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**COLLEGE: SMS**

**COURSE: GST 122**

**QUESTION:**

Write an academic essay on a problem in the environment or society.

**UNEMPLOYMENT AND IT’S EFFECTS IN NIGERIA**

Unemployment is one of the most serious problems facing Nigeria like many other countries in the world. However, there is also a growing level of security challenges facing the country, which calls for serious concern. The rising level of unemployment in the country can be attributed for the increase in security challenges in the country. Many school leavers and employable adults are unable to secure jobs and if the government is unable to act fast enough in finding a solution to this problem, it will result to negative effects which might affect the development of the country and even security at large.

Unemployment is a global phenomenon whereby eligible workforce of a nation is disengaged in the service of the nation. It is not only a serious economic issue but has social implications that affect almost all countries and all people either directly or indirectly. It causes social disquiet and is the harbinger of the spate of crimes, perennial youth unrest and unstable socio-economic structure that has bedeviled several nations. The world and most particularly developing nations like Nigeria are currently facing serious job challenge and widespread decent work deficits, a development that is capable of increasing the spread of poverty.

Firstly, poverty or financial problems is one of the first effects of unemployment in Nigeria and the hardest to tackle. Poverty, according to the English dictionary is defined as the state of being poor. In other words, the complete inability of a person to satisfy the basic needs of life due to lack of money or monetary instruments. This is a major effect of unemployment in Nigeria because the citizens in the country are willing and able to work but there are no jobs able for them, thus they have no means of earning a living and either suffer in poverty or look for illegal means of surviving. Consequently, this affects the national economy leads to poverty. As a result of the financial crisis and the reduced overall purchasing capacity of a country the unemployed individuals are unable to maintain the minimum standard of living. In a country of 195.88 billion inhabitants, the poverty rate is 40.1%. This in other words means almost half of the country’s population is suffering from poverty.

Secondly, unemployment in Nigeria can potentially lead to a decline in the productive capacity of the country and negatively affect the GDP. The underutilization of the labor force in an event of high unemployment will bring about a negative impact on the economic growth and development of Nigeria. As at 2019, the unemployment rate in Nigeria was 6.11% and rising. With this statistical analysis, it proves that a constant rate of 6.11% or at worse a rise in the rate of unemployment, the productive capacity of the full labor force will be underutilized and instead of recording a rise in GDP and improve economic growth, there’ll be either a stagnant rate of economic growth or decrease in GDP and economic growth. Also, the longer the unemployment goes on it becomes more difficult for the worker to find employment again, both because employers are wary of the long-time unemployed and also because over time, unemployed workers lose job skills. This will also affect the productivity of the labor force and affect the GDP.

Lastly, unemployment will bring about an increase in government spending and borrowing due to provision of unemployment benefits to the unemployed. Higher unemployment will cause a fall in tax revenue because there are fewer people paying income tax and also spending less (hence lower VAT). Also, the government will have to spend more on unemployment and related benefits. The government doesn’t just pay unemployment benefit, but a family who has unemployment will be more likely to receive housing benefit and income support. Unlike what obtains in most developed countries, in Nigeria, there is no social security system in place to cater for the unemployed. Thus, as the unemployed do not receive unemployment benefits from the government, most, if not all, are unable to fend for themselves. Many have thus resorted to engaging in activities that constitute security challenges to Nigeria.

In conclusion ensuring the wellbeing of the citizens and residents of a country still remains the most important responsibility of government. Thus, safe guarding the lives and property of Nigerians as well as the provision of enabling environment for job provision are very essential. In fact, once employment is not guaranteed in any nation, its economic development will be gravely affected since no investor invests in a country with unstable productivity. The rate of unemployment in Nigeria has taken a dangerous dimension which if not tackled will frustrate all developmental efforts of the government. There is, therefore, a need for urgent measures to be put in place to address the problem of unemployment and the effects the country is facing, considering the country’s position on the continent and in the international community.