

A Critical Analysis of Population Growth Rate and Unemployment Growth Rate in Nigeria, (2000-2011)

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Abstract: Nigeria Population continued to increase in momentum but showing decrease in population growth rate, its effects is a concerned to population experts. This paper work examined analytically, population growth rate and unemployment rate in Nigeria. Using secondary data retrieved from National Population Commission and National Bureau of Statistic (NBS) which were categorized base on population growth trend, growth rate of population, unemployment rate and relationship between population growth and unemployment. The data were presented using descriptive statistics. Thus, to ascertain hypothesis stated, spearman ranking correlation for the analysis level of relationship between population and unemployment in Nigeria using IBM SPSS. Inc USA. Version 22, 2013. This result indicated that population growth rate was decreasing while unemployment growth rate was on the increase exponentially, alternative hypothesis was accepted at 0.005 (95% confidence level) showing relationship exist between the variables. Thus, valuable suggestions were made to mitigate the effects of population and discouraged its growth.

Keywords: Population, Growth rate, Unemployment, Nigeria.

1. INTRODUCTION

A high population growth is a growing concern throughout the world and a challenge to countries' economies. The world's population was about a billion in 1800 and rose to 2.5 billion in 1950 (Martin 2009). In the year 2007 the world's population was 6.7 billion and is projected to rise to 9.2 billion by 2050 with almost all population growth projected to occur in what are now considered less developed regions. Between 1950 and 2000, when the world's population increased from 2.5 billion to 6.1 billion, the major shifts in population weights by continent were the result of changes in fertility and mortality rather than large-scale migration and Population intensifies pressure on employment and the amount of investment available per labour market entrant (Martin 2009). Population growth is said that the population growth creates problems in the short run that include poverty, famine and unemployment. Yet, they also state that in the long run, it leads to new developments through advancement in technology that leave countries better off than if the problems never occurred. Nigeria has been experiencing population explosion for the past 50years due to high fertility rates, quadrupling its population overtime. On the day the Nigeria Population Commission (NPC) announced that our population was now a staggering 167, 912, 561 and is projected to hit 221, 392, 163 by July 1, 2020, hardly anyone paid attention. As described by the Regional Head of Research, Africa Global Research, Standard Chartered Bank, Razia Khan, 'Nigeria's big concern of course is whether sufficient employment opportunity can be generated to absorb the country's growing pool of labour, and whether this can take place rapidly enough' (Cited in NHW)¹. Employment crisis, manifested in various forms of underemployment rather than open employment, have been the core problem plaguing the developing countries. The employment problem, which includes open unemployment, underemployment, low wage employment, social exclusion, idleness etc, is noticeable in almost every market economy today. They are, however, more serious in the developing countries than in the Developed Countries. Unemployment manifests itself mainly in the form of underemployment. Open unemployment is concentrated in the urban areas. Thus, this research work tends to critically look at relationship between population growth rate and unemployment growth rate, with a hypothesis:

Research Hypothesis:

Null-Hypothesis: there is no relationship between population growth rate and unemployment growth rate in Nigeria.

Alternative Hypothesis: there is a relationship between population growth rate and unemployment growth rate in Nigeria.

2. CONCEPTUAL FRAMEWORK**Population and Population Growth rate:**

The word population according to American Heritage Dictionary (undated) referred to the total number of inhabitants constituting a particular race, class or group in a specified area. Similarly, Wikipedia (undated) looked at population as all the organisms of the same group or species that live in the same geographical area and are capable of interbreeding, borrowing the term used in sociology, referred to a collection of human beings in a particular place. Population growth rate according to Mundi Index (2012) is the average annual percentage change in population, which is affected by birth and death as well as the balance of the number of people that are coming and leaving a particular country within a specified period of time. The global population growth rate for the period of 2000, 2001, and 2002 were 1.30%, 1.25%, and 1.23% respectively. On average the world population growth rate between 2000 and 2012 stood at 1.17%, this mean the total human beings inhabiting this planet are increasing by 1.17% yearly. Africa's high population growth rate is driven largely by high total fertility. Although the region's population growth rate has slowed, fertility rates remain high at 5.2 children per woman on average (compared to a world average of 2.5). Only 15 countries, mostly in northern and southern Africa have fertility rates below 43. High-fertility countries exhibit youthful age structures, characterized by high proportions of young people. The median age of population in sub-Saharan Africa is around 18 years, but it is as low as 15 years in some countries like Niger. The population below the age of 15 years grew Rapid population growth in Nigeria is equally associated with unemployment with figures ranging from 17 percent per annum for the entire population to 60 percent for the youths because job opportunities are fewer than the number seeking for them, and stagnating economic performance because a large proportion of available resources is consumed instead of being invested to generate growth (Federal Republic of Nigeria, 2004). Factors responsible for population growth as examined are many and this includes; lack of birth control, low mortality rate, religious beliefs and financial incentives (Chavis, 2010). Online Nigeria (2013) argues that population growth rate is influenced by the interplay of the three main demographic process of fertility, mortality and migration (Tasim, 2010), this are basis of population in a country.

3. AN OVERVIEW OF UNEMPLOYMENT

Unemployment is a very complex phenomenon. It is quite very simple to notice but hard to define. Generally, unemployment may imply lack of employment. Thus, anyone who is able to work and above certain age limit and is unoccupied may be considered as being unemployed for that period. Normally, the term unemployment implies a condition of joblessness. Unemployment refers to a phenomenon where people who are willing and capable of working are unable to find suitable paid work Fajana (Emeh, *eta'l.*, 2012).

The concept unemployment has been defined as a condition in which people who are willing to work at the normal wage rate are unable to find jobs. It is one of the problems which every responsible government is expected to check and regulate. The higher the unemployment level in an economy the higher would be the poverty level and associated welfare challenges. Unemployment is one of the developmental problems that face most developing economy in the 21st century (Patterson, *eta'l.*, 2006). Nigeria is not exempted from this phenomenon. In recent times, the definition of unemployment is said to be more encompassing, the unemployed is a member of the economically energetic population, who are without work but available and seeking for work, including people who have lost their jobs and those who have willingly left work World Bank (Akintoye, 2008). Unemployment is a global trend, but occurs mostly in developing countries of the world, with attendant social, economic, political, and psychological implications. Therefore, massive youth unemployment in any country is a signal of far more complicated problems (Okafor, 2011). Unemployment has been a major problem for most countries across the world. The USA for example has increased from 5 percent in 2007 to 9 percent so far in 2011. Spain increased from 8.6 percent to 21.5 percent; UK from 5.3 percent to 8.1 percent. Ireland currently stands at 14.3 percent from 4.8 percent, Latvia from 5.4 percent to 16.5 percent, Greece from 8.1 percent to 18.4 percent, and Italy from 6.7 percent to 8.3 percent. The average for the Euro area is 10.7 percent. Even within the African

continent, unemployment has risen with South Africa, Africa's largest economy having a higher rate than Nigeria at 25 percent, Angola at 25 percent, Botswana at 17.5 percent, Egypt at 11.8 percent, Kenya at 11.7 percent, and Namibia at 51 percent. Unemployment incidence from classical perspective cannot really be situated in most sub-Saharan Africa economics. Although, price flexibility is not actually feasible due to trade union activities, but its existence wouldn't have efficiently addressed the problem of unemployment.

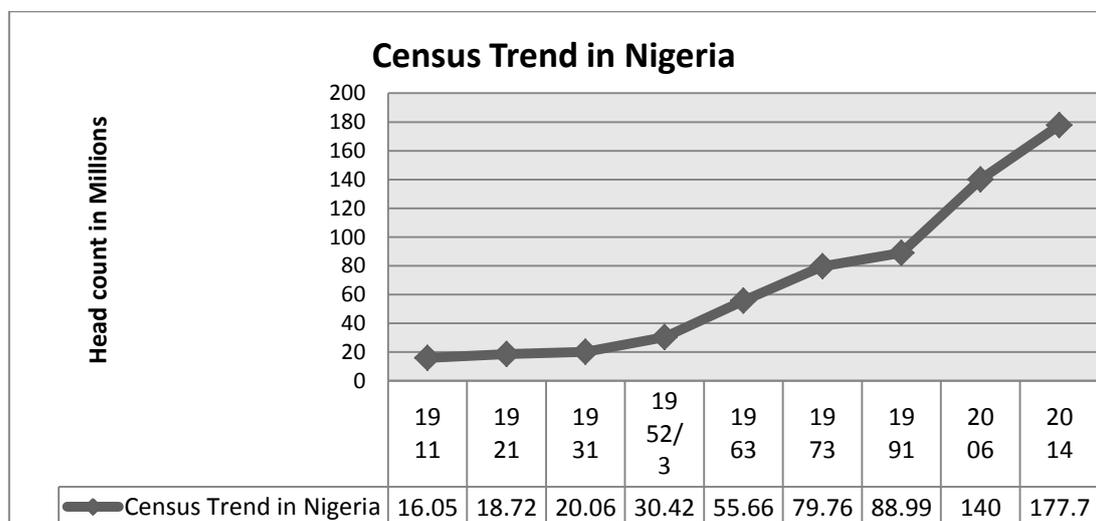
4. MATERIALS AND METHODS

There are several studies related to population growth rate and unemployment rate in literatures, many researchers have applied different variables that bring about their extent of studies. In this work, secondary data retrieved from sources such as: Nigerian, National Population Commission (NPC), National Bureau of Statistic (NBS), Index Mudex report, World Bank report, CIA report, National Demographic and Health Survey (NDHS) with others relevant literatures were utilized. These data were presented in categories: trend of Nigerian Total Population, population growth rate, trends of unemployment rate and relationship between population and unemployment. The data were presented using descriptive statistics. Thus, to ascertain hypothesis stated, spearman ranking correlation for the analysis level of relationship between population and unemployment in Nigeria using IBM SPSS (Inc USA. version 22, 2013).

5. DISCUSSION/RESULT FINDINGS

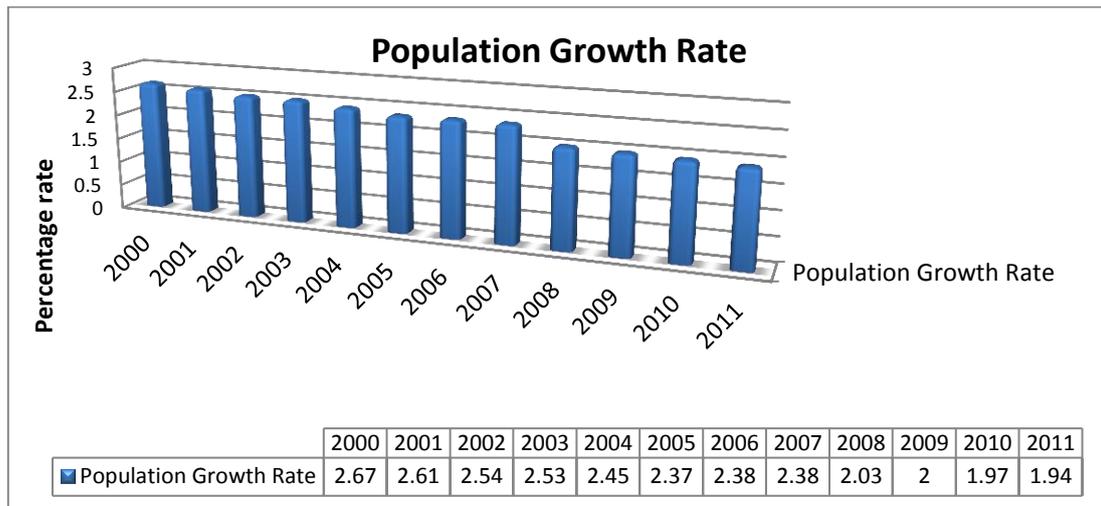
A Trend of Nigerian Population and Growth rate:

Nigeria has engaged in many censuses in its fifty-three years of existence. Among many others, censuses were taken and restricted to only Lagos Island and part of the Mainland in 1866, 1871 and 1896. Many urban towns were included in the censuses of 1911 and 1921. There were variations in the Northern and Southern Protectorate as regards the census conducted in 1931. Though, the two were based mostly on estimates (NPC, 1998). No effort was made to conduct census in 1941 due to Second World War. This was conducted in 1952/53. It was elaborate but probably under-enumerated the population of Nigeria. After the independence of Nigeria on first of October, 1960 census was carried out in 1962 (Iro, 1987). The result of the 1962 census was nullified and another one was conducted in 1963 (Ekanem, 1972). The result of this census was nullified by the Supreme Court. In addition, the result of 1973 census was unacceptable (NPC, 1998). 1991 witnessed another census-taking and Post Enumeration Survey (PES) in Nigeria. It was a successful attempt and it provided a robust set of socio-economic and demographic data for social and economic planning. The total population as at 1991 was 88,992,220. Sixteen years later, that was, in 2006, another headcount was 5 conducted. The most recent population census is estimated to over 140 million (2006 estimated figure) with 71,709,000 males and 68,293,683 females as at March 2006. This indicates that, the population census of 2006 is higher than the 1991 census figure which means faster population growth. Thus, in 2013, a 174million person was estimated at which, females constituted 49.5 percent and males the rest 50.5 percent (NBS, 2013). Table 1 shows census-taking population in Nigeria.



Source: NPC, 2013, NBS, 2012 and MUNDI, 2013

Figure 1. Showing Census Trend in Nigeria from 1911-2013



Source: NPC, 2013, NBS, 2012 and MUNDI, 2013

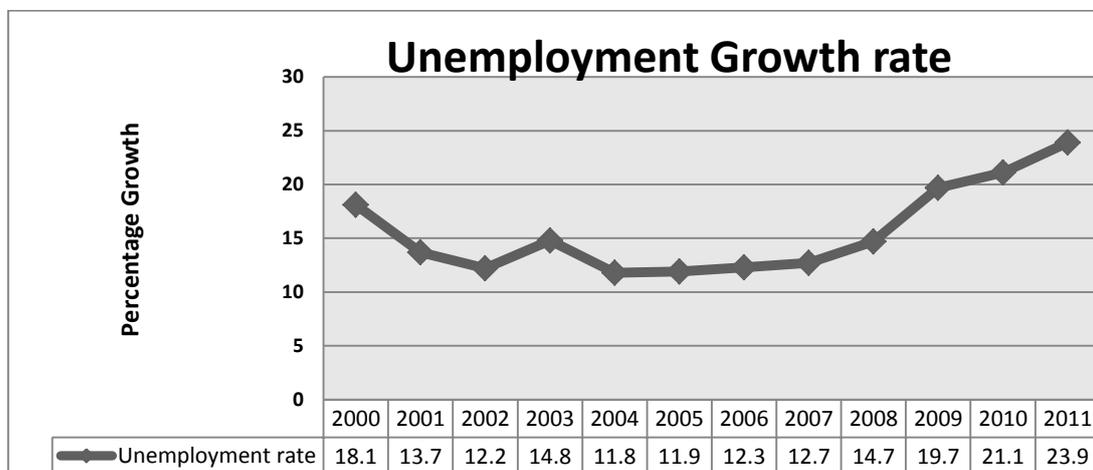
Figure 2. Nigeria trends of Population Growth rate

The Figure 2 shows a consistent decline in population growth rate from 2000 to 2005 but a slight increase in 2006 which was steady in 2007 and began to decline from 2008 to 2011 but suddenly rose in 2012. As at 2009 the 2% growth rate targeted to be achieved even up till 2011 but the sharp increase in the rate from 1.94% in 2011. However, a range of growth rate between 2% and 1.94% in 2009 and 2011 indicates a positive sign that the figure might fall to 2.0% or less in 2015 if more conscious efforts are made in this direction.

UNEMPLOYMENT IN NIGERIA:

According to Anyadike, Emeh and Ukah (2012), ‘every nation’s economy is characterized by both active and inactive populations. They observed that the economically active ones are those populations willing and able to work, and include those actively engaged in the production of goods and services and those who are unemployed’. The International Labour Organisation in their contribution has it that the unemployed are numbers of the economically active population who are without work but available for and seeking for work. They also include people who have lost their jobs and those who have voluntarily left work (World Bank, 1999).

Analysis of employment data for the past years shows that the rate of new entrants into the labour market has not been uniform. The national level of unemployment has been on the downward trend since 1999 as it dropped from 19.9% to 18.1% in 2000; and by 2002 it fell to 12.2%. It rose slightly to 14.8% in 2003 and dropped to 11.8% in 2004 and had almost remained constant till 2005. A low record of 5.3% in 2006, It increased in 2010 to 21.10%, 23.90% in 2011, and 24.30% in 2012. Nigeria unemployment rate averaged 14.6% experienced astronomical increase from 2010-2012.

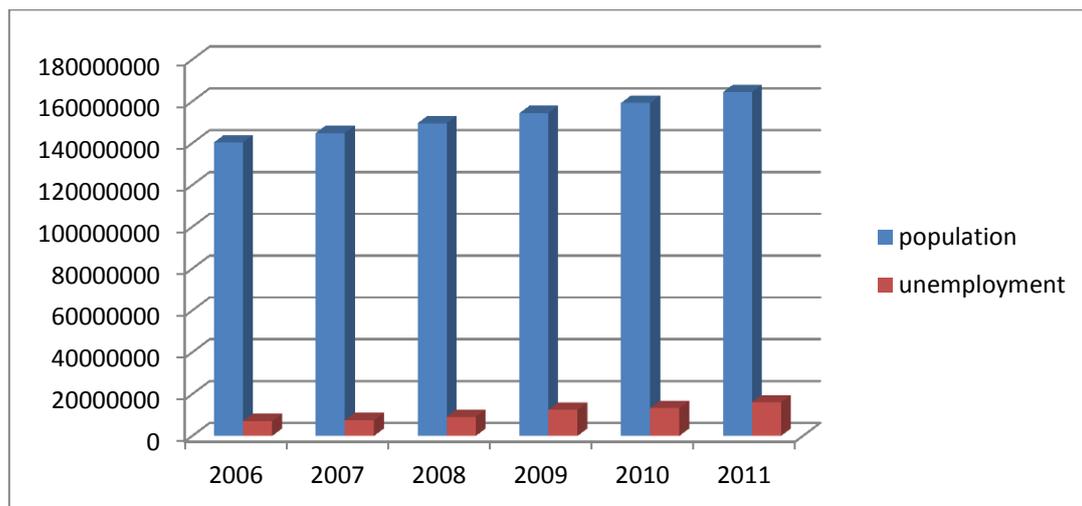


Source: NPC, 2013, NBS, 2012 and MUNDI, 2013

Figure 3. Nigeria Trends of Unemployment Rate

This rise in unemployment rate came as a result of economic depression which engulfed the nation and spread its effects that resulted to massive closure of businesses and retrenchment of workers. This was followed by the placement of embargo on recruitment which further worsened the situation. Nigeria unemployment rate averaged 14.6% experienced astronomical increase from 2010-2011.

The figure 4 below indicates that the number of population increase in 2006 was 7,067,051 with a unemployment increase of 7,067,051, in 2008 was 144,925,607 and 7,530,374 of unemployment persons. Both population and unemployment has been in an increase in the recent times, a sharp increase to 16,074,205 in 2011 for unemployment; this figure excludes the newly unemployed persons which also stood at 2,127,691 as at 2011. Therefore, total number of unemployed persons in 2011 was 18,201,896. This portrays a picture of harder future time for the unemployed considering the fact that unemployment rate in 2012 was 24.30% (NBS, 2014).



Source: NPC, 2013, NBS, 2012 and MUNDI, 2013

Figure: 4

In finding the relationship base on the stated hypothesis, null hypotheses is rejected on the bases that alternative hypothesis is accepted. This shows that there is a strong relationship between population growth rate and unemployment rate, with a value of calculated $\Upsilon = -.435$ while significant value is .157 at 95% confidence level.

6. CONCLUSION

This study examines the population growth rate and unemployment rate relationship. The conclusion is that population growth formed a significant relationship with unemployment rate and the existing state of knowledge does warrant any clear-cut generalization that, the effect of population growth is the result of unemployment in developing countries. The actual evidence on the association between population growth and unemployment growth is not pointing to any uniform conclusion. But it is possible that population growth without putting in place development structure and advancement of technology would lead to unemployment in developing countries. Thereby, suggests government should make concerted effort to check population growth rate. Any population growth that occurs too fast will have diminishing returns or create a circumstance where economic growth is stagnating and increase unemployment. Efforts should be made in providing reproductive health services and should be doubled and intensified to meet the increasing needs of the increasing population. And effort should be made by government and other concern institutions to solve the problems of unemployment, underemployment and inadequate social amenities in existence.

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