THE INTERNATIONAL JOURNAL OF HUMANITIES & SOCIAL STUDIES

Youth and National Development: An Evaluation of Age Profile in Contribution to Gross Domestics Product

Dr. Etukudo, Udobia Elijah
Associate Professor, Mathematics Department, School of Science Education,
Federal College of Education (Technical), Omoku, Rivers State
Dr. Azubuike C. Nwokocha
Secretary to Council, Department of Registry, Federal University of Agriculture, Nigeria

Abstract:
The contributions of youth to Gross Domestics Product are the least issues which youths in Nigeria consider. The youths, government and even parents do not consider that youths should at any point be engaged in ventures that positively contribute to increase in Gross Domestics Product at the right age, this has been the principal causes of youth involvement in vices and malicious acts. This paper assesses the effect of age of entry into labour market and contribution to Gross Domestics product in terms of wages return to investment in education.

Keywords: Youths, national development, age profile, gross Domestics product

1. Introduction

Unemployment is one of the major causes of youth involvement in vice and mischievous activities, Sarr (2017) pointed out that about 80000 jobs were created in Senegal in 2014 in order to curb youth unemployment. The issue is not only youth unemployment but at what age do young lads or ladies get employed. There exists a strong correlation between the age of entry into the labour market and the wages returns which invariably impacts positively or negatively on the Gross Domestics Product as well as per capita income. In Nigeria there are a lot of developmental strides encapsulated in the National Economic Empowerment and Development Strategy NEEDS (Mashi, 2006), though NEEDS is used to remove several lapses in the economy including unemployment, the basic issue is how useful are the employees in the chores which they are given and in what way do the age of employees impact on the wages returns.

Mincer (1974) put forward a formula which relates age of entry to wages return, this postulate the need for availability of gainful employment at the proper ate. In the other hand there exists a positive or negative correlation between age of entry accruing benefit going by Mincer's postulation, though in Mincer's opinion the most important factor is that of analysis of cost benefit and returns to investment in education, but the age variable and the derived aftermath on the national income and gross domestic product is a valuable component which should necessarily be proffered.

The definition of youths varies from nation to nation and circumstances to circumstances, Maddock and Ramguttee (2016) stated by implication that youths are persons whose ages varies from 15 to 35 years of age, Gross (2017) put the age definition of youths at 15 to 25 years while Onike (2007) stipulated age limit of 18 to 45 year for persons described as youths. When this various age definitions of youths are related to the existing labour laws and regulations in Nigeria, for example the maximum year of working is 35years of service and age of retirement 60 to 65 or 70 years of age depending on the nature of work, there. Present anomalies which post serious economics and employment misdemeanor. The inadequacy arises from the fact youths maturity for employment varies from society to society and is severely influenced by the environment which they are groomed. Some youths are ready for employment at the age 18, some 20, 25, 30, 35 and some even 45 years of age. Some at these ages are ready for partial employment while some are ready for full employment. Nevertheless some youths are not even ready for employment at all.

Youth unemployment is dependent on two important variables — education and maturation. Gross (2017) and Maddock and Ramguttee (2016) observed that lack of the basic relevance education contributed to about 37% of the unemployment while 21% are due to being underage. This notwithstanding there is also unemployment that are generated by unwillingness to work and also those due to non-availability of work, as well underemployment.

Gross Domestic Product (GDP) is defined as "the sum of the income generated by production in the country in the period" this include compensation of employees, taxes on production and imports less subsidies, and gross profit (Bureau of Economic Analysis, 2009). This implies that the higher the number involved in production the higher the GDP. Invariably, if more youths

are gainfully employed this will produce positive impact on the country's GDP. On this note the effect of gainful employment of youths at good ages on the GDP is studied.

2. Statement of Problem

It is obvious and clear that there is an alarming rate of unemployment in many West African Countries and other part of the world, precisely youth unemployment, studies carried out by Gross (2017), Onike (2007) and Maddock & Ramguttee (2016) attests to this. However, inasmuch as youths are involved, the issue of age discrepancies and employment anomalies are eminence. The undisputable question is how do ages of employment affect the GDP? By implication of definition of GDP it should, hence the contention of the study.

3. Hypothesis

There is no significant difference between the contribution of youths of various ages to gross domestic Product (GDP) of a country in terms of the present value (PV) of their cost benefit and returns to investment in education.

4. Research Methodology

The research is a descriptive study which objective is to determine the effect of age of entry into employment on the growth of nations Gross Domestic Product (GDP). For this purpose a structured questionnaire of five (5) items was sewed on 100 randomly sampled freshly employed first degree holders in Rivers State of Nigeria Civil Service. The basic information collected was on age of entry into employment, duration of study, previous qualification, and previous working experience, present and previous salaries. The questionnaire was highly validated.

The information collected were categories into the following age groupings 21 — 25, 26 — 30, 31 — 35, 36 — 40, 41 — 45 years of age which forms the major groups that are classified as youths by all ramifications. The total contribution to National in terms of GDP by the individuals and groups were computed via the present value (PV) of cost benefit and reward to investment in education, which gives the school generated earnings. Table one gives the distribution of PV of the group, while the individual PV are given in appendix 1. Figure 1 gives the graph of the distribution the earnings on age profile. The data collected were used to test the hypothesis using t — test.

Group	Age	Number(N)	PV	SD
A	21-25	22	1900000	0
B	26-30	25	1855600	17906.42
C	31-35	27	1725200	306671.13
D	36-40	14	1548000	67207.42
E	41-45	12	1255800	102344.06

Table 1: Distribution of PV of Youths on Group Categorization

5. Data Analysis and Result

There is a significant difference between the contribution of youths of various ages to gross domestic Product (GDP) of a country in terms of the present value (PV) of their cost benefit and returns to investment in education. The result of data analysis is given in table 2 below.

S/N	Group	Degree of Freedom	T-Ratio	Critical Value	Decision
1.	A&B	45	358.06	2.0105	Significant
2.	B&C	50	53.03	2.020	Significant
3.	C&D	40	11.24	2.021	Significant
4.	D&E	24	102.47	2.064	significant

Table 2

6. Discussion

The hypothesis tested at 0.05 level of significance shows that there is significant difference in the earnings, in terms of present value (PV) of cost benefit and reward to investment in education, of youths of various ages of employment as categorized by group A, B, C, D and E. The calculated values oft — ratios are all greater than the critical values implying that there exists a significant difference between PV of the groups. This means that the mean contribution to National Development of youths varies directly with the age of entry gainful employment. The relationship between age of employment and contribution to the GDP is shown in the graph in figure 1 bellow.

In the graph it is clear that from the age of 25years the PV decreases as age of entry into employment increases
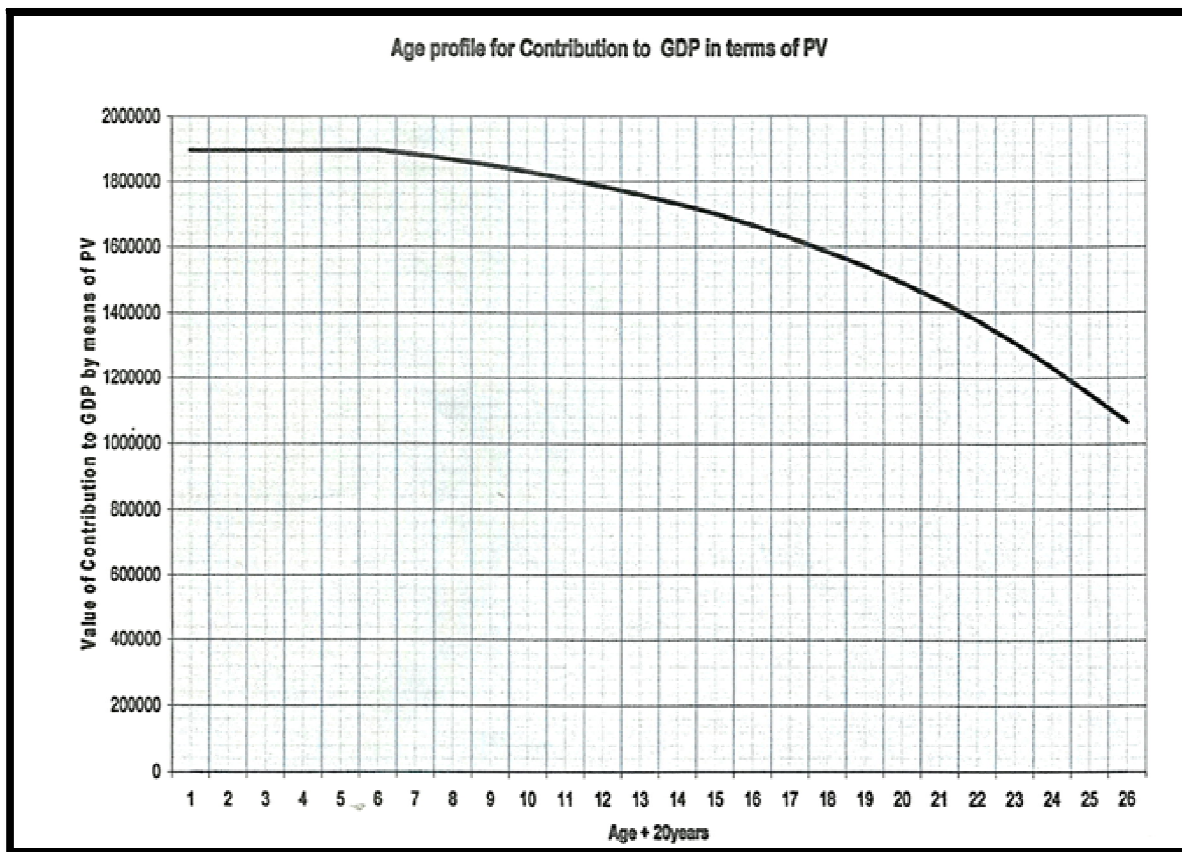
Figure 1

The x-axis gives the age from 20+1 years = 2I year, while the value of the PV was given by y- axis in millions of Naira. A careful look at the curve will revealed. This shows a clear picture of the effect of late entry into employment on contribution to national development. This in the other hand demonstrates the negative effect of unemployment which Gross (2017), Onike (2007) and Maddock & Ramguttee (2016) have decried.

7. Recommendation

Following the findings of this study the following recommendations are made:
- The society should make away of creating employment for youths at very early age of graduation from course of study.
- The Government of various Nations should take employment creation as a very serious issue of national development in order to involve youths at their early age if they are contemplating of developing the nation.
- Children should study in vocation which would enable them get ready employment.
- The school programs should be planned in such a way their products could readily be absorbed in employment.

8. Conclusion

The issue of youth unemployment has been highly lamented upon by many good level headed persons. The reasons are not for the sake of the nations but for the sake of the youths whose future and survival has been the problem. The fundamental reason which youth unemployment should be abhorred has not always been unveiled; the main fact is that if youth unemployment is checked there will reasonable improvement in the Gross Domestic Product (GDP), which in turn would raise the per capita income as well as standard of living of the Nation.

9. References

i. Bureau of Economic Analysis (2009). Measuring the Economy: A Primer on GDP and the National Income and Product Accounts http://www.bea.gov/national!nipa_primer 25/5/2018
ii. Gross, D. M.(2017). Youth Unemployment and Youth Labour Market Policies in Germany and Canada: Action Programme on Youth Unemployment. Employment and Training Papers 37. Canada: International Labour Organization. MUS@i1o.org .
iii. Mashi, M. (2006). National Economic Empowerment and Development Strategy (NEED). Sunday Triumph, 19th November, 2006.

iv.   Maddock, N. and Ramguttee, L (2016). Youth Unemployment and Poverty in Moldova: Current Situation and Possible Response. Migration and Development Brief. Geneva: UNDP
v.   Mincer, J. (1974) Schooling, experience and earnings. New York: National Bureau of Economic Research.
vi.   Onike, R.(2007) Millennium Development Goals and The Nigerian Youths. Search Warp.com
vii. Sarr M. (2017). Youth employment in Africa: The Senegalese Experience. Background Paper No 3. UNO-ILO-World Bank Meeting on Youth Employment. New York, 25th August 2017.

Appendix

S/N	Age of Entry	T	PV
1	20	35	1897596
2	21	35	1897596
3	22	35	1897596
4	23	35	1897596
5	24	35	1897596
6	25	35	1897596
7	26	34	1883370
8	27	33	1867525
9	28	32	1849989
10	29	31	1830461
11	30	30	1808322
12	31	29	1785719
13	32	28	1760218
14	33	27	1731993
15	34	26	1701143
16	35	25	1665291
17	36	24	1628672
18	37	23	1585814
19	38	22	1541227
20	39	21	1490937
21	40	20	1436650
22	41	19	1376560
23	42	18	1307971
24	43	17	1232070
25	44	16	1150593
26	45	15	1065950

Table 3: PV and NPV for First Degree Graduates