pace combined with relatively high gross domestic product (GDP) and education per capita at the beginning of the century, allowed time for the development of the political and economic institutions and market instruments essential for an efficient form of urbanization and a reasonable quality of urban life. These included mechanism for the internal government and financing of cities, intergovernmental arrangements, regulatory and financial instruments for intercity communications and transport networks, a civil service with technical expertise in urban and regional planning and service provision, and institutions for efficient functioning of national and local land markets. For rapidly urbanizing developing countries, the societal learning required to adapt rural institutions and governance to urban ones became a crash course, leaving little room for timely experimentation and adjustment.

The continuing debate on who is a youth has not resolved the confusion surrounding the concept. Not surprising, therefore, the concept of youth has been understood and used differently by different governments, non-governmental organizations and the public in general (Mkandawire, 1996). In an attempt to standardize youth programmes, international organizations, in particular the United Nations and the (British) Commonwealth Association of Nations have come up with specific age categories to define youth. For instance, the United Nations uses the age category 15-24 years to define a youth while the Commonwealth uses the age category 15-29 years. Most countries have either adopted the UN or Commonwealth definition. However, in Nigeria the age range 15-36 years is taken as representing the category of youth (NYAC, 1987). Sociologically, youth denotes an interface between childhood and adulthood (Chigunta, 2002). Youth in any society have the potentials to stimulate economic growth, social progress and overall national development.

The problem of defining unemployment has received attention in the literature as confirmed by Adebayo (1999.) Dantwala (1971) defined unemployment as a state in which people who can work are without jobs and are seeking for pay or profit. This definition gives rise to the problem of measurement, especially when we are interested in knowing the average rate of unemployment in the economy over a period of time. Falae (1971) considered such a definition too broad because some categories of people who are without work should not really be regarded as unemployed in any meaningful sense. Falae (1971) therefore pointed to the labour code prescription of lower and upper limits for the labour force in Nigeria and submitted that anyone who is unable to work is not counted as unemployed, even though he or she would love to work.

According to the Encyclopedia Americana (1995) unemployment literally applies to all persons without work and actively looking for work. Englama (2001) points out that the unemployment rate in an economy is the number of people unemployed expressed as a percentage of the total labour force. The total labour force is defined as the number of people employed plus the number of people unemployed within the age bracket of 18-60 years. Unemployment according to Adebayo (1999) exists when members of the labour force wish to work but cannot get jobs. Unemployment should however be seen as an indication of far more complex problems.

Various forms of unemployment have been identified and elaborated upon in the literature. These include seasonal, frictional, cyclical and structural unemployment (Todaro, 1992; Robert, 1993; Hollister and Goldstein, 1994; Sills 1995; Adebayo, 1999; Damachi, 2001).

Urban youth unemployment according to Onah (2001) stands for the conglomerate of youths with diverse background, willing and able to work in urban areas. This results in pressures of supply of labour over the demand for labour, thus causing joblessness. Given the lack of sufficient employment opportunities in the formal sector, young people are

compelled to engage in casual work and other unorthodox livelihood sources, often of a criminal nature (Gibb and George, 1990). In absolute terms, it is estimated that there are presently about 122 million youths on the African continent (Chigunta, 2002). Therefore projections of population growth into the 21st century indicate that the proportion of youths in relation to the overall population will continue to grow over the next twenty years. Todaro (1992) points out that the high rate of urban unemployment is as a result of continuous transfer of economic activities and youths from rural to urban areas. Nigeria today is plagued by a unique combination of massive rural to urban population movement, stagnating agricultural productivities and growing urban youth unemployment. This is as a result of unbalanced development.

Causes and Consequences of Urban Youth Unemployment

Generally, unemployment arises whenever the supply of labour exceeds the demand for it at the prevailing wage rate (Adebayo, 1999). Causes of unemployment can therefore be analyzed from both the supply and the demand sides of the labour market in Nigeria.

On the supply side, there is the rapidly growing urban labour force arising from rural-urban migration. Adebayo (1999) stated that rural-urban migration is usually explained in terms of push-pull factors. The push factors include the pressure resulting from man-land ratio in the rural areas, and the existence of serious underemployment arising from seasonal cycle of climate. The factors are further strengthened in Nigeria by lack of infrastructural facilities, which makes rural life unattractive. The pull factors include a wide rural-urban income differential in favour of urban dwellers and a presumed higher probability of securing lucrative employment in the cities. Added to these is the concentration of social amenities in the urban centers. This implies that the rural areas are neglected in the allocation of social and economic opportunities.

According to Sarr (2000), the United Nations report (1999), noted that youth migrants in Africa are three times more in number than other migrants. The report also added that the urbanization rate of the youth was 32 per cent in 1990, compared to less than 25 percent for the non-youth population. It is estimated that by the year 2010, over 50 percent of the youths in Africa will be residing in urban areas where job opportunities are limited to few modern sectors and establishments. In this respect, the United Nations recommends that programmes of integrated rural development and re-orientation of economic activity and social investments towards the rural areas need to be embarked upon to create an appropriate rural-urban economic balance.

Another supply factor facing Nigeria is rapid population growth. Going by the 1991 census, projections for the future indicate that the population could reach about 115 million by the year 2005 given the annual growth rate of 2.8 per cent (Adebayo, 1999). It is argued that the high population growth rate has resulted in rapid growth of the labour force which is far outstripping the supply of jobs. Goldstein and Hollister (1994) pointed out that the effect of the accelerated growth of population on Nigeria's unemployment problem is multifaceted. Firstly, it affects the supply side through a high and rapid increase in labour force relative to the absorptive capacity of the economy. Secondly, the increase in the number of children in the population presently implies a serious burden.

Other supply-side factors are what some experts describe as inappropriate school curricula and lack of employable skills. Several analysts argue that in so far as the formal sector is concerned, the skills that job seekers possess do not match the needs and demands of employers in Nigeria (McGraith and King, 1995). It is argued that Nigeria's education system, with its liberal bias, does not just over supply the labour market with graduates and school leavers, but also does not produce the type of skills demanded in formal employment. According to Manning and Junankar (1998), the total graduates out-turn by higher institutions in Nigeria which was 73,339 in 1986/87 rose to 131,016 in 1996/97. This substantial growth of higher education has been accompanied by increasing difficulties in finding suitable

employment by graduates in a variety of courses. This shows that there are imbalances between the supply and demand for these different categories of highly educated manpower. Therefore rapid expansion of our educational system first acts directly to increase the supply of educated manpower above the corresponding demand for them and consequently contributes its quota to the problem of urban youth unemployment in Nigeria (Adebayo, 1999).

Oni (1994) observed that high unemployment incidence of secondary school-leavers is a reflection of improper coordination of the educational system. Lambo (1987), criticized the government expenditure policy whereby most of government projects (industries and public utilities) were concentrated in urban areas at the utter neglect of the rural areas because of its tendency to encourage mass exodus of rural skilled and unskilled labour from villages into the urban centers thus causing urban unemployment.

Effects of Urban Youth Unemployment

The large-scale unemployment among youths is encouraging the development of street youths in Nigeria. The street youth, denied of legitimate means of livelihood, grow up in a culture that encourages criminal behaviour (Chigunta, 2002). The unemployed youths survive by engaging in various activities such as petty trading, casual work, borrowing, stealing, pick-pocketing, prostitution, touting and other illegal activities. Some have become drunkards others are on drugs such as marijuana and mandrax.

Bennel (2000) argued that urban society is becoming increasingly criminalized, especially with the proliferation of youth gangs. Several studies have shown that majority of prison inmates are youth aged 30 years and below. Also, delinquency, crime and drug abuse are on the increase among youths (Igbinovia, 1988).

Government Programmes Created to Combat Unemployment in Nigeria

One of the major aspects of development is provision of employment opportunities for the masses. It was in recognition of this and the social, political and economic implications of youth unemployment that president Ibrahim Babangida appointed a committee to deliberate on strategies for dealing with mass unemployment in January 1986. The recommendations of the committee resulted in the establishment of the National Directorate of Employment on the 22nd of November, 1986 (Adebayo, 1999).

Okojie (2003) added that an enabling decree, Decree No. 24 of 1989, gave the NDE legal backing and made it the national agency for tackling youth unemployment which is rampant in the urban areas.

The NDE mandate includes:

1. to design and implement programmes to combat mass unemployment;
2. to articulate policies aimed at developing work programmes with labour intensive potentials; and,
3. to obtain and maintain a databank on employment with a view to acting as a clearing house to link job seekers with employers of labour.

The NDE has four core programmes:

(1) **National Youth Employment and Vocational Skill Development Programme:** This programme was designed for youths in recognition of the fact that over 70 percent of the unemployed people in the country are youths who lack productive and marketable skill. Hence, four main schemes of this programme are concerned with skills acquisition.

- (a) **National Open Apprenticeship Scheme:** This was aimed at providing unemployed youths with basic skills that are needed in the economy. This is achieved by attaching them as apprentices to companies, ministries, parastatal and professional craftsmen and women. Some of them are given admission into vocational training institutions to learn a trade. Approved training organizations

and individual craftsmen are paid a fee for imparting their skills to the beneficiaries of the scheme.

- (b) **Waste-to-Wealth Scheme:** This scheme was designed to provide unemployed youths with simple basic skills that would enable them convert discarded materials like snail shells, coral, coconut shells and other scrap materials into valuable object like decorative items, toys etc. This scheme according to Adebayo (1999) discourages a culture of waste.
- (c) **The Disabled Scheme:** This scheme was initiated to bring the disabled into the mainstream of the gainfully employed. Many disabled people lack only ambulatory capability but usually possess full mental and manual dexterity. They can therefore be trained in high technology and information management skills such as assembly of electronic equipment and computer operations.
- (d) **School on Wheels Scheme:** This scheme was initiated in an attempt to extend the National Open Apprenticeship Scheme, which is predominantly urban-based, to the rural areas so as to check rural-urban drift of the rural based youths who did not have comparable training opportunities in their areas. This will therefore improve rural employment situations.

2. Agricultural Sector Employment Programme: This programme was designed to provide self-employment in agriculture to both graduates and non-graduates. Those who were interested in farming were given the relevant training and orientation. They are also provided with land and loans to start farming ventures. Thus, the programme was aimed at revamping agriculture and providing jobs for the unemployed. Two schemes were designed under this programme.

- a. **Graduate Agricultural Loan Scheme:** Participants in this scheme are holders of B.Sc, HND, NCE or OND certificates in agriculture.
- b. **School-leavers Agriculture Scheme:** This scheme was designed for secondary school leavers and those un-trained in agricultural methods. Those successfully passing out of the NDE training programmes in farm institutes are provided with a farm loan package.

3. Special Public Works Programme: This programme is designed to provide immediate temporary employment to a large number of the unemployed. Examples of the kinds of public works project being executed are:

- a Construction and maintenance of roads and other infrastructure
- b Environmental sanitation
- c Land clearing and other farm support services

4. Small Scale Industries and Graduate Employment Programme: This programme is designed to encourage and aid unemployed Nigerians to set up and run their own businesses. This programme helps the participants to translate their business ideas into viable commercial ventures. NDE conducts courses in entrepreneurship prior to making loans available to them through its job creation loan guarantee scheme. Another scheme under this programme is the mature people's scheme, which is targeted at those who are either retired or are preparing to retire from paid employment and willing to maintain an economically productive life.

According to Okojie (2003), the major problem of the programme has been inadequate funding, generally the problems identified with the programmes are acknowledged by the NDE. For instance in various NDE publications like NDE (2000), the directorate pointed to logistic problems and systems inadequacies. Specifically, participants in various schemes, being fresh graduates lack business ideas and experience, to run personal businesses. As a

result of business failure, some of them could not comply with the repayment terms of the various loans. In this case the sustainability of some of the schemes has been problematic. Besides, the modus operandi for involving several organizations such as banks, trainers etc, was not properly worked out.

Extent and Trends in Unemployment in Nigeria

Unemployment in Nigeria could be broadly divided into two main headings.

1. Open unemployment and 2. Underemployment or disguised unemployment

According to Lambo (1987), open unemployment is mainly associated with the urban areas of the country, while disguised unemployment applies to the rural agricultural zone.

Todaro (1992) described open unemployment to involve people who are able and often eager to work but for whom no suitable jobs are available, whereas underemployment or disguised unemployment is mainly for people who are normally working full time but whose productivity is so low that a reduction in hours would have a negligible impact on total output. According to Heckman et al, (1987) Labour Force Surveys have shown that the rate of unemployment is significantly higher in urban areas than rural areas. This is because rural areas usually have more self-employed workers whether in family farms or non-agricultural enterprises. This situation of rural areas is known as disguised unemployment.

METHODOLOGY

Study Area

The study was conducted in Umuahia North Local Government Area of Abia State. Umuahia North Local Government Area is situated in the state capital territory. It comprises three major locations: Ibeku, Ohuhu and the metropolis. To the East, Umuahia North is bounded by Bende Local Government Area, Imo State by the North West, Isuikwuato Local Government Area by the North and Ikwuano Local Government Area by the South. The local government area covers approximately 32300 sq. km in land mass, and is made up of 30 autonomous communities and 20 political wards that make for easy administration of the council area. Umuahia North is located within the tropical rain forest ecological zone of Nigeria and lies within longitude 05^o 29^oN and latitude 07^o 33^oE. It is 122 metres above sea level. The area is characterized by bimodal rainfall with one peak in July and the second peak in September. It has an annual rainfall of 2175mm and a relative humidity of 72%.

The status of Umuahia as the Capital of Abia State has made it fast growing in social, political and economic activities. As at 1991 Census, the total population of Umuahia North was 14,591, the projected figure in the year 2002 was 201,681 persons. Since the creation of Abia State in 1991, Umuahia metropolis has witnessed an unprecedented upsurge in population. Information obtained from Abia State Health and Population Agency suggests that Umuahia North Local Government Area may have a population of over million people at present. This population is made up majorly of civil servants, traders, artisans, people engaged in various forms of services, workers in the organized sector, and farmers who reside in peri-urban areas. The local government area is characterized by a large influx of school leavers and people migrating from adjoining and distant rural communities into the town in search of job opportunities.

The study was restricted to Umuahia metropolis to exclude sub-urban interferences in data quality. Multi-stage sampling procedure was adopted. The first stage involved a selection of survey locations based on residential population densities. The selection was purposefully done to include a cross-section of all perceivable social and economic segments of the city's population. This led to the selection of World Bank Housing Estate and Timber Road for their high residential densities. Umueze Road and Amuzukwu road were selected for having slum characteristics. Azikiwe Road and School Road were chosen as medium density areas, while Aguiyi Ironsi Layout was selected as a low density area.

At the second stage of the sampling, a random sample of 55 respondents was drawn up from each of the four sections. This gave a total sample size of 220 respondents. The survey was not restricted to unemployed youths, but also covered employed youths and youths involved in various forms of subsistence activities. It however excluded youths in school and full-time apprentices, and youths who were not resident in the city.

Data Requirement and Method of Collection.

Primary and secondary data were collected. Primary data were generated by means of a structured questionnaire instrument and direct observation where applicable. Data required for the study included certain relevant socio-economic characteristics of respondents, their unemployment and employment status, urban residency status and reason for migration to the urban center as well as job perceptions and preferences.

Secondary data were collected from research reports and other published materials. The National Directorate of Employment and the Federal Office of Statistics provided very useful information on unemployment and other related issues which helped in conducting the survey.

Data Analysis

Cross-tabulations, means and frequency distributions were used to analyse the first three objectives. The causal effect of socio-economic variables on the employment status of the sample was analysed by means of a logit model. The explanatory variables included in the model were gender, age, marital status, length of urban residency, dependency ratio of respondent's households, (for household heads only), years of formal education, current income and preferred employment. The logit model was used because the dependent variable (current employment status of respondent) was a dummy variable, which cannot be quantified.

The model is explicitly stated as follows:

$$Y=f(X_1,X_2,X_3,X_4,X_5,X_6,X_7,X_8)$$

It is explicitly stated as follows:

Linear function

$$\ln(P/1-P)=b_0+b_1X_1+b_2X_2+b_3X_3+b_4X_4+b_5X_5+b_6X_6+b_7X_7+b_8X_8+ e$$

Where

$$Y = \text{Employment Status (Unemployed} = 1; \text{Employed} = 0)$$

(Employment status was expressed as a probability function $(P/1-P)$, with P as the probability of being employed or unemployed. The higher the probability, the closer to unemployment which had unity value, and the lower, the closer to employment which was zero.)

X_1 = Gender (Male = 1, Female = 0)

X_2 = Age (Years)

X_3 = Marital status (Married = 1, Not Married = 0)

X_4 = Length of urban residency

X_5 = Dependency ratio

X_6 = Years of formal education (Years)

X_7 = Current income (N)

X_8 = Preferred employment choice (Paid employment = 1; Self-employment = 0)

b_0 = Intercept

b_1 to b_8 = Coefficients

E = Stochastic error term

RESULTS AND DISCUSSION

SOCIO-ECONOMIC CHARACTERISTICS OF THE SAMPLE

Economic Status of the Respondents

It was considered necessary to group the sample into various broad forms of economic activities, namely, (a) active (without any form of physical impairment), (b) employed; (c) unemployed; (d) not active; (e) under apprenticeship; (f) attending school. Table 1 presents a distribution of the sample according to these characteristics by gender.

Virtually all the respondents were healthy and active. Those (only 2-one male and one female) shown as not being active were however not such that could not learn a vocation. The data, as earlier stated in the methodology section did not include youths under apprenticeship and those in school. It did not also include those who were on temporary residency in Umuahia.

It is obvious from Table 5 that male youths outnumbered female youths in the sample. It is also clear that females and males had the same likelihood of being employed when their relative percentage employment ratios of 87.18% and 88.73% were placed side by side.

Table 1: Broad Economic Status of the Respondents

Status	Male	Percent	Female	Percent	All Sample	Percent
Total	142		78	100	220	100
Active	141	99.30	77	98.72	218	99.10
Employed	16	11.27	10	12.82	26	11.82
Unemployed	126	88.73	68	87.18	194	88.18
Not Active	1	0.70	1	0.13	2	1.00
Under Apprenticeship	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Attending School	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Source: Survey Data, 2004

Urban Residency Status and Perceptions among Respondents

Respondents comprised youths who had lived in the metropolis for varying lengths of time. Table 2 contains a summary of the years of permanent residency by employment status.

Table 2: Distribution of the Sample According to Length of Urban Residency in Umuahia North and Employment Status

Length of Time (Yrs)	All	Unemployment	Employed
1-5	78 (35.45)	71 (36.60)	7 (26.92)
6-10	61 (27.73)	58 (29.90)	3 (1.54)
11-15	42 (19.09)	38 (19.59)	4 (15.38)
16-20	17 (7.73)	13 (6.70)	4 (15.38)
21-25	11 (5.00)	9 (4.64)	2 (7.69)
26-30	7 (3.18)	4 (2.06)	3 (11.54)
31-35	4 (1.82)	1 (0.51)	3 (11.54)
> 35	Nil	Nil	Nil

Note: Values in parenthesis are percentages

Source: Survey Data, 2004

There had been a consistent growth in the population of youth in the metropolis for three decades now. The last 15 years however witnessed a very sharp increase in youth

population as Table 2 shows that over 72 percent of the sample had lived in the city for the past fifteen years. This period coincides with the age of the town as a capital city. It is also important to note that the population of unemployed youth also grew tremendously in proportion to the total youth population within the residency time ranges. In the case of unemployed youths there was no clear trend even though it appeared that those who lived in the town for only 1-5 years had the largest proportion of employed youths. What is clear, however, is that the older population, in this case represented by those who lived in the town, for 26 years and above, had much higher ratios of employed youths in their sub-sets when compared to other subsets.

Majority of the respondents were youths who moved into the town from their rural communities in search of means of livelihood. Quite a number migrated from other towns and resettled in Umuahia North. People in this category were largely those who migrated from the northern parts of Nigeria as a result of religious and inter-ethnic crisis in those areas.

Table 3 presents the reasons why the respondents preferred to live in the town despite very unfavourable employment situations. The results showed that an overwhelming majority of the respondents preferred urban residency because of the apparent greater job opportunities in cities. Perhaps it would be appropriate to direct more policy attention towards providing opportunities for youth employment in the rural sector. Poor physical infrastructures and social amenities was another strong reason why more than 57 percent of the respondents preferred to live in the urban centre notwithstanding the difficulties they encountered in securing employment. This agrees with Adepoju (1986) and Adebayo (1999) who pointed out

Table 3: Distribution of the Sample by Reasons for Urban Preference

Reasons for Urban Preference	Frequency	Percent
Lack of security in the village	39	17.73
Poor social and physical infrastructure	127	57.73
Lack of job opportunities	160	72.73
Marital reasons	14	6.36
Family dispute	16	7.27
Communal dispute	13	5.90
Poor quality of education	48	21.82
Used to urban life	36	16.36
General dislike for village life	63	28.64
Others	11	5.00

Note: Multiple responses were recorded.

The percentage were based on the sample size of 220.

Source: Survey Data, 2004

that Nigerian rural areas were neglected in the allocation of social and economic opportunities. It appeared that majority of the unemployed youths found consolation in the availability of several basic social and physical infrastructures in the city. This implies that lack of job opportunities and lack of infrastructural facilities were two mutually reinforcing problems that informed the youths' preference for urban residency. Therefore, the unfettered growth of urban unemployment through rural-urban migration has been a direct consequence of government's lopsided effort to promote both social and economic development of urban areas at the expense of balanced development of both rural and urban areas. What has been may appear quite obvious, but the fact remains that rural-urban migration is a crucial factor in youth unemployment because younger people are more mobile than adults. Age and mobility are widely recognised in the literature as inversely related (Bowles, 1970; Adepoju, 1986; Adebayo, 1999).

Age Distribution and Employment Status

Results in Table 4 show at a glance that out of the random sample of 220 youths in Umuahia metropolis, 194 were unemployed and 26 employed. This implies that the city had a labour market that could absorb slightly more than 10% of the resident youth labour force.

Over 80% of the youths who made up the unemployed sample were 30 years and below in age. The consistent drop in the share of age groups in the frequency of unemployed respondents suggests that Umuahia residents tended to be employed as they get older. It might therefore be logical to surmise from this observation that unemployment in Umuahia is predominantly a problem of the youths. The modal age range of 21-26 shown in the table further confirmed earlier indication in the literature that the bulk of the urban unemployed is found among very young and able-bodied youths. The 1996/2000 Labour Force Survey showed that urban unemployment was concentrated within the 15-24 age group (FOS, 2001).

The decline in unemployment rate with age does not necessarily suggest that older people in the study area were gainfully and satisfactorily employed. The survey showed that people became less choosy as they grew older and would like to engage in some sort of economic activity in order to attain self-dependence. There were several cases of older youths who took to jobs other than the ones they had earlier desired.

Table 4: Frequency Distribution of Respondents by Age and Employment Status

Age Group	Unemployed		Employed	
	Frequency	Percent	Frequency	Percent
15-20	73	37.63	-	-
21-26	65	33.5	4	15.38
27-32	40	20.62	7	26.92
33-36	16	8.25	15	57.69
Total	194	100	26	100

Source: Survey Data, 2004

Manning and Janankar (1998) had shown that the problem of youth unemployment in developing countries arose from two factors. Firstly, youths tended to have a set of social and economic criteria that determined their choice of job. Secondly, employers of labour, especially in the private sector, would usually show skepticism about employing young people in certain age brackets because of the inherent sociological problems. On the whole, the stress on the labour market arising from unfavourable macro economic circumstances has accentuated the levels of unemployment in the country. Vacancies for both skilled and unskilled labour have been on the decline, while the number of job seekers continues to grow astronomically (Adebayo, 1999, F.O.S. 2001).

Table 4 further shows a distinct reversal of the distribution of unemployed youths by age group. The frequency of employed youths rose as the respondents became older. This trend lends much credence to the findings of Okojie (2003) and to the foregoing observations on the results and the explanations so far given.

Distribution by Gender

Table 5 shows the frequency distribution of the respondents by gender and employment status. There were wide disparities in the gender distribution of the 220 sample of youths. Male respondents had a much greater proportion of both the unemployed and employed respondents alike than the female respondents. The gap was much wider in the case of unemployed youths, however FOS (2001) had found that a large gap existed between male and female rates of unemployment. Chigunta (2002) also pointed out that labour force participation was higher among male youths while that of female was extremely low as a

result of customary and social inhibitions that deter females from actively participating in the labour market.

Table 5: Frequency Distribution of the Sample by Gender and Employment Status

Gender	Unemployment		Employed	
	Frequency	Percent	Frequency	Percent
Male	126	65.00	16	61.54
Female	68	35.00	10	38.46
Total	194	100	26	100

Source: Survey Data, 2004.

Several reports show that poor educational background has been a major hindrance to female youth labour force participation (Adedeji and Osuagwu, 2001; Babalola and Adedeji, 1997; Longe, 1994). Apart from denial of access to higher education, there is preponderance of career-stereotyping along sex lines in the Nigerian higher education system. The result is that girls tend to choose disciplines that are perceived as having the capacity to enhance their household roles (Famujuro, 1986; Salami, 2001).

It was considered necessary to pool the data on age and gender distribution together so as to show age distribution of respondents by gender and the share of each segment in the total sample. Table 6 shows a consistent disparity in number and share of total sample between male and female respondents, particularly among the unemployed youths. The fact that male youths were a lot more in number than female youths does suggest that male job seekers tended to migrate more into the cities than females. This is consistent with the various explanations given on the low rate of female labour participation in the region and other parts of the developing world.

A slight change was observed in the 33-36 age range for employed youths where the number of female respondents (7) was quite close to that of male respondents (8). It is therefore noteworthy that the number of unemployed male youths was by far greater than the number of female youths in Umuahia metropolis.

Table 6: Age Distribution of the Respondents by Gender and Employment Status

Gender and Range	Unemployed		Employed	
	Frequency	Share of total sample	Frequency	Share of total sample
All				
Male	126	57.27	16	7.27
Female	68	30.90	10	4.55
By Age Range				
Male				
15-20	49	22.30	-	-
21-26	43	19.55	3	1.36
27-32	26	11.82	5	2.27
33-36	11	5.00	8	3.64
Female				
15-20	24	10.91	-	-
21-26	22	10.00	1	0.45
27-32	14	6.36	2	0.90
33-36	5	2.27	7	3.18

Source: Survey Data, 2004

Educational Status of the Respondents

Majority of the unemployed and employed youths completed at least secondary school. Cases of stark illiteracy (i.e. inability to read, write or understand very simple English language) were not common among the two sub-samples. The two sub-sets had a very impressive percentage of respondents who had tertiary education. It is particularly of note that both unemployment and employment alike increased with higher levels of educational attainment in the sample. Adepoju (1986) had observed that rural-urban migration in Nigeria was selective of age and level of education and that young educated people preferred to migrate to cities in search of employment and better quality of life.

This result suggests a continuing trend in which young school leavers migrate into cities in search of modern livelihood opportunities. Onah (2001) had pointed out that the Nigerian government had done well by placing much premium on mass education, but there was need to appreciate the fact that the educated would naturally migrate out of rural areas to urban centers. The result reinforces the position of Manning and Jayasunya (1996) that unemployment is a cyclical phenomenon whereby at the beginning of each year, scores of thousands of

Table 7: Frequency Distribution of Respondents by Years of Formal Education and Employment Status

Level of Education	Years Spent	Unemployed		Employed	
		Frequency	Percent	Frequency	Percent
No formal education	0	2	1.03	-	-
Primary incomplete	1-5	2	1.03	1	3.85
Primary complete	6	13	6.70	2	7.70
Secondary incomplete	7-11	15	7.73	-	-
Secondary complete	12	86	44.33	6	23.31
Tertiary	>14	76	39.20	17	65.38
Total		194	100	26	100

Source: Survey Data, 2004

secondary and tertiary level graduates migrate into urban centers and swell the labour market. Chigunta (2002) also reported that youth unemployment is concentrated among those who have received some education, because most educated youths prefer salaried employment in the formal sector. Sometimes a good number of them would even prefer to remain unemployed for an appreciable length of time until they get the job of their choice.

Occupational Status of Respondents

The employed sub-sample was grouped into the forms of primary occupation they were engaged in. This was intended to highlight the pattern of youth employment in the metropolis given the fact that it is predominantly a civil service town. The result is presented in Table 8. The unemployed sub-sample was included in the Table for purposes of ensuring completeness and for the obvious reason that the study is on unemployment.

A cursory look at Table 8 shows that youth employment in Umuahia North metropolis was quite negligible. There is no sector in the area that had taken a substantial proportion of the youth population in the city. It is quite striking that the proportion of urban youth engaged in productive ventures was quite negligible. For example, only 0.91 percent of the sample was engaged in artisanal activities, only 0.45 percent was engaged in professional services; and none in agriculture.

Table 8: Frequency Distribution of Employed Respondents by Reported Primary Occupation and Gender

Primary Occupation	Male	Percent share of sample	Female	Percent share of sample
Employed in the public sector	3	1.36	3	1.36
Employed in the corporate sector (organized private sector)	2	0.91	2	0.91
Employed in private liability firms	2	0.91	2	0.91
Trading	2	0.91	-	-
Contracting and supplies	1	0.45		
Artisanship	2	0.91	2	0.91
Transportation	2	0.91	-	-
Communication (Mobile Phone Services)	1	0.45	1	0.45
Professional Services	1	0.45	-	
Agriculture	-	-	-	-
Unemployed	126	57.27	68	30.91
Total	142	64.55	78	35.45

Source: Survey Data, 2004.

Civil service appeared to maintain a lead as the highest employer of job-seeking youths, but its absorptive capacity is quite negligible when the ratio is compared with the total sample. This trend cannot be sustained in the long-run as the economy becomes more privatized. It poses a serious challenge considering the imminent retrenchment that will go with the complete privatization of several parastatals.

In the last few years a number of male youths have seen the transportation sub-sector as a ready and more convenient alternative to artisanal and vocational occupation. A very large proportion of male youths in Umuahia North urban is actively engaged in this 'fast' money making enterprise. Many of them have become drivers and bus conductors, and very many are engaged in motorcycle transportation popularly known as 'Ina-aga' or 'okada'. A very large number is also involved in touting of all sorts. The larger population of male youths engaged in this informal sector and street trading has made the city to be full of 'street boys'. It is not difficult to see the negative short – and long-run consequences of this development. Apart from the social danger, it is not unlikely that Umuahia North urban, and indeed other cities, will lack tailors, carpenters, technicians in diverse areas, welders and so on in the rear future. A large number of male youths are quitting their vocations and joining this enterprise that is now in vogue. The survey could not really capture this segment of employed youths sufficiently because of the itinerant nature of their business.

At the time of the survey, the emerging mobile phone business had not gained as much patronage as it has in the last eight months or thereabout. This is another fast yielding enterprise with very easily affordable initial investment. The communication companies have devised several promotional packages to make the sub-sector attractive to youths, and very many of them are getting involved in it. This again poses a great challenge to economic development planning. The danger is that youths in the area may find it difficult to get involved in professional endeavours that tend to have 'long gestation' periods. Presently, youth involvement in the communication business appears to provide a palliative against the evils of youth unemployment. However, there is need to ensure that young people have a positive orientation towards skill acquisition and professionalism.

Although the 194 respondents who reported having no jobs were actually not employed in reality, yet some of them were temporarily or seasonally engaged in some economic activities. Such respondents indicated that they did not give full attention to the activity

because they needed time to go out in search of job. Some also indicated that such temporary or periodic activities helped them to augment the financial assistance they received from relations and friends. People in this category were included in the 194 unemployed respondents, but their temporary or periodic activities were regarded as secondary occupations. Some of those who had regular employment were also engaged in other activities as secondary occupation. Table 9 shows the distribution.

It is quite obvious from Table 9 that secondary occupation provided some temporary means of sustenance to a number of the respondents. It is clear that a lot of male youths left their artisanal occupations for transportation business, while a good number of female youths

Table 9: Distribution of Respondents by Reported Secondary Occupation

Secondary Occupation	Male	Percent Share Sample	Female	Percent Share Sample	All	Percent Share Sample
Employment in Private Firms	5	2.27	9	4.09	14	6.36
Trading	8	3.64	4	1.82	12	5.46
Contracting and Supplies	2	0.91	2	0.91	4	1.82
Artisanship	7	3.18	4	1.82	11	5.00
Transportation	14.4	6.36	-	-	14	6.36
Professional Services	3.3	1.36	1	0.45	4	1.82
Communication Services (Mobile Telephone)	11	5.00	14	6.36	25	11.36
No secondary occupation	92	41.82	44	20.00	136	61.82

Source: Survey Data, 2004

took to the general systems mobile (GSM) telephone business to cope with hardship. The trend observed in the distribution of the sample by secondary occupation did not differ so much from that of primary occupation. The only difference was that more people were engaged in the reported secondary occupations than in the primary occupations.

Marital Status of Respondents

Table 10 shows the distribution of respondents by marital status and gender. Most of the respondents were single. Unemployment may have made it difficult for the male respondents to marry early enough, even though indigenes of Umuahia area and most parts of Southeastern Nigeria do not really marry very early as is the case with those from the northern and western parts of Nigeria.

Table 10: Distribution of Respondents by Marital Status and Gender

Marital Status	Male	Percent share sample	Female	Percent share sample	All	Percent share of sample
Single	105	47.73	55	25.00	160	72.73
Married	36	16.36	23	10.45	59	26.82
Separated	-	-	-	-	-	-
Divorced	-	-	-	-	-	-
Widowed	1	0.45	-	-	1	0.45
	142	64.55	78	35.45	220	100

Source: Survey Data, 2004.

Income of Respondents

The annual income of respondents ranged from a least of N48,700 to a maximum of N816,000 for primary occupation, and N13,000 to N417,000 for secondary occupation. For the purpose of assessing income from various forms of employment, primary occupation was classified into (a) salaried employment in public and organized private sectors; (b) salaried employment in private firms; (c) self-employment in skilled labour; and (d) self-employment in unskilled labour. The nominal and percentage distribution of the sample by income ranges and employment category is shown in Table 11. It can be seen further that the public and organized private sectors had the largest numbers of primary employed youths in the sample. However, the income of youths primarily employed in these sectors was concentrated below N375,000 per annum. All the same, two out of the four highest income earners in the sample belonged to this sub-group. The two were engaged in the organized private sector.

No youth in the sample that was employed in private firms earned beyond N300,000 per annum. Anyone who earned as much as N300,000 per annum should have been a very skilled employee of very high rating, whose services are perhaps very crucial to the progress of the firm.

Self-employed skilled labour had a near even spread across the income ranges. Its least income range was N151,000 – N225,000 which indicates that a self-employed youth in skilled labour earned a minimum income that was at least two-and-half times the salary of a minimum wage earner in a public establishment. Those who trained as major professionals like architects, surveyors, lawyers, engineers, medical doctors, etc. also earned among the highest incomes reported.

Self-employment in unskilled labour had its income concentrated below N300,000. This was relatively high when compared with incomes earned by very skilled professionals who were expected to earn several multiples of unskilled labour income. A number of male youths were found to subsist comfortably on transportation, communication and trading businesses.

Among the secondary employment groups, self-employment in skilled labour also had the highest observed spread in income with a maximum reported income of over N400,000. However, majority of youths who had secondary employment was found among self-employed unskilled labour. Out of the 84 who were engaged in some secondary employment, 58 were those who had no primary employment, while the remaining 26 were all those primarily employed. This suggests a general situation of poor returns from employment both in salaried and self-employment.

Table 11: Income Shares by Occupational Type Nominal Sample Shares by Income Ranges and Regular Employment Type

Annual Income Ranges (N)	Shares in No. of Respondents by Employment Type						
	Regular Employment				Secondary Employment		
	Paid-emp. In public and org. Pub. Sect.	Paid-emp In private Firms	Self-emp In skilled Labour	Self-emp In unskilled Labour	Emp. In Private Firms	Self-emp In skilled Labour	Self-emp In Unskilled labour
<75,000	1	1		1	5	6	11
				3(11.50)			22(26.19)
76,000-1500,000	3	2		3	6	7	27
				8(30.76)			
151,000-225,000	2	1	2	1	2	6	6
				6(23.08)			14(16.67)
226,000-300,000	1	1	-	1	1	3	1
				3(11.54)			6(7.14)
301,000-375,000	1	-	1		-	1	-
					2(7.70)		1(1.19)
376,000-450,000	-	-	-	-	-	2	-
							2(2.38)
451,000-525,000	-	-	-	-	-	-	-
526,000-600,000	-	-	-	-	-	-	-
601,000-675,000	1	-	1	-	-	-	-
				2(7.70)			
676,000-750,000	-	-	-	-	-	-	-
751,000-825,000	1	-	1	-	-	-	-
				2(7.70)			
Total	10	5	5	6	14	25	45
	4.55*	2.27*	2.27*	2.73*	6.36*	11.36*	20.46*

Note: Values underlined are nominal and percentage shares of sub-sample (regular employment or secondary)

Values with asterisks are percentage share of sub-sample by occupational type.

Source: Survey Data, 2004

Household Live-in Population and Dependency Ratios (Household Heads only)

The household sizes and dependency ratios of respondents who were either married or heads of households were measured. It was found that such respondents headed households that were about 5 persons in number on the average. However, unemployed household heads reported an average of about 4 persons, while the employed had over 5 persons.

The respondents reported very high dependency ratios which included their urban and rural dependants. Both employed and unemployed had an average household dependency ratio of about 70%. There is no doubt that a high dependency ratio could be a serious hindrance to self-employment and profitable income diversification, because of high expenditures on family welfare. It could also deter a benefactor from taking advantage of human capital development opportunities that can enhance his/her labour market participation. These and related issues have been elaborated upon by von Braun *et al*, (1989) and Lahiri, (1989).

Previous Employment and Job Losses

In this section, report is given on the data generated from unemployed youths in the sample on previous place of work and reasons for leaving or losing job. Table 13 presents a summary of the share of sample by previous employment status. The results show that the sub-sample of unemployed youths was made up almost equally of those who had ever worked and first-time job seekers. The ever-employed had lost or left their previous jobs for several reasons, while the first-time job seekers were mostly young school leavers seeking

Table 12: Previous Employment Status of Respondents by Nominal and Percent Share of Unemployed Sub-Sample

Previous Work Status	Nominal and Percent Share of Sub-sample	
	Number	Percentage
Ever Employed	98	50.51
Public Sector	25	12.89
Private Sector	61	31.44
Self-Employed	12	6.18
No Previous Work	96	49.49
Seeking Salaried Work	71	36.60
Preparing for Self-Employment	21	10.82
Total (Ever Employed + No Previous Work)	194	100

Source: Survey Data, 2004

employment opportunities in public and private sectors. Quite few were youths who had finished a career in vocational or technical works training, and needed capital to start up their enterprises. This result suggests that both the public and private sectors did not guarantee job security. It is only known that structural reforms in the public sector naturally leads to job losses. The private sector in the study area and most urban cities in Nigeria can lay-off workers at the slightest signal of unfavourable business climate. The unskilled workers are most affected.

The reasons given by respondents for losing or leaving their previous work are summarized in Table 13. General retrenchment in both public and private establishments was the most serious cause of job losses among the respondents. This was also accompanied by certain unfavourable policies of government at federal, state and local government levels. Such policies include general public sector reform, sectoral or sub-sectoral reform, and sometimes some decisions taken by state and local governments in response to their peculiar circumstances. For example some state governments would not employ non-indigenes on a regular basis. Some would not even employ at all. In some public establishments owned by state governments the indigenes would always frustrate non-indigenes out of job. Lambo (1987) had stated that the structural adjustment programme (SAP) embarked upon by Nigeria

in the 1980s led to low demand for labour and increase in open unemployment. This was as a result of the contractionary economic policy of government which entailed a drastic cut in the size of public sector employees. In sum, government reform programmes that involve staff

Table 13: Nominal and Percentage Share of Ever Employed Sub-Sample by Reasons for Loss of Previous Job

Reasons for Loss of Previous Job	Nominal and Percentage Share of Sub-Sample	
	Number	Percent
Government Policies	7	7.14
Change in the structure of the Company	13	13.27
General Retrenchment	26	26.53
Introduction of New Technology	8	8.16
Fall in Demand for Produced Goods	8	8.16
Irregular Payment of Salary	21	21.43
Distant Transfer	5	5.10
Health Reasons	3	3.08
Others	7	7.14
Total	98	100

Source: Survey Data, 2004

rationalization would always end up in massive retrenchment. Rama (2002) pointed out that public sector downsizing adversely affected women more than men. However, Bale and Dale (1998) posited that staff retrenchment does not guarantee increased efficiency except other indices of performance such as accountability and efficient monitoring and coordination are taken into consideration.

The results show that youths were displaced as a result of structural shifts and introduction of new technology. Structural changes and introduction of new technologies are welcome development. They must be accompanied by temporary disequilibrium in manpower employment, but the long-run trade-offs are very relevant to economic growth. Manning and Junankar (1998) pointed out that change in the methods of production has its human cost in form of unemployment. This is because work that was previously done by many people can now be done by a machine at a much faster rate and with better quality of output. Adebayo (1999) suggested that such increased consciousness of technological transformation where human resources are abundant complicates unemployment problems.

Fall in demand in locally produced goods contributed to job losses. Stanlake (1999) referred to the resulting unemployment as international unemployment because it arose from a fall in demand for domestically produced goods in favour of foreign substitutes.

Job Preferences among Youths

Most job seekers preferred employment in the organized private sector. They would like to work in banks, oil companies, manufacturing companies, major marketing companies, and so on. A large proportion also preferred to work in the public sector. Those who would want to be self-employed were less than 10 percent. Lubyova (2001) observed a substantial waiting behaviour among the unemployed population in developing countries with particular reference to Sri Lanka. Education has also been associated with a choosy attitude in job seeking among youths (Manning and Jananhar, 1998; Echebiri, 2001). Unemployment that has to do with job preferences is referred to as search unemployment. It is best explained as

a situation in which people who are unemployed do not take the first job on offer but search for better paid employment (Stanlake and Grant, 1999).

Table 14: Nominal and Percentage Share of Unemployed Sub-Sample by Preferred Employment

Preferred Place of Work	Number	Percent
Public Sector	60	31.0
Organized Private Sector	97	50.0
Private Firms	13	7.0
Self-Employment	17	9.0
No. Preference	7	3.0
Total	198	100

Source: Survey Date, 2004

Reasons given by unemployed respondents for their preferred employment are summarized in Table 15.

Table 15: Nominal and Percentage Share of Unemployed Sub-Sample by Reasons for Preferred Job

Reasons for Job Preference	Number	Percentage of unemployed sub-sample (194)
Possess High Technical Expertise	19	9.79
Possess High Level Education	22	11.34
Geographical Convenience	39	20.1
Attractive Package	100	51.55
Prestige	49	9.79
Convenient Working Hours	46	23.71
Others	47	24.23

Note: Multiple responses were recorded

Source: Survey Data, 2004

A substantial proportion of the sub-sample had their preferences for reasons related to good pay package. A fairly large proportion also considered the time of work. People in this group were mostly females. It is disturbing that only a very low proportion preferred jobs because of their qualification and technical know-how. This could also explain why most job seekers would not prefer to be self-employed.

Reasons for Not Being Employed

The unemployed respondents gave their perceived reasons why they had not been employed. A summary of this is given in Table 16. Lack of godfather was given as the most important reason behind the inability of many youths to secure employment. Lambol (1987) pointed out that influence system is a major factor inhibiting access to employment in the modern sectors. This influence system of employment operates in such a manner that unless the potential employee knows somebody of importance he or she may not be able to secure a job compatible with his/her skill even when a vacancy exists.

Good educational qualification and possession of specialized skill are two major factors that make a job seeker very marketable. A substantial proportion of the sample acknowledged low educational qualification and low skilled knowledge as reasons behind their

inability to secure desired employment. This suggests that there is mismatch between the education and skills possessed by job seekers and what the economy demands. Manning and Jayasuriya (1996) had remarked that the policy prescription deriving from this type of situation is to reform the educational system and expand skill development. The high incidence of unemployment among secondary school leavers as shown in Table 7 is a reflection of improper coordination of the educational system at different levels to allow smooth transmission between tiers of education.

Table 16: Nominal and Percentage Share of Unemployed Sub-Sample by Reasons for Not being Employed

Reasons for not Securing Job	Number	Percentage unemployed sub-sample (194)
Do not have godfather	96	49.48
Lack of information about vacancies	19	9.79
Low skilled knowledge	51	26.29
Low educational qualification	92	47.42
Few vacancies	53	27.32
Have not seen job desired	35	18.04
Health reasons	3	1.55
Others	13	6.70

Note: Multiple responses were recorded.

Source: Survey Data, 2004

A number of respondents also alluded to insufficient job opportunities arising from paucity of vacancies. Umuahia does not have a large number of corporate organizations that could offer employment to young people.

ANALYSIS OF THE CAUSAL INFLUENCE OF SOCIO-ECONOMIC VARIABLES ON EMPLOYMENT STATUS

The essence of the analysis was to verify the empirical validity of the observed characteristics of the variables as highlighted in the descriptive statistical evaluation done in the previous sections. The result of the estimated logit model is presented in Table 17.

The result of the estimated logit model is presented in Table 17. The fitness of the logit model confirmed the validity of the selected variables as core causal socio-economic correlates of youth employment status in Umuahia North metropolis. The magnitude and signs of the coefficients agreed with *a priori* expectations and previous research results in Nigeria and elsewhere.

Six out of the eight explanatory variables showed very strong causal influence on the dependent variable (employment status of respondents). The non-significant variables were gender and length of urban residency. Even though they were insignificant so to say, their signs validated both the observed trends and *a priori* expectations, as well as showed that the data were reliable. Gender had a negative coefficient which implies that its relationship with employment status was inverse. Given the codes used for employment status and gender it means that the more gender tended towards feminine greater the level of youth unemployment in the sample. This inverse relationship confirmed the observed distribution of the sample by gender. Length of urban residency was negatively correlated with employment status, that is, the longer the respondents had lived in the city the more the likelihood of their being unemployed. This agrees with *a priori* expectation because the longer a person stays in

a place the more he/she becomes conversant with the place. Such a person will find it easier to take advantage of opportunities than someone who is new.

Table 17: Result of the Estimated Logit Model of the Influence of Socio-economic Variables on Youth Employment Status in Umuahia North, Abia State, Nigeria

Variable(s)	Coefficient
Constant	-9.4108 (-4.0819)*
Gender	-0.0859 (1.1484)
Age	-0.6144 (-2.9956)*
Marital Status	0.1906 (2.9596)*
Length of Urban Residency	-0.0314 (-1.176)
Dependency Ratio	0.2748 (3.3069)*
Years of Formal Education	0.7147 (3.0439)*
Current Income	-0.1528 (-3.3731)*
Employment Preference	0.3917 (3.1513)*
Model Probability	0.0001
Model Chi Square	20.3169
No. of Observations	220

Note: * = Significant at 1%

Figures in parenthesis are t-values

Source: Computed from Survey Data, 2004.

Age of respondent was very significant and inversely related with employment status. This agrees with *a priori* expectations based on empirical evidence in the literature. Lubyova (2001) observed that the probability of being unemployed declines as age increases. It also validated the data and confirmed that unemployment in Umuahia North metropolis was largely a problem of the youths. Marital status was also significant at 1 percent level with a positive coefficient which implied that the more married people in the sample the higher the level of unemployment. This is a bit difficult to explain. It might draw its credence from the strong direct relationship between unemployment and dependency ratio.

The positive sign of years of formal education shows that there was a direct causal relationship between years of education and unemployment. The higher the educational status the higher the rate of unemployment in the sample. The basic reason for this in the literature is that the highly educated are status conscious and choosy, and hence become more prone to search unemployment. The negative coefficient of respondents' current income agreed with *a priori* expectations. The dependent variable had both unemployed and employed youths, although the former were more in the sample. Employed youths' incomes and incomes earned by the unemployed who engaged in secondary employment were

included in the analysis. It was only logical that current income would decrease unemployment in the sample.

Preference for certain types of employment would limit the chances of a job seeker from getting employed. In the analysis, preference was grouped into preference for salaried employment (1) and preference for self-employment (o). The positive and significant influence at 1 percent level shows that the more the respondents in the sample who preferred salaried job the more the rate of unemployment. There are several theoretical and empirical reasons to confirm this. In Umuahia North metropolis there are scarcely any vacancies in public establishments, neither are there so many firms in the organized private sector that can readily employ people who prefer such job. Therefore, having preference for well paid salaried employment in the capital city only amounts to prolonging the period of unemployment.

CONCLUSION

Youth unemployment in Umuahia North metropolis has socio-economic and labour market underpinnings. The socio-economic characteristics of employed and unemployed youths alike related very strongly with employment status, hence suggesting that they deserve strong consideration in the overall labour market framework. It is clear from the analysis that unemployment in the city is a problem of the youths because unemployment tended to increase with a decrease in age of respondents. Education and job preference strongly increased youth unemployment in the area because of the resulting delay in securing choice employment.

There is no doubt from the results that youth unemployment in Umuahia North metropolis shares common characteristics with that existing in several places as shown in the literature. The difference might however be in the fact that the metropolis does not have a strong labour force absorptive capacity. Although this does not fall within the scope of the paper, it is nonetheless pertinent to state, based on knowledge, that such low absorptive capacity may negate the efficacy of certain policy directions that may have worked elsewhere. A workable labour-market framework, no doubt, must articulate the socio-economic characteristics of unemployed youths in regard to their causal influence on unemployment. It must equally incorporate some location-specific realities in order to achieve sustainability. It is on this premise that some suggestions are put forward.

POLICY IMPLICATIONS

In dealing with the problem of rural-urban migration and consequently, urban unemployment, government at various tiers must focus attention on checking rural-urban drift. However, a better way of preventing the exodus of youths to the urban areas in search of unavailable jobs is to embark on development policies which must involve the provision of social amenities and industries in the rural areas. Rural development in Nigeria has so far not been sufficiently thought of as an integrated programme of action directed at creating employment in rural areas. When rural development is thought out in the right perspective, it will be targeted to making rural life more comfortable, and providing opportunities for rural income diversification, while ensuring that a substantial youth population is profitably kept in agricultural labour force.

Farm labour supplies and issues relating to reviving the interest and active involvement of youths in agriculture remain a great challenge in southeastern Nigeria in particular and Nigeria as a whole. Studies have shown that agriculture is left in the hands of the old men and women in several communities. The reasons are well known and the challenges enormous. It is important to know the role of age, gender and education and rural-urban linkages in farm labour dynamics. The social and economic aspirations of youths should also be espoused and systematically knit into agricultural and rural development programmes in

the medium- and long-term. This will involve good policy design, programme planning and implementation, as well as monitoring and evaluation to ensure that set targets are on course.

Nigeria, and indeed, the rest of sub-saharan Africa cannot afford to continue treating the rural sector as a secondary sector, considering the vast economic prospects it holds for the region. The New Agricultural Policy and Integrated Rural Development Policy enunciated in the National Medium-term Investment Programme (NMTIP) under the Comprehensive Africa Agriculture Development Programme (CAADP) of the New Partnership for Africa's Development (NEPAD) should be reviewed to articulate special programmes that enlist direct youth participation in the strategic rural development framework. It is important that youths should be encouraged, as a target group to get involved as major stakeholders in agricultural and rural development programmes. Their abundant energies can be harnessed in special rural works through community-driven development schemes at local government levels. By being involved, youths will begin to acquire relevant skills in infrastructural development and maintenance services. They can thus be made to participate in the Rural Access and Mobility Project and several on-farm programmes. In addition to these, a well motivated youth participation in policy design and implementation, will raise consciousness and stimulate interest in agriculture and community based activities, and equally enhance capacity for rural youth advocacy in areas of felt need.

The results obtained in this study point to the need to review some human capital development and labour market issues that relate to youth unemployment. A realistic economic reform programme which achieves the desired shift from central planning to a liberalized market economy will likely change the labour market orientation from paid employment in the public and organized private sector to self-employment and employment in private firms.

The danger inherent in the present public sector orientation is that workers who may lose their jobs as a consequence of liberalization and public ownership divestiture will find it very difficult to cope with the emerging competitive sectors of the economy. They may however manage to cope after a long period of waiting to find new employment. This could make government to hesitate or slow down in implementing the reform programme. The aversion for employment in the private sector explains the absence of an institutional framework to guarantee job security and implementation of minimum wage through collective bargaining. What is obtainable so far is a lackluster implementation of minimum wage agreements between government and labour unions, hence government cannot be effective in ensuring compliance in the private sector. In reality, there is need to evolve a workable labour pricing mechanism which must emerge with the anticipated total liberalization.

The mismatching that arises from the incompatibility of job-seekers' qualifications and practical skills with the expectations of firms is a major problem that requires serious long-term planning. Education must cease to be seen as an end. Education should create employment and equally enhance the quality, employability and practical capacity of the labour force. It is therefore very important that the education system in Abia State and other states of the Nigerian federation should be restructured to take cognizance of the current emphasis on self-employment and self-reliance. This will entail an educational system that de-emphasizes paper qualification and lays much premium on technical know-know and intellectual property.

Programmes targeted at encouraging self-employment among youths in Abia State and Nigeria as a whole have been designed and implemented on adhoc basis, often times to achieve some temporary political objectives. This has only resulted in a multiplicity of youth employment schemes that have not actually popularized self-employment orientation among youths. It is advocated that vocational and technical works should be given due emphasis in youth employment programmes. Perhaps a multisectoral approach involving technical, financial, marketing and insurance components can be put in place to ensure sustainability.

Urban unemployment in Nigeria has been worsened by lack of urban specialization in major economic activities. Despite the unprecedented growth in urban population, there is

absolute lack of effective planning to encourage specialization which goes with external economies of scale and increased productivity in particular economic enterprises. The positive spillover of technical expertise and marketing information raises production and builds efficiency into the industry. This will require some strategic planning and programme implementation with a set of incentives and enabling environment to attract certain enterprises in Umuahia.

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