

Title of Article: Educational Human capital Development and Unemployment in Nigeria

Author(s): Izedonmi F. and Urhie E.

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Abstract: The study attempts to evaluate the role of educational human capital in enhancing skills and productivity as a means of reducing unemployment. In particular, the study focused on the link between education, human capital, productivity and unemployment. The causality between the three levels of education and unemployment in Nigeria became our specific concern and focus. Data obtained from CBN and FOS between 1988 and 2002 were disaggregated into 1988 to 2002 (15 years), 1988 to 1998 (11 years) and subsequently subjected to pair-wise Granger causality test. We found as follows: that the relationship between primary education and unemployment to be independent; the causality between unemployment and secondary education to be bi-directional and the direction was however from tertiary education to unemployment. Similarly, the OLS results reveal that tertiary education had the highest impact on unemployment as its coefficient was statistically significant. A careful examination of the diagnostics tests and signs as well as the explanatory variables showed that real GDP had the least impact and our model explained about 95% of changes in unemployment rate in Nigeria