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The State and Human Capital Development in Nigeria

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Abstract:

The significance of Human capital development in a labour surplus country like Nigeria cannot be overemphasized. However, the Nigerian educational industry is driving in reverse gear leaving the dreams of many, if there is any, hanging elusively. The hope that Nigerian youths would be employable tomorrow is increasingly in doubt due to the neglect the educational sector has suffered under successive governments. This paper contends that apart from government ad-hocism in the sector, there are other ills like corruption, poor quality teachers, lack of infrastructure and endless industrial disputes that have continued to deliver mortal blows to the sector. The paper, based on Internet and library research, suggests that government must as a matter of urgency and priority invest in human capital development or risk a population without competence in the midst of a knowledge society.

Keywords: State, human capital, development, knowledge, poverty

1. Introduction

Recent statistics suggests that growth performance in Nigeria has improved significantly since the metamorphosis of the ruling elites which in modern parlance is referred to as return to civil rule beginning from 1999, with an annual estimated growth rate of about 7.2 percent (Osolor, 2014). This however, has not resulted in appreciable decline in unemployment, inequality and poverty prevalence in Nigeria (NBS, 2012). This situation and the general uncertainty that hangs over the horizon of a large number of Nigerians and particularly the young people can be attributed to a number of factors that including leadership failure to deliberately invest in improving the lot of Nigerians.

Apart from the insensitivity of government to the plight of the citizenry, the increasing rate of poverty and deprivation can be located in the very structure of the Nigerian State which has development more to chance rather than strategic planning and proactive engagement. This paper concentrates mainly on the issue of human capital development.

1.1. Meaning of Human Capital

Human capital has been defined by Crook (2008) as the stock of competences, knowledge, social and personality attributes, including creativity, embodied in the ability to perform labour so as to produce economic value. This definition presents an aggregate economic view of the human being acting within economies. It also demonstrates man's social, biological, cultural and psychological components in his transactions in the process of social reproduction. In its technical financial analysis, the term 'balanced growth' refers to the goal of equal growth of both aggregate human capabilities and physical assets that produce goods and services. This is different from the dual economic paradigm which had shaped the way most social scientists viewed the economic problems of less developed countries (Daron & James, 2013).

There exist linkages and relationships between human empowerment or development through education and economic development. This connection has always been cited as justification for government subsidies for education and job skills acquisition where such exist. The term human capital is an acknowledgment that people generally are important and essential assets who contribute to general development and growth, in a similar way as physical assets such as machines and money. Humans are the ones that operate machines and use money. The aptitudes, skills and abilities of people are the drivers of productivity any day and everywhere. Any inputs or costs on such therefore have to be seen investment (Narayana, 2010).

At a time when technological changes and innovations are taking place at a pace or rate that is untrack able, the ability of a state or country to remain relevant and productive is determined by its knowledge driven citizens. Ability of a people represents their skill, talents, fitness and propensity while capacity reflects their aptitude, competence, power, facilities and mobility. In the light of that, Nigeria needs to fundamentally rethink its approach to development if she desires to be relevant in this century and join the rank of those nations competing for the slot of being among the top 20 economies in the world by 2020 (Ngharen, 2013). Nigeria needs to

build capacity and capabilities in critical areas such as qualitative and relevant education, scientific research, technological development, organizational, institutional and resource discipline. This cannot be wished into existence but deliberately built through massive and deliberate strategic investments in human capital development

Organizations, enterprises, businesses and other legal entities will go out of business if they do not have no skilled people to support their operations. Skill, motivated and fast innovating personnel at both managerial and other cadres are required to maintain each organization be it industries, government department, school, health care etc. In a fast changing world like ours which renders things and technologies obsolete by the hour, the need to have a skilled workforce that is future driven cannot be over emphasized. Human development and continuous training in order to satisfy the need to provide desired services in a very competitive world in a most convenient, value added way which will guarantee efficiency in production and distribution must be the dream of every organization at any given time.

Political leaders, policy makers and all the individuals and government agencies charged with the responsibility of ensuring human development and upgrading must realize that having skilled and motivated people whose capacities must continuously be built through the inputs of education or training and retraining. Every result oriented government or institution must necessarily prioritize this and make it a major policy thrust (Narayana, 2010). The quest or desire to model human beings through deliberate empowerment as capital assets can only be achieved through quality, relevant and value added education. This indeed is the major indicator of development generally and determines growth or changes in other sectors such as politics, economy and socio-cultural progress of the society. It is against this reality that the strategic importance of education as a social infrastructure cannot be overemphasized. But as has been suggested, the hope that education can stimulate holistic development in Nigeria is dependent on whether it is qualitatively provided (Nwangugu, 2010).

Interestingly, Adam Smith, a classical economist sees human development as:

the acquired and useful abilities of all inhabitants or members of the society. The acquisition of such talents, by maintenance of the acquirer during his education, study or apprenticeship, always costs a real expense, which is a capital fixed and realized, as it were, in his person. Those talents, as they make a part of his fortune, so do they likewise that of the society to which he belongs ... though it costs a certain expense, repay that expense with a profit (Smith, 1776).

What Adams Smith calls expense is actually an investment. Whatever one does that yields dividends or profit as Smith chooses to refer to it, is actually an investment and not an expense. Mincer (1996) and Becker (2009) have argued that human empowerment or development has the same potential or value as money, factories and machines. This view holds that if there is investment into human development, the dividends will definitely come. This proposition is similar Karl Marx's concept of labour power. Marx discusses two disagreeable issues. As always and typical with Marx, a worker must labour using his mind and body. He attempts to distinguish between one's capacity to work and the activity of working itself. Marx and in fact all Marxists argue that if one is free, he will not sell his human capital in one go. The Marx therefore suggests that people work because they are not free. However, he sees the labour offered by workers as contract in the same way that an industrialist sells his products not his machinery (Bowles, & Gintis, 1975).

1.2. Relevance Human Development

Human development or capital is strategically relevant in a labour-surplus country like Nigeria. Nigeria is richly blessed with innovative, willing and hardworking people and good supply of natural endowments. She also has a great market, promising and robust high birth rate and the benevolence of nature like rivers, arable land etc. The combined blessings of human resources and natural endowment however have not resulted in availability of sufficient opportunities for Nigerians over the last fifty years. This has been blamed on the failure of the political elites who have not been able to transform the human resource base of Nigeria into ready and effective resources through the effective inputs of education. Secondly, the corrupt and incompetent political elites have also failed to effectively utilize the benefits of the rich oil revenues to better the lot of Nigerians and improve human capital (Owolabi-Merus, 2015). Instead, the thieving classes have emasculated the poor and vulnerable. There has been a very insignificant allocation to the human development sector. Education has taken the back seat in Nigeria due to neglect and corruption. Those who mismanage or leverage themselves on the insignificant allocations train their children, their inheritors in Europe and America leaving the sector vulnerable and constantly positioned along the path of industrial disputes that last sometimes for months.

In a knowledge economy, special skills are required to drive development and especially productivity. When these skills are undeveloped, the nation will depend on expatriates. For example, it is estimated that over one million Chinese, Japanese and Korean artisans work in the construction sector of the Nigerian economy alone. This is in spite of the fact that unemployment constitutes one of the major security challenges in Nigeria (Harvest Radio, 2012).

The processes required to convert the raw human resource into highly productive human resource base through training and other forms of investments like ensuring good health, maintaining security and good moral values is what is referred to as human capital formation. The problem having unemployable or unqualified graduates who roam our streets can be drastically altered by fast tracking the rate of human capital formation in both private and public enterprises in Nigeria. Someone has rightly argued that:

Tangible financial capital or direct foreign investment which needs an enabling and stable security atmosphere to be attracted is an effective instrument of promoting economic growth of the nation. The intangible human capital on the other hand, is an instrument for promoting comprehensive development of the nation because human capital is directly related to human development, and where there is human development, the qualitative progress of the nation is guaranteed (Ul Haq, 1996).

Because reverse is the case, apathy, crime and criminality has gained the ascendancy in Nigeria. The frustration of the population has found expression in various ways including religious fundamentalism and other forms of militia like activities including clandestine

maneuvers for secession from the Nigeria federation. The poverty and illiteracy of the Northern Region is masquerading its manifestation in the form of religious intolerance. Again, Northern leaders have refused to acknowledge their failure in this critical area. Instead, they have hurriedly prescribed without diagnosis. They have prescribed school feeding program and free education which indeed is free of knowledge. These were prescribed hoping to boost school enrolment. The problem is not low enrolment, important though that might be, but the quality of what is available. The fundamental issue of why the children need to be induced to school by the assurance of at least a meal has not been addressed. The real problem is that the parents cannot afford a daily meal for their families and the issue of why should be addressed. This is happening at a time of cascading moral and lowering faith in a government that was very vocal in chanting the 'change mantra' and has no clue on what to do at the moment.

In the South Western region of Nigeria, the frustration of the youths has been packaged in form of ethnic chauvinism. The failure to give unemployed youths welfare package of five thousand Naira monthly, the absence of free and quality education, free and quality health care etc has been met with violent student's demonstration against increment in school fees. Not only is there no hope for quality education now, the school fees have not only be retained but doubled in some instances. In the South East and South-South, it is raw criminality, armed banditry and kidnappings. The Oil thieves, pipe line vandals, kidnappers and oil bunkers who terrorize, maim and rape people in the Niger Delta have christened themselves "freedom fighters" (Ngharen, 2104). While the Federal Government seems however is more concerned with saving, stabilizing and exploiting the petroleum resources. The government is engaged in unending warfare with other unlicensed exploiters, oil thieves and other international criminal elements involved in piracy, oil bunkering and destruction of installations.

The vandalization of oil infrastructure is not primarily sabotage but a desperate struggle by these elements to also get their own share of the national cake because the national cake, once put on the table becomes the exclusive preserve of a select few. Successive Nigerian governments have spent billions in desperate attempts to reduce or remove the threat or reduce competition with the unlicensed exploiters of the resources. The last regime settled the 'bad boys' and disposed of them temporarily by taking them for training in different parts of Europe, North America and Asia.

The spoils carted away by the Niger Delta non state combatants are envied across the nation by other criminal elements. Northern elements, because they have no oil installations to vandalize and attract government attention have resorted to other forms of criminality including terrorism and destruction of critical infrastructure like communication masts, schools, hospitals and power plants. Government has refused to negotiate with them but instead rushed into the establishment of Almajiri schools, similar to the madrasa schools in Pakistan supposedly to fight illiteracy and fundamentalism.

The decision by government not to negotiate with these elements in spite of repeated calls by their leaders was replied by extreme cruelty and beastly activities. The building of schools has become a reaction to terrorist activities rather than a strategic and long term plan. The schools being hurriedly built are envisaged to keep children away from the streets and away from indoctrination and radicalization. The fundamental besetting issues of illiteracy, poverty, deprivation and widening inequality have remained unaddressed. What governments, both at the federal and states intend to do with the ever increasing army of uneducated and unemployed people is not yet clear and where all these will lead eventually is still uncertain (Eme, 2014).

The United Nations has acknowledged the relevance of human development or quality of education and has recently used it as a parameter or yardstick for measuring the growth of the world economy. The resultant effect of poor investment in education in Nigeria and its very low quality (Ngozi, 2012) over the years has produced a scenario where not a single Nigerian University has qualified or accredited as one of the top 100 Universities in the world. The reasons as noted are myriad but the most critical of them has to do with the incessant industrial disputes arising from poor remunerations, lack of political will and massive corruption. (Nwangugu, 2012). Nigeria has continued to walk the same path and expects a change in results. While the Nigerian educational system continuous to drive in reverse gear, and its graduates have limited or no employable skills, there is no sincere effort to truly invest in education. There are no deliberate engagements targeted at addressing poverty and unemployment through concrete measures and policies. The parrot cries of spokesmen of this present government fall on the ears of many Nigerians as mere soothing words calculated at placating the population.

Similarly, United Nation's Life Expectancy Index reveals the standard of health of the population in each country; education index shows the educational standard and literacy ratio of the population. According to United Nations (UN HDR 2015) the income index reveals the standard of living of the population. Human development is determined by education, health and quality of the standard of living

2. How Did We Get Here?

At the dawn of the 20th century, most nations had realized the connection between investment in quality education and economic development. This realization stimulated the quest for the establishment and enhancement of secondary education. This ultimately also created the opportunity for building of higher education. While this drive and connection has been on the increase in other nations across the globe, it took a back seat in Nigeria during the military rule. New opportunities were created with the return to civil rule in 1999 and the seemingly endless opportunities made available with the creation of additional states towards the last quarter of 1996. The creation of states opened up vast employment opportunities to hire personnel that will man the institutions of government. The effect of this was the need to strengthen and enhance education beyond the norm of primary schooling. This led to the establishment of more tertiary institutions across the states. This was soon pushed beyond necessary, for example, in Nasarawa State, the opening of secondary schools; whether there was need for such or not, became the dividend of democracy, thus each community wanted a share of the state cake. The schools were opened and there was need to resource them with teachers. This challenge was hastily met by mass

recruitment of teachers irrespective of qualification. The teachers were hired and ambitious programs of free education followed. This made education free for all. But indeed, as we have noted, the education was free of knowledge. Not only was the quality extremely poor, the state did not have the purse for such unrealistic projects.

Thus, the primary and secondary school teachers downed their tools for months. Compounding the first mistake was the unprepared establishment of a stated Polytechnic and state university, probably to mass produce the man power for the lower sector of the education industry. Again the man power to run these institutions had to be sourced from elsewhere since the state failed woefully to strategize well before initiating such policies. The tertiary institutions were faced with issues of carrying capacity as poorly trained secondary school leavers sought admissions in those institutions also as part of dividend of democracy. The institutions were compelled to admit in total disregard for qualification and learning capacities.

The employment policies to staff the schools, particularly the tertiary ones became political and thus failed to follow the conventional methods of advertisements, interviews and recruitment based on merit. In the process, poor quality teachers were recruited who also continue to churn out more of their kind. Thus, a vicious circle had been created and it spelt doom for the system.

When the pressure became unbearable and threatened to submerge the system, the authorities then insisted on the standard stipulated criteria. Seekers of admission were required to have at least five credit passes in relevant areas. The new requirement put pressure on secondary school principals who were pressurized and threatened by their host communities to allow their wards pass to secure admissions into tertiary institutions. This led to the emergence of examination malpractice centres referred to as miracle centres which the neighbouring states of Benue, Plateau and the FCT have continued to rush to take advantage of. In spite of the abundance of the miracle centres, the percentage of those that fail was frightening.

The pressure mounted on Principals and other agencies responsible for administering tests compromised the integrity of the tests. In spite of the compromise, a statistical breakdown reveals by the examination bodies suggests that even with the malpractice that plagued and clouded the examination exercises for example in Nov/December 2009, 98 per cent of the students that sat for the examinations could not meet the requirement of getting credit passes in five subjects including Mathematics and English. Similarly, a year later i.e. 2010, up to 79 per cent of the total number of those that sat for the examinations failed to get credit passes in English. In 2011 June/July school based examination conducted by NECO, less than 25 per cent of the over one million candidates had credit pass in English and Mathematics. By the 2011/2012 examinations, only 11.3 per cent passed nationwide (Ngozi, 2012). NECO and WAEC withheld or outrightly cancelled the results of many candidates for mal practice related reasons. It will seem that those who fail were those who could not even copy correctly what was written for them on the chalk board.

The reasons for the poor performance have been highlighted already. For education in most parts of Nigeria, it is indeed the issue of garbage in and garbage out. The real matters involve more than passing or failing since the results at the end of secondary education is the cumulative total of all the period of primary to secondary schooling (Ngharen & Meshi 2009). Until the foundational issues are addressed, there will be very little that anyone can do to change the fact that the quality of education and therefore manpower to drive the future is severely compromised in Nigeria (Ngozi, 2012).

2.1. The State and Human Development

In a dependent state like Nigeria where the comprador class is still weak and private capital rare, the ruling elites must deliberately secure posterity by investing in capacity development. The state must develop a workable curriculum and ensure that all those in the industry adhere to it. The institutions and agencies charged with the responsibility of ensuring quality control are empowered and supported to effectively do so. No individual should be above the law. The same standard must apply to all and sundry. Since human capital is not something that can be developed or produced in ad-hoc manner, the government must steward the processes deliberately and firmly. Becker (2009) has argued that:

The future generation is more benefitted by the advanced research in the field of education and health undertaken by current generation. Therefore, the educational and health inputs create more productive impacts upon the future generation and the future generation becomes superior to the current generation

This argument is vitally true because the quality and effectiveness of future generations is the investment and sacrifice of the present generation. The hope that future Nigerians will be able to favourably compete with others at their time is dependent on how much is invested on their training and preparation. This is such an important fact that cannot be left to chance. If this generation fails to qualitatively improve the human capital of the next generation then we are at the brink of national suicide.

The state and the public must invest in human capital development. This can be done through deliberate investments in education in areas such as infrastructure, improvements in health, poverty reduction, payment of bursaries to students no matter how meagre, training and retraining of personnel, depoliticizing education, fighting corruption in the sector etc.

3. Conclusion

This paper has focused on the need for investment in the development of the capacity and capabilities of Nigerians in the midst of a constantly changing world. It took a swipe on the attitudes of the political elites in Nigeria who have paid little or no attention to the development of Nigerians. While supposedly investing on infrastructure, the paper argues that the young people who will operate and or use the infrastructure are very severely compromised by the poor quality of education that is in place. While the immediate effect includes inability to effectively perform tasks, un-employability, terrorism and other forms of criminality, the future holds shock, uncertainty and greater upheaval for the system.

The government must invest immediately and deliberately in human capital development. Productivity is guaranteed only as the population gets healthier, more educated and skilled. When these are in place, then access to other inputs such as infrastructure, credit and technology will make meaning. These will drive the economy, ensure general development and guarantee equality, equity, peace and progress.

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