YOUTH EMPOWERMENT AND PRODUCTIVITY: AN IMPERATIVE FOR ECONOMIC DEVELOPMENT IN NIGERIA

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ABSTRACT
Given the numerical strength and energy of the young people, there is the need to conceive a policy to empower and involve the youth in productive economic activities. Youth empowerment involves exposure to and upgrading of relevant skills in order to increase their competency and efficiency. The study examines the relationship between youth empowerment and productivity. Our objective is to investigate if youth empowerment and productivity has any impact on economic development in Nigeria. The Least Square and cointegration analyses were applied on a time series data over a period of 23 years. The results show a weak positive causal relationship between productivity and the independent variables (empowerment). The independent variables have negative and unstable impact on productivity and economic development. We recommend that more deliberate investment be made in capacity building and skills acquisition. Financial and intellectual capital should be provided to the youths. These would enhance their productivity and their contribution to national development.

Keywords: Empowerment, Productivity, Youth, Economic Development, Human capital, Skills.

INTRODUCTION
The youth no doubt represents human capital resource that could propel a nation to a higher and enviable economic height in the comity of nations if efficiently employed and deployed in the task of nation building. Youth empowerment and productivity remains an important input in development matrix because growth through innovation and factor efficiency is largely a function of human capital development. The youthful stage is the highest period of ‘energy’ in the human life cycle to make gainful contribution to meaningful productivity of a country like Nigeria, which when directed and utilized effectively determines the extent of success achieved during the remainder of the life cycle. Youths are middle men between the young and old generations. They are agents of change, carriers of information and values which need to be transferred from the passing generation to the new generation.
Youth empowerment, beyond formal education, will involve exposure to, and up-grading of relevant skills, instilling core values, increasing competence and efficiency and creating an environment for the implementation and sustainability of acquired skills, amongst other things. Youth empowerment is one of the forces which could create economic development and impact on productivity.
The introduction of microelectronics, telecommunication equipment, internet and computers into modern offices had in recent years called for training and development of competent youths who are equipped with the various skills needed by the market. The result of such action can be seen in the Nigerian youth who are gainfully employed and as such increases the productivity of Nigeria through various training by government or individuals (Usoro, 2010).
Nigeria has a population of 160 million people (NPC, 2006). One third of this population is made up of largely youth. The significance of this huge size of the youth population underlies the need to integrate and tap these human resources for economic growth and development.
It is in recognition of the youths as a veritable tool in development that government around the world are making it a point of duty to adopt and make youths empowerment a cardinal agenda in their responsibility...
This is done with a view to shaping the youths for meaningful life and productive contributions to nation building. The African Union, European Union, United Nations, World Bank, numerous governments, and the philanthropic community are only a few examples of prominent institutions who have explicitly endorsed strategies to increase participation of young people in policy and programming (World Bank, 2005). Nigeria also identified with this global effort. In Nigeria, what happened in the Niger Delta region is a good case of youth restiveness where the youths under different pretenses resort to violence, kidnapping and vandalization of oil pipes. This is detrimental to the development process. The cases of notorious armed robbery attacks, kidnapping, and unbridled thuggery in the eastern part and other places; the unrivalled religious violence in Northern part are all evidences of lack of attention in harnessing the potentials of the youths towards productivity and development. This study would attempt to answer the following research questions: Is there any relationship between youth empowerment and productivity? Could Nigerian youths be engaged in more productive and beneficial ways? Do the youths have the skills required to contribute to economic growth and development of Nigeria?

It is against this background that this study aims at investigating the relationship between youth empowerment and productivity and economic development. We will attempt to model the link between youth empowerment and economic development in Nigeria. We will also examine the various youth empowerment schemes of the government, and suggest strategies of empowering youth and increasing their productivity. We therefore hypothesized that youth empowerment has no significant causal link with productivity and economic development in Nigeria.

The paper is divided into the following sections: after section one, section two is the theoretical framework and literature review, section three is on efforts and strategies to empower the youth for increased productivity, section four dwells on the methodology of the study, section five will be the analysis and results, while section six is the conclusion and recommendations.

**Theoretical Framework and Literature Review**

The term youth generally connotes the time of life that is neither childhood nor adulthood, but rather somewhere in-between. Classifications of youth into a particular age range vary depending on geography, culture, institutional conventions and agencies. The UN considers individuals under the age group of 15-24 as youths. In Uganda, for instance, youth is from 12-30 years, while in Nigeria, it is between 18 and 35 years (ILO Publication, 2005). Often youth is associated with vigor, freshness and inventiveness. Around the world, the term “youth”, “adolescent”, “kid”, and “young person” are interchanged but often meaning the same thing. Youth could be seen as, “a state of mind, a temper of the will, a quality of imagination, a predominance of courage over timidity”. Youth is a stage of constructing the self-concept. The self-concept is influenced by several variables such as peers, gender and culture.

**Empowerment**

In academic literature, the word empowerment is often used with regards to civil rights; political empowerment; the empowerment of marginalized peoples, such as women and the poor, and especially with regards to community development. Empowerment is conceptualized as the process of enhancing an individual’s capacity to make choices and then transforming those choices into the outcome we are looking for. Similarly, Empowerment is the process of giving authority to economic agents to engage themselves beneficially.

In relation to youth, empowerment means involving young people in decision-making processes on issues that affect them, as well as entrusting them with the knowledge and skills necessary for them to effectively and meaningfully participate in the society. The World Bank has defined empowerment as “the process of increasing capacity of individuals or groups to make choices and to transform those choices into desired actions and outcomes” to “build individual and collective assets, and to improve the efficiency and fairness of the organizational and institutional context which govern the use of these assets” (World Bank, 1995).

It is an attitudinal, structural, and cultural process whereby young people as economic entities gain the ability, authority, and agency to make decisions and implement change in their own lives and the lives of
other people, including youth and adults (Varmus and Fletcher, 2006). Youth empowerment is not spoon-feeding youth or dropping some money in their pockets typical of Nigerian politicians. The concept means making the youth meaningfully beneficial to them and to the larger society. According to Narayan (2005), empowerment refers broadly to the expansion of choice and action to shape one’s life. It implies control over resources and decisions. Empowerment is the expansion of assets and capabilities of poor people to participate in, negotiate with, influence, control, and hold accountable institutions that affect their lives. Empowerment relates to those who are powerless. The Poor need power and a range of assets and capabilities to increase their well-being and security as well as their self-confidence, so they can negotiate with those more powerful (Petosky, Van Stelle, and De Jong, 1998).

The General Assembly adopted an international strategy in 1995 – the World Programme of Action for Youth to the Year 2000 and beyond. This World Programme focuses in particular on measures to strengthen national capacities regarding youth and to increase the quality and quantity of opportunities available to young people for their full participation in society. Individual's process of gaining influence over events and outcomes of importance over factors in their environment is empowerment.

**Productivity**

Productivity is a quantitative relationship between output and input (Oladeji and Adebayo, 1996). The definition thinks of productivity in the context of an enterprise, an industry or an economy as a whole. Thus, regardless of the type of production, economic or political system, productivity remains the same as long as the basic concept is the relationship between the quantity and quality of goods and services produced and the quantity of resources used to produce them (Okojie, 1995; Odusola, 1998). Productivity is a ratio of some measure of output to some index of input used. Thus, productivity could be considered as the arithmetic ratio between the amount produced and the amount of any resources used in the course of production (Oyinlola and Adams, 2003). This conception of productivity implies that it can be looked at as the output per unit input or the efficiency with which resources are utilized (Samuelson and Nordhaus, 1995). In effect, productivity is the attainment of the highest level of performance with the lowest possible expenditure of resources.

Productivity of labour depends on factors like physical and mental capabilities, investment in human capital and efficiency of labour organization and management. Change in health could affect labour productivity. Labour productivity could also be reduced by the need to care for sick relatives or by reducing years of schooling if parents are chronically ill. On the other hand, improvement in health could positively affect the experience level of the workers by increasing their life expectancy and good health status condition (Hamoudi and Sachs, 1999).

**Empirical Review**

The study of Nnadi et al (2012) entitled rural youth empowerment: a panacea to rural-urban drift in Ethiope-East Area of Delta State, Nigerian was carried out to x-ray the available economic opportunities for empowering rural youths to curb migration to the city. They used a random sampling technique to select youths from communities with high number of youths who often travel. A sample size of 150 youths was selected and data collected using questionnaire were analyzed using frequency counts, mean and percentages presented on tabular form. The findings revealed that lack of employment opportunities, lack of social amenities, absence of industries, boredom in agriculture are the reasons for rural-urban drift.

The result reveals also that low agricultural productivity or output, overcrowding, slowdown of rural development projects, loosening of family bonds, increase crime are the major effects of rural urban drift. To curb rural-urban drift, it was recommended that basic social amenities be provided, quality of education improved, creation of credit and loan schemes, access to productive resources, access to information, industrial modernization, health and nutrition education, access to cooperative/local youth organization and entrepreneurial activities. The above implies that our rural areas could be haven of peace and economic activities, should right facilities be provided.

Offorma (2005) lamented the growing dependence of our youth on white-collar jobs which are difficult to come by these days. Job employers, according to Offorma, do not emphasize certificates but what one can do and urged youth to seek self-reliance through self-employment. Vocational education could be
regarded as that aspect of education, which provides the recipients with the basic knowledge and practical skills needed for entry into the world of work as employees or as self-employed. Vocational education nurtures skills that are necessary for agricultural, industrial, commercial and economic development and thus builds a self-reliant nation. Accordingly, vocational and technical education is designed to develop occupational skills to give individuals the skills to “live, learn and work as productive citizens in a global society” (Obanya, 2007; Dike, 2009). The youthful period which is a very critical one that has been noted as an essential time for training in entrepreneurship, provides a positive distractive alternative from the self-destructive and aggressive behaviours that are frequently associated with adolescents and growing up.

Grammy and Assane (1996), using varied forms of human capital investment such as school enrolment, human development and economic index evidently pointed out that human capital formation propels growth in per capita income. Its positive contribution to growth was statistically significant at 1%. Besides, the inclusion of the variables reduces the bias often associated with growth models that exclude human capital investment and hence, the explanatory power of the model. Benhabib and Spiegel (1994) employed a standard accounting framework to study the contribution of human capital to economic growth. They found a negative relationship between initial per capita income and growth.

Uwatt (2003) provided empirical evidence on the role of human resource development proxied by enrolment in educational institutions in Nigeria using the augmented Solow growth model and relying on cointegration and error-correction methodology. The results showed that human resource development does not only contribute positively to economic growth in Nigeria, but its impact is strong and statistically significant. Ayara’s study (2003) observed that the growth of educational capital shows a significant negative effect on economic growth in Nigeria. This is in line with the studies by Prittchet (2001), Islam (1995) and Hoeffler (1999). Prittchet (2001) and Ayara (2003) posits that, the situation could be as a result of: (a) existence of brain drain (b) the newly educational capital might have gone into privacy that is, privately remunerative but socially unproductive activities; (c) incessant strike actions by academic and non-academic staff of Nigeria Universities (d) failure of the educational system to provide qualified manpower that would enhance productivity growth (e) there may be slow growth in the demand for labour, so that the supply of educational capital has outstripped demand and returns to schooling have decline.

Ramirez, Ranis, & Stewart (1997) explored two way linkages between economic growth and human development empirically with the help of cross-country statistics. The study argues that public expenditure on health and education represents especially important links in determining the strength of the relationship between economic growth and human development. Two chains namely, economic growth to human development and from human development to economic growth can generate self-reinforcing, vicious cycles of development, as well as identifying lop-sided performers. The study finds that over time lop-sided development rarely carry on: countries initially in favour of economic growth lapse into the vicious category. Hence, even though both human development and economic growth should be encouraged together, human development should be given first priority.

Adamu (2003) undertook an empirical investigation to determine the impact of human capital formation on economic growth in Nigeria between 1970 and 2000, using co-integration and error-correction mechanisms. The results indicate that investment in human capital in the form of education and training can lead to economic growth because of its impact on labour productivity.

Abbas (2001) analyzed the impacts of human capital on economics growth for Pakistan and Sri Lanka. The results of empirical analysis show that primary schooling enrolment rates has negative while secondary and higher schooling enrolment rates has positive and significant impact on economic growth for both countries in the sample. The study has also combined the schooling enrolment rates at different levels of education with employment to generate effective labour input that performed better as compare to simple schooling enrolment and it is again concluded that there are important growth effects associated with human capital.

Odusola (1998) using ordinary least square technique found that human capital, proxied by real capital and recurrent expenditure on education, is positively related to growth, although the relationship is weak.
Chete and Adeoye (2003) explored the association between human capital investment and economic growth in Nigeria. A number of methodological approaches were employed to examine this link. Specifically, the Granger Causality tests were inconclusive on the direction of causality. The variance decomposition analysis shows that “own shocks” constitute the predominant source of variation in employment growth’s forecast errors and income forecast errors, and that innovation of employment growth can be better predictors of income growth. The impulse response analysis reveals that there are considerable oscillations in the response patterns of income and employment to each other. The paper observed a mismatch between the manpower needs of the country and the skills turned out by the educational system.

**Theoretical Framework**

**New Growth Theory**

In the 1980s, field of economic growth saw new beginning, it lead to development of endogenous growth theory or New Growth Theory as champion by Romer (1990) in response to criticism of the neo-classical growth model. They developed the endogenous growth theory that includes a mathematical explanation of technological advancement. This model also incorporated a new concept of human capital, the skills and knowledge that makes workers productive. Unlike physical capital, human capital has increasing rates of returns to capital, and economies never reach a steady state. Growth does not slow as capital accumulates, but the rate of growth depends on the types of capital a country invests in. An interesting idea in their work was that in the long run, output per unit of input could increase even when inputs were exhaustively accounted for. Technically advanced human capital and a growing knowledge-based appear to be part of this wellspring of growth.

**Human Capital Theory**

This theory posits how education leads to increase in productivity and efficiency of workers by increasing the level of their cognitive skills. Theodore, Schutz, Gory Bucker and Jacob Mincer introduced the notion that people invest in education so as to increase the stock of human capabilities which can be formed by combining innate abilities with investment in human beings (Odu sola, 1998). Examples of such investments include expenditure on education, on-the-job training, health and nutrition. However, the stock of human capital increases in a period only when gross investment exceeds depreciation with the passage of time, with intense use or lack of use. The provision of education is seen as a productive investment in human capital, an investment which the proponents of human capital theory considers to be equally or even worthwhile than that in physical capital. Human capital theorists have established that basic literacy enhances the productivity of workers of low skills occupations.

**Nigeria’s Efforts in Youth Empowerment**

This is geared towards assessing the extent to which the Nigerian government (past and present) is ensuring human capital development with the youth in focus. In consonance with the role of human capital and the realization of youth empowerment as a tool to achieve economic development, the government over the years has initiated many youth empowerment schemes among which are:

- **National Directorate of Employment (NDE)**
  
  NDE was established to provide employment for Nigerian youths or retired persons. Those who require the services of the NDE are assured of being trained in their chosen vocations but little have been seen in this direction.

- **Small and Medium Enterprise Development Agency of Nigeria (SMEDAN)**
  
  SMEDAN was established by SMEDAN ACT of 2003 to promote the development of the MSME sector of the economy. Small and Medium Enterprise Development Agency of Nigeria was to establish an efficient micro, small and medium enterprises sector that will enhance sustainable development. A well-developed MSMEs sector has proven to be one of the most veritable channels to combat poverty.
Youth Empowerment Scheme
The National Information Technology (IT) policy objective was to empower the youth with IT skills and prepare them for global competitiveness.

Youth Empowerment Network
This came into existence under the Millennium Declaration by the Federal and States government to give youth a real chance to find decent productive jobs anywhere they find themselves.

National Poverty Eradication Programme (NAPEP), created with the sole aim of empowerment through poverty reduction.

Amnesty Programme of the Federal Government
Initiated by Late Umar Yar’adua and inherited by Goodluck Jonathan, which aims to re-integrate the Militants into socio-economic sector of the nation. The post-amnesty programme and development of the Niger Delta region has also yielded measurable result. Also, the FG education for street children in northern Nigeria is tailored towards empowerment (FGN, 1999; 2004).

In recent times, the FGN through the Public Works, Youth and Women Employment (PW/WYE) component of the Subsidy Reinvestment and Empowerment Programme (SURE-P) established the GIS. Its aim is to provide the unemployed graduate youths with job apprenticeship opportunities that will expose them to skills and experiences relevant to the current labour market and enhance their employability.

GIS seeks to create opportunity for eligible graduate youths to be placed in reputable public/private sector firms to build the manpower requirement, to drive the Nation’s Vision 20:2020.

The Graduate Internship Scheme (GIS) would employ 50,000 youth across the country to ensure that their skills have been developed towards empowering them to be employable in the short/medium/long term. GIS will ensure that youths are attached as apprentices in reputable public/private firms for a period of one year where the skills of such individuals will be sharpened.

The SURE-P seeks to target the largest population of unskilled unemployed and under employed poor women and youths as well as other vulnerable groups in the society by presenting them with ample opportunities in the Public Works Programmes and internships in firms for the skilled and educated.

The PW/WYE according to the Nigerian government is designed to create immediate employment opportunities for women and youths in labour intensive public works. The project is expected to generate 50,000 skilled jobs and 320,000 unskilled job opportunities. It is to be implemented in partnership with the States, local government and private sector (FGN, 2012).

METHODOLOGY
Analytical Framework and the Model
The New Growth theory appears to be more appropriate for the purpose of this study. It is suggestive of the fact that endogenous factors such as market distortions, political stability, government policies, human capital etc, can significantly affect growth. This growth model is often employed to provide a investigation into the link between human capital and economic growth. Uwatt (2003) and Adamu (2003) used it to verify the role of human capital in the Nigerian economy. The current study differs from previous ones in terms of the instruments of analysis used and the choice of variables in the model.

The framework for this study is adapted from Adamu (2003) and Uwatt (2003). It assumes a standard neoclassical production function which begins from a premise that changes in quantities of factors of production account for growth. The neoclassical model is based on the Cobb-Douglas function and is given as:

\[ Y = F (A, K, L) \] ………………………………………………………………………………………………………… (1)

Where \( Y \), \( K \), \( L \) are aggregate real output, capital and labour respectively, and \( A \) denotes technical progress or total factor productivity. When we differentiate equation (1) with respect to time, divide by \( Y \) and rearrange the terms, it gives equation (2) as:

\[ \frac{\Delta Y}{Y} = \frac{\Delta A}{A} + \left( \frac{\Delta K}{K} \right) \left( \frac{Y}{K} \right) + \left( \frac{\Delta L}{L} \right) \left( \frac{Y}{L} \right) \] ………………………………… (2)
Where, \( Y/K \) = rate of growth of output; \( K/L \) = rate of growth of capital; \( L/L \) = rate of growth of labour force; \( F_KF_L \) = social marginal product of capital and labour respectively; \( \Delta A/A \) = Hicks neutral rate of change of technological progress.

Modern economic growth depends on the accumulation of physical capital and an increase in labour force with improved technological embodiment without which labour cannot be effective. Human capital is a factor influencing labour productivity because it facilitates the absorption of new technology, increases the rate of innovativeness and promotes efficient management (Adamu, 2000). Consequently, for high labour productivity, an integral part of technological progress is investment in human capital and this is termed endogenous factor because accumulation of physical capital is enhanced by the knowledge, skills, attitudes and health status of people who partake in such exercise. Thus, there is a strong and positive relationship between investment in human capital and output growth.

In this regard, several studies have attempted to integrate exogenous factors with endogenous factors in explaining economic growth across countries by using Augmented Solow neoclassical production function. These studies include but not limited to the following: Romer (1990), Mankiw, Romer and Weil (1992), Gemmell (1996), Grammy and Assane (1996) and Chete and Adeoye (2003). Generally, the impact of human capital on economic growth is incorporated according to the Mankiw, Romer and Weil (1992) framework and is given below as:

\[ Y_t = K(t) \alpha H(t) \beta(A(t)L(t))^{1-\alpha-\beta} \]

Where; \( Y_t \) is output; \( K_t \) = physical capital and \( H_t \) = the human stock; \( L_t \) = labour force; \( A_t \) is level of technology and \( \alpha, \beta < 1 \), implying decreasing returns to capital. By implication, there is a strong and positive relationship between investment in human capital and output.

**Model Specification**

Based on the literature, the following model is specified to evaluate the impact of youth empowerment on economic growth (productivity) in Nigeria.

\[ RGDP = F(YIN, EUR, TEE, OACGS_LS, and OACGS.FC) \]

Where, \( RGDP \) = Real gross domestic product (as a proxy productivity); \( YIN \) = Youth Income (proxy by school enrolment); \( EUR \) = Youth Employment rate; \( TEE \) = Total expenditure on education; \( OACGS_LS \) = Operations of Agriculture Credit Guarantee Scheme Funds for Livestock; \( OACGS.FC \) = Operations of Agriculture Credit Guarantee Scheme Funds for Food Crops; \( U \) = white noise. The operations of agriculture credit guarantee scheme funds for livestock and food crops are variables in the model targeted at the teeming rural youths, most of who engaged in farming.

For reasons of estimation, equation (4) is re-specified in a log-linear functional form as follows:

\[ \ln RGDP = \beta_0 + \beta_1 \ln YIN + \beta_2 \ln EUR + \beta_3 \ln TEE + \beta_4 \ln OACGS_LS + \beta_5 \ln OACGS.FC + U \]

On a priori grounds, the various theoretical expectations are:

\( \beta_0, \beta_1, \beta_2, \beta_3, \beta_4 > 0 \), this implies a positive relationship between the variables in the model. An increase in the explanatory variables will increase the dependent variable by the same magnitude.

The equation is estimated using the analytical tools of unit root test and co-integration. The results are discussed in the section below. The data for the study are sourced from CBN statistical Bulletin, and various issues of CBN Annual Report and Statement of Accounts. The study period covers 1990-2012.

**Data Analysis**

This research work as presented in the preceded section relies heavily on secondary data and the analysis of this was done through OLS multiple regression technique with the aid of Eview Econometric package. We used linear, log linear, semi-log and LIN-log equations to model the relationship between productivity and youth empowerment. A time series data sourced from CBN and other sources for a period of 1990-2012 were used.
EMPIRICAL RESULTS
This section is further divided into different sub-sections as follows:

Unit Root Test
Since the data used in this research work is assumed to be a time series data, the basic assumption about time series data is that there should be stationary among the values of each variable. To determine this stationarity, unit root test based on Augmented Dickey-Fuller (ADF) was applied and the absolute value criteria were used in determining the stationarity of the variables. The criterion states that when the value of ADF is greater than the t-statistic of the critical value both in absolute values, then the variable is said to be stationary and vice-versa. The results of the unit root tests are summarized in Table 1.

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>POSITION OF TEST</th>
<th>ADF TEST</th>
<th>CRITICAL VALUES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1st Difference</td>
<td></td>
<td>5%</td>
</tr>
<tr>
<td>OACGSF-FC</td>
<td>- 3.418240</td>
<td>-4.5348</td>
<td>-3.6746</td>
</tr>
<tr>
<td></td>
<td>- 4.370691</td>
<td>-4.5348</td>
<td>-3.6746</td>
</tr>
<tr>
<td>OACGSF-LS</td>
<td>- 3.815237</td>
<td>-4.5348</td>
<td>-3.6746</td>
</tr>
<tr>
<td></td>
<td>- 4.468882</td>
<td>-4.5358</td>
<td>-3.6746</td>
</tr>
<tr>
<td>YIN</td>
<td>- 3.206211</td>
<td>-3.8304</td>
<td>-3.0294</td>
</tr>
<tr>
<td></td>
<td>- 3.710659</td>
<td>-4.5348</td>
<td>-3.6746</td>
</tr>
<tr>
<td>RGDP</td>
<td>- 2.702509</td>
<td>-3.8572</td>
<td>-3.0400</td>
</tr>
<tr>
<td></td>
<td>- 2.162743</td>
<td>-2.6889</td>
<td>-1.9592</td>
</tr>
<tr>
<td>TEE</td>
<td>- 4.063500</td>
<td>-4.5348</td>
<td>-3.6746</td>
</tr>
<tr>
<td></td>
<td>- 9.836567</td>
<td>-4.5348</td>
<td>-3.6746</td>
</tr>
<tr>
<td>UER</td>
<td>- 3.944406</td>
<td>-4.5348</td>
<td>-3.6746</td>
</tr>
<tr>
<td></td>
<td>- 3.985093</td>
<td>-4.5348</td>
<td>-3.6746</td>
</tr>
</tbody>
</table>

Source: Eview Econometric Package, 2015

From the above summary of the unit root test results, it shows that the testing of the stationarity was conducted at first and second differences and as stated earlier, the absolute value criterion is applied. The result of the Unit root test with regards to OACGSF-FC revealed that the variable is stationary at both first and second differences but at first difference it shows the stationarity at 10% level of significance only while the second difference result shows it to be stationary at 5% and 10% significance levels. The RGDP result shows stationarity at first difference at only 10% level of significance but the second difference shows to be stationary at 5% and 10% levels of significance.

On the other hand, the results of unit root tests with respect to OACGSF-LS and UER showed similar stationarity results. The results of the two variables show stationarity level at both first and second difference and at 5% and 10% level of significance. The YIN result also revealed similar stationarity results related to OACGSF –LS and UER, i.e it is stationary at 5% and 10% significance level under the first and second differences.

Lastly, The TEE result shows stationary at both first and second differences but the first difference result shows stationarity at 5% and 10% levels of significance while the second difference result shows stationarity at both critical values i.e 1%, 5% and 10% levels of significance. However, all the results appeared to be stationary at both first and second differences at 1%, 5%, 10% or at both levels of significance.

Cointegration Test
Since all the variables under consideration really possess the time series characteristics of stationarity, commonly at first and second differences, the need to determine the existence of long run relationship between these variables is very essential. In order to achieve that, Johnson co-integration test was used in establishing the long run relationship that exist between the variables.
In testing the co-integration of these variables, the variables have been divided into two categories, the first category comprises of the variables without log (i.e RGDP, YIN, UER, OACGSF-LA and OACGSF-fc) which shows the result of the co-integration test at first difference. While the second category is the co-integration test at second difference and both the results were summarized in a separate tables as shown in Table 2

**Table 2: Co-integration Test at First Difference**

Test Assumption: Linear Deterministic Trend in the Data  
Series: RGDP, YIN, UER, OACGSF-LS, OACGSF-Fc  
Lags Interval: 1 to 1

<table>
<thead>
<tr>
<th>Eigenvalue</th>
<th>Likelihood Ratio</th>
<th>5% Critical Value</th>
<th>1% Critical Value</th>
<th>Hypothesized No. of CE(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.794358</td>
<td>84.60407</td>
<td>68.52</td>
<td>76.07</td>
<td>None **</td>
</tr>
<tr>
<td>0.670567</td>
<td>52.97171</td>
<td>47.21</td>
<td>54.46</td>
<td>At most 1*</td>
</tr>
<tr>
<td>0.608224</td>
<td>30.76406</td>
<td>29.68</td>
<td>35.65</td>
<td>At most 2*</td>
</tr>
<tr>
<td>0.384539</td>
<td>12.02275</td>
<td>15.41</td>
<td>20.04</td>
<td>At most 3</td>
</tr>
<tr>
<td>0.109305</td>
<td>2.315072</td>
<td>3.76</td>
<td>6.65</td>
<td>At most 4</td>
</tr>
</tbody>
</table>

*(**) denotes rejection of the hypothesis at 5% (1%) significance level.  
L.R. Test indicates 3 co-integrating equation(s) at 5% significance level.

Based on the above co-integration result (table 2), it clearly shows that at first difference, the likelihood Ratio (L.R) test indicates 3 co-integrating equations at 5% level of significance and only 1 co-integrating equation at 1% level of significance. This shows the fact that there is at least a long run relationship that exists among the variables.

**Table 3: Co-integration Test at second difference**

Test Assumption: Linear Deterministic Trend in the Data  
Series: LRGDP, LYIN, LUER, LOACGSF-LS, LOACGSF-FC  
Lags Interval: 1 to 1

<table>
<thead>
<tr>
<th>Eigenvalue</th>
<th>Likelihood Ratio</th>
<th>5% Critical Value</th>
<th>1% Critical Value</th>
<th>Hypothesized No. of CE(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.891297</td>
<td>92.90449</td>
<td>68.52</td>
<td>76.07</td>
<td>None **</td>
</tr>
<tr>
<td>0.734373</td>
<td>48.52169</td>
<td>47.21</td>
<td>54.46</td>
<td>At most 1*</td>
</tr>
<tr>
<td>0.476959</td>
<td>22.00841</td>
<td>29.68</td>
<td>35.65</td>
<td>At most 2*</td>
</tr>
<tr>
<td>0.363715</td>
<td>9.046491</td>
<td>15.41</td>
<td>20.04</td>
<td>At most 3</td>
</tr>
<tr>
<td>0.000215</td>
<td>0.004308</td>
<td>3.76</td>
<td>6.65</td>
<td>At most 4</td>
</tr>
</tbody>
</table>

*(**) denotes rejection of the hypothesis at 5% (1%) significance level.  
L.R test indicates 2 cointegrating equations at 5% significance level.

Based on the co-integration results of table 3, at second difference, the likelihood Ratio (L.R) test indicates only 2 co-integrating equations at 5% level of significance and only 1 co-integrating equation at 1% significance level. Therefore, based on the result, we say that the test for the co-integration at second difference shows that the long run relationship that exists among the variables is very little or no long run relationship as compared with the test in the first difference.

Since Table 2 indicates 3 cointegrating equations at 5% level of significance, we did a vector autoregression (VAR) analyses.

**VAR**

This is impulse analysis which traces the sensitivity of the dependent variable to shocks to each of the explanatory variables. It shows the signs, magnitude and persistence of shocks in any of the independent variables. A shock to a variable in a VAR directly affects that variable and is also transmitted to all other endogenous variables in the system (Ncwadi et al, 2014). The VAR results are presented in figure 1 below:
Figure 1: VAR (Dependent variable: LRGDP)

The dependent variable is very responsive to all the explanatory variables. All the explanatory variables are negatively related to the dependent variable except in few periods. In most of the periods, the variables were unstable exhibiting swings.
Granger Causality Test

Table 4: Granger Causality Test

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Obs F-Statistic</th>
<th>Probability</th>
</tr>
</thead>
<tbody>
<tr>
<td>LYIN does not Granger Cause LRGDP</td>
<td>20</td>
<td>4.23824</td>
</tr>
<tr>
<td>LRGDP does not Granger Cause LYIN</td>
<td>2.76638</td>
<td>0.09491</td>
</tr>
<tr>
<td>LTEE does not Granger Cause LRGDP</td>
<td>20</td>
<td>2.80702</td>
</tr>
<tr>
<td>LRGDP does not Granger Cause LTEE</td>
<td>0.49001</td>
<td>0.62209</td>
</tr>
<tr>
<td>LUSER does not Granger Cause LRGDP</td>
<td>20</td>
<td>1.83531</td>
</tr>
<tr>
<td>LRGDP does not Granger Cause LUSER</td>
<td>0.59252</td>
<td>0.56537</td>
</tr>
<tr>
<td>LOACGSF_LS does not Granger Cause LRGDP</td>
<td>20</td>
<td>2.95438</td>
</tr>
<tr>
<td>LRGDP does not Granger Cause LOACGSF_LS</td>
<td>0.97062</td>
<td>0.40142</td>
</tr>
<tr>
<td>LOACGSF_FC does not Granger Cause LRGDP</td>
<td>20</td>
<td>0.25613</td>
</tr>
<tr>
<td>LRGDP does not Granger Cause LOACGSF_FC</td>
<td>1.15112</td>
<td>0.34270</td>
</tr>
</tbody>
</table>

Source: Authors, 2013

From table 5 above, the explanatory variables do not granger cause productivity (RGDP) except TEE and LOACGSF_FC. Thus, none of the variables has causal effect on any other variable. This means that each variable is independent and therefore cannot cause and be caused by any variable. This implies a weak relationship between youth empowerment and productivity.

Regression Analysis

Table 5: Regression results

<table>
<thead>
<tr>
<th>Variables</th>
<th>Linear Model</th>
<th>Log Model</th>
<th>Semi-Log Model</th>
<th>LIN-Log Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>28.1110.6</td>
<td>4.805</td>
<td>5.421</td>
<td>-152900.1</td>
</tr>
<tr>
<td></td>
<td>(4.647)</td>
<td>(13.215)</td>
<td>(91.096)</td>
<td>(-0.330)</td>
</tr>
<tr>
<td>YIN</td>
<td>0.001***</td>
<td>-0.058***</td>
<td>1.260***</td>
<td>-84838.33***</td>
</tr>
<tr>
<td></td>
<td>(1.446)</td>
<td>(-1.537)</td>
<td>(1.591)</td>
<td>(-1.848)</td>
</tr>
<tr>
<td>TEE</td>
<td>2.970*</td>
<td>0.028*</td>
<td>2.730*</td>
<td>18535.88</td>
</tr>
<tr>
<td></td>
<td>(12.473)</td>
<td>(0.681)</td>
<td>(11.655)</td>
<td>(0.356)</td>
</tr>
<tr>
<td>UER</td>
<td>-21625.47</td>
<td>-0.243**</td>
<td>-0.009</td>
<td>-328398.9</td>
</tr>
<tr>
<td></td>
<td>(-1.435)</td>
<td>(-1.316)</td>
<td>(-0.580)</td>
<td>(-1.395)</td>
</tr>
<tr>
<td>OACGSF-LS</td>
<td>0.026**</td>
<td>0.041***</td>
<td>1.570</td>
<td>61771.74</td>
</tr>
<tr>
<td></td>
<td>(1.519)</td>
<td>(1.328)</td>
<td>(0.942)</td>
<td>(1.567)</td>
</tr>
<tr>
<td>OACGSF-FC</td>
<td>0.0003</td>
<td>0.170*</td>
<td>6.230</td>
<td>164412.2*</td>
</tr>
<tr>
<td></td>
<td>(1.673)</td>
<td>(5.296)</td>
<td>(2.074)</td>
<td>(4.576)</td>
</tr>
<tr>
<td>R²</td>
<td>0.964</td>
<td>0.887</td>
<td>0.959</td>
<td>0.841</td>
</tr>
<tr>
<td>R² (Adjusted)</td>
<td>0.953</td>
<td>0.851</td>
<td>0.947</td>
<td>0.792</td>
</tr>
<tr>
<td>SE</td>
<td>41052.76</td>
<td>0.0675</td>
<td>0.040</td>
<td>86104.20</td>
</tr>
<tr>
<td>Durbin- Watson</td>
<td>2.058313</td>
<td>0.899696</td>
<td>1.877056</td>
<td>0.826213</td>
</tr>
</tbody>
</table>

Source: Authors’ computation, 2013

Note: t-statistics are in parenthesis. Significant levels: *1%, **5%, ***10%

In terms of the a priori expectation, the estimated coefficients of the linear model fulfilled our expectation except for youth employment rate (UER) which is negative. This negative trend continued, for this variable, in all the other model results. This implies a negative relationship between productivity (RGDP) and youth employment (UE). An increase in UE reduces productivity by a very wide proportion. This shows that even the modest employment provided for the youths do not move the economy forward. This indicates that jobs provided are, to say the least, peripheral and non- contributory. These have intangible link with productivity because they do not empower the youths.

In terms of magnitude, UER has the highest impact, though negative, on productivity and by extension on economic growth of Nigeria. Again, this implies that the youth are not given a proper place in the economic policy of Nigeria. The next variable is expenditure on education (TEE). Any increase in
expenditure on education by a unit would increase productivity and grow the economy by 297 percent. This is seen in all the models in Table 5. In both the urban and rural areas, the youths often obtain credits for livestock (OACGS-LS) and food crop (OACGS-FC) farming respectively. These activities look promising for the future, because they are next in magnitude and have positive impacts and relationships with productivity in all the models.

The goodness of fit represented by the R$^2$ shows that the independent variables explained between 80 – 95 percent of the variations in the dependent variable (RGDP). However, the causality test indicates a weak positive causal relationship between the dependent and independent variables.

Implications of the Results
The main objective of this study is to examine the relationship between youth empowerment (YE) and productivity and economic development in Nigeria. We believe that YE is an imperative to increased productivity and economic development in Nigeria. Youths constitute the bulk of the Nigerian population. YE policy could be a great potential and catalyst for increased productivity and development. It is only recently, 2010 – date, that the government in Nigeria started to focus deliberately on the development of the young people.

The findings of this study indicate that there is a positive relationship between YE and productivity. However, YE has not yielded the needed results, increased productivity and economic development in Nigeria. The results show that YIN, UER does not granger cause RGDP (productivity and development). Furthermore, shocks in YIN, UER, TEE and agricultural credits for livestock and food crop farming result in negative and unstable impact on productivity and development which could last over 5 years (VAR). On the basis of these findings, the null hypothesis of this study cannot be rejected.

From the findings of this study, we can deduce as follows: (i) Youths in Nigeria lack financial and empowerment to engage in meaningful economic ventures that can increase their productivity the productivity of the economy of the Nigerian nation. (ii) Funding or expenditure on education is still low leading to poor training and low quality skills for the youths. (iii) The youths lack quality skills – low business experience, low entrepreneurial skills and experience, lack technological skills and experience. (iv) There is high rate of youth unemployment. The negative relationship between UER and productivity attests to this deduction. This could be the reason why many youths are found in subterranean activities like thuggery, insurgency, advanced fee fraud, etc because of the quick returns. (v) Farming activities such as livestock and food crops hold a promising future both to the youths and the nation.

CONCLUSION AND RECOMMENDATIONS
Youth empowerment as a conscious policy option to enhance youth productivity remains a viable imperative that could be explored to further the growth of the economy. Empowerment is the surest way of emancipating the youth from social exclusion, an inhibiting factor in youth’s growth and development. Productivity is enhanced through empowerment and this in turn improves the output of the youths in the economy. It is important that the cause of the youth should be made a deliberate priority seeing that, they form an important segment of the economy.

We therefore recommend as follows: (i) There should be more and deliberate investment in education and capacity building. (ii) Provision of (more) financial and intellectual capital to the youths. Government and the private sector should facilitate skills transfer for the youth, especially entrepreneurial and technological skills. This is in addition to credits to youths interested in farming and venture development. (iii) The present Nigerian government has started something in the area of youth empowerment. More of deliberate policy be devoted to youth development. Let there be joint – enterprise ventures between government and the youth. The focus is to help the youth to own their own enterprises and be engaged in productive activities. (v) Deliberate attention should be given to farming activities that have high returns both to the youth and the nation. A promising future lies in the growth and development of farming activities.
REFERENCES


