

YOUTH UNEMPLOYMENT AND POLITICAL STABILITY IN NIGERIA: A POLITICAL ECONOMY ANALYSIS

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ABSTRACT

This study investigates the complex link between youth employment and political stability in Nigeria, concentrating on Bida, Niger State. With Nigeria having significant issues with youth unemployment, this study uses both descriptive and regression analysis to investigate the relationship between these two occurrences. Drawing on the structural functionalism theoretical framework, the study investigates how various factors such as labor market dynamics, economic conditions, governance structures, social service availability, and investment confidence contribute to youth employment and its implications for political stability. The research, which uses survey data obtained from 384 respondents using random sampling procedures, indicates a substantial positive link between political stability and parameters such as social

service availability, government action, and investor confidence. Economic factors, on the other hand, show a negative and negligible link with political stability, indicating that bad economic conditions have a detrimental influence on youth employment and political stability. These findings highlight the importance of competent governance, investment development, and social service provision in reducing youth unemployment and promoting political stability in Nigeria.

Keywords: Nigeria, Political stability, Regression analysis, Structural functionalism, Youth unemployment

1.0 Introduction

Nigeria, a populous and resource-rich nation in West Africa, grapples with the complex interplay between youth unemployment and political stability. Youth unemployment is one of the most pressing problems any economy could experience, in view of its undesirable consequences. This is bedeviling the lives of Nigerian youth causing frustration, dejection and dependency on family members and friends who also have their own problems to contend with. Unfortunately, as the youth population grows, so does the unemployment rate. In fact, unemployed youth in Nigeria numbered about 11.1 million in 2012 (Akande, 2014). National bureau of statistics figures revealed that out of a total youth labour force of 38.2 million, representing 48.7% of the total labour force of 78.48 million in Nigeria, 15.2 million of them were either unemployed or underemployed in the first quarter of 2016, this represented a youth unemployment rate

of 42.24%. Youth unemployment rate in Nigeria averaged 21.73% from 2014 until 2017, reaching an all-time high of 33.10% in the third quarter of 2017. The labour statistics report of Nigeria in the fourth quarter has shown that there is 7.9 million Nigerian youth aged 15-34 that are currently unemployed, 61.6% of Nigerian youth are unemployed National bureau of statistics says (Taiwo, 2017). The problem of youth unemployment is very evident in Nigeria, but especially severe in the Northern part of the country.

Recent trends in many parts of Nigeria exhibit clear cases of violence, civil unrest and other delinquencies by young people as a result of unemployment. Youth involvement in illegal activities such as kidnapping, drug trafficking, political thuggery, militancy and human-trafficking keeps rising daily. Nigeria has an abundance of both material and human resources, but the real sectors particularly agriculture and manufacturing are

performing poorly and unable to absorb the growing population, thus, explaining why so many youths remain unemployed. The relationship between youth unemployment and political stability is multifaceted. On one hand, persistent unemployment among the youth can fuel grievances and resentment towards the government, leading to protests, civil unrest and even political violence. On the other hand, the inability of governments to address youth unemployment effectively can erode trust in democratic institutions and undermine the legitimacy of the ruling regime. This, in turn, can fuel political instability, weaken governance structures, and impede the nation's overall development trajectory. Low political stability can be defined as the tendency of government collapse that could happen because of civil conflicts or competition between political parties (Hussain, 2014) as cited by (Milasaite & Micic, 2020).

Moreover, youth unemployment can exacerbate existing inequalities and deepen feelings of marginalization and alienation among young people. This sense of injustice and lack of opportunities can fuel resentment towards the authorities and contribute to a breakdown in social cohesion. Thus understanding the linkages between youth employment and political stability is

imperative for formulating effective policy interventions and fostering inclusive growth and stability in Nigeria. Previous studies (Nwokike, 2022; Abdullahi & Saka, 2023; and Okafor, 2011 to mention but a few) mainly reviewed related literatures as their source of data. Also, some studies (See Ugal, Nwagbara & Uyang, 2011 and Emeh, 2012) have employed survey design used the descriptive statistics in analyzing their data. However, this study will build on the literature by employing both descriptive and regression analysis in investigating youth employment and political stability nexus in Bida, Niger State.

Research Questions

1. To what extent does political stability impact on youth unemployment in Nigeria?
2. What are the causes of youth unemployment and the implications for political stability in Nigeria?

Research Objectives

1. The objective of the study is to examine the impact of political stability on youth unemployment in Nigeria. By examining the interplay of factors such as economic situations, labor market dynamics,

governance structures, social services and investment confidences.

2. The study aims to provide insight into the causes of youth unemployment and its implications for political stability in Nigeria.

Research Hypothesis

$H_0=$ There is no significant relationship between youth unemployment and political stability.

2.0 Literature

2.1 Theoretical Framework

This study adopts the structural functionalism theory. Functionalism grew out of the writings of English philosopher and biologist, Herbert Spencer, who saw similarities between society and the human body. He argued that just as the various organs of the body work together to keep the body functioning, the various parts of society work together to keep society functioning (Diago,2020). This theory examines how different parts of a society contribute to its stability or instability. It could help analyze how youth unemployment disrupts the functioning of society and its institutions, leading to political instability. Structural functionalism theory provides valuable insights into the relationship between youth

unemployment and political stability. The theory views society as a complex system with interconnected parts that work together to maintain stability and order. When applied to the context of Nigeria, structural functionalism can help analyze how youth unemployment disrupts the functioning of various societal institutions and contributes to political instability. The absence of productive employment for young people can challenge the stability of political institutions. Disenfranchised youth may become disengaged from the political process or may actively protest against the government, leading to political instability. However, this theory has been criticized for its inadequacy to explain why dysfunctions continue to exist if they do not serve a societal function, which opposes the theory's fundamental premise.

2.2 Empirical Review

Demeke (2022) investigates the effect of unemployment on youth on political instability: evidence from IGAD member countries. Employing the fixed effect model, instrumental variable fixed effect model and one step system GMM estimation on dynamic panel data, the result revealed that there is a significant effect of youth unemployment on political instability in

IGAD member countries. However, Okafor (2011) reviewing related literatures tried to identify the main causes of youth unemployment in Nigeria. The study reveal that many anti-social activities such as political thuggery, militancy, restiveness and social vices evident among the unemployed and jobless youth are real dangers to the stability of democracy in Nigeria. Contrary to this, Ugal, Nwagbara & Uyang (2011) tried to examine the consequences of youth unemployment in Calabar, Nigeria adopting the survey design. The study finds that many social problems in the nature of crime, prostitution, hunger, poverty and general structural inadequacies are mainly the consequences of unemployment among youth.

Nwokike (2022) reviewing past literatures tried to examine poverty and unemployment in Nigerian youth as a tool used by politicians to perpetuate dominance in politics. However, findings from the study shows that unemployed youth are taking up arm against the state and its citizens, resulting in dangerous protests such as Endsars etc. The study suggests that government address the issue of the capital development deficit, revolutionize sector and instill sound morals and patriotism in its youth.

Abdullahi & Saka (2023) tried to investigate the challenges involved in unemployment through democracy consolidation in Zamfara State, Nigeria. Haven reviewed past literatures, the paper argues that monetization of the political process by political parties where nomination forms are bought at exorbitant rates has rendered the youth inactive.

Emeh (2012) tried to find out how Nigerian government has fared in engaging youth unemployment with youth development and empowerment packages in Lagos State. Using both primary and secondary data and employing descriptive statistics in analyzing the data, the study found that there is high youth unemployment in Lagos State owing from influx of people from all over the country. The study recommends empowerment of youth in curbing this problem. Similarly, employing both primary and secondary data as well. Ononogbu, Chiroma, Nche and Ononogbu (2020) examined the link between high level of youth unemployment and the rising tide of violence and political unrest. The result showed that youth unemployment was on the increase and government effort alone were inadequate to solve it, thus, recommending theology and social sciences intersection in solving the rising crime rate.

3.0 Methodology

3.1 Data, sampling technique and sample size

The study adopts the survey design. Data was sourced via administering questionnaires and conducting interviews to the residents of Bida, Niger State. Researchers conduct a cross-sectional survey to collect information from a target audience at a particular time interval (Owens, 2002).

Random sampling technique was adopted, thus, questionnaires were administered randomly to individuals from different age brackets in Bida. A sample size of 384 was arrived at using the Cochran's sampling size formula:

$$n = \frac{n_o}{1 + \frac{(n_o - 1)}{N}}$$

$$n_o = \frac{Z^2 pq}{e^2}$$

Where P= proportion of attribute presented in population, Q =1-P, e = Margin of error, N= population size, n_o = Cochran's sample size recommendation, n= new adjusted sample size, Z value = 1.96 (for 95% confidence level).

Hence,

$$\frac{1.96^2 (0.25)}{0.0025} = 384.160$$

$$\frac{384}{1 + \frac{(384 -)}{318,300}} = 383.5$$

3.2 Model Specification

Apart from descriptive analysis, the study employed regression analysis to determine the nature of correlation between the variables of interest.

$$PS = B_1 LMD + B_2 EF + B_3 GI + B_4 SSA + B_5 IC + U_i$$

Where: PS = Political Stability, LMD = Labor Market Dynamics, ES = Economic Situations, GI = Government Intervention, SS = Social Services Availability, IC = Investment Confidence and U_i = Error Term.

Labor Market Dynamics (LMD):

Government policies related to labor market regulations, minimum wages, laws and employment protection can impact youth unemployment rates. If these policies are favorable it will ease the process at which young people enter the workforce, otherwise, it will make the employment process rigid and unbearable, thus, resulting to high level of youth unemployment. A labor market in which almost everyone out of work can find his usual type of job in a relatively short time depicts an economy with a good economic

and political systems (Clark & Summers, 1979).

Economic Factors (EF) : In cases where a country is resource dependent (e.g. countries heavily reliant on a single resource) and experience economic shocks, these can bring about slower economic growth or even recession, which in turn triggers high youth unemployment, hence political instability. On the other hand, when a country is diversified and stable, these boosts its level of growth and development, thus creating job opportunities for youth which brings about political stability. When it comes to the relationship between political instability and economic growth, the connection is interconnected. That means that in the case of a country with unstable government, countries tend to be more cautious with investments which lead to high unemployment rate and lower economic development (Milasaite & Micic, 2020).

Government Intervention (GI) : A well-designed governance structure can create effective policies and programs. A transparent and accountable governance system ensures that resources are allocated efficiently and effectively to tackle youth unemployment. This creates a stable environment politically. Political stability

viewed in terms of governmental durability and involvement is one of many conditions of stability (Sengupta, 2004). However, when cases of corruption, nepotism and favoritism are the order of the day, the government loses its credibility; trust in the political institutions is undermined, creating a toxic environment for youth to realize their potentials.

Social Services Availability (SSA) : Inadequate provision of essential services like healthcare, education and infrastructure can lead to public dissatisfaction. This can affect the productive capacity of young people who rely on these services for support and access to basic necessities leading to instability in the country. According to Ilkharacan, Kim, Masterson, Memis and Zacharias (2021), spending on social services/amenities generates job, reduces unpaid work and time-poverty. Addressing political instability requires concerted efforts to restore stability, rebuild institutions and create an environment conducive to economic growth and job creation. A politically stable environment fosters a more conducive environment for young people to thrive economically

Investment Confidence (IC) : Political stability brings about a level of certainty among investors, both domestic and foreign,

bringing about a positive economic environment where young people thrive economically, creating job opportunities for themselves. Political Stability generates pertinent information regarding investment prospects, which boosts the level of domestic and foreign investments, thus, generating employment opportunities (Chletsos and Sintos, 2024). However, an unstable

environment creates uncertainty among investors, discouraging them from investing, leading to reduced job creation-opportunities for young people.

4.0 Data Analysis and Interpretation of Results

Results are analyzed and interpreted based on the objectives of the study.

Table 1: Age of Respondents

Age Distribution		
Options	Frequency	Percentage
18-30	147	42.90%
31-40	118	34.40%
41-50	51	14.90%
51 and above	27	7.90%
Total	343	100%

Field Survey, 2024

The result obtained from Table 1 shows that majority of the respondents actually represent the target population; youth, with about 42.90% falling within the age range 18-30 and 34.40% within the age range 31-40. By

implication, when unemployment persists for a period of time, the economy is more likely to be politically unstable due to increased social vices.

Table 2: Employment Status of Respondents

Employment Status		
Options	Frequency	Percentage
Employed	116	33.80%
Unemployed	227	66.20%
Total	343	100%

Field Survey, 2024

From the above table, Majority of the respondents (about 66.20%) are unemployed while about 33.80% are employed. However, of the 33.80% employed, majority are self-employed. These individuals have put in considerable effort to innovate and get a

means of earning. However, to further inquire more about the young people and their status of employment, a cross tabulation was carried out between the various age groups and employment status of respondents.

Table 3: Cross tabulation between age groups and employment status

Employment Status				
		Employed	Unemployed	Total
Age	18-30	58 (16.9%)	89 (25.95%)	147 (42.9%)
	31-40	34 (9.91%)	84(24.5%)	118 (34.4%)
	41-50	18 (5.24%)	33 (9.6%)	51 (14.9%)
	51 and above	6 (1.75%)	21 (6.1%)	27 (7.9%)
	Total	116(33.8%)	227 (66.2%)	343 (100%)

Author's computation using SPSS version 23

The result shows that majority of the unemployed respondents fall within the age category of 18-30 years of age. This could be linked to the fact that some of these

individuals are fresh graduates who have just finished their National youth service corps and still job hunting or waiting for opportunities (grants, loans and skill

acquisition programs etc.) that would help them explore their innovative skills and

capacities to enable them own their businesses.

Correlation Matrix Analysis

Table 4: Correlation Matrix

	PS	LMD	SS	GS	EF	IC
PS	1	-	-	-	-	-
LMD	0.170	1	-	-	-	-
SS	0.530	0.013	1	-	-	-
GS	0.350	0.162	0.360	1	-	-
EF	0.144	0.005	0.174	0.109	1	-
IC	0.533	0.082	0.509	0.279	0.239	1

Source: Author’s Computation using SPSS Version 23.

The correlation matrix as shown in Table 4 indicates that there is a positive relationship between political stability and the various determinants of youth employment: Labor Market Dynamics (LMD), Social Service Availability (SSA), Government Intervention (GI), Economic Factor (EF) and Investment

Confidence (IC). Although, the strength of these positive relationships vary.

Political stability (PS) has a positive but weak relationship with Labor Market Dynamics (LMD) and Economic Factor (EF) at 0.170 and 0.144 respectively.

Table 5: Labor Market Dynamics

Difficulty in finding job opportunities over years?		
Options	Frequency	Percentage
No	112	32.70%
Yes	230	67.00%
No response	1	0.3%
Total	343	100%

Field Survey, 2024

The weak relationship could be linked to the fact that majority of the respondents (about 67%) attested to the fact that they have

actually experienced difficulty in finding jobs as shown in Table 5 above.

Table 6: Economic Factor

Does availability of investment capital /funding positively impact youth employment prospects?		
Options	Frequency	Percentage
No	81	23.60%
Yes	260	75.80%
No response	2	0.60%
Total	343	100%

Field Survey, 2024

From the above table, about 75.80% of the respondents agreed that availability of investment capital/funding positively impact youth employment prospects but these capital/funding have been limited to a great extent due to unfavorable economic

conditions such as the exchange rate issue and inflation rate. This could explain the positive but weak relationship between variables.

Table 7: Government Interventions

Have you utilized government provided job training/skill acquisition programs?		
Options	Frequency	Percentage
No	138	40.20%
Yes	204	59.50%
No response	1	0.30%
Total	343	100%

Field Survey, 2024

Political stability has a positive and moderate relationship with GI, SSA, and IC at, 0.350, 0.530 and 0.533 respectively as shown in the correlation matrix. From Table 7, we could

see that about 59.50% of the respondents agreed to have utilized government provided job training /skill acquisition programs, hence, in line with the result.

Table 8: Social Service Availability

How satisfied are you with the accessibility and quality of career counseling services and job placement services available to you?		
Options	Frequency	Percentage
Highly unsatisfied	39	11.4
Unsatisfied	113	32.9
Neutral	94	27.4
Satisfied	62	18.1
Highly satisfied	34	9.9
No response	1	0.3
Total	343	100%

Field Survey, 2024

The analysis presented in Table 8 shows that majority of the respondents of about 32.9% are not satisfied with the accessibility and quality career counseling services and job placement services available, yet it is an important factor in helping with the

employment process and boosting political stability. By implication, when there is little or no accessibility to quality career counseling services, unemployment persists, translating into political instability.

Table 9: Investment Confidence

How confident are you in the overall climate and business environment in your country for creating job opportunities for young people?		
Options	Frequency	Percentage
Highly Confident	24	7%
Unconfident	74	21.6%
Neutral	93	27.1%
Confident	103	30%
Highly Confident	47	13.7%
No response	2	0.6%
Total	343	100%

Field Survey, 2024

Lastly, the positive - moderate relationship between political stability and investment confidence could be explained with the result

obtained in Table 9 as about 30% of the respondents are confident that the business environment and investment climate is

capable of creating job opportunities while about 27.1% are neutral (indecisive), thus, justifying the result.

Table 10: Multi regression result

	Unstandardized		Standardized			95% Confidence	
	Coefficient		coefficient			Level	
	B	Std.Error	Beta	T	Sig	Lower bound	Upper bound
Constant	-0.001	0.314		0.003	0.998	-0.619	0.617
LMD	0.249	0.112	0.096	2.214	0.028	0.028	0.47
SS	0.317	0.053	0.301	5.93	0.000	0.212	0.422
GI	0.355	0.116	0.143	3.063	0.002	0.127	0.582
EF	-0.004	0.124	-0.001	0.031	0.975	-0.247	0.24
IC	0.354	0.054	0.331	6.532	0.000	0.247	0.46

Author's Computation Using SPSS Version 23.

From the regression result presented in Table 10, all the coefficients for the predictor variables are positive except economic factor (EF) which is negative at -0.004 and insignificant. That is, a unit increase in economic factor will lead to a decrease in political stability (PS) by 0.004. This could be linked to our findings where majority of the respondents claim that recent economic conditions (exchange rate and inflation) aren't favorable. Also resources allocated by

the government to fund startups and other investments have been mismanaged and diverted to private pockets of corrupt politicians. However, social services (SSA), government intervention (GI) and investment confidence(IC) have a positive and significant relationship with political stability in generating youth employment. A unit increase in SS, GI and IC will bring about a corresponding increase in PS by 0.317, 0.355 and 0.354 respectively.

5.0 Conclusion and Recommendations

The study's findings shed light on the important link between political stability and youth employment, especially in the context of the sampled community, which is predominantly young. The bulk of responses are from young people, with a considerable number of them unemployed, particularly recent graduates. This highlights the critical need for effective methods to combat young unemployment and capitalize on this demographics' inventive potential.

The study indicates a complicated interaction of factors impacting young employment, with political stability appearing as a critical contributor. While the relationship between political stability, labor market dynamics, and economic factors is positive but weak, indicating challenges in job availability and economic conditions, there is a stronger relationship with social services, government intervention, and investment confidence. This shows that reforms in these areas might boost young job opportunities and contribute to overall political stability. However, several obstacles persist, such as restricted access to investment money and poor economic conditions such as currency rate concerns and inflation. Furthermore, dissatisfaction with career counseling and job placement services

highlights the need for improved support systems to promote more seamless transitions into the workforce.

Based on the findings, the following recommendations are suggested:

- i. Investing in social services like education, healthcare, and vocational training may provide young people with the skills and tools they need to thrive in the workplace.
- ii. To close the education-employment gap, government activities targeted at offering job training, skill development programs, and startup support should be extended and implemented successfully.
- iii. Measures should be taken to strengthen the business environment and investment climate, including combating corruption, guaranteeing openness in resource allocation, and promoting a favorable regulatory framework.
- iv. Government should put in considerable effort in boosting economic conditions of the country. Favorable economic

- policies should be implemented. This will create conducive environment for creating job opportunities.
- v. Efforts should be made to increase the accessibility and quality of career counseling and job placement services in order to better help young people as they enter the workforce.
- vi. Collaboration among government, corporate sector, and civil society partners is vital for developing comprehensive and long-term solutions to young unemployment and promoting political stability.

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