

Employment Intensity of Growth in Nigeria: Implication for Development

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Abstract:

Nigeria in the recent past recorded high growth performance, averaging 6.5% between 2000 and 2017. The growth feat placed her among the fastest growing economies globally and the largest in Africa. This growth achievement presupposed that the volume of economic activities in the nation was large and thus should have contributed positively to employment generation. However, the reverse appeared to be the case as the level of unemployment remained high and increasing; moving from 18.8% in 2017 to 23.1% in 2018 while combined unemployment and underemployment rates rose from 40.0% in 2017 to 43.3% in 2018. This jobless growth situation shows the low labor absorptive capacity of the economy.

This study therefore investigated the employment intensity of growth (EIG) in Nigeria between 1991 and 2018. It is based on the Okun's law and employed quantitative technique of analysis, using elasticity procedure. Secondary data were adopted for the analysis and they were collected from the World Development Indicators and the Central Bank of Nigeria Statistical Bulletin. Five growth measures were used in addition to employment variable while the analysis was disaggregated into different periods and regimes. The findings revealed overwhelming negative EIG in the overall economy, which ranged between -0.001 and -1.64. During the military rule (1991-1998), EIG hovered between -0.002 and -0.15 while the civilian regime (1999-2018) had EIG ranged from -0.01 to -1.68. The implication of the findings is that growth has not engendered employment generation in Nigeria. One major reason for this is the dominance of the nation's economy by oil, which employs an infinitesimal proportion of the labor force. Therefore, for growth to generate employment, it is important that the economy is diversified away from oil. In addition, entrepreneurship and skill development programmes should be encouraged while economic environment should be investor friendly to attract local and foreign investors.

Keywords: unemployment; employment intensity; economic growth; elasticity; Nigeria.

JEL Classification: B22; E24; J21.

Introduction

One of the critical areas of measuring macroeconomic performance of a nation is the labor market performance. This relates to how the economy has been able to reduce the level of unemployment, raise the ratio of population employed, improve the labor force participation rate, increase the level of employment created, enhance labor productivity rate, and how growth has translated into employment generation (Kapsos 2006, Rani and Zaman 2018, Sachs and Schleer 2019, and Tvrdon 2019). To this end, studies across literature have examined different aspects of these labor market issues and reported mixed outcomes. Prominent among them is how economic growth and job creation relate, which is studied from two perspectives. While some examine how unemployment or employment affects economic growth, others focus on the impact of economic growth on employment. The latter is the focus of the present study.

This issue, often referred to as employment intensity of growth (EIG) or employment elasticity of growth (EEG), attempts to assess how economic growth has generated employment. In doing this, it tries to measure numerically the relationship between output growth and employment generation. This provides useful information on labor markets in the area of how output and employment growths evolve over time, and how employment varies among different population groups (Kapsos 2006).

Employment generation is key to social and economic development of every society, and economic growth has significant role to play in this. Economic growth can translate into poverty alleviation, reduce inequality gap and engender development through employment generation (Bell and Newitt 2010, Manh, Ngoc and Dao 2014, Bezler and Borbasova 2018). This explains why the eight goal of sustainable development is tagged "decent work and economic growth."

The growth performance of Nigeria's economy in the recent past averaged 6.5% between 2000 and 2017. Nevertheless, unemployment in the country rose from 18.8% in 2017 to 23.1% in 2018 while combined unemployment and underemployment rates increased from 40.0% in 2017 to 43.3% in 2018 (National Bureau of Statistics 2018). This situation normally referred to as jobless growth shows the low labor absorptive capacity of Nigeria's economy.

The issue of employment impact on growth, which falls within the context of EIG has been grossly understudied until recently, when literature begins to emerge in this area, showing countries translating economic growth to job creation (Kapsos 2006, Slimane 2015 also Soylu, Cakmak and Okur 2018). However, literature along this area is not conclusive due to the mixed findings and its dearth in some developing countries like Nigeria where high rates of unemployment and economic growth coexist. In fact, studies examining output growth effect on employment in Nigeria appear scarce. Those that are plethora focus on employment/unemployment impact on growth. A good number of them regress unemployment on growth with mixed outcomes, influenced majorly by their methodologies (Omitogun and Longe 2017 also Seth, John and Dalhatu 2018). Others studied how unemployment, poverty and economic growth relate (Adelowokan, Maku, Babasanya and Adesoye 2019); the relationship between growth and employment (Oloni 2013, Ajakaiye *et al.* 2016); as well as output shock and unemployment (Abraham 2014, Akeju and Olanipekun 2015).

The current paper examines EIG in Nigeria, using elasticity procedure. The paper is distinct from others in several respects. For instance, it studies EIG across the entire economy on annual basis, per period basis, and across different regimes over the period 1991-2018. Furthermore, the work employed the methodology that rightly captures these different areas of focus as opposed to the ordinary regression used by some of the other studies. The rest of the paper covers section one, which reviews literature, section two focuses on methodology employed, section three presents results of the analysis conducted in the study while section four concludes the study.

1. Literature review

The work of Okun (1962) proposes linear relationship between unemployment and growth of gross domestic product (GDP). Since then, several empirical studies have been conducted to examine how growth and employment relate. Okun's law postulates that a 3% output growth is required for a 1% reduction in unemployment rate. Thus, implying the existence of a positive relationship between a country's output growth and employment generation. However, empirical findings across literature on this relationship appeared mixed, with some being consistent with the stance of the law while others diverge.

A recent work by An, Prieto, Loungani and Mishra (2016, 5) shows that this law holds for the overall United States and most States in the country over several periods of years, especially in States with strong industrial structure while the relationship was "weaker in States where agriculture or oil production are dominant". This finding is consistent with some previous ones that found positive employment elasticity's of growth across countries.

For example, Seyfried (2005) reported a 0.47 EEG for the overall US economy while the estimate for various States ranged from 0.31 to 0.61.

Other earlier studies include: Padalino and Vivarelli (1997) which estimated EIG for the G-7 countries (United States, UK, Canada, France, Germany, Italy and Japan) and reported a positive 0.5 employment-growth elasticity for the UK and US while the results for the remaining five countries approached zero. Boltho and Glyn (1995) also reported between 0.5 and 0.6 EEG for some OECD countries.

Moreover, the study of Herman (2011) over the period 2000-2010 shows some countries in the Eastern and Central EU recording low and negative EEG while others had positive and high EEG. Countries such as Romania and Estonia had -0.39 and -0.04 elasticity coefficients respectively. On the other hand, the coefficient ranged from 0.96 in Luxemburg to 1.45 in Italy. The author attributed the variations in employment growth elasticity performance in the EU to factors such as the small capacity of some of the countries to generate employment during economic growth process.

The work of Slimane (2015) used unbalanced panel of 90 developing countries over a period of 1991-2011, and employed a two-step estimation technique to investigate what determines "cross-country variations in employment elasticity." It was reported among others that positive EEG exists in most of the countries. However, the elasticity was higher and more pronounced "in more advanced and closed countries."

The above suggest that Okun's law appears to hold in developed economies where better systems are in place than in developing economies as shown in most of the available literatures.

In advanced countries, where negative or near zero EIG has been reported (Padalino and Vivarelli 1997, Herman 2011) one key explanation has been the use of new technologies by firms, which raise productivity level rather than employment. Other explanation presupposes that when an economy is recovering from recession, the tendency is that not all sectors recover at the same time, and thus sectors that are growing rather increase labor utilization instead of job creation. Flaig and Rottman (2009) also identified institutions, which are specific to the labor market as well as labor flexibility as factors that will normally determine the influence of economic growth process on employment.

In most developing countries, studies reported declining EEG, suggesting that the law of Okun appears not to hold in such countries. For instance, Leshoro (2014) found that in spite of the sustained growth in the economy of Botswana for decades, unemployment level still remained high. This result was due to the greater proportion of the country's growth from diamonds.

In Nigeria, works which attempt to examine the effect of growth on employment/unemployment are not many. Literature search produced just four, which are Oloni (2013), Abraham (2014), Akeju and Olanipekun (2015), and Ajakaiye *et al.* (2016). While Oloni (2013) and Ajakaiye *et al.* (2016) focus on how economic growth affects employment, Abraham (2014) considers the impact of output shock on unemployment and Akeju and Olanipekun (2015) examined how growth affects unemployment in the country.

The findings were mixed. For example, while Ajakaiye *et al.* (2016) reported inverse relationship between economic growth and employment in Nigeria, Oloni (2013) and Abraham (2014) found no significant effect of growth on employment and unemployment respectively. However, Akeju and Olanipekun (2015) found a positive relationship between unemployment and growth. These findings notwithstanding, the methodologies employed by some of the authors could have accounted for their findings. For instance, Oloni (2013) claimed to have used the Johansen Vector- Error Correction Model (VECM); however, this does not reflect in the study because only unit root and cointegration tests were conducted, after which a static regression, using the OLS estimating technique was carried out and the results reported. Similarly, Akeju and Olanipekun (2015) reported direct relationship; however, the findings were mixed. Some of the lagged unemployment variables were negative while others were positive. Moreover, the unit root result also showed different order of integration yet the authors went ahead to run ECM, which cast some doubts on the findings, conclusion and recommendation. Another observation was that authors like Oloni (2013) and Abraham (2014) provided recommendations from insignificant findings, which is not supported in the literature because an insignificant finding is not important and no recommendation can emerge from this

2. Methodology

2.1. Analytical framework

There are two prominent approaches to determining EIG in the empirical literature. The ratio of a change in employment to a change in output approach otherwise referred to as the elasticity procedure. The second is the multivariate log-linear regression approach (Kapsos 2006, Slimane 2015).

In this study, the first approach is adopted. The justification for this is that it allows per period determination of EIG as against the once for all approach of using multivariate log-linear regression. With the first approach, EIG can be determined within a year, and different periods over a long period of time. This enables policies that affect the result per period to be pinpointed.

The first approach, which is the elasticity procedure, defines EIG as the percentage change in employment to a percentage change in output level. Symbolically, it is given as:

$$\varepsilon = \frac{\% \Delta E}{\% \Delta Y} \quad (1)$$

where: ε stands for EIG, Δ is a change operator, E signifies employment generation, and Y implies output level for measuring economic growth. A positive ε signifies increased employment as output level rises while a negative ε means that employment level declines as output increases.

Equation (1) can be re-written as:

$$\varepsilon = \frac{\frac{E_t - E_{t-1}}{E_{t-1}}}{\frac{Y_t - Y_{t-1}}{Y_{t-1}}} = \left(\frac{(E_t - E_{t-1}) / E_{t-1}}{(Y_t - Y_{t-1}) / Y_{t-1}} \right) = \left(\frac{E_t - E_{t-1}}{Y_t - Y_{t-1}} \right) \left(\frac{Y_{t-1}}{E_{t-1}} \right) \quad (2)$$

Where all other variables remain as earlier defined. However, t indicates period, usually a year while $t-1$ on a variable is the lag of that variable. Therefore, E_{t-1} and Y_{t-1} are lags of employment and output respectively.

Equation (2) implies:

$$\varepsilon = \frac{\partial E}{\partial Y} \cdot \frac{Y}{E} \quad (3)$$

2.2. Data Description and Sources

The study employed secondary data from two major sources as shown in Table 1 below.

Table 1. Data requirement, definition and source

Variable	Definition	Source
GNIK	GNI, PPP (constant 2011 international \$)	World Bank (2020)
GDPK	GDP, PPP (constant 2011 international \$)	World Bank (2020)
GDPc	GDP, PPP (current international \$)	World Bank (2020)
GDPn	GDP (Gross Domestic Product at Current Basic Prices - Annual (₦' Billion))	Central Bank of Nigeria (2018)
GDPr	GDP (Gross Domestic Product at 2010 Constant Basic Prices - Annual (₦' Billion))	Central Bank of Nigeria (2018)
EMP	Employment to population ratio, 15+, total (%)	

Source: Author's Compilation (2020).

3. Empirical Findings/Results

The empirical results presented in this section cover per annum computation of EIG from 1991 to 2018. Thereafter, different periods, ranging from five years interval to ten years interval were estimated. Moreover, EIG was examined between 1991 and 2018. Finally, the analyses also cover the military era (1991-1998); overall civilian regime (1999-2018), different civilian periods of 1999-2007; 2007-2010; 2010-2015; and 2015-2018. These are shown in Tables 2 to 4.

3.1. Employment Intensity of Growth in Nigeria, per period estimation, 1991-2018

The EIG reveals the impact of economic growth on employment generation. It deals with how employment responds to output growth in a particular economy. The results presented in this section show EIG in Nigeria computed every year over the period 1991-2018. This is contained in Table 2 below.

Table 2. Per annual employment intensity of growth in Nigeria, 1991-2018

Year	GNIKeig	GDPKeig	GDPceig	GDPneig	GDPreig
1991 - 1992	-0.04	-0.03	-0.02	-0.003	-0.06
1992 - 1993	0.13	0.23	-1.64	-0.01	-0.30
1993 - 1994	1.12	0.21	-1.35	-0.01	-1.49
1994 - 1995	-0.08	1.21	-0.04	-0.001	-0.05
1995 - 1996	-0.04	-0.05	-0.03	-0.01	-0.05
1996 - 1997	-0.05	-0.06	-0.04	-0.02	-0.06
1997 - 1998	-0.08	-0.06	-0.04	-0.01	-0.07
1998 - 1999	-0.04	-0.16	-0.04	-0.01	-0.17
1999 - 2000	0.08	-0.02	-0.01	-0.003	-0.02
2000 - 2001	-0.01	-0.02	-0.01	-0.01	-0.01
2001 - 2002	-0.01	-0.01	-0.004	-0.002	-0.01
2002 - 2003	-0.01	-0.01	-0.01	-0.003	-0.01
2003 - 2004	-0.05	-0.05	-0.04	-0.02	-0.04
2004 - 2005	0.02	0.02	0.01	0.01	0.02
2005 - 2006	0.02	0.04	0.03	0.01	0.04
2006 - 2007	0.08	0.05	0.03	0.02	0.04

Year	GNIKeig	GDPKeig	GDPCeig	GDPneig	GDPreig
2007 - 2008	0.02	0.015	0.01	0.01	0.01
2008 - 2009	-0.03	-0.03	-0.03	-0.02	-0.03
2009 - 2010	0.01	0.01	0.01	0.003	0.01
2010 - 2011	0.03	0.03	0.02	0.01	0.03
2011 - 2012	0.02	0.02	0.01	0.01	0.02
2012 - 2013	0.01	0.01	0.01	0.01	0.01
2013 - 2014	-0.09	-0.12	-0.09	-0.07	-0.12
2014 - 2015	-0.24	-0.32	-0.23	-0.15	-0.31
2015 - 2016	0.77	0.53	1.59	-0.11	0.54
2016 - 2017	3.67	0.36	0.11	0.02	0.35
2017 - 2018	-0.03	-0.02	-0.01	-0.004	-0.02

Note: GNIKeig = EIG with respect to GNI, PPP (constant 2011 international \$, GNIK); GDPKeig = EIG with respect to GDP, PPP (constant 2011 international \$, GDPK); GDPCeig = EIG with respect to GDP, PPP (current international \$, GDPC); GDPneig = EIG with respect to nominal GDP (Gross Domestic Product at Current Basic Prices - Annual (₦ Billion)); and GDPreig = EIG with respect to real GDP (GDP at 2010 Constant Basic Prices - Annual (₦ Billion)).

Source: Author's computation (2020).

Table 2 shows the annual EIG for Nigeria over the period 1991-2018, using five variants of growth data. From the findings, EIG remain negative for most of the periods. For instance, 80 out of the 135 coefficients were negative as apparent in the table. The negative EIG was highly pronounced from 1991 to 2004 (with the coefficient ranging between -0.001 and -1.49) and then 2013 to 2018. Even where positive coefficients were recorded, it was due to simultaneous declines in both growth and employment. So, the growth recorded by Nigeria during the period 1991-2018 did not translate into substantial employment generation. This is a situation referred to as jobless growth.

3.2. Employment Intensity of Growth in Nigeria, per period analysis, 1991-2018

The findings presented in this sub-section are based on per period analysis of EIG in Nigeria over 1991-2018 as shown in Table 3.

Table 3. Employment intensity of growth for Nigeria, per period analysis, 1991-2018

Year	GNIKeig	GDPKeig	GDPCeig	GDPneig	GDPreig	Period
1991 - 2018	-0.02	-0.02	-0.01	-0.0002	-0.014	Twenty eight years interval
1991 - 2000	-0.15	-0.1	-0.05	-0.002	-0.08	Ten years interval
2001 - 2010	0.001	0.0004	0.0003	0.0001	0.0004	Ten years interval
2011 - 2018	-0.08	-0.09	-0.05	-0.02	-0.10	Eight years interval
1991 - 1995	-1.93	-1.88	-0.11	-0.003	-0.18	Five years interval
1996 - 2000	-0.08	-0.05	-0.03	-0.01	-0.04	Five years interval
2001 - 2005	-0.01	-0.01	-0.01	-0.003	-0.01	Five years interval
2006 - 2010	0.01	0.01	0.01	0.003	0.01	Five years interval
2011 - 2015	-0.06	-0.07	-0.05	-0.03	-0.07	Five years interval
2016 - 2018	0.16	0.09	0.03	0.01	0.09	Three years interval

Note: GNIKeig = EIG with respect to GNI, PPP (constant 2011 international \$, GNIK); GDPKeig = EIG with respect to GDP, PPP (constant 2011 international \$, GDPK); GDPCeig = EIG with respect to GDP, PPP (current international \$, GDPC); GDPneig = EIG with respect to nominal GDP (Gross Domestic Product at Current Basic Prices - Annual (₦ Billion)); and GDPreig = EIG with respect to real GDP (GDP at 2010 Constant Basic Prices - Annual (₦ Billion)).

Source: Author's computation (2020).

Generally, the results indicate negative EIG across different periods with few positive coefficients recorded. For the periods 1991-2018, 1991-2000, 2011-2018, 1991-1995, 1996-2000, 2001-2005, and 2011-2015; the coefficients were negative across all the growth data while positive EIG was recorded for the periods 2001-2010 and 2016-2018. Even with that the positive coefficients for the period 2001-2010 approached zero. The highest negative coefficient, -1.93 was recorded within 1991-1995 period.

3.3. Employment Intensity of Growth in Nigeria, Political Regime Analysis, 1991-2018

The analysis of EIG was also performed based on different political dispensations in Nigeria over the period 1991-2018. This is presented in Table 4 below.

For all the regimes identified, EIG was negative as evident in Table 4. During the military rule, which spanned 1991-1998, EIG hovered between -0.002 and -0.15. The situation during the civilian era (1999-2018) was not different from what occurred in the military dispensation. The value of EIG recorded was between -0.01 and -0.006. Furthermore, the disaggregation of the civilian period did not present divergent results, as EIG remained negative for the entire periods. In fact, the magnitude of the EIG coefficient was high during the current civilian dispensation (2015-2018) than the previous ones. The minimum EIG was -0.02 while the maximum was -1.68.

Table 4. Employment intensity of growth for Nigeria, per period analysis, 1991-2018

Year	GNIKeig	GDPKeig	GDPCeig	GDPneig	GDPreig	Period
1991 - 1998	-0.15	-0.15	-0.06	-0.002	-0.10	Military rule
1999 - 2018	-0.01	-0.01	-0.006	-0.001	-0.01	Civilian rule
1999 - 2007	-0.001	-0.001	-0.0005	-0.0001	-0.001	Obasanjo regime
2007 - 2010	-0.003	-0.003	-0.003	-0.001	-0.003	Umaru Musa Yar'Adua regime
2010 - 2015	-0.04	-0.05	-0.03	-0.02	-0.05	Goodluck Jonathan regime
2015 - 2018	-1.68	-0.56	-0.09	-0.02	-0.54	Muhammadu Buhari regime

Note: GNIKeig=EIG with respect to GNI, PPP (constant 2011 international \$, GNIK); GDPKeig=EIG with respect to GDP, PPP (constant 2011 international \$, GDPK); GDPCeig=EIG with respect to GDP, PPP (current international \$, GDPC); GDPneig=EIG with respect to nominal GDP (Gross Domestic Product at Current Basic Prices - Annual (₦' Billion)); and GDPreig=EIG with respect to real GDP (GDP at 2010 Constant Basic Prices - Annual (₦' Billion)).

Source: Author's computation (2020).

3.4. Discussion

Generally, the findings overwhelmingly revealed negative EIG, implying that the growth experienced by the country during the period under consideration did not generate enough employment, rather employment declined as the economy grew. The results from disaggregated data into different periods and political regimes did not differ from the annual findings. The findings revealed jobless growth situation, and signifies simultaneous increase in unemployment and output in Nigeria, which suggests a low labor absorptive capacity of the economy. The result is counterintuitive because it diverges from the Okun's law, which postulates a positive linear relationship between output growth and employment.

However, the outcome is consistent with empirical findings across literature, such as Ajakaiye *et al.* (2016) for Nigeria, Leshoro (2014) that reported negative EIG for the Botswana and Herman (2011) that discovered low and negative EEG for EU countries between 2000 and 2010.

The issue of jobless growth as reported for Nigeria in this paper is not surprising. The nation's economy is dominated by the oil sector, which employs a very minute proportion of the labor force. Its contribution to the GDP is high and serves as the main source of foreign exchange earnings for the country. The nation needs to aggressively diversify her economy away from oil, which does not have a future. Dauda (2019a) argues that oil is no longer fashionable since nations are currently developing alternatives to oil as well as electric cars, which will eventually lead to continuous declines in demand for oil. A fall in oil was the main reason for the recession Nigeria experienced in 2016, and accounts for the negative EIG for the period 2015-2018 reported in this study. Even during this COVID-19 pandemic, oil price has crashed and the country has to readjust her budget for the year.

In addition, poor governance and corruption pose great challenge to the Nigerian economy, and as such the nation's income is not well expended, rather it goes through the back doors into private purses instead. In fact, the country has not enjoyed good leadership since independence, as "most persons occupying leadership positions in" the country do not possess the "requisite qualities, skills, character, ability, and political will to formulate and implement policies" needed to promote development and improve employment level (Dauda 2019b, 259). The issue of corruption is critical, and manifests itself in different dimension. The nation ranks 146 out of 180 countries in the latest corruption perception index and the fourth most corrupt countries in West Africa (Transparency International, 2020).

Another fundamental issue affecting the nation's economy, and preventing growth from generating employment is infrastructure decay, deficit and inadequacy. This has hampered activities of private firms, which spend huge sum of money on power generation and other infrastructure. The result is high cost of production, low employment, low pay, retrenchment of staff, and relocation of firms to neighboring countries.

Population growth also contributes to unemployment in Nigeria. Currently, her population size, which is growing at approximately 2.60% stands at 195.87 million (World Bank 2020) and comprises about 43.0% youths while the nation is projected to emerge as the third most populous country globally by 2050 (United Nations 2019). This poses serious unemployment challenge for the country.

Another problem Nigeria is currently battling with is insecurity caused by the activities of terrorists, bandits, kidnapers and herders, who frequently attack farmers and innocent citizens across the country. Several farmers can no longer farm while companies and small scale enterprises operating in the affected areas have closed down, thereby contributing to unemployment.

3.5. Implication of Findings for Development

The findings indicating jobless growth reported in this paper have a lot of implications for development in Nigeria. Employment generation is one of the key development policies. Explaining development within the perspective of the new economic view, Todaro and Smith (2015, 17) noted that economic development is "the reduction or elimination of poverty, inequality, and unemployment within the context of a growing economy." In fact, sustenance (the ability to meet basic needs), which is one of the three core values of development cannot be achieved without employment. Employment generates income that gives the people access to the life-sustaining basic human needs of food, shelter, health, and protection. In a jobless growth society like Nigeria, sustainability is threatened.

The three objectives of development ("to increase the availability and widen the distribution of basic life-sustaining goods", "to raise levels of living", and "to expand the range of economic and social choices"), as enumerated by Todaro and Smith (2015, 24) cannot be met without job creation. This explains why the issue of employment was included in the sustainable development goals (SDGs), and most of its targets are employment compliance.

Moreover, in a country like Nigeria, where out-of pocket health expenditure is as high as 77.25% (World Bank 2020), a high level of unemployment as depicted by the findings in this paper can have negative impact on the health status of the populace. For instance, an unemployed person will have limited access to both quantity and quality of food (to boost health status) and healthcare services, which are capable of increasing all forms of mortality and reduce average life expectancy in the country.

Finally, in a jobless growth society, the level of crime and insecurity will be very high as currently witnessed in Nigeria.

Conclusion

This paper is based on the proposition of linear inverse (positive) relationship between unemployment (employment) and output growth otherwise known as the Okun's law. It adopted a quantitative technique of analysis, using elasticity procedure to examine employment intensity of growth in Nigeria over the period 1991-2018. The findings contrast significantly with the position of the law. Overwhelming negative relationship between employment and output growth was discovered across different growth measures covering different periods and regimes.

The study contributes significantly to current research and practice in growth and development literature; particularly as it relates to employment and economic growth. Studies along this area have not considered it necessary to disaggregate scope into different periods and regimes due to the methodologies employed. Moreover, in Nigeria, most available works in this area focus on unemployment impact on growth, and not the other way round.

Therefore, the findings of this study provide policy direction on how to make growth generate employment in Nigeria. Specifically, the nation's economy needs urgent and aggressive diversification away from oil. Poor governance and corruption should be addressed. The country needs to develop her infrastructure, particularly electricity. Population growth should be checked, especially in the Northern region while insecurity should be addressed.

The above notwithstanding, the findings of the study are limited by the data set employed. Data from other sources may produce different results. Therefore, further studies could employ data from different sources.

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