

# viewpoint



## Youth unemployment in a rebased economy

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breed an army of despondent young people who may become pawns in the hands of terrorists and religious extremists of every hue?

A few days after the figures of Nigeria's rebased Gross Domestic Product were made public last week, *The PUNCH* newspaper carried a very frightening front page story about a young unemployed Nigerian, Sunday Omotayo, who wanted to commit suicide.

The picture that accompanied the horror story showed Omotayo sprawling along Wellington Bassey Way in Uyo, Akwa Ibom State, after jumping off a speeding Toyota Hiace bus, expecting to be run over by other vehicles.

According to *The PUNCH*, "Omotayo had in the morning gone to the state prison asking the officials to either kill him or make way for him to rot in the prison." He was reported to have screamed, "Shoot me, shoot me, I want to die, I am tired of this world."

Omotayo's story is as frightening as it is heart-rending. After 10 years of graduation with a degree in engineering and traversing the length and breadth of the country in search of a job, he decided it was time to "put an end to his poverty-stricken life."

Some people have dismissed Omotayo's action as a stunt. It may well be. But Omotayo has succeeded, if anything, in not only drawing attention to himself but driving home the point about the tragic and worrying phenomenon of youth unemployment in Nigeria. And that should concern managers of our economy.

With the rebasing of its GDP, the first time in almost a quarter of a century, the Nigerian economy has almost doubled from N42trn (\$262bn) to N80trn (\$500bn), overtaking that of South Africa.

But even as the statisticians and economic managers agree, the increase in the total goods and services produced by the country – which is what the rebased GDP has shown – does not translate into a better life for Nigerians, particularly our unemployed youths.

So, what do we do to tackle the pressing problem of youth unemployment in Nigeria so that we don't

The Minister of Finance and Co-ordinating Minister of the Economy, Dr. Ngozi Okonjo-Iweala, is upbeat about the new economic indices. According to her, available data show that of the average 1.8 million people that enter the job market every year, the economy was able to absorb 1.6 million people in 2013. But the reality on the ground does not support the fanciful figures by Okonjo-Iweala. Beyond the rhetoric, it would be nice to see a sectoral breakdown of these new jobs and the beneficiaries.

It is time we stopped paying lip service to the issue of job creation in Nigeria. Last month, after the Nigeria Immigration Service job interview debacle, I posed these questions: What really does it take to provide jobs for millions of youths in a country like Nigeria with vast arable land and mineral resources? What does it take to create a wholesome environment for industries – manufacturing, agro-based, tech-based – to flourish?

Of course, it takes nothing other than the desire and willingness of those in charge of the country to make it happen. It's almost three decades since Gen. Ibrahim Babangida (retd.) introduced the Structural Adjustment Programme which over time diminished the capacity of local industries to function. Successive governments in the country have been unable to put in place clear-headed and meaningful programmes to industrialise and thereby tackle the issue of unemployment headlong.

Instead, through a systematic and consistent demonstration of cluelessness, these doomed governments have over the years ensured a total evaporation or emigration of local and foreign companies which hitherto guaranteed a means of livelihood for a good percentage of the working class.

Amid recurrent stifling economic policies and the appalling absence of those basic infrastructure taken for granted even in less endowed countries, many companies could not but relocate or shut down altogether and sell off warehouses to vendors of

Pentecostalism who have since converted these once bubbling production centres to worship centres.

So bad is it that today, we import everything from toothpick to matches and export nothing except crude oil which we buy back as refined products. Of course, we can't create enough of the kinds of jobs that will lift our people out of poverty if we do not develop a manufacturing base or take advantage of the advances in agriculture; we can't create jobs if the enabling environment – roads, constant electricity, right fiscal regime, etc – does not exist. These are the issues that call for urgent attention.

While working on this piece, I sought the opinions of a group of young Nigerians about what can be done in the immediate to stem the tide of youth unemployment. The responses I got were quite enthralling.

In response to my entreaty, one student had advocated employment while in school. According to him, schools (universities, polytechnics and even secondary schools) have a myriad of opportunities to employ: Library assistants, school bookshops, student restaurants, hostel administration, etc., all of which could be opportunities to get young people working early, defraying education costs and also getting valuable job skills.

Experience from Europe and America shows that this works and can go a long way in helping students to not only pay their way through school but also save for post-graduation. But this would mean that the universities run effectively without unnecessary interruptions – university students recently resumed after months of strike while their polytechnic counterparts are still on strike; that there is great investment in infrastructure that ensures that, for example, faculties (as opposed to just one library for a university) have their own functional and well-equipped libraries.

Some respondents talked about encouraging and supporting young graduates to set up fishery projects. Considering our newfound love for fish, this sounds like a profitable venture. With such business booming across the country, it would also ensure that fish pepper soup or its more enticing variant, "point and

kill", won't be the pastime of only the elite.

If only young graduates can get start-off loans. But we know that is not likely to happen! Banks would rather give loans to crooked businessmen or politicians than to a promising young graduate; that is, if the money is available. Thanks to our iniquitous system much of the money that ought to be circulating for economic activities is neatly stashed away in euro, dollar and pound sterling in bedrooms and storage facilities of palatial homes across the country.

Expectedly, a majority of the responses I received focused on agriculture with some suggesting that rather than sell phone recharge cards, our graduates and other young unemployed youths are better off crating eggs, picking fruits or milking cows.

Of course, they can do better than that if we invest properly in agriculture. Sometime last year, while discussing a book project, I had the privilege of chatting with one of the few respected politicians in this country. He told me of his visit to India where he discovered that just one state had about 50,000 tractors, ensuring that no land is left untilled.

Thinking of that conversation now, all I can dream of are jobs and more jobs for our youths! Let's say, for the purposes of argument – because of the size and population of Nigeria compared to India – that every state in Nigeria boasts 20,000 tractors. That would mean 20,000 people to operate the tractors. There will be engineers, technicians and many others whose jobs will be dependent on these tractors.

The bottom line is that our current model of economic development can't sustain growth. Add to it a corrupt ruling class that is not only bereft of ideas but unpatriotic, then you understand why we are not making progress.

All we hear in the argument in support of the rebased GDP as an opportunity is talk about Direct Foreign Investment. We need to do much more if we are to grow our economy, provide jobs for our youths and raise our people from excruciating poverty.

This column goes on a short break from next week.

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