**The Public Sector and the Paradox of Job Creation**

**By Nedu Ossai**

With 54% unemployed youth population (NBS 2012), human capacity development is being seriously endangered in Nigeria to the extent that it is now capable of jeopardizing national security.

Although, currently with positive fundamentals (arising from current rebasing of the GDP and the successful hosting of the WEFA in Abuja), Nigeria still needs to create meaningful employment to reduce her high level of inequality.

But wait a minute; do the public sectors really “create” jobs? I do not think so. Why? Because the only true job creators in any economy are consumers with money to spend. These consumers are the reason while businesses are started for the sole purpose of producing goods or services and thus making profits in return.

How the public sector motivates and inspires these consumers (to earn money) and producers/businesses (to produce goods and services for the consumers) in a way that the public sector gets paid through revenue (in the form of tax payment) to spend on critical infrastructures and recurrent expenditures would determine the extent to which sustainable development would take place in any given economy.

A quick review of key public sector spending and adapted human capacity development strategies aimed to “create jobs” shows a paradoxical relationshipas assessed below:

*Education:* Can we say that the current western educational system of today reflects the needs, demands and aspirations of the Nigerian economy? Unfortunately, the answer to that question is NO. Many experts including Emmanuel Edukugho (2012) argued that “the Nigerian education system is still structured to prepare graduates for employment in an over-saturated labour market in which organizations or establishments in both public and private sectors of the national economy are cutting jobs while the concept of self employment remained a novelty”. The unemployment situation is worsening with every passing day especially as thousands of graduates are being churned out from tertiary institutions yearly to besiege those already hopelessly waiting for employment and roaming about the streets searching for means to eke out a living.

The public sector can provide free or affordable, quality and inclusive education at all levels including traditional form of knowledge, and a structured curriculum that reflects the needs, demands and aspirations of the Nigerian economy

*The NYSC Scheme:* Can we also confidently say that the National Youth Service Corps (NYSC) has contributed positively to job creation in Nigeria? Personally, I do not think so. Every year, the Federal Government budgets over 74 billion naira sustaining an obsolete national policy that has little or no economic significance. According to the Federal Ministry of Labour and Productivity, more than 41% of Nigerian graduates are without employment after the mandatory NYSC engagement. Some research organizations even quoted to be more than 65%.

With the above figures in mind, it becomes imperative to initiate reforms on the NYSC Scheme to address the current needs and demands of the youth with an aim to contribute meaningfully to accelerated growth of the national economy.

Promoting national unity through mass-producing graduates that will still come out to search for jobs leads to economic waste and thus not sustainable. The Scheme should rather act as incubation hubs for the training of a new variety of youth that will contribute meaningfully to the economy through intensive acquisition of green-collar skills in the areas of agriculture and renewable energy sources etc. Successful individuals with the right skills and with the aspiration to own their own green businesses could be given a grant and effective monitoring implemented to ensure adequate utilization of resources.

*Poverty Alleviation & Empowerment Programmes*: How much impact has the various poverty alleviation and empowerment programs made on the economy? In my opinion, I think the figures are insignificant. An assessment of the impacts of various public sector poverty alleviation and empowerment programmes should be carried out and projects not making significant impact on the economy should be outrightly discontinued. E.g. the various loans, micro credits, the SURE-P programme, YOUWIN are not transparent due to corruption by public office holders and are not providing the required developmental impact on the people in spite of the billons of Naira spent on these programmes annually. All monies from such money-draining initiatives should instead be channeled to building a vibrant and green economy-driven and reformed NYSC.

The Statistician-General of Nigeria, Dr. Yemi Kale was reported in the press as saying: “It remains a paradox that despite the fact that the Nigerian economy is growing, the proportion of Nigerians living in poverty is increasing every year. This trend may be increased further if the potential positive impacts of several anti-poverty and employment generation intervention programmes are not taken into account.”

Overall, I think an assessment and implementation of sustainable human capacity development strategies that reflects the core needs, demands and aspirations of the Nigerian economy would help bring about the sustainable development that we all desire.