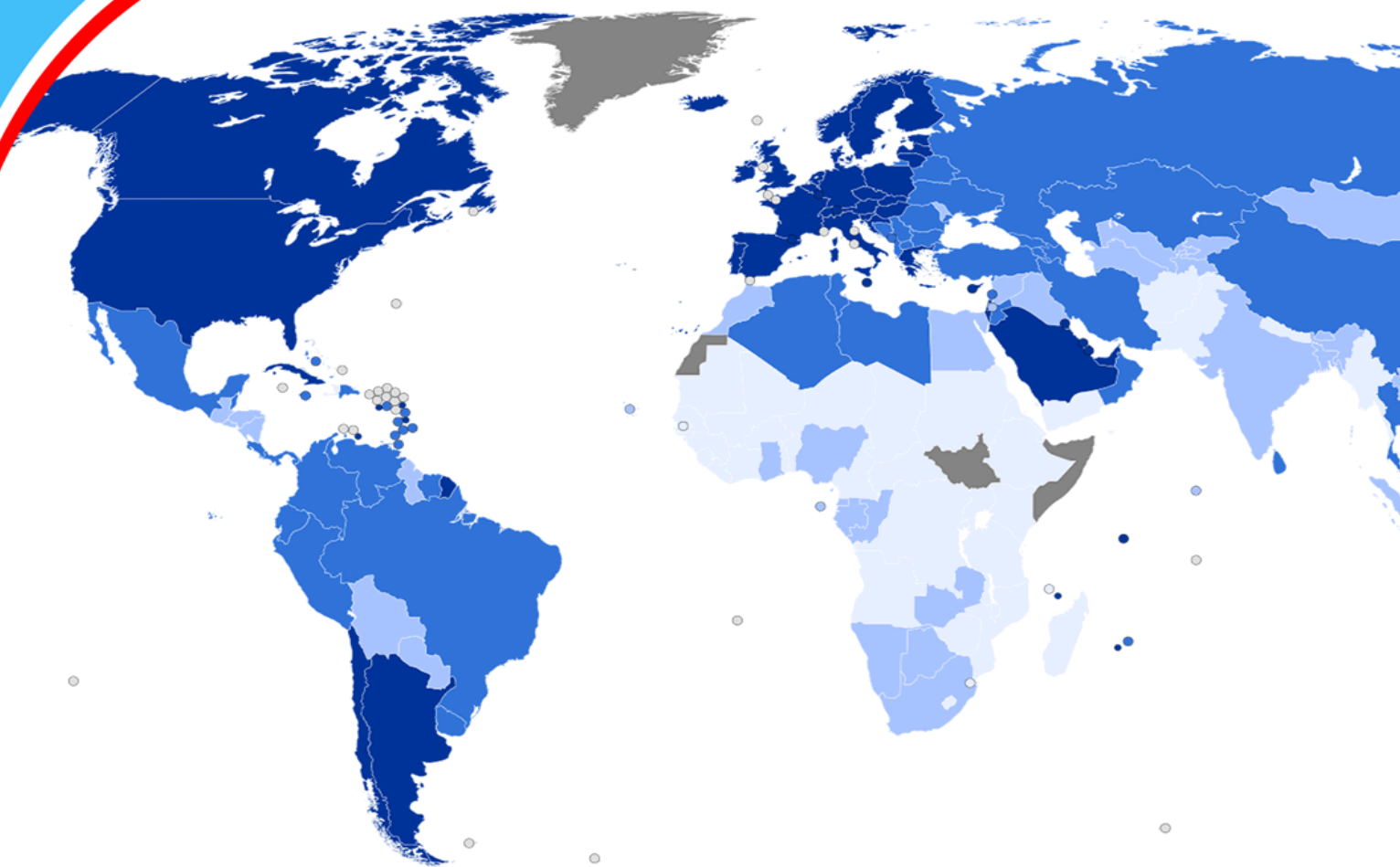


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**The Impact of COVID-19 Pandemic on Unemployment in
Nigeria**

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Abstract

Purpose: This study examined the nexus between COVID-19 and unemployment in Nigeria. Specifically, the paper seeks to examine the causes and effects of unemployment in Nigeria, identify the economic group that is worst hit by unemployment, as well as to ascertain the impact of COVID-19 on unemployment in Nigeria.

Methodology: As a theoretical study, the study made use of secondary source of data and content analysis. The study found a plethora of factors such as: illiteracy, corruption, lack of industrialization, lack of entrepreneurship education and teaching of financially viable skills, poor economy, laziness, and lack of functional infrastructure, among others as causes of unemployment in Nigeria while crime, prostitution, youth restiveness, armed robbery, terrorism, street-begging and juvenile delinquency were found to be the effects of unemployment in Nigeria.

Findings: It was equally found that, the youths are the worst-hit by unemployment in Nigeria. The study findings show that, the rate of unemployment jumped up with the advent of COVID-19. Recommendations were made in the areas of employment generation, industrialisation, sound economic policies, provision of basic infrastructure, skill acquisition, apprenticeship scheme and other forms of technical and vocational training.

Recommendation: On the COVID-19 pandemic, pharmaceutical and non-pharmaceutical measures on the pandemic's protocol should be strictly adhered to. Temporally, palliative measures can be given to cushion the effects of the pandemic.

Keywords: *Agribusiness, COVID-19, Impact, Pandemic, Unemployment*

INTRODUCTION

Cross-continently, COVID-19 pandemic has left no part of the world untouched. The virus originated from Wuhan, China in the Asian continent, and has spread all over the globe. According to United Nations Office on Drug and Crime (UNODC, 2020), over the course of just a few weeks during the first few months of 2020, the COVID-19 pandemic radically changed the nature of social interaction and economic activity in all regions across the world. By the first week of April 2020, 3.9 billion people – more than half the global population – were under some forms of lockdown. In the months that followed, countries enforced a broad spectrum of restrictions, adjusting and readjusting their response in accordance with the course of the pandemic. According to Aleruchiegbuchu and Obinachiwori (2020), corona virus COVID-19 pandemic is a general world health predicament of the 21st century and one of the most severe challenges humanity have ever bumped into since the second world war.

Similarly, Gerell *et al.* (2020) averred that with the virus spreading rapidly around the world during 2020, it has a tremendous impact on many countries, both directly through the disease it causes, COVID-19, and indirectly through the measures governments and other actors take to combat its spread. This is in tandem with the findings of the Global Initiative against Transnational Organised Crime (2020) which show that the fallout of the COVID-19 pandemic is having profound impacts on society and the economy, and it will also influence and shape organized crime and illicit markets.

As of 18th April, 2020, the World Health Organisation reported more than 2.1 million confirmed cases of COVID-19, including 142,229 deaths in 213 countries, areas or territories. The most affected countries with more than 30,000 confirmed cases of the disease are United States of America, Spain, Italy, Germany, France, the United Kingdom, China, Iran, Turkey, Belgium, the Russian Federation, Canada and Brazil (Lone and Ahmad, 2020). It is one of the pandemics that have raised awareness and level of consciousness to the extent that, even some negligible number of states in Nigeria that claimed to be COVID-19 proof and free, were very mindful of what they do with little or no confidence.

On the 27th of February 2020, Nigeria recorded its first index case. From that period onwards, the number of confirmed cases has continued to rise uncontrollably in the country (Brisibe & Udeme, 2020). The government of Nigeria has taken a variety of measures to control the spread of the novel corona virus, including restrictions on movement that are being enforced by law enforcement agencies and the military (Transparency, 2021). Unemployment has been the bane of national development and security in Nigeria. In the second quarter of 2020, unemployment rate increased to 27 percent (Zhema & Adihikon, 2020). This claims which is not at variance with statistics presented by Statista (2021) shows that, the unemployment rate in Nigeria was approximately 7.96 percent in 2020. This is relatively high when compared with the rate of unemployment in 2015 when it was 4.31 percent. COVID-19 pandemics and its corresponding and necessary measures to curtail the spread namely lockdown and restriction of movement, has affected almost all spheres of human existence with unemployment not being an exception in Nigeria. Many people especially in the private sector either lost their jobs or not being paid their salaries as long as the first phase of lockdown lasted. Small and Medium-sized Enterprises (SMEs) where most of our youths are engaged was badly hit by the pandemic, the resultant effect of which is unimaginable as we shall see later in this piece.

Causes of Unemployment in Nigeria

There is no mono-causation for unemployment in Nigeria; it is a combination of factors that propel unemployment in Nigeria. As well as other factors, the following factors are responsible for unemployment in Nigeria:

Illiteracy: While it is very true that some persons are unemployed despite their high levels of education, some are unemployed as a result their inability to read and write in English language.

Corruption: Nigeria is one of the countries in the world that are infested with high level of corruption. That is why past governments have constituted different anti-graft agencies to tackle the menace of corruption. Independent Corrupt Practices and other related Offences commission (ICPC), Economic and Financial Crime Commission (EFCC), as well as Code of Conduct Bureau (CCB) are some of the efforts made by successive governments in order to reduce the level of corruption. The link between corruption and unemployment is that, money meant to be used to generate jobs for employable Nigerians are being diverted to individuals in positions of power and authority.

Lack of Industrialization: Like most of the third world countries, Nigeria is not particularly industrialized. The few industries we have in Nigeria cannot accommodate many employable individuals in the country. The implication is that, a large segment of unemployed Nigerians are rendered hopeless in a country where the few industries can absorb limited number of job seekers.

Lack of entrepreneurship education and teaching of financially viable skills: This is the fate of the nation where most people depend on the government to provide jobs for them. It is not as if the government is not doing anything at all in that direction; the efforts so far are not good enough.

Poor Economy: Lack of sound economic policies and development plans are some of the factors responsible for high rate of unemployment in Nigeria. Most of the policies are not people-friendly. When sound policies are made, it will generate job opportunities for the people.

Laziness: While in most cases, attribute unemployment to aforementioned, some persons have not made personal efforts to get engaged in one or two of few economic opportunities available in the country. The only reason is laziness.

Lack of functional Infrastructural Facilities: It is very natural and logical to believe that, the capitalist economies of the West have low level of unemployment due to the availability of basic infrastructure and their multiplying effects on the economy. This is not the case in Nigeria. There are inadequate and inactive infrastructural facilities in Nigeria.

Effects of Unemployment in Nigeria

Unemployment in Nigeria has a plethora of effects on Nigeria and Nigerians. They include but not limited to the following:

Crime: Crime is one of the effects of unemployment in Nigeria. While it is very easy to assume that it is not every unemployed person that commits crime, it is a fundamental truth that unemployment can lead to crime. According to Dambazau (2007), during economic recessions, which result in greater unemployment, crime, especially property crime, tends to grow rapidly.

Prostitution: This is a form of victimless crime that could rise with rising or high level of unemployment. This act has become a source of livelihood to many people in Nigeria. There is

virtually no city in Nigeria where one cannot find prostitutes in brothels. Makinde and Adegbami (2021) found that unemployment has among others, forced youths into prostitution in Nigeria.

Youth Restiveness: When the bulk of the youths in Nigeria cannot get jobs, there is every tendency that, such situation could lead to youth restiveness. Most of the participants in Maitatsine uprising, Yandaba militancy, and Boko Haram insurgency were recruited from almajirai in the northern part of Nigeria. As a socially excluded set of people, they could take advantage of any slightest opportunity to better their living standard which is very costly in Nigeria. Osuji, Ekhamheye and Tony-Okolo (2021) have found that, there is a significant relationship between youth unemployment and restiveness in Nigeria.

Armed Robbery: Just like any other forms of crime, unemployment can lead to crime of different magnitudes as mentioned earlier with reference to Danbazau (2007). This assertion is corroborated by Makinde and Adegbami (2021) who found that involvement of youths in unpalatable activities such as armed robbery and others are traceable to unemployment in Nigeria.

Terrorism: Terrorism is one of the violent crimes that are caused by unemployment in Nigeria. In tandem with the above assertion, Adelaja, Labo and Pene (2018) identified a combination of poverty, unemployment and ethnic tensions as factors responsible for Boko Haram insurgency in Nigeria. According to Flower (2014), a survey of recent scholarly work suggests that a relationship exists between terrorism and the extent of youth unemployment.

Street-begging: Street-begging is another unemployment-related problem in Nigeria. Most of the people engaging in street-begging are unemployed in Nigeria. This is common in the Northern part of Nigeria where almajiri phenomenon is rampant. This is in consonance with the findings of Namwate (2012) who observed that the phenomenon of street-begging is an outcome of many factors including unemployment.

Juvenile Delinquency: Juvenile delinquency is one of the social implications of unemployment in Nigeria. Juvenile delinquency, according to Fleisher (1963), increases with unemployment. We should expect unemployment to be positively correlated with delinquency among young people independently of labour status.

COVID-19 and Unemployment in Nigeria

The impact of COVID-19 on life generally is not hidden; it is a global pandemic that has left no race unaffected. It is enormous to the extent that the world system, at a point, was completely locked down. The devastating nature of this global health challenge, has led to a blame game. While the United States of America pointed an accusing finger at China, China on the other hand, blamed the United States of not doing the right thing at the right time. Before COVID-19, Nigeria's unemployment rate was already sky high at 23% while underemployment stood at 16%, according to a 2018 report by National Bureau of statistics (NBS). This has worsened with the pandemic. The implication is that more Nigerians, especially in the lower middle class, could potentially be forced to live below poverty line (Global Citizen, 2020).

The aforementioned is in tandem with the findings of Proshare Intelligent Investing (2021) with reference to data released by National Bureau of Statistics on unemployment and labour statistics on Q4'20, the number spiked 6.2% to 33.3% from 27% in Q2'20. The figure now makes Nigeria jump from 5th to 3rd highest rate of unemployment in the world. It is troubling to the extent that when conflicted with the high level of multidimensional poverty of 64.8% in the North West of

Nigeria, it shows that there are crises of poverty, unemployment, debt and productivity in Nigeria. The state by state breakdown-shows that unemployment is highest in the North East and South-South state as follows: Imo (56.6%) had the highest unemployment, followed by Adamawa (54.9%), Cross River (53.7%), Taraba (52.6%).

The COVID-19 pandemic has fuelled youth unemployment in Africa's largest economy, which has risen for 5 consecutive years to about 14% prompting the government to launch a huge public works scheme to create jobs. About 750,000 young unemployed people will be offered 3 month placements with a monthly salary of 20, 000 under the Special Public Works (SPW) (Reuters, 2021)

To worsen the situation, most of the approximately 40 million Small and Medium sized Enterprises (SMEs) in the country, where young people find employment, have also been badly hit by the pandemic and necessary restrictions on business activity (The Africa Report, 2020). This corroborates Aleruchiegbulu and Obinachiwori (2020) who found that, as the virus continues to ravage the world, businesses are shutting down and people are losing their jobs or put on "Stand by" without salaries, which has affected negatively on the employers, employees, their families and others that depend on them.

Similarly, Effiong, *et al* (2020 in Enyinda, 2020:174) argued that the pandemic has taken the world unaware, unprepared and left a number of people dead and businesses shut down leading to severe economic consequences. These consequences had not spared rising unemployment rate in Nigeria.

COVID-19 Pandemic, Agribusiness and Unemployment in Nigeria.

The interrelationship between COVID-19 pandemic, agribusiness and unemployment in Nigeria is not very difficult to establish. It is no longer news to state that agribusiness has been one of the sources of livelihood in Nigeria. For instance, data for Nigeria from 1991 to 2019 indicated that the average value for Nigeria during that period was 44.15 percent with a minimum of 35.1 percent in 2019 and maximum of 50.25 percent in 1991. The latest value from 2019 is 35.1 percent (World Bank, 2020). Similarly, International Labour Organisation, ILO (2010) has asserted that in Sub-Saharan Africa, growth in agricultural employment accounted for half of all employment growth between 1999 and 2009. In South Asia, nearly 33 percent of all employment growth since 1999 was agriculture. In another submission, the World Bank (2017) has described agricultural sector as a life-line-65% of poor working adults relied on agriculture for their livelihoods in 2016. It also represents an opportunity for job creation and shared prosperity.

Specifically, the impact of COVID-19 on agribusiness in Nigeria is tremendous. It ranges from rising food prices, inability to attain food security, farmers' inability to access their farms in other state locations or procuring inputs and farm implements due to intra and interstate movement restrictions. Other impacts include: food distribution and decreasing export earnings due to lockdown (PricewaterhouseCoopers Nigeria, 2020). Holistically, with COVID-19, the challenges hampering the attainment of food security has deepened in form of rising food prices. As at April 2020, food inflation rose to 15% compared to 14.7% in December 2019 (PwC, 2020). Similarly, the Economic Community of West Africa (ECOWAS) estimates that COVID-19 pandemic risks food insecurity and nutrition of 50 million people between June and August 2020. (Relief Web, 2020). This is in tandem with the views of Agboola (2020), who opined that the global health crisis triggered by COVID-19 is a serious threat to our food systems.

In another submission, A World Bank report projected a 2.1 percent decline in GDP growth for sub-Saharan Africa and a loss between US\$37 billion and US\$79 billion due to the pandemic. More alarming, according to the report, is that COVID-19 has the potential to create a severe food security crisis in the region, with agricultural production contracting between 2.6 percent and 7 percent in the scenario with trade blockages (Business Day, 2020).

SUMMARY AND CONCLUSION

The study found a plethora of factors such as: illiteracy, corruption, lack of industrialization, lack of entrepreneurship education and teaching of financially viable skills, poor economy, laziness, and lack of functional infrastructure, among others as causes of unemployment in Nigeria while crime, prostitution, youth restiveness, armed robbery, terrorism, street-begging and juvenile delinquency were found to be the effects of unemployment in Nigeria. It was equally found that, the youths are the worst-hit by unemployment in Nigeria. The study findings show that, the rate of unemployment jumped up with the advent of COVID-19.

RECOMMENDATIONS

Based on the aforementioned findings, the study recommended that employment generation, industrialization, sound economic policies, provision of basic infrastructure, skill acquisition, apprenticeship scheme and other forms of technical and vocational training should be encouraged in order to reduce the high rate of unemployment in Nigeria. On the COVID-19 pandemic, pharmaceutical and non-pharmaceutical measures on the pandemic's protocol should be strictly adhered to. Temporally, palliative measures can be given to cushion the effects of the pandemic.

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