

YOUTH UNEMPLOYMENT AND ENTREPRENEURSHIP DEVELOPMENT: CHALLENGES AND PROSPECTS IN NIGERIA

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Abstract

The development and transformation of Nigerian and the Sub-Saharan Africa is highly dependent on youth empowerment through Entrepreneurship. They are the backbone of economic development all over the world and play important role for employment, income and societal changes, particularly in transition economies like Nigeria. This paper is concerned with the extent to which entrepreneurship in Nigeria has helped to reduce youth unemployment, and outlines the initiative taken by government to curtail unemployment and also the challenges and prospects for the development of entrepreneurship. The study revealed that such policies and initiative by government has affected the “transformation question”. This is due to the increase of corruption, inadequate and inefficient infrastructural facilities and maladministration. The paper concludes that entrepreneurship country is an engine for job creation; innovation and diversity and Nigeria’s entrepreneurs have a long way to go before they can effectively drive changes in the economy and recommends that Government (policy makers) should genuinely recognize the essence of entrepreneurship to economic development by providing the enabling environment and secured environment for the youth to be gainfully employed for economic development and also provide adequate infra-structural facilities (water, electricity, road network, communications etc.).

Keywords: Youth Unemployment, Entrepreneurship; Transformation, Economic Development

INTRODUCTION

For Sub-Saharan Africa to stand among the nations of the world it must be able to take entrepreneurship development and employment importantly. Most importantly the youth are the machine that will propel development and transformation. They are an important facet of industrial growth and development of a nation. Since the 1980s, unemployment has continued to remain one of the most cancerous socio-economic problems inhibiting the progress of Nigeria, as a nation and Sub-Saharan Africa. Unemployment is apparently one of the major causes of social vices such as fraud, kidnapping, armed robbery, destitution, prostitution, terrorism, political thuggery and so on. With the labour force of approximately 3 million people annually moving into the labour market, unemployment of persons of 15 years and above was put at 3.8% and

youth unemployment estimated at 5.0%, as at 2006 (Osibanjo, 2006). Therefore it is quiet certain that a good Entrepreneur can create a strong economy.

However experiences of developed economies in relation to the roles played by entrepreneurship buttresses the fact that the importance of entrepreneurship cannot be overemphasized especially among the Developing Countries. In order to highlight its significance in relation to the growth and development of a given economy, entrepreneurship has been variously referred to as a “source of employment generation”. This is because Entrepreneurial activities have been found to be capable of making positive impacts on the economy of a nation and the quality of life of the people (Adejumo, 2000). According to Onyenebo and Ezeano (2011) entrepreneurship performs numerous roles in business, in the society and overall development. In fact all factors of production (labour, land and capital) would be rendered ineffective and unproductive without entrepreneurship development.

They are the result of entrepreneurial choices and are open to entrepreneurial initiative. Individual entrepreneurs and entrepreneurial teams bring to light the resources, technologies and trading opportunities that make economic development possible. Indeed, whenever entrepreneurs are the first to discover the availability and potential economic value of new resources, they are in effect bringing those resources into existence in economic terms (Kirzner 1989).

Nigeria as a country has numerous business and investment potentials due to the abundant, vibrant and dynamic human and natural resources it possesses. The performance and effectiveness of entrepreneurs in the country as an instrument of economic growth and development has long been under scrutiny. This intense scrutiny has been against the backdrop of the low performance and inefficiency that characterized small business particularly in assessing its role on economic growth and development. Tapping the country’s resources require the ability to identify potentially useful and economically viable fields of endeavours. Nigerians have equally made their marks in diverse fields such as science, technology, academics, business and entertainment.

Entrepreneurship activities and innovative ingenuity in Nigeria have developed enterprises in areas such as agriculture/agro-allied, solid minerals, transportation, information and telecom, hospitality and tourism business, building and construction etc. According to Anyadike, Emeh and Ukah (2012) these human and natural resources notwithstanding, Nigeria is still one of the poorest countries in the world and has one of the highest rates of youth unemployment in Sub-Sahara Africa, and despite its alleged strong economic growth. In respect of the above sad and deplorable situation, the government has done little to reduce the misery and frustrations of the citizenry. This has foisted a state of hopelessness on majority of young and old people who have resorted to any means including crime to succeed in life. They resort to vices because they are not gainfully engaged. In other words, they are unemployed; unemployed, not because they lack the qualification but because the system has been crippled politically, economically, socio-culturally and even religiously.

The need for entrepreneurship development in the country today is necessitated by the fact that entrepreneurship development is a major factor in economic growth and development and also the permanent cure for extreme hunger and poverty necessitated by unemployment. It is in this respect this paper seeks to highlight the major challenges and prospects of entrepreneurship in the country and thus proposing some plausible strategies that can promote

effective entrepreneurship that will help develop the economy. This paper is organized as follows: the first section identifies the concepts of entrepreneurship, youth unemployment and its role in economic development. The second section focuses on the relationship between entrepreneurs and development. The third section identifies the constraints and prospects of entrepreneurship in economic development and finally proper conclusion and recommendation.

YOUTH UNEMPLOYMENT: A CONCEPTUAL CLARIFICATION

Every economy is characterized by both active and inactive populations. The economically active ones are referred to as the population 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 Organization (ILO) defines the unemployed as numbers of the economically active population who are without work but available for and seeking work, including people who have lost their jobs and those who have voluntarily left work (World Bank, 1998).

According to Fajana (2000), unemployment refers to a situation where people who are willing and capable of working are unable to find suitable paid employment. It is one of the macro-economic problems which every responsible government is expected to monitor and regulate. The higher the unemployment rate in an economy the higher would be the poverty level and associated welfare challenges. Fajana (2000), Alao (2005), and Wikipedia (2014) identify the following types of unemployment.

Structural unemployment occurs when there is a change in the structure of an industry or the economic activities of the country. This may be due to use of outdated technology, deficiency of capital resources in relation to their demand and the product or service is no longer in demand.

Frictional Unemployment is caused by industrial friction in which jobs may exist, yet the workers may be unable to fill them either because they do not possess the necessary skill, or because they are not aware of the existence of such jobs. The employable may remain unemployed on account of shortage of raw materials, or mechanical defects in the working of plants. Therefore, the better the economy is doing, the lower this type of unemployment is likely to occur.

Seasonal Unemployment is due to seasonal variations in the activities of particular industries caused by climatic changes, changes in fashions or by the inherent nature of such industries. In the tropical region, ice factories are less active in rainy season because demand for ice is low. Seasonal oriented industries are bound to give rise to seasonal unemployment

Cyclical or Keynesian unemployment is due to the operation of the business cycle. This is a situation whereby the demand for labour becomes deficient to supply. In other words, when the aggregate demand falls below the full employment level, it is not sufficient to purchase the full employment level of output. It is characterized by an economy wide shortage of jobs and last as long as the cyclical depression lasts.

Technological Unemployment is caused by changes in the techniques of production. Hence a situation whereby man is replaced by machines. Technological changes are taking place constantly, leading to the increased mechanization of the production process. This naturally results in the displacement of labour and finally causing unemployment due to globalization (Oladele, et al, 2011).

Residual Unemployment is caused by personal factors such as old age, physical or mental disability, poor work attitudes and inadequate training. Whatever the type and cause of unemployment, entrepreneurship is its answer.

CAUSES OF YOUTH UNEMPLOYMENT IN NIGERIA

In the study of unemployment in Nigeria, Adebayo (1999), Alanana (2003), Echebiri (2005), Ayinde (2008), Morphy (2008 and Awogbenle and Iwuamadi (2010) have identified the main causes of youth unemployment in Nigeria. According to the National Bureau of Statistics (NBS), the rate of unemployment in Nigeria stood at 23.9 per cent in 2011, while urban unemployment was estimated at 29.5 per cent in 2013. In addition, the FDC report also forecast that the misery index would likely to increase further in 2014, from the 38 per cent it stood in 2013. It also predicted that the nation's currency would fall by about three per cent this year, even as it anticipated a correction in the stock market

The first is the rapidly growing urban labour force arising from rural urban migration. Rural-urban migration is usually explained in terms of push-pull factors. The push factors include the pressure resulting from man-land ratio in the rural areas and the existence of serious underemployment arising from the seasonal cycle of climate. The factors are further exacerbated in Nigeria and most African countries due to the increase of war and epidemic in most of these countries (Liberia (ebola), Mali, Sudan, and Sierra etc), likewise the lack of infrastructural facilities, which makes the rural life unattractive. Youths move to urban areas with the probability of securing lucrative employment in the industries. In addition to this, there is the concentration of social amenities in the urban centers. This meant that the rural areas are neglected in the allocation of social and economic opportunities.

The second is the rapid population growth. Going by the 2006 census in Nigeria, the nation's population was put at 140,431,790 and projections for the future indicate that the population could be over 180 million by the year 2020, given the annual growth rate of 4.5 percent (National Population Commission and ICF Macro, 2012). With this population, Nigeria is the most populous nation in Africa. It is argued that the high population growth rate has resulted in the rapid growth of the labour force, which is far outstripping the supply of jobs. The accelerated growth of population on Nigeria's unemployment problem is multifaceted. According to the National Bureau of Statistics, Nigeria the unemployment rate stood at 23.09% as at 2012. It affects the supply side through a high and rapid increase in the labour force relative to the absorptive capacity of the economy.

The third is the outdated school curricula and lack of employable skills. Some scholars and commentators have argued that as far as the formal sector is concerned, the average Nigeria graduate is not employable and, therefore, does not possess the skills needed by the employers of labor for a formal employment. After all employers do not need people to pay or spend their money on but people that will help their organization grow and make more profit as the primary goal of every enterprise is to make profit. Often, this is attributed to the Nigeria's education system, with its liberal bias. The course contents of most tertiary education in Nigeria lack entrepreneurial contents that would have enabled graduates to become job creators rather than job seekers.

The fourth is the rapid expansion of the educational system which directly leads to increase in the supply of educated manpower above the corresponding demand for them. With the creation of six new universities in the countries by the President Goodluck Administration more youths graduate without jobs. This contributes to the problem of the youth unemployment in Nigeria. Presently, with over 97 universities in Nigeria (both federal, state, and private) and the increasing demand for higher education there has been the problem of suitable employment for the varieties of graduates who are turned out by these higher institutions every year.

Ordinarily, this should not have been a problem, but the reality is that the Nigerian economy is too weak to absorb this large number of graduates (Utomi, 2011).

Further, there is no vibrant manufacturing sector which has the capacity to absorb unemployed youths in Nigeria, as there are over 800 collapsed industries in Nigeria and over 37 factories have closed shops in 2009. In a nutshell, Nigeria is a country with numerous business and investment potentials due to the abundant, vibrant and dynamic human and natural resources it possesses. As good as the foregoing sounds, Nigeria continues to experience its share of social, economic and political upheavals which have often stunted its growth and development into the regional economic power that it strives to attain. Nigeria has a relative high rate of violent crimes (Onwubiko, 2009).

The fact is that the Nigeria is becoming hostile to investment due especially to lack of steady and sustainable power supply energy crisis in spite of the various attempts are reviving this sector lading to firms depending on generators for their operation whose cost of buying, fueling and maintenance are high, thereby increasing the cost of operation in Nigeria. Besides, high and multiple levies and taxations being paid by these companies, energy crises have combined to make the cost of doing business in Nigeria to be very exorbitant. When the industries and factories closed shops or relocated to a friendlier economic environment, workers were laid off and prospects of recruiting new ones were dashed. All these exacerbated the crisis of youth unemployment in the labor market (Adeloye, 2010; Onifade, 2011).

Finally and most importantly is Corruption!, which has permeated the entire social structure of Nigeria, has robbed the country of developing a vibrant economic base. Funds meant for development projects have been misappropriated, diverted, or embezzled and stashed away in foreign banks, while some incompetent and corrupt bureaucrats and administrators in the public enterprises and parastatals have liquidated these organizations (Okafor, 2010). The point being made here is that the collaboration of the political elites, local and foreign contractors in the inflation of contract fees have robbed Nigeria of the chances of using more than \$500 billion estimated revenue from the oil sale in the last 54 years to develop a vibrant economy that would have created jobs for the youths in various sectors of the economy. The ruling (political) class failed because they replaced the vision, policy, and strategy, which should be the thrust of every leadership with transactions (contract award and other mundane money related activities), as each successive government took turns to prey on the nation's wealth, by using public power, resources, good will, utilities, instrument of abuse, and personal gains (Okafor, 2005). Thus crippling the economy and engendering and exacerbating unemployment which creates abject poverty, hunger and frustration; killing the zeal and means for entrepreneurship development in the Nigerian youths.

THE CONCEPT OF ENTREPRENEURSHIP DEVELOPMENT

Entrepreneurship is more than simply "starting a business." It is a process through which individuals identify opportunities, allocate resources, and create value. This creation of value is often through the identification of unmet needs or through the identification of opportunities for change. It is the act of being an entrepreneur which is seen as "one who undertakes innovations with finance and business acumen in an effort to transform innovations into economic goods hence Entrepreneurs see "problems" as "opportunities," and then take action to identify the solutions to those problems and the customers who will pay to have those problems solved. Entrepreneurial success is simply a function of the ability of an entrepreneur to see opportunities in the marketplace, initiate change (or take advantage of change) and creates value through solutions. According to Obi (2010) for the Nigerian youth to survive in Entrepreneurship the

following skills are required; he/she must be a high achiever, risk-taker, self- confident, resourceful, goal setter, task oriented, innovative, future oriented communication ability and technical knowledge. Binks and Vale (1990) defined entrepreneurship as 'an unrehearsed combination of economic resources instigated by the uncertain prospect of temporary monopoly profit'. Hence Kanothi, (2009) defined Entrepreneur as the 'instigator of entrepreneurial events for so long as they occur'. Tijani-Alawiye (2004) defines entrepreneurship as the process of increasing the supply of entrepreneurs or adding to the stock of existing small, medium and big enterprises available to a country by creating and promoting many capable entrepreneurs, who can successfully run innovative enterprises, nurture them to growth and sustain them, with a view to achieving broad socio-economic developmental goals. One of these goals is sustaining employment. Furthermore, Acs and Szerb (2007) noted that entrepreneurship revolves around the realization of existence of opportunities in combination with decision to commercialize them by starting a new firm. More importantly, Schnurr and Newing (1997) justified the need for promoting entrepreneurship culture on the ground that youth in all societies have sterling qualities such as resourcefulness, initiative, drive, imagination, enthusiasm, zest, dash, ambition, energy, boldness, audacity and courage which are all valuable traits for entrepreneurship development. Supporting this assertion, Bennell (2000) maintained that governments, NGOs and international bodies seeking to improve youth livelihoods could best pursue their empowerment objective by tapping into the dynamism of young people and build on their strong spirit of risk-taking through entrepreneurship development. Entrepreneurship development has also led to employment generation, growth of the economy and sustainable development.

LITERATURE REVIEW

Recently, unemployment has hit the Nigerian Youths badly. A situation whereby conglomerate of youths with diverse background, willing and able to work, but cannot find any and some losing their lives is terrible. Given the lack of sufficient employment opportunities in the formal sector, young people may be compelled to engage in casual work and other unorthodox livelihood sources, thus leading to underemployment (Echebiri, 2005; Onah, 2001). Various forms of unemployment have been identified and elaborated upon in the literature. These include seasonal, frictional, cyclical, and structural unemployment. Unemployment is measured among people in the labour force (Obadan and Odusola, 2001; National Bureau of Statistics, 2014). Unemployment is a global trend, but it occurs mostly in developing countries of the world, with attendant social, economic, political, and psychological consequences. Thus, massive youth unemployment in any country is an indication of far more complex problems.

The ILO (2007) report showed that the proportions of world unemployment are steadily increasing and that the number of those without jobs remained at an all time high of more than 195 million, or 6.3 percent, in 2007. For instance, during that period (2007), the Middle East and North Africa were the regions with the highest unemployment rate in the world at 12.2 percent, followed by Sub-Saharan Africa at nearly 10 percent. East Asia's unemployment rate of 3.6 percent remained the lowest. The report affirmed that population growth, especially in South Asia, the Middle East, and North Africa, and Sub-Saharan Africa, was putting a lot of pressure on job creation. The report concluded that half of all workers in the world - some 1.4 billion working poor - lived in families that survived on less than US \$2 a day per person. These people worked in the vast informal sector - from farms to fishing, from agriculture to urban alleyways - without benefits, social security, or healthcare. Some 550 million working poor lived on US \$1 or less per day. In absolute terms, it is estimated that there are about 122 million youths on the African continent (Echebiri, 2005; Chigunta, 2002). Therefore, projections of the population

growth into the 21st century indicated that the proportion of youths, in relation to the overall population, will continue to grow. Todaro (1992) pointed out that the high rate of unemployment is a result of continuous transfer of economic activities, especially the youths from rural to urban areas.

In Nigeria, accurate unemployment rates are difficult to access. However, according to Oyeade (2003), Nigeria's unemployment can be grouped into two categories: first, the older unemployed who lost their jobs through retrenchment, redundancy, or bankruptcy; and second, the younger unemployed, most of whom have never been employed. For Awogbenle and Iwuamadi (2010), the statistics from the Manpower Board and the Federal Bureau of Statistics showed that Nigeria has a youth population of 80 million, representing 60% of the total population of the country. Also, 64 million of them are unemployed, while 1.6 million are under-employed. According to National Bureau of Statistics (2009:238; 2014), the national unemployment rates for Nigeria between 2000 and 2012 showed that the number of unemployed persons constituted 31.1% in 2000; 13.6% in 2001; 12.6% in 2002; 14.8% in 2003; 13.4% in 2004; 11.9% in 2005; 13.7% in 2006; 14.6% in 2007; 14.9% in 2008; 19.7% in 2009; 21.10% in 2010; 22.10% in 2011; 23.90% in 2012 and many likely rise by 2% in 2013. According to the Vanguard newspaper head line of December 17, 2013 54% of Nigerian youth were unemployed in 2012, for persons between ages 15 and 24 years, 41.6% were unemployed. For persons between 25 and 44 years, 17% were unemployed. As regards sex, data showed that males constituted 48.1% while females constituted 51.9%. It is important to note that the figures above may not have captured in totality the youth unemployment situation in Nigeria, however, they are pointing to the fact that the phenomenon is a very critical issue with reference to the entrepreneurship development and economic development.

More importantly is the recent events in the Sub Sahara Africa countries like Liberia, Mali, Sierra, Angola and so on where unemployment, war, disease and poverty among others played a key role in the uprising, one can only conclude that Nigeria's unemployment poses a threat to its development, security and peaceful coexistence, being that Nigeria is made up of diverse entities from different cultural and religious backgrounds most of whom have shown differences in political, cultural and religious understanding and accommodation emanating from concerns of abuse of power, resource allocation, nepotism, negligence and corruption among others (Unegbu, 2011). The unemployment crisis in Nigeria is linked to galloping poverty (Abati, 2009). But to put Nigerians to work, the solution lies in a reinvention of the nature and purpose of government.

Nigeria is no longer a productive country; it is a dumping ground for imports. Its economy provides jobs for outsiders not the people at home. It has since exported many of its best hands to other countries in a corrosive brain drain syndrome. The unemployment situation is so bad that university graduates stay at home for upwards of ten years unable to find a thing to do. Education has become unattractive as employers of labour complain about the rising population of unemployable Nigerians. The fashion these days is for many employers to reserve spaces for Nigerians with foreign qualifications. Nigeria's higher institutions are producing a steady stream of graduates whose skills are suspect, and whose work ethic is abhorrent. The crisis cannot be fully described. But at the root of it is the failure of government and leadership.

To make a difference, Nigerian governments must take practical steps. What is required is not rhetoric, not bureaucracy. The way forward is for the government must encourage the youths to be self-employment through creation of enabling environment for business and investment opportunities for entrepreneurs, to resolve the country's energy crisis though it has

privatized the sector they must make it a their priority . A government that cannot provide regular electricity, something that is taken for granted in Mali, Ghana, Niger, Gambia, in Cote d'Ivoire and elsewhere, lacks the moral right to complain about unemployment.

Virtually every factory in Nigeria runs with the help of power generators. The key excuse given for the winding down of the textile factories, Michelin, Dunlop and other companies is the high and unprofitable cost of energy. Factored into the cost of production, doing business in Nigeria is unprofitable. Many entrepreneur, investors and artisans are finding it difficult to make profits. Example sole proprietor, manufacturers (Innocing motor, AZ, Danagota) furniture makers, machinists, aluminum window fitters, welders, vulcanizers, tailors, traders - cannot all function. In desperation, a large population of young Nigerians has taken to the riding of motorcycles, or to crime, but effectively, most of our people are underemployed. On the streets of Lagos daily can be seen a crowd of young men and women hawking pure water sachets, biscuits, aphrodisiacs and all kinds of wares - the total cost of which is so small their efforts cannot be dignified with a description as "work". There is a gross abuse and under-utilization of human resources in Nigeria with direct impact on national productivity and competitiveness. This can only be achieved in Nigeria through entrepreneurship development.

The essence of entrepreneurship development is the ability to envision and chart a course for a new business venture by combining information from the functional disciplines and from the external environment in the context of the extraordinary uncertainty and ambiguity which faces a new business venture. It then manifests itself in creative strategies, innovative tactics, uncanny perception of trends and market mood changes and courageous leadership. To the duo, 'entrepreneurship', when treated as 'enterprise creation' helps develop new skills and experiences that can be applied to many other challenging areas in life.

More importantly, Schnurr and Newing (1997) justified the need for promoting entrepreneurship culture on the ground that youth in all societies have sterling qualities such as resourcefulness, initiative, drive, imagination, enthusiasm, zest, dash, ambition, energy, boldness, audacity and courage which are all valuable traits for entrepreneurship development. Supporting this assertion, Bennell (2000) maintained that governments, NGOs and international bodies seeking to improve youth livelihoods could best pursue their empowerment objective by tapping into the dynamism of young people and build on their strong spirit of risk-taking through entrepreneurship development. There seems to be a general consensus that Entrepreneurship development has led to employment generation, growth of the economy and sustainable development as the current number of colleges and universities offering small business management and entrepreneurship development programme has grown from one university in 1947 to over 1600 in the 1990s (Solomon and Fernald, 1991; Solomon et al, 1994; Solomon, et al, 2002). In Zambia, it was show that 25% of the youth are self-employed (Chigunta, 2001). Most of these young people, especially younger youth, tend to be concentrated in marginal trading and service activities. Findings in Ghana of small scale enterprises reveal that young people owned almost 40 percent of the enterprises (Osei, Baah- Nuakoh, Tutu, and Sowa, 1993). Similarly, research in South Africa suggests that the probability of self-employment among young people rises with age (Chigunta, 2001).

However Nigerians especially unemployed youth are mentored and provided the needed resources and enabling environment for business start-ups, they will economically be engaged thereby shunning the illegal acts of hostage-taking, kidnapping, bombing and vandalism and homelessness. In every act of entrepreneurship development, a new firm is raised hence entrepreneurship is enterprise-creation. Often times, millionaires and billionaire are made such as

Alico Dangote. In Nigeria and everywhere, entrepreneurship development is all about the creation of various small and medium enterprises by various individuals whom, if not employed ab-initio, becomes self-employed automatically and usually end up an employer of labour

Entrepreneurship and Economic Development in Sub-Sahara Africa: The Nexus

It is a fact that misplaced objective can lead the unemployed Nigerian youth to engage themselves the forms of hostage taking, kidnapping, pipeline vandalism, and economic sabotage, internet frauds and bombing. This fact was corroborated by Aduba (2011) reporting for the Akwa Ibom State government as saying that one of the major factors of restiveness in the Niger Delta region is high rate of unemployment. The traits of creativity, risk-loving, innovation, strategic thinking and constructive engagement against the government by discontented Nigerians could as well be directed to entrepreneurship development (Raimi, 2010). According to Onyeneho & Ezeano(2011) development is a process by which individuals in a community or country improve their economic and social wellbeing. In the view of Ile;

it refers to an increase or expansion of national income or total volume of production of goods and services of a country, accompanied by improvement in social, political and economic lives of the people inhabiting in that country.

(Ile: 2000)

Therefore it's of great importance to know that from an economy to achieve a place in the world's economy it must be able to provide opportunities for the unemployed youth to engage in entrepreneurship activities in conducive environmental variables. According to Koontz et al (1980) these environmental variables includes economic, technological, social-cultural, political-legal and ethical. Therefore if these concepts and variables are well harvested the country will stand to benefit. Finally will be the giant of Africa and a transformed Nigeria society.

Constraints of Entrepreneurship in Employment Creation

Constraints of entrepreneurship development could either be economic resources or human resources. Economic resources are made up of labour, land capital and entrepreneurial abilities, which when combined produce a great output. The key roles of entrepreneurship include mobilization of domestic savings for investment, significant contribution to Gross Domestic Product (GDP) and Gross National Income (GNI), harnessing of local raw materials, employment creation, poverty reduction and alleviation, enhancement in standard of living, increase in per capita income, skills acquisition, advancement in technology and expert growth and diversification. Irrespective of the benefits associated with entrepreneurship, there are lots of barriers that have prevented youths from fully realizing their potentials and assuming responsibilities in the society. These barriers are however differently grouped by different authors and scholars in the literature, but According to Onwubiko (2011) the barriers to entrepreneurship were grouped under the following sub-headings:

Absence of Infrastructural Facilities

It is a universal belief that certain basic infrastructural facilities aid the development of the mind and body and assist productivity in any environment. These facilities have been identified as good roads, good water supply, constant power, access to information and communication technology and other tools of trade. A case where these are lacking in a country, the growth of the economy will be adversely affected. In Nigeria, these basic work tools as well as the enabling environment is lacking. All these put together have made entrepreneurial activities cost intensive,

unprofitable and uninteresting thereby dissuading the youths from assuming entrepreneurial leadership positions.

Inadequate Working Capital

Even though many scholars such as Onugu (2005) have argued against non-availability of capital as the prime problem of entrepreneurship development, the availability of capital, says Onwubiko (2011) is central to the establishment and continued existence of any enterprise irrespective of the size, focus and objective. It has been observed that for an entrepreneur in Nigeria to start a business, he /she must have adequate funds. In a situation where the working capital is inadequate or unavailable, it becomes a problem. This is one of the major, if not the major problem that young people encounter when opening a business. Banks are reluctant to give out loans to intending entrepreneurs especially when they are young people. The procedures for accessing such credits are often rigorous and dependent on the provision of collaterals which the potential entrepreneur may not possess. Therefore intending entrepreneurs often fall back on their personal savings or on loans from family members and friends.

Low Standard of Education

The world today is a global village and since an intending entrepreneur must be conversant and in tune with events around and about him, education becomes a critical factor in preparing and empowering the entrepreneur with the qualities required of him. Unfortunately, the role of education in forming young people to become change agents it seems, have been ignored. Year after year, the quality of education in the Nigerian institutions has gradually been on the decline, due to strikes and unqualified teachers. While those who stay in the system is as a result of the unavailability of alternative jobs. Government policy or lack of one has been a major bane of education in Nigeria. The schools are not adequately funded, equipped, regulated and managed to bring out their optimum potentials in youths and potential entrepreneurs.

Lack of Adequate Training

Absence of adequate training for students such has made it difficult to them to meet up the transformation question. This challenges the future of the youth as entrepreneurs. It has been observed that the educational curriculum in Nigeria focuses more on the theoretical without a corresponding practical approach. Most employers are always compelled to retrain their employees due to lack of knowledge of basic work ideas or familiarity with the area of study of the employee. Technology has been used to improve the quality of life through the use of the computers and other technological discoveries such as the internet. Where the youth does not have the knowledge or skill of the latest technology, it affects their outlook to life. This also results in low morale, inefficiency and lack of confidence.

According to Ile (2000) there are factors that could shape the success or failure of a potential entrepreneur. They include the following, political, legal, ethnical, economic, cultural, social and physical. They play a role in stifling the dreams and aspirations of the youth towards assuming entrepreneurship positions. Economic factors such as policy reversals, high and double taxations, difficulty in procuring business approvals, high inflation and unstable exchange rates are some of the areas of concern for the potential entrepreneur who is in most cases a greenhorn basically there are three major factors that hinders entrepreneurship : structural, cultural and the lack of political will by policy makers.

Structurally, structural inhibitors in the growth of entrepreneurship have its origin in the Nigerian education policies since independence in 1960. Another related structural problem is the low budgetary allocation to the education sector, particularly the vocational and technical

education sub sector. Poor leadership, corruption and mismanagement of resource have also contributed to the gross under-funding of education.

Culturally, it can be argued that entrepreneurship has been hindered by two major factors: society's perception about the socioeconomic status of artisanship and the value system which is fast being eroded. There is the general perception that artisans and technicians are "never-dowells", dropouts, societal rejects or even failures that should perpetually remain at the bottom of the socio-economic ladder.

Politically, Lack of Political Will on the side of our political leaders have been a more hindrance to entrepreneurship development and reduction of unemployment in Nigeria (Onwubiko (2011). The neglect of vocational/technical education has been robbing the nation of the potential contributions of its graduates to national growth and economic development. The inability of policy makers to has lead underdevelopment of Africa. Agbeze al et (2012), writing on the obstacles of Entrepreneurship Development averred that the challenges and obstacles facing aspiring Nigerian entrepreneurs include amongst others the following:

1. Constrained access to local and international markets stunt entrepreneurial expansion and proliferation because Entrepreneurs find it difficult to successfully market and expand their business as a result of high cost of doing business. Enterprises can only succeed if awareness of market availability is created.
2. Severe infrastructure deficits (mainly of power and electricity) that hamstring both new and existing businesses. Interestingly, World Bank study carried out in the last ten years or so indicated that if government is able to remove power as a bottleneck, Nigeria will at least gain 30 percent competitiveness in production. It is therefore imperative that an effective energy policy be developed as business cannot thrive under a bad energy policy.
3. Inadequate access to finance and the absence of a viable credit policy that addresses the specific needs of enterprises.

Prospects of Entrepreneurship Development and Employment Generation: The Nigerian Perspective

All the above cited problems notwithstanding, plausibility of entrepreneurship development to generate employment abound hence the government fully appreciates the opportunities entrepreneurship creates for employment generation, their contributions to economic growth and development as well as the constraints and difficulties in their operating environment. These explain why in the past forty-five years or so, the government has established various support institutions and relief measures specially structured to render assistance and succour to minimize the constraints, which entrepreneurship typically face if not to eliminate them. The support institutions established by the government range from specialized banks designed to focus on the funding of Small and Medium Enterprises to agencies and departments all meant to give a flip to the fortunes of Small and Medium Enterprises. It is also pertinent to note that government policies behind the establishment and operations of the Small and Medium Enterprise support institutions had not been effective and productive. From all indications of observed lapses inherent in them, the policies were either defective in their formulation and conceptualization, or were not truly and religiously implemented. The comfort is that the governments (local, state and federal) are neither relenting nor giving up in their bid to revamp and invigorate the fortunes of SMEs as to enable them play the expected role in Nigeria's economic growth and development.

This is evidenced by the government's recent establishment of as well as the mandate given to the Bank of Industry (BOI) and the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), the facilitation of the Bankers' Committee's institutionalization of the Small and Medium Industries Equity Investment Scheme (SMIEIS), the federal government's drive and focus on realizing the objective of NEPAD, The 2012 Global Entrepreneurship Monitor (GEM) Sub-Saharan Africa Report — the first to examine entrepreneurial dynamics in the region — was launched in Lusaka, Zambia, on November 19, 2013. The government's endorsement and support of multilateral agencies and loans, and the government's backing of international development finance facilities such as the European Investment Bank (EIB) facilities and the likes. Other indications relate to the government's programmes aimed at poverty alleviation and providing succour to those whose jobs could be affected by the current government reforms as well as the proposed establishment of a Credit Guarantee Scheme for loans to Small and Medium Enterprises.

Speaking of the prospects of entrepreneurship development in Nigeria in generating employment for the army of the unemployed the Business day of 14th February 2012, reported that the National Directorate of Employment (NDE) has disbursed N2.8Million for four unemployed graduates in Cross River State under its Enterprise Creation Fund (ECF) for Small Scale Enterprises The NYSC in 2013 gave out loan to coppers who were engaged in agriculture and They were given moratorium of one year on the loan repayment and are expected to complete the repayment in three years. Again, 100 unemployed youths in the state were undergoing training which was targeted as Unemployed Rural Youths Centred on hair dressing, Fashion designing, Carpentry, Electrical Installation, Welding and Metal Fabrication. In terms of financing entrepreneurship, the former Central Bank Governor, Sanusi, Lamido Sanusi had raised hopes when he spoke on the Nations newspaper that credit to private sector hits N12 trillion(The Nation 2012). Again, the president Goodluck Jonathan launches Youth Empowerment Programme targeted at 370,000 Nigerian Youths worth

RECOMMENDATIONS

Based on the various challenges encountered by both the youth and government the following recommended were made.

- I. That the federal government should monitor the activities of power sector in terms of their traffics and policies to make power supply affordable and constant as this will hasten and encourage entrepreneurial activities in the country as power is a major factor in the economy development.
- II. That Terrorism, Religious crisis and Political violence should be controlled and checkmated. People need to feel secure to be able to function properly.
- III Addressing the youth unemployment in Africa requires an integrated holistic approach. Shortcuts will not work. The World Bank 2008 report advocates for a comprehensive model that caters for rural development, rural-urban migration, preparation of young people for the labor market and investments in agriculture
- IV. Education curriculum must be immediately revised to incorporate skills and enterprise development. Hence a process or a program geared towards training youths in Nigeria in the act of entrepreneurship. They ought to be progressive, proactive and pragmatic.
- V. That there should be a government regulated means of entrepreneurial development sponsorship devoid of politics and the likes that have crippled those erstwhile attempts to encourage entrepreneurship development in Nigeria

- VI. The government must be willing to fund entrepreneurship activities since finance is one of the issues hindering entrepreneurship development in Nigeria and sub-Sahara African in general.
- VI The aim of every government should be to create enabling environment to promote investments. This includes provision of power, maintaining law and order, and adequate security. Likewise Nigeria should key into the ICT, since it would serve as means of reaching the “Transformation Agenda” of the President Goodluck Jonathan’s Administration of refurbishing her declining infrastructures in telecommunications, social amenities and technological advancement
- VII Nigeria government should strengthen the legal framework for entrepreneurship development programmes, mandating states participation in the NDE and Amnesty programmes to ensure that strengths and potentials of the youths are geared towards economic developments rather than violence. Example, Boko Haram in the North, MASSOB in the South, OPC in the west and Niger Delta militants

CONCLUSION

It is quite clear when the Nigerians youths are ill equipped they tend to make little or no change in the economic development of their country. The youths are the leader of tomorrow. The rate youth unemployment in Nigeria is endemic is stating the obvious. What will happen to the “transformation Agenda” and question of Nigeria and Sub-Sahara Africa? Most importantly the outcome of unemployment has led to security challenges, poverty, wars, and lots of social vices. This is considering the fact that about 70% of the entire Nigeria’s 150 Million populace are Youths whose about 71% are unemployed majorly graduates who are from 20 years and above, affecting adversely the workforce utility of the country. It’s also a pity that these youths and graduate who are qualified, willing and able to work cannot find a job and as such earns nothing. There the purpose of entrepreneurship was to reduce unemployment through self-employment, thereby making Nigeria rich and powerful economy. As obvious as it is that entrepreneurship is the magic wand that can change the story overtime, yet government inability to provide an enabling environment, infrastructure, investment policies and education advance has made this journey a difficult one. However many scholars, commentators and observers have argued that lack of capital is what drives very many people who are unemployed and wants to be self-reliant and self-employed hence inadequate access to loan schemes couple with the issue of collateral and high interest rate on loan from financial institutions, and others arguing that the problem is lack of managerial prowess and the zeal and will to take risks.

Therefore government and policy makers must ensure that all the policy programmes aimed at stimulating entrepreneurial activity to avoid being hijacked by politicians to rich themselves but rather the Nigerian youth and the country in whole. Finally, sustained education and enlightenment programmes on the opportunities that abound in the environment should be put in place. If the Nigerian government must revitalize its economy, reduce unemployment progressively, and generate more employment opportunities, a paradigm shift in policy that is critical to effective entrepreneurship development becomes imperative

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