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INDICATORS OF UNEMPLOYMENT AND THEIR EFFECTS ON SOCIAL AND ECONOMIC DEVELOPMENT IN BAUCHI CENTRAL SENATORIAL DISTRICT

Anas Yakubu Department of Public Administration, Sa'adu Zungur University, Bauchi State
Naziru Mohammed Musalli Department of Public Administration, Sa'adu Zungur University, Bauchi State
Yusuf Abdu Yusuf Department of Public Administration, Sa'adu Zungur University, Bauchi State

Abstract

The study examines the indicators of unemployment and their effects on social and economic development in Bauchi Central District. The problem of unemployment in Nigeria is a very serious issue of concern. Each year, numerous graduates emerge from higher institutions in Nigeria, facing a dearth of job opportunities. The Study utilizes data from questionnaires that were distributed in three selected local governments of Warji, Darazo, and Ningi. 384 Samples were generated using Kresic and Morgan Sample table and the study successfully retrieved 349 questionnaires. SPSS was used in data screening and analyses ere Correlation, and regression analysis were run to measure indicators of unemployment and social and economic development. The findings reveal that poverty has a significant and positive influence on social and economic development ($\beta = .492$), level of literacy has a positive influence on social and economic development at ($\beta = .544$), government policy has a significant influence on social and economic development at ($\beta = .721$) and corruption has a positive influence on social and economic development at ($\beta = .112$). The study recommends that government should reduce level of poverty, literacy, corruption so as to reduce level of unemployed youths.

Keywords: Corruption, Government Policy, Level of Literacy, Poverty, Unemployment.

1. Introduction

The global concern of unemployment is escalating, with a particular focus on its severe repercussions in developing nations, as highlighted (Wamukonya, 2019). As of 2017, Nigeria's unemployment rate is reported to be 69.7%, according to the National Bureau of Statistics. In fact, Feridum and Akindele (2018); George and Oseni (2020); Ezie (2019) and Ede, Ndubisi, and Nwankwo (2018), Unemployment is recognized as a significant and multifaceted challenge impeding Nigeria's economic progress. Scholars, policymakers, and various stakeholders (Bello, 2021). Historical economic scholars emphasized the drawbacks of unemployment and its associated consequences, highlighting the undesirable nature of this phenomenon (Njoku & Ihugba, 2021).

The problem of unemployment in Nigeria is a very serious issue of concern. Each year, numerous graduates emerge from higher institutions in Nigeria, facing a dearth of job opportunities. This challenge impacts youths across various socioeconomic backgrounds, affecting both the educated and non-educated, with a pronounced impact on those hailing from low-income families. Faced with a scarcity of employment prospects and an uncertain future, young Nigerians find themselves compelled to explore unconventional means of livelihood, while some resort to irregular and sporadic casual work (Owugbosia, 2019).

In general, unemployment in Bauchi State predominantly impacts youths across diverse socioeconomic segments, encompassing both well-educated and less-educated individuals. However, a

significant proportion of youths from low-income backgrounds and limited educational attainment bear a particularly heavy burden. The evident consequence is that unemployment, particularly among graduates, hinders the advancement of Bauchi State on multiple fronts. Beyond the economic implications, it poses a threat to political stability, amplifying the challenges posed by this issue (Ipaye, 2019). It is distressing to observe that Nigerian graduates face limited prospects of securing meaningful employment. The country's economic situation further compounds this issue, as it struggles to absorb a substantial portion of its own educational output. The paradigm has shifted from the past when employers actively sought employees; now, it is the job seekers who navigate from one office to another in search of scarce employment opportunities. Many studies have focused on unemployment (Dabalén & Adekoka, 2018), youth unemployment (Uwem & Ndem, 2019), higher education and the demand for manpower (Ugwonah & Omeje, 2020), Labor market distortions, (Godwin and Johnson, 2012). This study singles out the graduate unemployment in Nigeria for critical analysis and emphasis on the socio-economic implications. Studies such as Folayan (2017), Fajana (2019), Diejomaoh (2019) show that unemployment in Nigeria was not a serious problem before and after the civil war (1967-1970).

2. Literature Review

2.1 Conceptual Issues

Concept of Unemployment

Unemployment occurs when people are without jobs and they have actively sought for job within the past four weeks (ILO 2017). Fajana (2020) described unemployment as a scenario in which individuals, possessing the willingness and capability to work, face challenges in securing appropriate paid employment. (Patterson et al, 2016) characterized it as a circumstance where individuals willing to work at the existing wage rate struggle to secure employment. Viewed as a macroeconomic issue, it falls under the purview of every responsible government to oversee and regulate. A direct correlation exists, as highlighted by the author, between a higher unemployment rate in

an economy and elevated levels of poverty along with associated welfare challenges. Unemployment is one of the developmental problems that face every developing economy in the 21st century, and Nigeria is not exempted. Its impact is felt more by the youths, leading to youth unemployment.

In terms of scope, Okafor, (2021) observed that unemployment is a global trend, but occurs mostly in developing countries of the world, with attendant social, economic, political, and psychological consequences. Thus, Oyeade, (2020) added that Extensive youth unemployment within a nation serves as an indicator of intricate challenges. In the case of Nigeria, the unemployment scenario can be classified into two main groups: the seasoned unemployed, who have lost jobs due to retrenchment, redundancy, or bankruptcy; and the younger unemployed, many of whom have yet to experience gainful employment.

Furthering the discussion are scholars such as Echebiri, (2018) Gibb and George, (2019) and Onah, (2020). The individual who articulated the concept of youth unemployment characterized it as the assembly of young individuals with varied backgrounds, possessing the readiness and capability to work, yet facing challenges in securing employment. This disparity between labor supply and demand results in both joblessness and unemployment. In light of inadequate employment opportunities within the formal sector, youths may find themselves compelled to resort to informal work and unconventional means of livelihood, consequently experiencing a state of underemployment. According to statistics from the Manpower Board and the Federal Bureau of Statistics, Nigeria has a youth population of 80 million, representing 60% of the total population of the country. 64 million of them unemployed, while 1.6 million are under-employed. The data on youth unemployment showed that the largest group of the unemployed is the university graduates. There are also 40% unemployment rate among urban youth aged 20 - 24 and a 31% rate among those aged 15 - 19. Two-third of the urban unemployed ranges from 15 – 24 years old. Additionally, those with education but without employment tended to be young males with minimal dependents. The number of

university graduates is relatively low, and there is a decrease in job expectations for graduates. Unemployment rates in Nigeria do not exhibit a consistent trend; an upswing in one or two years is occasionally succeeded by a decline in the subsequent years (Okafor, 2021).

3. Methodology

The study utilized survey as a research design, this design is chosen because the study seeks information for broader generalizations. Positivist was employed as a research philosophy; this is chosen because it gives room for generalization. Generalization is possible when positivism is used to evaluate ideas that represent cause and effect relationships between constructs derived from theories or actual facts (Cresswell, 2012, 1994; Neuman, 2006; Babbie, 2013). (Bryman& Bell, 2007; Creswell, 2012). The population for this study consists of three selected local government Warji LGA,

Darazo LGA, and Ningi LGA which gives a total of 362,043 from the three selected LGA. According to Krejcie and Morgan (1970) the sample size of total population of 100,000 and above is 384 using 95% confidence.

For the analysis of quantitative data in the study, multiple regressions was employed using Statistical Package for Social Sciences (SPSS) version 21 to test the theoretical model (Lowry & Gaskin, 2014).

4. Result and Discussions

This section dwells on the discussion of findings on indicators of unemployment in Bauchi central senatorial zone. The findings were divided into three, correlations analysis, regression analysis and discussion of the findings.

4.1 Correlation of Constructs

		TP	TLL	TGP	TC	TSED
TP	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	349				
TLL	Pearson Correlation	.442**	1			
	Sig. (2-tailed)	.000				
	N	349	349			
TGP	Pearson Correlation	.606**	.876**	1		
	Sig. (2-tailed)	.000	.000			
	N	349	349	349		
TC	Pearson Correlation	.930**	.701**	.760**	1	
	Sig. (2-tailed)	.000	.000	.000		.000
	N	349	349	349	349	349
TSED	Pearson Correlation	.082	.880**	.815**	.361**	1
	Sig. (2-tailed)	.127	.000	.000	.000	
	N	349	349	349	349	349

** . Correlation is significant at the 0.01 level (2-tailed).

Table 1 shows that the correlations between the exogenous latent variables were clearly below the multicollinearity benchmark of 0.90, which can be interpreted that the exogenous latent variables were independent and not highly correlated. Hence, table 1 above revealed the correlation matrix of the exogenous variables has standard correlation values. This normality is because the relationships between variables were below .90 values.

Table 2: Regression result

Model Summary									
					Change Statistics				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change
1	.993 ^a	.987	.987	.469	.987	6514.704	4	344	.000

a. Predictors: (Constant), TC, TLL, TGP, TP

b. Dependent Variable: TSED

Source: The Researcher (2024)

Table 3: ANOVA Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5728.855	4	1432.214	6514.704	.000 ^b
	Residual	75.626	344	.220		
	Total	5804.481	348			

a. Dependent Variable: TSED

b. Predictors: (Constant), TC, TLL, TGP, TP

Table 4: Summary of Regression Results

Variable	Beta	T Statistics	Significance at two tail	Decision
Constant		5.554	.000	Supported
TP	.492	16.134	.000	Supported
TLL	.544	25.686	.000	Supported
TGP	.721	46.671	.000	Supported
TC	.112	3.052	.002	Supported

Source: The Researcher, (2024)

The table 4 above shows that there were 4 independent variables such as poverty, level of literacy, Government policy and corruption were inputted into the regression model. The model generates a computed R (.993) which explains the correlation of the 4 independent constructs with the dependent construct after all the inter-correlations among the independent constructs are taken into consideration. The output further revealed an R-square (R²) of .987 which explained the variance of the independent variables on the dependent construct. This means that the 4 independent constructs had formed and explained the phenomenon of unemployment and social and economic development with 98% of variance explained capacity in the model. Although, there is no hard rule to the acceptable level of R-square (R²) because it is determined by the complexity of the model and nature of the phenomenon of study (Hair et

al., 2014). Nonetheless, Murphy, Myors and Wolach (2014) opined that an R-square at .25 is large, at .10 is medium and at .01 as weak. Similarly, Hair et al. (2014) further argued that an R-square at .20 is high in the behavioral studies. Therefore, it can be deduced here that this study has achieved a significant 'high' level of R-square at .98 in explaining the variance of the predicting constructs in relations to the dependent construct of social and economic development in the model. This further means that 2% of the variance (R Square) in Unemployment has significantly explained by the 4 independent constructs. Furthermore, the generalization of this model to the samples of the population was at the level of (0.200 = adjusted R square), The F-test show that the model of poverty, level of literacy, government policy and corruption is significant at 65.704, p=0.00 significant level. Overall, the result shows a significant prediction of

independent constructs to the dependent construct. But do not reveal the individual constructs contribution to the dependent construct, thus, weaned to check on beta and p-values (Green & Salkind, 2008). Hence, among the 4 independent constructs that are statistically significant at two tailed are poverty; $p=0.00$, level of literacy; $p=0.00$ level, government policy; $p=0.00$ and corruption, $p=0.02$ level.

The output of the regression analysis further revealed that poverty has a significant and positive influence on social and economic development ($\beta = .492$), level of literacy has a positive influence on social and economic development at ($\beta = .544$), government policy has a significant influence on social and economic development at ($\beta = .721$) and corruption has a positive influence on social and economic development at ($\beta = .112$).

5. Conclusion and Recommendations

It is evident and clear from the findings that number of youths that are unemployed is highly alarming, and it affects the social and economic activities of the zone leading to redundancy and this was determine by the level of poverty, level of literacy, corruption and government policy.

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- Based on the findings of the study the following recommendations were made to reduce the level of unemployment in Bauchi Central Zone:
- i. Bauchi State Government and local governments in Bauchi Central zone should create skill acquisition centers as to empower youths to be productive and this will increase economic activities in the zone.
 - ii. Bauchi State Government should lift embargo on employment as to open room for employment in the state.
 - iii. Measures should be put in place to reduce the level of corruption in employment process.
 - iv. Government should revive industrial sector that could provide job teeming youth to the population of the unemployed youth.
 - v. Unemployed youth should be support by the government either by financial assistance or equipment to participate in farming activities.
 - vi. Anticorruption agencies like EFCC, ICPC should be encouraged to arrest and prosecute in government official found embezzlement of public funds to foster development.
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