

Graduate Unemployment Problem and the Nigeria University System: 1970-85.

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Abstract:

This study has attempted to understand the nature and causes of graduate unemployment in Nigeria. The relevance of the 'over-production hypothesis' was addressed. A framework for the validation of the hypothesis was developed and applied to the Nigerian situation in the period 1970 - 85. The analytical technique made use of the Incremental Labour-Output Ratio (ILOR) technique to determine the manpower need of each of the three plan periods spanned by the study-period.

Furthermore, the consequences of the over-production of university graduates on the issues of 'search unemployment' and the potential mobility of graduates in the country were analysed. The results from the study indicated that the problem of over-production has been in existence in the country since the last one decade or so (1975 - 85). In the period 1975- 80, the rate of over-production was 17% and the unemployment rate was 9.3%. For the period 1980 - 85, direct quantification was impossible because of data problem. The evidence of over-production was confirmed by the fact that the "over-production - free" growth rate of 10.7% was higher than 7.2% target growth rate and the actual growth rate of - 3% recorded in 1981- 84 period.

According to our expectation, the fresh graduates (1984 graduates) interviewed appeared to have high potential mobility, only about 4% declared strong preference for own state. Nevertheless, they still demonstrated high expectations about salary and kind of job. Only 6.2% would accept anything less than 300 per month (Grade level 08). This does not, however, provide a fool-proof evidence of search unemployment since just 26.7% of the graduates would sacrifice a period of unemployment for the preferred jobs. Our thesis is that the responsibility for the unemployment lies not with the graduates but the distortion in the economy and the planning of the country's universities.

Keywords: Unemployment/ over-production hypotheses/ search unemployment

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