

HUMAN RESOURCES CHALLENGES AND NATIONAL DEVELOPMENT: NIGERIA IN PERSPECTIVE

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Abstract

Nigeria over the years has been challenged with human capital development and this has encumbered its ability to tap into the gains of globalization. Regrettably, government over the years have paid little or no attention to this deficit. The crisis of population surge, youth unemployment among others have exacerbated the problem of poverty and deprivation. Whereas, other countries within the West Africa sub region have elevated to the middle category of human development index, the reverse is the case with Nigeria that is stuck in the low category. The paper argues that, the inability to galvanise and harness the nation's human capital resources has cost Nigeria a great deal, as it is unable to produce the required human resources that can grow the nations' resources and create opportunities for its citizens as well as increase its life expectancy. The emphasis should lie on education and training as these will help to accelerate and sustain the nation's development effort.

Introduction

Human resources/ manpower are very critical to all sectors of the economy. Specially, manpower is the backbone of development in any country. It is a well-known fact that manpower is the basic resources and an indispensable means of converting other resources to mankind's use and benefit how well the country developments employs skill is fundamental in deciding how much we will accomplish as a nation. The manner in which we do so will, moreover, profoundly determine the kind of nation we become. To this therefore, for a developing economy such as ours, compelling need for rapid mobilization and development of its human resources cannot be overemphasized.

According to Harbison (1971) "human capital is the wealth of nations." Unemployment and under employment have remained one of the most serious suicidal problems facing Nigeria's economy in recent times. The gravity of this problem continues to increase in the wake of haphazard economic deregulation policy. This paper therefore examines, the contemporary human resources challenges facing Nigeria in the area of manpower and employment, changing demands of the country's labour market, current state of manpower development and utilization towards national

development and finally, observation, recommendation and conclusion.

Contemporary Human Resources-Related Challenges In Nigeria

'Human capital refers, in general to the productive capacities of humans as economic agent' (Umo, 1998:5). Therefore, it can be referred to as the build up of knowledge and skills of humans (men and women) through education and training for productive purpose. It can alternatively be referred to as manpower. One of the worrisome developments for some decades in Nigeria now has been lack of attention to producing of high caliber manpower. In understanding the existing realities, we must first identify the key human resources-related problems now confronting the nation. These include:

The Poverty Challenge

Poverty has grown progressively worse in Nigeria since the 70s. In terms of absolute number, Nigeria today is embarrassingly, the leading African nation in the poverty league, in spite of its presumed abundant resources. An estimated 70.2 percent of Nigerians live below one dollar a day poverty line. This translates to 84.64 million Nigerians; and if two dollar criterion is used, 90.8 percent or 108.96 million Nigerians live in absolute poverty (Umo, 2002:7). Poverty in action as different from poverty in statistics in Nigeria

masquerades as body ethnic conflicts, crime, bloody religious conflicts, endemic corrupt and loss of ethical values etc.

The Employment Crisis

Employment crisis is perhaps the mother of all developmental crises in contemporary Nigeria and indeed Africa. This crisis is closely correlated with poverty. For our purpose, we defined employment crisis as the problem of generalized waste of human resources. It is a vector that includes such elements as Contemporary Human unemployment, underemployment, low wage employment (the working poor phenomenon) and social exclusion. Seen in this context, it is gross understatement to regard any unemployment rate as reflecting the dimension of the problem. Three anecdotal leads can help us have a feel of the problem.

First, over 60percent of Nigerians18-45 age bracket are unemployed. Second not more than /10 percent of about 3million youths who enter the labour market annually (from secondary school system) get absorbed in the labour market.

Thirdly, underemployment in Nigeria's informal sector is about 80 percent as the sector

accounts for over 90 percent of employed Nigerians. The implication is that cumulatively the employment crisis has been on the increase in the country. Is it any surprise that the nation is facing growing poverty, as well as unprecedented wave of crime and corruption?

Educational Crisis

This saying that a well-schooled society is likely to be a prosperous and stable society had long been noted by Confucius over 2500 years ago. Contemporary developed nations and countries that aspire to greatness therefore take education very seriously. This has not been the case in Africa in general and Nigeria in particular. UNESCO's recent statistics has shown that Africa is a global laggard at all levels of education. It should be noted that Southern Asia and East Asia and Oceania are accelerating their investment in education in order to catch up with the developing countries enrolments at all levels of education. Within Africa, Nigeria is known to have committed only 1.7 percent of its GDP to education in the 80's and 0.7 percent in the 90's. This commitment pales into insignificance when compared to other Africa countries as shown in table1.

Table 1: Expenditure in Education as a Percentage of GDP (EXGDP) in Selected African Countries

Country	GDP 85-87%	EXGOP 95-97%
Seychelles	10.2	7.9
Tunisia	6.2	7.7
Algeria	9.8	5.1
South Africa	6.1	7.6
Burkina Faso	2.3	3.6
Ethiopia	3.1	4.0
Lesotho	4.4	8.4
Togo	4.9	4.5
Botswana	7.8	8.6
Zimbabwe	7.7	7.1
Nigeria	1.7	0.7
Ghana	3.4	4.2
Gambia	3.7	4.9

Source: UNDP-HDR 2002

As at above table clearly reveals, most African countries in the 90's had started increasing their

education expenditure/GNP ratios while Nigeria's own was falling below 1 percent.

Life Expectancy and Health Profile

Life expectancy is a robust indicator of human development. This is because as living conditions in general improves, human longevity is enhanced. The average life expectancy in Africa is 53 years although there are variations within the regions. North Africa registers life expectancy far above African average and tending towards levels

of 76 years. Life expectancy in Nigeria is 51.9 years for male and 51.5 years for female (UNESCO 1999 statistical year 18-20). This is not only below African average (53 years) but can be worsening, given the emerging HIV/AIDS' pandemic estimated to afflict 4.5 million Nigerians. More generally, the health status indicated in Nigeria is inferior to the least performer in Africa.

Table 2: Reveals the Comparative profile.

Table 2: Comparative Profile of Selected Health Indicators in some African Countries.

Health Indicator	Nigeria Performance	Best African Performers (%)
Water supply coverage (%)	57%	Mauritius (%) Egypt 95% Coted'Ivoire 86%
Sanitation coverage (%)	63%	Mauritius 99% Egypt 94% Coted'Ivoire 92% South Africa 90%
Health personnel per 100,000	18.5 physicians 66.1 Nurses	Egypt 202 physicians 233 nurses Mauritius 202 physicians. 232 Nurses South Africa 56.3 physicians 411.8 Nurses

Source: Umo; 2002:29.

It is particularly significant to note that despite the much vaunted endowment in manpower, Nigeria is still unable to trained enough doctors and nurses for efficient delivery of health services.

WHAT EXPLAINS NIGERIA'S ECONOMY FAILURE?

It would be simplistic to attempt to give a one-factor explanation of any country's development failure. It is however plausible to identify a key set of such factors or key variables. Thus Nigeria's development failures in the past four decades has been explained by a variety of factors. Here we shall identify the key variables and show how each and every one of them is related to human capital development failure.

Poor Growth Record

Since the 80's Nigeria Economic growth has ranged from negative to what can be described as positively fragile and anemic. A reasonable high and sustained economic growth is a fundamental requirement for addressing the

nation's development challenges-including poverty and the employment problem. However for economic growth and the employment problem. However, for economic growth to do this, its quality must be different from what has been seen traditionally. It must be pro-poor, and all inclusive in the sense of being employment-intensive.

Macroeconomic Instability

Macroeconomic mismanagement characterized by unsustainable fiscal deficits, volatile exchange rate and high interest rate regime has been implicated in Nigeria's poor growth performance. The impact of macroeconomic crisis can be proxied by inflation profile of the country. Efforts to address macroeconomic instability have largely been focused on demand management emphasizing exchange rate, monetary and fiscal policies to contain inflation. In this engagement, the sues of the supply side measure have been largely ignored.

According to (Ajakaye; 1996:246) addressing macro-economic instability through the

supply side would simply shifting the productivity profile of the economy and invariably pursuing activist human capital and technology policy. As a matter of fact, there is no way macro stability can be sustained in a structurally impaired economy like Nigeria's without activating the supply side which essentially means creating the necessary incentives for people to work and to produce. This is the type of growth that is employment intensive, especially in the sense of absorbing the products of the nation's school system.

Declining Investment

Investment drives growth in any economy and when investment plummets, it has dire consequences for growth. Why is there a drastic decline in Nigeria's investment? The answer is not so much in the rising rate of interest as popularly canvassed. It has to do with the entire investment climate or environment, which stifles entrepreneurial initiatives, and demotivates human beings. The so-called enabling environment hardly exist to encourage local investors let alone the foreign ones we are trying to woo. The fact is that if locals are not confident about investing in their economic environment, sophisticated foreign investors cannot 'bite' any of our investment 'incentives'. So human capital factors that constrain investment have to be addressed.

Corruption

This has become the blame horse of Nigeria's underdevelopment in recent years. Attack on corruption has become an attractive political agenda of the present administration (ICPC and EFCC). But it would be more fruitful to look at corruption as symptom rather than a cause. Its growth and tenacity symptomise the gross allocative distortion, and increasing mass poverty in a society polarized by income inequality, and unemployment or unproductive employment. Since the fundamental causes of corruption hover around investment and use of human capital, the ultimate solution must start from these perspectives.

Population Explosion

Some analysts tend to blame Nigeria's economic ills on the big size of the nation's population. This ignores the fact that population size is an intrinsic asset. Consider USA and China. The asset values in human numbers can only be realized if these humans are well educated and productively employed. Indeed as demonstrated by several studies, it takes qualitative education and employment opportunities (especially women) to induce a fast demographic transition. This has been the historical pattern the world over.

Ethnic Plurality

Some scholars and analysts have blamed Nigeria economic Laggardness on the nation's ethnic plurality 250 tribes and tongues. However, according to (Aliu, 1999:235) "evidence has shown that this can only be a significant factor if the political regime is autocratic and hegemonic". In a modern democracy such as USA with ethno linguistic diversity confirm the validity of this, because of the diversity of human talents. Thus, it is what you do with ethnic configuration in terms of education, training, employment and governance that determines its developmental effects.

Changing Demand of the Nigerian Labour Market:

The Nigeria labour market as it is today is structured along three tiers: the urban-formal, urban-informal and rural labour market. This structure grew out of the two tiered rural/urban divide. The rural sector where agriculture predominates and the urban sector where non-agricultural activities predominates. This may mainly due to the development pattern and the urban bias nature of public policies of successive regimes in the country. This stereotyped picture is created of a country divided starkly between privileged modern sector, where urban elite and wage earners derived extravagant privileges from high incomes, government service and political influence, and a vast undifferentiated rural sector where the peasantry lived in poverty and produced the wealth to pay for those privileges. Between the two was a "dimly perceived growing population of

urban squatters living in increasingly miserable conditions around the cities, draw by the magnet of high wages and bright lights", which later come to be called the informal sector (Ukpong, 2001:84). The Nigeria labour market at present consists of urban organised sector which is the public sector and the medium/large scale private enterprise that employ labour on a permanent and regular basis for fixed reward, and are not available to job-seekers in the market unless they are able to cross the barriers of entry.

Furthermore, the urban unorganized sector is mainly self-employed workers and casual wage labour. Here there is ease of entry. Reliance on local resource, small scale of operations and labour intensive technology while labour productivity and incomes are low. In its human development report of 1990, UNDP pointed out that "human development is a process of enlarging people's choices", placing development at the service of people's well-being rather than people at the service of development. Ironically, the case with Nigeria is the exact opposite of the recommendation of this esteemed world body. Notwithstanding the latent potential for internal advancement and regional development far beyond what is evident in other African nation, Nigeria's economic and political conditions detract the standard required for sustainable human development. One needs no statistics (empirical information is itself a scarce commodity in Nigeria) to express the poor state of the Nigerian labour market. The central function of the labour market is to allocate labour, and it is only considered to be functioning well if the manner of classical competitive market, the price of labour adjusts to equilibrate labour demand and supply. The labour market will only operate if workers are matches to employment with skilled required. This can only be achieved by human capital generation through education and training. Some salient features could be identified of the Nigeria labour market; the modern sector is weak and could not employ much from the country's huge population; the high population growth impacts negatively upon labour market and has contributed to the disequilibrium

between supply and demand for labour in the market; the public sector account for a substantial proportion of formal sector employment; considerably sectoral brain drain has taken place in within the economy -sector such as education and health to the financial and oil sector and even emigration of the countries skilled manpower to other countries.

More so, there is growing in formalization of the economy as a consequence of the regime economic reform, which has reduced employment opportunities in the public sector. Furthermore, evidence abounds of the veracity of observation that the Nigeria labour market is awash with sea or army of unemployed and highly unskilled graduates (including employable). This is acknowledge, due to the existence of "gaps or discontinuities between education and training system and the labour market" (Ukpong, 2002:19). The consequences generated by this discontinuities, is generalized human resources wastage and the emergence of a dangerous phenomenon of educated unemployed. Consequently, the perceived new demands of the Nigeria labour market are: increasing demands for managerial and entrepreneurship skills; higher demand for computer literacy (ICT), increasing demand for higher professional skills especially in science, engineering and technology and higher demand for registration with chartered professional bodies.

Current State of Manpower Development and Utilization

Manpower planning is a essential ingredient towards determine the policies and programmes that will develop, utilize and distribute manpower/human resources with a view of achieving the country's broadest aims of socio-economic and political development. Education constitute the most potent vehicle for human development. Educational planning at the tertiary level should aim to meet the target set in a national manpower plan whilst manpower planning should take into consideration the national policies on education. It is however doubtful that adequate

attention has so far been paid to development of a credible national manpower plan or to the interaction between the educational provision and manpower planning. From independence to the mid-1970s, there was shortage of certain categories of high-level manpower which was the main hindrance to economic and social development. However, the late 1970s through the 1980s witnessed tremendous growth in the number of universities, student enrolment as well as graduate output such that graduate unemployment has for long become a serious problem in Nigeria. This period of optimal utilization of graduates of universities could therefore be said to have been the early 1980s. In addition to the ever increasing volume of graduate underemployment, there is a growing trend towards underemployment and mal-employment of graduates owing largely to excess supply in the face of dwindling economy. Underutilization of manpower can be seen from the employment of graduates at job below their actual or potential skill level or at job which do not put their skills to productive use. The current poor utilization of Nigeria's most important economic resources (the human resource) could be attributed to the relative ineffectiveness of the current manpower practice in the country. It would seem that the development of educational programmes and curricula was not effected within the context of national manpower requirements.

Thus, the country is now saddled with a bloated number of graduates who cannot find job thereby constituting a waste of human resources. The present scenario is truly frightening and necessitates policy measures aimed at more effective development and utilization of human resources that would facilitate the enhancement of economic and social development of the country.

Observation and Recommendations

A lot of work still needs to be done in order to harmonise the graduate output of our universities with high level manpower requirement of Nigeria's development. Nigeria's education system for some decades now has neglected the promotion of science and technology. The

proportion of the graduates opting for scientific disciplines has in fact declined since the 1980s. The policy makers should improve the higher education sector mainly in the field of science and technology to addressing national development. The government should set out a policy aimed at expanding application of scientific knowledge for solving problems faced by the country in areas of Biotechnology, Information technology, Space research, Material science, Renewable Energy, Pharmaceuticals and Chemicals, to link research and development to national development.

In meeting with present trend of globalization, the government should revamp our Universities and large allocation made so as to produce graduates in science and technology for national development and exporting of skilled manpower overseas just as countries like India and Pakistan are doing in the area of software development for USA which is indeed a big foreign exchange earner for these countries. In achieving this therefore, there should be the need for Nigeria's educational authorities to reorient their educational institutions, to make the curriculum at all levels more innovative. This move will certainly help develop the capacity for critical and analytical thinking to provide a sufficient pool of well educated, highly skilled and strongly motivated labour force for national development. Sound and strategic human resource management policies for the activation of standard organizational practices towards human resources. Appropriate remunerations and fringe benefits that are performance and quality based rather than heavy reliance on paper qualification. In view of the increased Trans border mobility of labour arising from globalization, government must urgently put in place regulatory measures to protect capable Nigerians and ensure that they continue to occupy key position in subsidiaries of multi-national corporations in Nigeria. Government should address the festering crisis in the educational sector (especially the issue of strikes in the primary, secondary and tertiary institutions) considering the extent of damage done to the quality of our graduates, grassroots development of the

country's manpower as well as capacity building of human capital to meet the nation development demand and challenges. Organizations in both public and private sectors should adopt dynamic strategies of transforming their establishment into learning organizations for the development of core competence, effective use of information technology, mentoring and fostering of a learning culture in order to meet the demand of globalization and the challenges of change.

Conclusion

The paper has attempted to examine human resources and the nation's development challenges. In concluding, the failure to harness the country's manpower resources over the years has exacerbated the crisis of poverty, employment, education, life expectancy and health. Nigeria's laggardness in all the key dimensions in Africa has been noted and traded to the failure of the country's human capital development strategy. It has been suggested that the way forward lies in the recognition of key role that education and training can play in accelerating and sustaining the nations development effort. The implementation of such a concept will necessitate, according high priority to educational investments. The strategic issues suggested for a human capital-led development strategy enclose a fifteen years allocation of at least 10 percent of the nation's GDP to education and training.

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