INDUSTRIAL DEVELOPMENT AND YOUTH UNEMPLOYMENT: THE CASE OF CRUSHED ROCK QUARRY INDUSTRY, ISHIAGU IN EBONYI STATE

Dr. Aniefiok S. Ukommi; Emmanuel Obiahu Agha and Dr. Otu A. Ekpenyong

Abstract

This study examines industrial development and youth unemployment in Ebonyi State of Nigeria using the Crushed Rock Quarrying Industry in Ishiagu, Ivo Local Government Area as a case study. The study is descriptive and data were obtained through questionnaire administered on 200 respondents who were randomly and purposively selected. Simple percentages and Spearman’s Rank Order Correlation coefficient were used as the analytical tools for the study. Three hypotheses were formulated and tested. Findings show that employment of indigenous youths by the industry has reduced youth unemployment; that industrial progress is tied to relative peace in Ishiagu which is further strengthened by the industry’s employment policies; the industry is sustained since 1978 due to availability of granites in the area and excellent community relations. The study also reveals the inadequacy of the industry’s workforce which explains existing job dissatisfaction and low workers morale. Thus, we conclude that it is only rapid industrialisation targeted at massive youth employment, development of local resources and technologies, human capacity building, rural development and effective government supervision/monitoring of industries that can contend the problems of industrialisation and youth unemployment in Nigeria.

Naturally, industries employ labour in order to produce goods and services that satisfy some basic needs of man. An industry, according to Ogionwo and Otite (1979), refers to the manufacture of commodities or the transforming of raw or intermediate products through mechanical means. Girigiri (1998), viewing an industry as the secondary (as opposed to the primary) sector of productive activities, defines it as the transformation of raw or semi-raw materials into consumables of various types with the aid of some mechanical devices.

Rapid industrialization is a veritable instrument for economic development as it propels economic growth and quickens the achievement of structural transformation and diversification of the economy. It plays a crucial role in any plan to raise the standard of living of the people in modern economies by enabling a country to utilize fully its endowments, and to depend less on the external sector for its growth and sustenance (Dauda, 2004). He further observes that in Nigeria, rapid industrial development is of great importance and is an integral part of development planning. Since the 1960s, a number of industrial development programmes and policies have been implemented. A great deal has been done to highlight different aspects of industrial development efforts in Nigeria (Aboyade, 1968; Kilby, 1969; Mabogunje, 1973; Schaltz, 1973; Adejugbe, 1995). However, all these efforts have not exerted a significant impact on the different sub-sectors of the industrial economy. For instance, the industrial manufacturing capacity utilization declined from 75.4% in the 1975-1979 period to 56.3% during the period 1980-1985. The substantial reduction in capacity utilization continued during and after SAP. It stood at an all time low of about 30% in the late 1990s. Low level of capacity utilization has been a contributing factor to poor industrial efficiency.

Knowledge Review Volume 28 No. 1, December, 2013
From the experience of developed countries of the West, industrialization has been seen as a major policy that quickens economic development and enhances social progress. Nigeria, therefore, has got to industrialize her economy. After the attainment of political independence, one of the major reasons for the compelling urge for industrialization in Nigeria has been the desire to break away from the traditional colonial economic pattern of being the net supplier of raw materials to the imperialist countries and net importer of manufactured goods from the advanced industrialized countries (Ndebbio, 1989). For Teriba and Kayode (1977), the crave for industrialization comes as a result of the uncertain behaviour of the primary exports-dominated sector of less developed countries (LDCs), an uncertainty arising from the fact that the behaviour of that sector is determined by exogenous and stochastic factors like deterioration in the terms of trade, low income, elasticity of demand for the primary products and acts of gods like drought.

The more developed a country’s industrial capacity, the greater the potential for economic growth and development. In fact, industrialization has the potential to help achieve a variety of social objectives such as employment, poverty eradication, gender equality, labour standards, and greater access to education and healthcare.

All over the world, one of the primary motives behind industrial development is to promote employment, and labour must be employed to sustain any industry. Nigeria, in her effort, has tried to industrialize. However, the rate of unemployment still remains alarming, thereby calling for a serious attention. Thus, this study examines the impact of industrial development on youth unemployment in Ebonyi State, using the granite quarrying industry in Ishiagu, Ivo Local Government Area as a case study.

The alarming rate of unemployment, especially among the youths, and its attendant implications to development in developing countries, has been a focus of attention all over the world. As the “giant” of Africa, unemployment situation in Nigeria has always been very significant and worrisome. However, Nigeria has always tried to industrialize in order to stem the rising rate of youth unemployment. As Dauda (2004) observes, a number of industrial development programmes and policies have been implemented in Nigeria since the 1960s.

Arguably, effective industrialization has the potential to reduce unemployment and promote improved standard of living and economic development. Although the unemployment rate in Nigeria is alarming, that of Ebonyi State is pathetic, thereby contributing to the designation of the state as one of the poorest in the federation. Several studies have focused on the industrial potentials of Ebonyi State, but little empirical research attempts have been carried out to investigate the impact of industrial development on youth unemployment in the state. This study sets to fill this gap. Interestingly, the study attempts to address the following questions:

(a) What is the level of industrial development in Ebonyi State?
(b) How has the development of Crushed Rock Industry in Ishiagu been able to reduce youth unemployment in Ishiagu in particular and Ebonyi State in general?
(c) What factors have encouraged the development of Crushed Rock Industry in Ishiagu, Ebonyi State?
(d) What are the problems that face the development of Crushed Rock Industry in Ishiagu, Ebonyi State?
(e) How has the Crushed Rock quarrying industry in Ishiagu utilized its capacity within the environment?

Answers to these questions have serious policy implications and can contribute to stemming the tide of youth unemployment in Ebonyi State in particular and Nigeria in general.

The Study Area

The study area is the granite quarry industry in Ishiagu of Ivo Local Government Area (L.G.A.), Ebonyi State. The entire population of Ivo L.G.A is 120,919 (59,986 males and 60,933
females) (NPC, 2006). Significantly, Ishiagu is the most populated and developed area in the local government. Located in Amokwe community, the quarry industry is managed by Crushed Rocks Industries Limited. The industry started its quarrying activities in Ishiagu in 1978. It has some permanent staff and contract staff. For efficient productivity, workers/staff are departmentalised into several units, such as pit unit, clinic, security, accounts, commercials, operations, workshops, administrations/office personnel, and plant attendants. Ishiagu is a large clan with about seventeen (17) villages varying in terms of land and population. It is the largest autonomous community in Ivo Local Government Area. Significant among the 17 villages in Ishiagu are Amokwe, Amagu, Amaonye, Ameke, Amata, Ameze, Ihie, Obinagu, Ihetutu, Okweu, Ngwogwo, and Ogwor. Each village community is made up of wards and kindreds, but the 17 village communities are bound together as a cohesive clan community. The belief of Ishiagu people in Echelle as their mythical, legendary or real founder provides a strong sense of unity among them. Other unifying factors of Ishiagu people, in addition to their common ancestral descent in Echelle, include: speaking the same dialect of Igbo language; belief in common origin; common religious practices (deities and Christianity); common cultural belief systems, values and practices like common ancestors, belief in the land gods (Ajali) and the yam gods (Njoku and Aho); and common market (Eke market). The regulation of agricultural activities of the people from one season to another in order to complete the cycle of year, also provides a very strong unifying force for the people (www.ebonyionline.com).

Ishiagu is located on latitude 6°05’N and longitude 7°35’E in the South-eastern end of Nigeria. The climate is typical of the tropics. The average temperature range is between 25 and 31°C while an average rainfall of about 1500mm to 2400mm is prevalent (Akintola, 1986). Following rainfall events, precipitation and surface runoff result in seasonal fluctuations in volume of the mine pit water.

Apart from the quarry site, there are three mine pits coded mine pit 1(M1), mine pit 2(M2), and mine pit 3(M3) in Ishiagu (Aroh et al., 2007). The mine site is an extension of the huge lead/zinc (pb/Zn) ore deposit from Ishiagu through Benue up to Zurak in the North (Nehikhare, 1987). The site is characterized by significant quantity of weathered and unweathered sulphide minerals including shales, siderite and dolomites (Eze and Uko, 2003). Pedmacgrek Mines Limited, began its mining operations in Ishiagu and Abakaliki in 1988. Its lead/zinc properties in the two axis harbour proven reserves that can sustain an annual export of between 8,000-10,000 metric tons for a period of 20 years.

In spite of the mining activities, Ishiagu people are predominantly farmers. They cultivate significant measures of rice, yam, cassava, groundnut, sugarcane, melon, and other vegetables. Their pottery works and mask making also form part of the rich culture of Ebonyi State. Ishiagu has one College of Agriculture, churches and banks. These have attracted high a population. In conclusion, Ishiagu people are hospitable; they receive strangers with open arms and heart.

**Research Hypotheses**

The following hypotheses were formulated to guide the study:

(a) Industries are established with the ultimate aim of contributing to youth employment.

(b) The progress of any industry is tied to the peaceful nature of the area where the industry is sited.

(c) The establishment of an industry within the area where raw materials are readily available ensures the continuity of the industry.
Industrial development has been the subject of considerable interest across the world. Interest in industrial development dates back to the industrial revolution. Since then, healthy, dynamic manufacturing sector has been identified with progress and wealth. But in the developing countries particularly those of Africa, interest in industrial development can be traced to the end of the Second World War when, in a bid to speed up the process of social and economic development, the colonial masters introduced development planning as a means of improving the welfare of the masses. In Nigeria for instance, the history of planning dates back to the 1940s when the Colonial Office requested the colonial administration in the country to prepare the ten year plan of development and welfare covering the period 1945 to 1955 (Tomori and Fajana, 1979). Implicit in the foregoing is the fact that while industrial revolution sparked off industrialization in developed countries, colonialism sparked it off in developing countries. A little wonder why industrial development in Nigeria is largely dependent on the technological development or capacity of the developed nations.

What readily comes to mind when industrialization or industrial development is mentioned is increased manufacturing activity. Truly, industrial development is an activity that is limited to only one sector of the economy – manufacturing (Etuk, 1989). For Todaro (1977), industrial development means the process of building up a country’s capacity to process raw materials and to manufacture goods for consumption or further production. Preston (1974) sees industrial development as “smokestack-chasing and nothing else”. He adds further that industrial development is “concerned with improving the quality of life through the generation of economic opportunities.” Industries are established to employ people (labour) to manufacture consumable commodities. Employment in industries offers people the opportunity to live above poverty level and to improve their living standards generally.

Abba et al. (1985) have offered a rather comprehensive definition of industrialization. To them, industrialization is the process of developing the capacity of a country to master and locate, within its borders the whole industrial production of raw materials, production of intermediate products for other industries, fabrication of machines and tools required for the manufactures of the desired production and other machines; skill to operate, maintain and reconstruct the machines and tools; skill to manage factories and to organize the production process.

Of significance, the definition of Abba and others as presented above implies that industrialization does not only entail processing of raw materials and production/manufacturing of goods, but also skills to maintain and reconstruct the machines and tools and to manage the factory and effectively organize the production process. Of a truth, organization or management is very crucial for sustainable industrialization. Good management ensures efficiency and productivity in an industry by organizing and coordinating industrial activities and workers in a befitting or effective manner. Lamentably, the industrialization process across African countries does not tally with the exact definition of Abba and others. Most of the machines, raw materials, expertise, spare parts and tools are imported. This poses an insurmountable problem in the face of continuous dwindling foreign exchange earnings being competed for by many other sub-sectors of the economy. This unwarranted dependency is brought about by shortage of capital, low level of scientific and technological application, lack/inadequate infrastructure and the dependence of the private sector on the public sector. Also, the production is basically primary (Adawo, 1999).

Oyejide (1977) has identified three approaches to industrial development which a developing country like Nigeria may adopt. These are the processing of raw materials available in the country, the domestic production of manufactured goods for the domestic market, and the domestic production of manufactured goods for exports. Among these various approaches, there is none that should be regarded as the best approach to industrial development. All that can be said is that any approach

Dr. Aniefiok S. Ukommi; Emmanuel Obiahu Agha and Dr. Otu A. Ekpenyong
adopted by a country should be closely related to the country’s level of economic and technological development. Thus, a country that is beginning to industrialize should begin with the most elementary approach, that is, the processing of raw materials. But as the country acquires more capital and technological know-how, it should switch over to the second approach by starting to produce manufactured goods from the processed raw materials for the domestic market. This would mark the beginning of the import substitution strategy which was adopted in Nigeria during the dying days of colonial rule and the early years of independence. The third approach which is usually adopted by countries that have made significant breakthroughs in their industrial development efforts is yet to take root firmly in Nigeria because of diverse problems such as low level of technological know-how, small size of the domestic market, and inadequate capital which characterize many developing countries (Etuk, 1989).

Industrialization has been low in Nigeria due to certain specific problems associated with it. These include lack of a strong industrial research capacity or base in Nigeria (Ndebbio, 1985), little or lack of understanding of the importance of research and development by both our leaders in the public sector and industries in the private sector, inadequate attention to the development of rural areas, the country’s narrow industrial base caused by the delay in developing key industrial plant linkages, political instability, the despicable tendencies or habits of some Nigerians (e.g., poor work ethics, greed, lack of sense of commitment, endurance, and unparalleled enthusiasm to circumvent the law and cheat), the low exchange value of the naira relative to other major foreign currencies, industrialization in African countries, including Nigeria, is premised on the foundation of dependency (Adawo, 1994), other environmental conditions like communal land tenure, traditional and administrative systems (Teriba & Kayode, 1977).

Quarry Industry in Nigeria: Problems and Challenges

Quarry is one of the natural extractive resources in Nigeria. It is a type of open-pit mine from which rock or minerals are extracted. Quarries are generally used for extracting building materials, such as dimension stone, construction aggregate, riprap, sand and gravel. Quarry stone is found in many parts of Nigeria, especially Ebonyi State, Cross River State, Bauchi State, Kwara State, Zamfara State and Federal Capital Territory, and is used after being extracted and processed for building houses and construction of roads. Quarrying industries are industries that extract and process quarry stones (granites) wherever they are found. They are expected to create employment and generate revenue to societies or communities where they are extracted and processed.

Quarry industries play a significant role in the economic development of societies where they operate. The importance of quarrying industry in Nigeria, according to Nwite and Ogiji (2009), include employment of labour or creation of employment, generation of revenue to the government, enhancing national growth and development, encouraging specialization among people in the area, giving identity to the state or community, use in building and construction of roads, promoting infrastructural development, and attracting the establishment of other industries like banks and insurance companies. Furthermore, Nwite and Ogiji (2009) identify the followings as problems facing quarrying industry in Nigeria:

**Manpower Problem:** There is a serious shortage of real quarry engineers in Nigeria and institutions offering courses in mining engineering, hence technically competent mine managers are scarce to find. Even when found, most of them cannot evaluate economic factor, face legal and socio-political problems in land use, zoning, environment protection and reclamation. This problem of inadequate indigenous manpower results in hiring the expertise of foreigners.

**Socio-economic Problems:** One hectare of land could be owned by up to 30 or more families. To obtain their total consent is very difficult in terms of finance and other relevant issues. The land
owners may make unreasonable demands such as provision of pipe-borne water, good road, electricity, hospital and scholarship, thereby creating problems for the quarrying industries.

Problems of Expediency: Nigerians are very much ready to act for self-interest and not from principle because principles hardly work here. This implies that corruption and fraud are a major problem in quarrying industries. Officials, workers and customers are in most cases guilty of corruption and/or cutting corners in quarry business. Some operators or managers in quarry industry use fraudulent plans to divert quarry stones and sell them to make personal gains.

Problems of Technology: In Nigeria, some of the major technology for implementing ideas and polices are not available. In most cases, machine and equipments are very expensive and out of reach for the local entrepreneurs to use. In rural areas where some of these natural resources are located there are no good electricity, telephone, computers, and other technologies that will benefit the ruralites.

Problems of Data and Information: Lack of accurate data and information constitutes a serious obstacle. The reason is because of inadequate record keeping by public establishment. Nigerians hoard and treat data or information as secrets. The quarry extractors hardly give accurate figures of production. This is why a lot of feasibility such as good road, pipe-borne water, electricity, etc., may also hinder the industry from achieving its desired goal.

Government Instability: Change in government may affect the operation of quarry industry. For instance, the new government may change the staff or management of the industry, thereby resulting in new challenges or problems. Also, excessive intervention by government in the affairs of the industry can affect the management and as well as the productivity or survival of the industry.

Inconsistent Power Supply: This constitutes a serious problem or challenge to quarrying industries in Nigeria. The operators spend much in using other means of power other than the one supplied by the Power Holding Company of Nigeria (PHCN).

Youth Unemployment Explained

The concept “youth” has been understood and used differently by many scholars, governments, and non-governmental organisations (NGOs) (Mkandawire, 1996). However, in Nigeria the age range 15-36 years is taken as representing the category of youth (NYAC, 1987). On this note, the definition of a youth in this study refers to anyone who is aged between 15-36 years. Sociologically, youth denotes an interface between childhood and adulthood (Chigunta, 2002). Youths in any society have the potentials to stimulate economic growth, social progress and overall national development (Echebiri, 2005). However, youths are prone to extreme behaviour (Etuk, 2003). More pertinent with regard to youth unemployment without an alternative, conflict could be seen as an income generating activity (Collier, 2000). Ukpong (2003) has observed that “youth” connotes not only age but economic empowerment or disempowerment as well as political disenfranchisement and social exclusion. The youths constitute a significant size of the labour force of any country. Known by agility and vigour, most youths are willing to work but they do not get job anywhere. This has resulted in youth unemployment, which has a high profile in the Nigerian society currently.

Unemployment is a situation which exists when members of the labour force wish to work at the prevailing wage rate but cannot obtain a job. It is therefore used in the sense of “involuntary” unemployment, rather than the voluntary decision on the part of someone to choose leisure rather than work. It can be deduced from the above definition that the unemployed is the stock of all those individuals who are not in employment and who are either in the process of moving to a new job or
who are unable to find work at the prevailing wage rate (Onwukwe, 2003). Unemployment is a term first introduced in 1898 to describe people with no fixed income. One is unemployed if one is able to work but has not got the opportunity to work for regular income from an employer (Ekpennyong, 1999). The unemployment rate in an economy is the number of people unemployed expressed as a percentage of the total labour force. The total labour force is defined as the number of people employed plus the number of people unemployed within the age bracket of 18-60 years (Englama, 2001). Various forms of unemployment have been identified and elaborated upon by different scholars. These include frictional, structural, residual, casual, seasonal, cyclical, and disguised unemployment (Todaro, 1977; Adebayo, 1999; Damachi, 2001; Onwukwe, 2003). This implicates unemployment as a result of more complex problems.

Youth unemployment, in the view of Onah (2001), stands for the conglomerate of youths with diverse background, willing and able to work but cannot find employment. This results in pressures of supply of labour over the demand for labour, thus causing joblessness. Given the lack of sufficient employment opportunities in the formal sector, young people are compelled to engage in casual work and other unorthodox livelihood sources, often of a criminal nature (Gibb and George, 1990). In absolute terms, it is estimated that there are presently about 122 million youths on the African continent (Chigunta, 2002). Youth unemployment continues to rise in Nigeria as a result of the inability or insincerity of the governments to create and sustain job opportunities. Every year, Nigerian universities and other higher institutions of learning turn out a significant number of graduates, but only few of them get a job.

A lot of factors are responsible for youth unemployment. According to Adebayo (1999), unemployment arises whenever the supply of labour exceeds the demand for it at the prevailing wage rate. On the supply side, there 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 seasonal cycle of climate. The factors are further strengthened in Nigeria by lack of infrastructural facilities which make rural life unattractive. The pull factors include a wide rural-urban income differential in favour of urban dwellers and a presumed higher probability of securing lucrative employment in the cities. Added to these is the concentration of social amenities in the urban centres. This implies that the rural areas are neglected in the allocation of social and economic opportunities.

Another supply factor facing Nigeria is rapid population growth. High population growth rate has resulted in rapid growth of the labour force which is far outstripping the supply of jobs. Goldstein and Hollister (1994) have pointed out that the effect of the accelerated growth of population on Nigeria’s unemployment problem is multi-faceted. Firstly, it affects the supply side through a high and rapid increase in labour force relative to the absorptive capacity of the economy. Secondly, the increase in the number of children in the population presently implies a serious burden. Other supply-side factors are what some experts describe as inappropriate school curricula and lack of employable skills. Several analysts argue that in so far as the formal sector is concerned, the skills that job seekers possess do not match the needs and demands of employers in Nigeria (McGrath and King, 1995). It is argued that Nigeria’s education system, with its liberal bias, does not just over-supply the labour market with graduates and school leavers, but also does not produce the type of skills demanded in formal employment.

According to Manning and Junakar (1998), the total graduates turnout by higher institutions in Nigeria which was 73,339 in 1980/87 rose to 131,016 in 1996/97. This substantial growth of higher education has been accompanied by increasing difficulties in finding suitable employment by graduates in a variety of courses. This shows that there is imbalance between the supply and demand
for these different categories of highly educated manpower. Thus, rapid expansion of the Nigerian educational system first acts directly to increase the supply of educated manpower above the corresponding demand for them, thereby contributing to the problem of urban youth unemployment in Nigeria (Adebayo, 1999). Lambo (1987) criticizes public expenditure policy whereby most of government projects (industries and public utilities) were concentrated in urban areas at the utter neglect of the rural areas because of its tendency to encourage mass exodus of rural skilled and unskilled labour from villages into the urban centres, thus resulting in urban unemployment.

Youth unemployment has several consequences on the individuals and society at large. The large-scale unemployment among youths is promoting the development of street youths in Nigeria. Denied of legitimate means of livelihood, the street youths grow up in a culture that encourages criminal behaviour (Chigunta, 2002). The unemployed youths survive by engaging in various activities such as petty trading, casual work, borrowing, stealing, pick-pocketing, prostitution, touting and other illegal activities. The increase in criminality in a country as a consequence of youth unemployment causes losses in foreign direct investment. For example, foreign investors have cited crime as the biggest deterrent to investing in South Africa (UNODC, 2003). The same thing applies to the Niger Delta region of Nigeria. Mass youth unemployment also disrupts long term development of labour skills and experience. Sustained unemployment could also cause young people to be hostile to the world of work and more receptive to drugs and crime (Nattrass, 2002). Commercial sex work (prostitution) is more common among young unemployed girls. In Africa, unemployment has driven many young women and girls into sex work or prostitution. Struggling to support families and provide care to sick members of the household, they are often restricted in their opportunities for education and training. The lack of job opportunities and their disadvantageous social role, and cultural norms make them more likely to end up as sex workers (ILO, 2005). A repercussion of unemployment closely linked to prostitution is higher HIV/AIDS prevalence. Surveys of sex workers in some urban areas between 1998 and 2002 indicate extraordinary high prevalence, for example, 74 percent in Ethiopia and 80 percent in South Africa (UNAIDS, 2004).

Unemployment can destroy family life. It reduces the social status and self-esteem of an individual. It causes scarcity of money for household maintenance and other essentials of life, including payment of the children’s school fees. This usually results in constant family feuds and friction, with the wife demanding money for food and house-keeping, which the unemployed husband cannot provide. Nagging and incessant quarrels ensue and sometimes also wife battering when the unemployed husband vents his frustration on the defenceless wife. This may result in a divorce if the situation does not improve, leading to a broken home and its dire future consequences for the children (Alli, 1989).

Youth unemployment is associated with severe economic problems, including loss of national output, high dependency, low standard of living and poverty. According to Onwukwe (2003), the major effect of unemployment is that of loss of output which creates shortage, thereby increasing inflationary pressure. In a general sense, therefore, unemployment represents a waste of resources as the economy will be producing below its potential capacity and so the total output of goods and services will be less than it could have been and in that situation everyone is worse off than he/she should be. Even without doing any work, the unemployed have to be fed. This increases the dependency ratio and leads to reduced or low living standard. The most direct impact on the economy of an unproductive youth labour force is lost output in terms of goods and services. With no income tax to collect and the cost of receipt from indirect taxes such as the value added tax, the government takes in less tax revenue (Bellemare and Poulin-Simon, 1994). The economic consequences of youth unemployment are costly in the sense that the government spends huge amount of money combating the inherent problems of unemployment, including drug abuse, crimes, poverty, HIV/AIDS and psychiatric problems, among others.
Unemployment also has a serious psychological effect. Onwukwe (2003) notes that at the individual level, an unemployed person is psychologically devastated and may even become mentally deranged after a very long period of unemployment. The World Health Organisation (1985) has reported that more than a random number of illnesses occur within six months of major life crises such as loss of a job. Mental health is one of the associated problems. Studies have shown that 20 percent of the unemployed people report deterioration in mental health, with an increase in anxiety, depression, insomnia, irritability and restlessness. The confidence and self-esteem of the unemployed are greatly reduced and these conditions may develop into a full blown psychosis, even leading to suicide. Unemployment is like bereavement. The initial reaction is shock, followed by denial of optimism and anxiety. The victim, in the end, feels useless and ashamed.

Theoretical Framework

The structural model was adopted as the basic framework for the analysis of industrial development and youth unemployment in this study. According to Adejugbe (1995), the model remains a powerful tool for analyzing the contemporary economic problems of the developing countries. Such economic phenomena as dualism in production, worsening income distribution, unemployment, market failure and balance of payment disequilibria are prominent hypotheses of the structuralist model (Meier, 1984). The structural change theories of Lewis (1954) and Chenery (1979) are pertinent in the review of the correlation between industrial development and youth unemployment. The model explains the mechanism by which underdeveloped economies transform their domestic economic structures from a heavy emphasis on traditional subsistence agriculture to a more modern, more urbanized, and more industrially diverse manufacturing and service economy. It employs the tools of neoclassical price and resource allocation theory and modern econometrics to describe how this transformation process takes place. In this framework, the modern sector is market oriented and uses considerable capital, equipment, and technology, while the subsistence sector produces for family consumption and relies on non-purchased inputs such as family labour and land for production. The subsistence sector is characterised by absence of savings and capital formation, resulting in an unlimited supply of labour in the agricultural sector with the marginal productivity, which equals zero. According to this school of thought, surplus labour is transferred to the modern sector, and it was believed that this would ensure cumulative growth of incomes, employment and rapid structural transformation of the developing economies (Dauda, 2004).

Lewis (1954) underscores the roles of a fixed wage rate and of profits and savings in generating rapid economic expansion of the industrial sector. Lewis maintains that saving and investment in the industrial sector is the key to economic development. Accordingly, savings and investment occur because capitalists earn profits. Anything that alters the distribution of income in favour of these capitalists would increase savings and investment. Such increase in the income of capitalists would, of course, require inequality in the distribution of income, but inequality does not ensure high savings. The income distribution might be highly unequal without a prosperous capitalist class because inequality would be due to high agricultural rents. Thus according to Lewis, most of the income might initially be going to a traditional landlord class that does little saving. The key to growth is that income must shift in favour of the class that saves. However, Rains and Fel (1961) have modified Lewis model and emphasized that as development proceeded in the industrial sector, labour migrates from subsistence sector into wage employment. And a time would come when surplus labour would cease to exist in the subsistence sector. However, it was argued that the motivating force in the modern sector is the process of reinvestment of the capitalist surplus by way of creating new capital. Let us add that this process of creating new capital always prioritize technological development of industries in order to employ more labour.

Chenery (1979), in the patterns of development analysis, asserts that increases in saving and investment are necessary but not sufficient conditions for economic growth. In addition to the
accumulation of capital, both physical and human, and a set of interrelated changes in the economic structure of a country are prerequisites for the successful transition from a traditional economic system to a modern one. Chenery maintains that differences can emerge among countries in pace and pattern of development, depending on their particular set of circumstances which include variables such as objectives, the availability of external capital and technology, and the international trade environment. Accordingly, empirical structural-change analysts emphasize the fact that developing countries are part of a highly integrated international system that can promote or hinder their development. However, it was stressed that for a nation to experience significant economic development and improvements in living standards, the manufacturing sector has to undergo a much more rapid growth than the other sectors and increase its share of national output tremendously. To the structuralists, rapid growth of the manufacturing sector connotes industrialization. And for industrialization to be effective, adequate labour must be employed and capacity effectively utilized. This labour has to be largely drawn from the environment where the industry operates so as to quieten aggressive feelings of the indigenes.

Methodology
The study was descriptive. This allowed for the description of the problem discussed in the study. Also, field survey was conducted to enable the researcher effectively examine the relationship between industrial development and youth unemployment in Ebonyi State using the Crushed Rock Industry in Ishiagu. A total of 200 respondents from the industry and Ishiagu were studied. 115 respondents were employees of the industry, while 85 were from the community. Simple random sampling technique based on departmental stratification was used to select staff respondents. This ensured that every staff of the Crushed Rock Industry in Ishiagu becomes a potential element in the study. Also, purposive sampling technique was used in selecting Chiefs and community leaders whose opinions were used to analyse some aspects of the data. It was believed that generating data from the industry’s workers and community members would allow for objective outcomes and analysis.

Data for the study were obtained through questionnaire administered on the respondents. Two research assistants were trained and used in the collection of data. Simple percentages and Spearman Rank Order Correlation coefficient were used as analytical techniques for the study. Simple percentages allowed for presentation and description of data in tables, while Spearman Rank Correlation coefficient was used to investigate the correlation between industrial establishment and youth unemployment.

Results and Discussion
Three hypotheses were formulated and tested in the study. The first hypothesis which states that the establishment of industries does not contribute to employment of youths is rejected. Rather, it was found out from the study that there is a significant relationship between the level of industry’s employment of indigenous youths and reduction in youth unemployment in the area. In addition to the industry’s direct employment of the indigenous youths, the industry has enhanced the creation of other employment opportunities for the youths in Ishiagu. Such opportunities include hotel business, trading on wears/clothes/shoes, establishment of supermarkets, and other allied businesses. Arguably, industries are established to employ labour. A little wonder why several studies have suggested increased industrialization as a panacea to youth unemployment problem (Echebiri, 2005; Ndebbio, 1989; Dauda, 2004; Chigunta, 2002; Curtain, 2000; Falae, 1971; Onah, 2001; Otaki, 2003; Okojie, 2003).
Table 1: Spearman’s Rank Correlation Analysis of the Relationship between the Level of Crushed Rock Industry’s Employment of Indigenes and Youth Unemployment in Ishiagu

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Spearman’s rho b9</th>
<th>b10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Correlation</td>
<td>1.000</td>
<td>-280(***</td>
</tr>
<tr>
<td>coefficient sig.</td>
<td>.000</td>
<td>(2-tailed) N</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1200</td>
</tr>
</tbody>
</table>

b10 Correlation coefficient sig. .280(*** 1.000 (2-tailed)N 200

**Correlation is significant at the 0.01 level (2-tailed)

Where b9 = data on perceived level of industry’s employment of indigenous youths, b10 = data on the industry’s reduction of youth unemployment, N = total number of respondents used in the study, and ** = correlation significance at 0.01 level (2-tailed).

The second hypothesis which states that the progress of any industry is not tied to the peaceful nature of the area where the industry is sited is rejected. Rather, it was found out from the study found that a correlation exists between the two variables, establishing that industrial progress is tied to peaceful environment. The progress and relative peace that Crushed Rock Industry enjoys is not unconnected with the employment of the youths of Ishiagu by the industry. It is worthy to note that if the Crushed Rock Industry is shut down for even one month, Ishiagu may become highly violence and crime infested than one can imagine. This major finding is supported by the findings of Ekpenyong et al. (2010) in Nigeria’s Niger Delta that unemployment easily indulge in violence and restiveness and crime and thus halt industrial production in the region. A similar study conducted in England and Wales by Carmichael and Ward (2001) links crime to youth unemployment.

Table 2: Spearman’s Rank Correlation Analysis of the Relationship between Industry’s Progress and Peaceful Environment

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Spearman’s rho b13</th>
<th>b14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Correlation</td>
<td>1.000</td>
<td>-.396**</td>
</tr>
<tr>
<td>coefficient sig.</td>
<td></td>
<td>(2-tailed)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>200</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level (2-tailed)

Where b13 = data on peaceful environment, B14 = data on industry’s progress, N = total number of respondents used in the study, and ** = correlation significance at 0.01 level (2-tailed).

Hypothesis three which states that the establishment of an industry within the area where raw materials are readily available does not ensure the continuity of the industry is rejected. Rather, it was found out from the study that there is a significant relationship between availability of granite within the industry’s location and the continuity of the industry. Several industries in Nigeria are no longer functioning because of unavailability of raw materials in their locations. One of such industries is the
Nigerian Newsprint Manufacturing Company (NNMC), Oku Iboku, Akwa Ibom State. According to Ogbuagu (1989), the location of NNMC was politically influenced, and the existence of gmelina plantation in the area was largely used as a justification for its location. Nonetheless, the NNMC depends on Akamkpa, a distance of about 100 kilometers for much of its raw material (timber). It is therefore widely argued by critics that Akamkpa would have been the “natural” home of the paper industry and this would have led to a reduction in the cost of transportation of heavy and bulky timber needs of NNMC. NNMC would have still been in existence if it was located at the source of its local raw material – Akamkpa (Ogbagu, 1989).

Table 3: Spearman’s Rank Correlation Analysis of the Relationship Between Availability of Raw Materials in Ishiagu and the Sustenance of the Crushed Rock Industry in the Area

<table>
<thead>
<tr>
<th>Correlations</th>
<th>B19</th>
<th>B20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman’s rho b19 Correlation coefficient sig.(2-tailed)</td>
<td>1.000</td>
<td>.377**</td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>b20 Correlation coefficient sig.(2-tailed)</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level (2-tailed)

Where

- b19 = data on availability of raw materials within industry’s location,
- b20 = data on industry’s sustenance,
- N = total number of respondents used in the study, and
- ** = correlation significance at 0.01 level (2-tailed).

In addition to the industry’s employment of indigenes, especially youths, it was found out from the study that the industry’s provision of certain infrastructures like water and electricity to Ishiagu community contributes greatly to enhancing relative peace in the area. This in turn has enhanced the industry’s productivity and sustenance. The role of industry’s corporate social responsibility in promotion of peace and community development has been emphasized or examined by several scholars (Davis, 1960; Litz, 1996; Perrin, 2009).

Another interesting finding of the study is the industry’s insufficient workforce. This does not only apply to the Crushed Rock Industry; a cursory examination of most industries in Nigeria and other developing countries reveals insufficiency of workforce. This is a serious problem to industrial development in Nigeria and other developing countries because it often leads to over-utilization of the few available workers. When workers are over-utilized there is the tendency for job dissatisfaction and low worker’s morale occurring. These can affect the production capacity of an industry negatively.

Conclusion and Recommendations

The study was conducted to examine industrial development and youth unemployment in Ebonyi State, using the Crushed Rock Quarrying Industry in Ishiagu of Ivo Local Government Area as a case study. It is apparent from the study that the industry’s employment of indigenes brings about reduction in youth unemployment, reduces youth violence and restiveness as well as other forms of crime in affected communities. In the light of the foregoing, it is concluded in the study as Dauda (2004) had done that rapid industrialisation is a sure solution to the lingering and alarming mass youth unemployment in Nigeria. In fact, industrialisation plays a major role in promoting a variety of social...
objectives such as employment; poverty reduction, and greater access to education/skills acquisition, improved healthcare, and other infrastructural amenities.

Industrialisation usually comes with socio-economic and political development. In fact, the more developed a society’s industrial capacity, the greater the level of socio-economic and political growth and development. If carried out in a sustainable manner, taking into account the often fragile nature of the surrounding environment, societal patterns and economic conditions, increased industrialisation can achieve lasting improvements in living standards, incomes, working conditions, nutrition or dietary needs, education, consumer goods, and life expectancies. It is only rapid industrialisation combined with massive youth employment, development of local contents and technologies, human capacity building, and promotion of environmental peace that can truly eradicate youth unemployment and poverty.

The following suggestions, in line with the findings of this study, are put forward in the belief that if they are implemented, will effectively combat the problems of industrialisation and youth unemployment in Nigeria and other developing countries:

a. Increased Industrialisation: Industrialisation guarantees creation of employment opportunities and poverty reduction. Therefore, increased industrialisation should be vigorously pursued by the Nigerian government at all levels in order to effectively combat youth unemployment in the country. Almost all parts of the country have enough natural resources to develop and take the teeming unemployed youths of this country out of unemployment and poverty. The country cannot continue to impoverish its teeming youths in the midst of plenty. Therefore, each local government or State of the federation should wake up from slumber and industrialise on the resources it has comparative advantage. Not only will increased industrialisation ensure reduction in youth unemployment, but will ensure that most of the youths withdraw from thuggery, violence, restiveness, militancy and other criminal activities.

b. Education and Skill Acquisition: It is found in the study that all the workers had one form of formal education or the other. This shows that employment in most Nigerian industries will be tied to education in the nearest future. In the light of this, it is pertinent to recommend that the youths should try to acquire education and skills needed for employment in organised sectors like industries and civil/public service, instead of wasting their precious time in political thuggery to the detriment of their future. Education allows one to acquire the skills and knowledge required for employment in the labour market.

c. Adequate Industrial Workforce/Staffing: Findings from the study have shown that the workers agreed that there is inadequate workforce owing to their being over-used. However, the management disagreed with the opinion. This disagreement, however, suggests that the issue of staffing should be reconsidered by the management in most Nigerian industries. Government should also ensure that industries in Nigeria have sufficient workforce. Apart from promoting efficient output and productivity, adequate industrial workforce means increased employment. It is pertinent to observe here that inadequate industrial workforce ensures that the available workforce/staff are overused or made to work longer and strenuously than necessary. This has a serious health impact on the individual worker and can also promote job dissatisfaction. Industries should be made to understand the foregoing implications of inadequate workforce on the economic or industrial growth of the country, their productivity, health and morale of the workers.

d. Promotion of Environmental Peace: Industries should prioritize promotion of relative peace in their host communities as this will go a long way to ensuring their productivity and sustenance. Apart from employing the indigenes, industries should be committed to the provision of their corporate social responsibility, that is, industry’s concern for the welfare of the society in which it
operates, which is manifested in the provision of certain infrastructural amenities and welfare packages to the host communities. It is in the interest of industries to contribute to the development, stability, safety and survival of the communities they exist, derive their resources and market their products.

e. **Rural Development:** Concerted efforts should be geared by the Nigerian government to improve the living standard and socio-economic conditions of the population of rural communities. It has been argued that the focus of rural development should be at organizing and developing available human and material resources in such a way that rural dwellers would be able to meet the basic needs of life viz: food, clothing and shelter as well as possess some reasonable facilities for education, interaction and health (Seniyi, 1998). In clear terms, government should provide infrastructure such as schools, good roads, agricultural facilities, clean water, electricity and hospitals to the rural communities. This can divert the attention of youths from seeking employment in organised sectors like industries to self-employment in agriculture and other vocations, as life in the rural areas would be made more comfortable and appealing by the presence of infrastructural amenities.

f. **Effective Government Supervision/Monitoring:** Government should effectively supervise/monitor the activities and employment trends of industries to ensure adequate staffing and increased employment. In addition to effective supervision/monitoring of industries’ activities and employment trends, government should spearhead the review of labour market’s demands to enhance reduction in unemployment and improve the living standards of the teeming population.

---

**References**


Industrial Development and Youth Unemployment: The Case of Crushed Rock Quarry Industry, Ishiagu in Ebonyi State


Industrial Development and Youth Unemployment: The Case of Crushed Rock Quarry Industry, Ishiagu in Ebonyi State


Ndebbio, J. E. U. (1986). The impact of SFEM on opportunities for export oriented investment. Paper presented during a seminar on *SFEM Implications for business prospects, problems and survival strategies* held at Metropolitan Hotel, Calabar (September 10).


