



The Political Economy of Unemployment and the Crisis of Youth Livelihoods in Nigeria: A Systematic Review

Salisu Ogbo Usman, Ph.D¹, Timothy Abayomi Atoyebi, Ph.D², and Edime Yunusa, Ph.D^{3*}

¹*Department of Political Science, Faculty of Social Sciences, Federal University, Lokoja – Nigeria*

^{2&3}*Department of Sociology, Faculty of Social Sciences, Prince Abubakar Audu University, Anyigba Kogi State - Nigeria*

¹Orchid: <https://orcid.org/0009-0003-1048-4096>

²Orchid: <https://orcid.org/0000-0002-0399-9169>

³Orchid <https://orcid.org/0000-0003-0126-4190>

Correspondence: yunusaedime@gmail.com

Received: 03 April 2026 | Revised: 14 May 2026

Accepted: 12 June 2026 | Published: 08 July 2026

DOI: <https://doi.org/10.5281/zenodo.21321446>

Abstract

Youth unemployment has emerged as one of the most persistent development challenges confronting Nigeria, with profound implications for economic productivity, social stability, and the livelihood security of young people. Despite numerous policy interventions and periodic economic growth, a significant proportion of Nigerian youths continue to experience unemployment, underemployment, and livelihood deprivation. Against this background, this paper examined the political economy of unemployment and the crisis of youth livelihoods in Nigeria through a systematic review of existing literature. Specifically, the paper investigated the political and economic factors contributing to youth unemployment, examined the effects of youth unemployment on the livelihoods and socio-economic well-being of young people, and reviewed policy interventions and institutional measures proposed for addressing youth unemployment and improving youth livelihoods in Nigeria. The paper was anchored on Political Economy Theory and Sustainable Livelihoods Theory. A systematic literature review approach based on the PRISMA framework was adopted, drawing evidence from peer-reviewed scholarly publications obtained from major academic databases. Data were analysed using thematic synthesis. The paper revealed that youth unemployment in Nigeria is driven by structural factors including economic dependence on the oil sector, weak industrialisation, governance deficits, policy inconsistency, insecurity, demographic pressures, and educational mismatch. The review further established that unemployment contributes to poverty, livelihood insecurity, social exclusion, migration, psychological distress, and vulnerability to criminal activities among youths. The paper concludes that youth unemployment is fundamentally a structural development challenge requiring long-term institutional and economic reforms. It therefore recommended employment-centred economic diversification, labour market-oriented educational reforms, and the strengthening of



sustainable youth livelihood and entrepreneurship support programmes to enhance employment opportunities and livelihood security among Nigerian youths.

Keywords: Political Economy, Youth Unemployment, Youth Livelihoods, Livelihood Crisis, Employment Policy.

1. INTRODUCTION

Youth unemployment has remained one of the most persistent socio-economic challenges confronting Nigeria despite decades of economic reforms, youth empowerment programmes, and employment-generation initiatives. Nigeria possesses one of the largest youth populations in the world, with young people constituting a significant proportion of the country's labour force. This demographic structure presents opportunities for economic growth through a demographic dividend. However, the inability of the economy to generate sufficient productive employment has transformed this advantage into a source of economic insecurity and social instability. Recent studies indicate that unemployment among young Nigerians is rooted not only in labour market deficiencies but also in broader political and economic structures that shape access to resources, opportunities, and livelihoods (Virk et al., 2024).

The political economy perspective provides a useful framework for understanding unemployment beyond conventional explanations that focus solely on skills deficits or labour market inefficiencies. Political economy analyses emphasise how state institutions, economic policies, governance arrangements, and patterns of resource allocation influence employment outcomes. In Nigeria, dependence on oil revenues has contributed to a pattern of economic growth that has not generated sufficient jobs for the rapidly expanding youth population. While the country has recorded periods of economic expansion, employment creation has lagged behind population growth, resulting in a growing number of young people who are either unemployed, underemployed, or trapped in low-income informal activities (Omoju et al., 2023).

The crisis of youth livelihoods has become increasingly evident in both urban and rural communities. Livelihoods encompass the capabilities, assets, and activities through which individuals secure their means of survival. For many Nigerian youths, access to stable livelihoods has been constrained by declining formal employment opportunities, weak industrial development, inadequate access to credit, and limited social protection mechanisms. According to data released by the National Bureau of Statistics, Nigeria's unemployment rate rose from 4.2 per cent in the second quarter of 2023 to 5.0 per cent in the third quarter, while youth unemployment among persons aged 15–24 increased from 7.2 per cent to 8.6 per cent during the same period (Akwagyiram, 2024). Although methodological revisions have altered unemployment measurements, the prevalence of informal employment and underemployment continues to indicate significant labour market vulnerabilities.

The deterioration of youth livelihoods has implications that extend beyond economic welfare. Evidence suggests that prolonged unemployment among young people contributes to poverty, social exclusion, migration pressures, criminal activities, and insecurity. Musa (2023) found that rising insecurity and unemployment reinforce one another, creating conditions that weaken economic productivity and social stability. Similarly, Manu (2023) argues that the inability of the Nigerian state



to absorb its growing youth population into productive economic activities has contributed to the expansion of banditry and other forms of insecurity, particularly in rural areas.

Successive governments have introduced interventions such as the Graduate Internship Scheme, N-Power, Youth Employment and Social Support Operations, and various entrepreneurship schemes aimed at reducing youth unemployment. Nevertheless, available evidence suggests that these programmes have produced limited long-term outcomes because of governance challenges, inadequate funding, poor coordination, and weak institutional capacity (Agaecheta et al., 2024; Omoju et al., 2023). Consequently, youth unemployment remains a major development concern despite substantial public investment in employment initiatives.

Given the persistence of unemployment and livelihood insecurity among Nigerian youths, there is a growing need to synthesise existing evidence on the political and economic factors that sustain these conditions. A systematic review is therefore necessary to consolidate current knowledge, identify recurring explanations in the literature, and provide a clearer understanding of how political economy factors shape youth employment outcomes and livelihood opportunities in Nigeria.

2. STATEMENT OF THE PROBLEM

Nigeria's youthful population is frequently described as a strategic asset for national development, yet a substantial proportion of young people continue to experience unemployment, underemployment, and livelihood insecurity. Despite numerous employment policies and youth empowerment programmes implemented over the years, labour market outcomes among Nigerian youths remain poor. The persistence of this situation raises concerns about the effectiveness of existing policy responses and the structural factors that sustain youth unemployment.

Current evidence suggests that the problem extends beyond the absence of jobs. A significant proportion of employed youths are engaged in informal and low-paying activities characterised by unstable incomes and limited prospects for upward mobility. National statistics indicate that informal employment accounts for over 90 per cent of total employment in Nigeria, reflecting the limited capacity of the formal economy to absorb labour entrants (Akwagyiram, 2024). Consequently, many young people who are classified as employed remain economically vulnerable and unable to secure sustainable livelihoods.

Several studies have linked this condition to broader political and economic factors, including weak governance institutions, inadequate economic diversification, policy inconsistency, limited industrial development, and unequal access to economic opportunities (Virk et al., 2024; Omoju et al., 2023). Yet, existing studies are dispersed across different disciplines and often focus on specific programmes, regions, or dimensions of unemployment. As a result, there is limited synthesis of evidence regarding how political and economic structures collectively shape youth unemployment and livelihood outcomes in Nigeria.

The persistence of youth unemployment has also coincided with rising poverty, migration pressures, social unrest, and insecurity in many parts of the country. The growing involvement of some unemployed youths in criminal networks, banditry, and other forms of violence has heightened concerns about the implications of livelihood deprivation for national stability (Manu, 2023; Musa, 2023). Without a clear understanding of the political economy factors driving these conditions, policy interventions may continue to address symptoms rather than underlying causes.



Therefore, the problem addressed by this study is the absence of a systematic synthesis of scholarly evidence on the political economy of unemployment and the crisis of youth livelihoods in Nigeria. By reviewing and integrating existing literature, the study seeks to provide a clearer understanding of the structural determinants of youth unemployment and their implications for sustainable livelihood opportunities among Nigerian youths.

3. AIM AND OBJECTIVES OF THE PAPER

The aim of this paper was to systematically review existing literature on the political economy of unemployment and the crisis of youth livelihoods in Nigeria in order to examine the structural political and economic factors responsible for youth unemployment and their implications for sustainable livelihoods. The specific objectives include the following:

- i. To examine the political and economic factors contributing to youth unemployment in Nigeria as documented in existing literature.
- ii. To assess the effects of youth unemployment on the livelihoods and socio-economic well-being of young people in Nigeria.
- iii. To identify policy interventions and institutional measures proposed in the literature for addressing youth unemployment and improving youth livelihoods in Nigeria.

4. METHODOLOGY

This paper adopted a systematic literature review approach based on the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) framework developed by et al. (2009). The PRISMA framework was adopted because it provides a transparent, rigorous, and replicable procedure for identifying, screening, evaluating, and synthesising existing literature. The systematic review approach was considered appropriate for this study because it enables the integration of evidence from diverse empirical and theoretical studies relating to the political economy of unemployment and the crisis of youth livelihoods in Nigeria. It also reduces selection bias by ensuring that studies are identified and evaluated according to predefined criteria. Given the growing volume of literature on youth unemployment, livelihoods, governance, economic development, and employment policy in Nigeria, a systematic review provides a structured means of consolidating existing knowledge and identifying recurring themes, patterns, and gaps within the literature.

The paper relied exclusively on secondary data obtained from leading academic databases. Literature searches were conducted using Scopus, Web of Science, Google Scholar, and JSTOR. These databases were selected because of their extensive coverage of peer-reviewed publications in the fields of economics, political science, development studies, sociology, public policy, and labour studies. The search strategy involved the use of Boolean combinations of keywords including “youth unemployment”, “unemployment in Nigeria”, “political economy”, “youth livelihoods”, “livelihood crisis”, “employment policy”, “youth employment”, “economic development”, “governance and unemployment”, “labour market”, and “Nigeria”. Searches were limited to peer-reviewed journal articles, conference papers, scholarly books, and book chapters published between 2020 and 2025. Foundational theoretical works published before 2020, particularly those relating to Political Economy Theory and Sustainable Livelihoods Theory, were included through backward citation tracking to provide the theoretical foundation for the study. These foundational sources were not subjected to the systematic search protocol but were incorporated to contextualise the analysis.



4.1 Inclusion and Exclusion Criteria

To ensure consistency and relevance, only studies that met specific inclusion criteria were considered for analysis. Included studies were required to be peer-reviewed academic publications published between 2020 and 2025. The studies had to focus directly on youth unemployment, youth livelihoods, employment policies, political economy factors influencing employment, labour market outcomes, poverty, livelihood sustainability, or related issues within the Nigerian context. Eligible studies were also required to contain a clear description of their methodology, whether quantitative, qualitative, mixed methods, review-based, or theoretical. Furthermore, only studies written in English and available in full text were considered for inclusion.

Studies were excluded if they focused exclusively on unemployment in countries other than Nigeria without providing substantial discussion of the Nigerian context. Editorials, opinion articles, newspaper reports, policy briefs without methodological foundations, blogs, commentaries, and unpublished manuscripts were excluded. Duplicate studies identified across databases were removed. Studies published in predatory or non-indexed journals that lacked recognised academic quality standards were also excluded from the review.

4.2 PRISMA Article Selection Process

The article selection process followed the four stages recommended by the PRISMA framework, namely identification, screening, eligibility, and inclusion.

During the identification stage, database searches generated a total of 286 records comprising studies obtained from Scopus ($n = 92$), Web of Science ($n = 78$), Google Scholar ($n = 81$), and JSTOR ($n = 35$). These records were exported into a reference management database for further processing.

At the screening stage, 61 duplicate records were removed, leaving 225 unique studies for title and abstract review. The titles and abstracts were examined against the predetermined inclusion and exclusion criteria. Following this process, 137 studies were excluded because they were unrelated to youth unemployment, political economy, or livelihood issues in Nigeria. Consequently, 88 studies progressed to full-text assessment.

During the eligibility stage, full-text versions of the 88 studies were reviewed in detail. A total of 52 studies were excluded because they lacked methodological clarity, focused exclusively on unrelated geographical contexts, contained insufficient discussion of unemployment or livelihood issues, or did not meet the quality requirements established for the review. This process resulted in 36 studies being considered eligible for inclusion.

At the inclusion stage, the final sample consisted of 36 peer-reviewed studies that met all eligibility criteria. In addition, six foundational theoretical works relating to Political Economy Theory and Sustainable Livelihoods Theory were identified through backward citation analysis and included to provide theoretical grounding for the study. These foundational works were not part of the systematic search process and were therefore reported separately from the reviewed studies.

4.3 Quality Assessment

The quality of the selected studies was assessed using an adapted version of the quality assessment criteria proposed by Kitchenham and Charters (2007). Each study was evaluated across six dimensions: clarity of research objectives, appropriateness of research design, rigour of data



collection procedures, adequacy of data analysis, credibility of findings, and relevance to the objectives of the review. Studies were rated using a three-point scale consisting of 0 (No), 0.5 (Partially), and 1 (Yes). The maximum obtainable score for each study was six points. Studies scoring below three points were considered unsuitable for inclusion because of concerns relating to methodological quality or relevance. Following the assessment, all 36 studies included in the final review achieved scores above the minimum threshold and were retained for analysis. The quality assessment process ensured that the findings and conclusions of the review were based on reliable and methodologically sound evidence.

4.4 Data Extraction and Synthesis

Data extraction followed a structured evidence-based procedure. Relevant information extracted from each study included authorship, year of publication, study objectives, theoretical framework, research design, sample characteristics, methods of data collection, key findings, conclusions, and identified limitations. Particular attention was given to findings relating to the political and economic determinants of youth unemployment, the effects of unemployment on youth livelihoods and socio-economic well-being, and policy interventions aimed at improving employment outcomes and livelihood sustainability.

The synthesis of evidence was conducted using thematic analysis following the procedure proposed by and (2008). The process involved line-by-line coding of extracted findings, identification of descriptive themes, and development of analytical themes. Through this process, recurring patterns and areas of convergence across studies were identified and organised into three major thematic categories corresponding to the objectives of the study: political and economic factors contributing to youth unemployment in Nigeria, the effects of youth unemployment on youth livelihoods and socio-economic well-being, and policy interventions and institutional measures for addressing youth unemployment and improving youth livelihoods. This approach facilitated a systematic and coherent synthesis of the evidence and provided the basis for the discussion and conclusions of the study.

4.5 Limitations

While this study contributes to the growing body of literature on the political economy of unemployment and the crisis of youth livelihoods in Nigeria, certain limitations should be acknowledged. As a systematic literature review, the study is dependent on the scope, quality, and methodological rigour of the primary studies included in the review. Although the study adhered to the PRISMA framework and employed a structured quality assessment procedure to enhance transparency and reliability, the findings remain constrained by the methodological choices, data sources, analytical approaches, and contextual limitations of the reviewed studies. Consequently, the conclusions drawn in this paper are influenced by the strengths and weaknesses inherent in the existing body of literature on youth unemployment and livelihoods in Nigeria. Furthermore, because many of the reviewed studies employed cross-sectional, descriptive, or review-based designs, the study is unable to establish direct causal relationships between political economy factors, unemployment, and youth livelihood outcomes.

Another limitation arises from the scope of the literature search. Although the review relied on major academic databases, namely Scopus, Web of Science, Google Scholar, and JSTOR, the search was restricted to studies published in English. This restriction may have introduced language bias by excluding potentially relevant studies published in other languages. Similarly, database coverage bias



may have occurred because studies indexed in databases not included in the search process could have been omitted. While considerable efforts were made to ensure broad coverage of relevant literature, it is possible that some pertinent studies were not captured during the search process.

The exclusion of grey literature also constitutes a limitation of the study. Government technical reports, policy documents, working papers, unpublished theses, conference presentations, and other non-peer-reviewed materials were not included in the final analysis. Although this decision was necessary to maintain academic quality and methodological consistency, it may have resulted in the omission of relevant evidence, particularly in areas where policy interventions and employment programmes have not been extensively examined in peer-reviewed publications. Additionally, publication bias cannot be entirely ruled out because studies reporting significant findings are generally more likely to be published than studies reporting insignificant or inconclusive results.

Furthermore, the study relied entirely on secondary data and did not generate primary empirical evidence from unemployed youths, policymakers, employers, or other relevant stakeholders. As a result, the review is limited to interpretations and findings already documented in existing studies. The absence of primary data means that the study could not directly examine emerging experiences, perceptions, or realities relating to youth unemployment and livelihood challenges beyond what has already been reported in the literature. Future studies employing surveys, interviews, focus group discussions, or mixed-method approaches may provide deeper insights into the lived experiences of unemployed youths and the practical implications of unemployment for livelihood sustainability.

A further limitation relates to the heterogeneity of the studies included in the review. The selected studies differed considerably in terms of theoretical orientation, methodological design, sample characteristics, geographical focus, and indicators used to measure unemployment and livelihood outcomes. Such variations may affect the comparability of findings across studies. Although thematic synthesis was employed to identify common patterns and areas of convergence, differences in conceptualisation and measurement across studies may have influenced the interpretation of the evidence.

Finally, while the Political Economy Theory and Sustainable Livelihoods Theory provided useful analytical frameworks for understanding the structural causes and consequences of youth unemployment, the application of these theories in this paper remains largely interpretive because the review did not empirically test theoretical relationships using primary data. Consequently, the theoretical explanations advanced in this paper should be viewed as conceptual interpretations derived from existing evidence rather than empirically verified causal models. Future empirical studies are therefore necessary to test and validate the theoretical propositions relating to the relationship between political economy conditions, unemployment, and youth livelihood outcomes within different socio-economic contexts in Nigeria.

Table 1. Systematic Literature Review Protocol Summary

Element	Description
Databases	Scopus, Web of Science, Google Scholar, JSTOR
Time Period	2020–2025 (systematic search); foundational theoretical works included through backward citation analysis

Search Terms	"Youth unemployment" OR "unemployment in Nigeria"; "Political economy" AND "youth unemployment"; "Youth livelihoods" OR "livelihood crisis"; "Employment policy" AND Nigeria; "Governance and unemployment"; "Labour market" AND Nigeria
Inclusion Criteria	Peer-reviewed studies; focus on youth unemployment, political economy, youth livelihoods or employment policy in Nigeria; defined methodology; English full text available
Exclusion Criteria	Editorials, newspapers, blogs, opinion pieces, duplicate studies, studies without defined methodology, predatory or non-indexed journals
Initial Records	286
After Deduplication	225
After Title/Abstract Screening	88
Final Sample	36 peer-reviewed studies + 6 foundational theoretical works
Quality Assessment	Adapted Kitchenham & Charters (2007) criteria; 6 dimensions; 3-point scale; all included studies scored above minimum threshold
Synthesis Method	Three-stage thematic synthesis (Thomas & Harden, 2008)

5. LITERATURE REVIEW

Conceptual Review

Unemployment

Unemployment is generally understood as a condition in which individuals who are willing, available, and actively seeking work are unable to obtain gainful employment. Recent scholarship, however, argues that unemployment should not be reduced to a simple labour market indicator because it reflects broader economic and institutional arrangements that shape access to productive work. Komlos (2023) contends that unemployment in the twenty-first century is increasingly linked to structural transformations in capitalist economies, technological change, and policy choices that affect labour demand and social welfare systems. Similarly, Virk et al. (2024) argue that unemployment, particularly among young people, is often associated with deficiencies in economic structures that fail to generate adequate employment opportunities despite economic growth. While these perspectives draw attention to macroeconomic and institutional factors, they may understate the role of governance failures and unequal access to economic resources in developing economies such as Nigeria.

For the purpose of this paper, unemployment is conceptualised as the condition in which economically active individuals, particularly youths, are willing and able to work but are unable to secure productive and remunerative employment due to structural economic and political constraints. This definition is appropriate because it aligns with the political economy orientation of the study and extends beyond the conventional labour-force interpretation of unemployment

Political Economy

Political economy is a field of inquiry that examines how political institutions, power relations, and economic processes influence one another in the allocation and distribution of resources within



society. Dequech (2023) argues that political economy is best understood as an interdisciplinary approach that investigates the reciprocal relationship between economic outcomes and the institutional arrangements through which societies are governed. In a similar vein, Martinez-Bravo and Wantchekon (2023) view political economy as the study of how political incentives, public policies, and state institutions shape economic development and structural transformation. These interpretations move beyond the narrow focus on markets by recognising the role of power, governance, and public decision-making in economic outcomes. Nevertheless, some conceptualisations remain excessively broad and risk obscuring the mechanisms through which political actors influence economic opportunities.

In the context of this paper, political economy is understood as the interaction between political power, state institutions, and economic structures that determines the production, distribution, and access to resources and opportunities within society. This definition is suitable because it provides a framework for examining how governance arrangements, public policies, and economic structures contribute to youth unemployment and livelihood challenges in Nigeria.

Youth Livelihood

The concept of youth livelihood refers to the means, capabilities, assets, opportunities, and activities through which young people secure their survival, well-being, and economic participation. Recent studies have expanded the understanding of livelihoods beyond income generation to include access to productive resources, social networks, food security, and opportunities for personal advancement. Adeyanju et al. (2023) define youth livelihoods in terms of the economic and social conditions that enable young people to generate income and maintain acceptable standards of living through productive engagement. Griffin et al. (2024) further argue that youth livelihoods are shaped by the availability of resources and opportunities within specific political and economic contexts, noting that many young people experience livelihood precarity even when engaged in economic activities. While these perspectives capture the dynamic nature of livelihoods, they often focus heavily on economic outcomes without sufficiently accounting for the institutional conditions that determine access to livelihood resources.

For this paper, youth livelihood is defined as the combination of capabilities, assets, employment opportunities, income-generating activities, and social resources that enable young people to sustain their lives and improve their socio-economic well-being. This definition is adopted because it recognises both the economic and structural dimensions of livelihood outcomes and is consistent with the political economy orientation of the study (Adeyanju et al., 2023; Griffin et al., 2024).

The Political and Economic Factors Contributing to Youth Unemployment in Nigeria

The literature on youth unemployment in Nigeria consistently demonstrates that the problem is rooted in the country's political and economic structures rather than merely the absence of jobs. Recent studies show that unemployment among young Nigerians is linked to governance deficits, weak institutional capacity, limited economic diversification, insecurity, demographic pressures, educational mismatches, and the failure of economic growth to generate sufficient employment opportunities. Virk et al. (2024) argue that youth unemployment in Nigeria has deep historical foundations and is embedded within broader conditions of poverty, insecurity, weak governance, and policy inconsistency. Their analysis demonstrates that employment interventions have often been



fragmented and disconnected from long-term economic transformation, thereby limiting their effectiveness in addressing structural unemployment.

A dominant explanation in the literature is the inability of the Nigerian economy to translate economic growth into productive employment. Despite periods of economic expansion driven largely by the petroleum sector, employment creation has remained relatively weak. This phenomenon, often described as jobless growth, reflects the limited capacity of capital-intensive sectors to absorb the growing labour force. Using sectoral employment data, Olubusoye et al. (2023) found that youth unemployment in Nigeria is strongly associated with low employment elasticity, meaning that increases in economic output do not correspond proportionately with increases in employment opportunities. Their findings indicate that growth in sectors such as oil and gas generates relatively few jobs compared with agriculture and manufacturing.

The overdependence on crude oil revenue has also received considerable attention in recent studies. The oil sector contributes significantly to government revenue but employs only a small proportion of the workforce. Consequently, fluctuations in global oil prices often affect public expenditure and economic stability without producing substantial employment opportunities for young people. Omoju et al. (2023) argue that the dominance of the oil economy has constrained investment in labour-intensive sectors capable of absorbing young workers, particularly manufacturing and agro-processing industries. They further observe that many youth employment programmes have been implemented without integration into broader industrialisation strategies.

Governance challenges constitute another major factor identified in the literature. Several studies associate rising youth unemployment with weak institutions, corruption, poor policy implementation, and inadequate public accountability. Omoju et al. (2023) found that many government employment initiatives suffer from poor coordination, inadequate funding, weak monitoring mechanisms, and political interference. Similarly, Azu et al. (2025) demonstrate that institutional quality significantly influences youth employment outcomes, suggesting that weaknesses in governance structures contribute directly to labour market exclusion among young people.

Educational mismatch remains a recurring theme in recent literature. While Nigeria has experienced substantial growth in tertiary education enrolment, many graduates lack the technical and vocational competencies demanded by employers. This disconnect between educational outputs and labour market requirements has contributed to graduate unemployment. A practical example is the persistent unemployment among university graduates despite vacancies in technical occupations requiring specialised skills. Virk et al. (2024) note that the educational system continues to prioritise theoretical knowledge over practical and industry-relevant competencies, thereby weakening graduates' employability.

The demographic structure of Nigeria has also intensified unemployment pressures. Nigeria possesses one of the largest youth populations globally, with millions of young people entering the labour market annually. The rapid growth of the labour force has outpaced the capacity of the economy to create decent jobs. This demographic pressure is particularly evident in urban centres such as Lagos, Abuja, Port Harcourt, and Kano, where large numbers of graduates and school leavers compete for limited formal-sector opportunities. Virk et al. (2024) emphasise that the growing youth population has increased competition for employment and intensified livelihood insecurity among young people.



Insecurity has emerged as another significant contributor to youth unemployment. The activities of insurgent groups, bandits, kidnappers, and violent criminal networks have disrupted economic activities across several regions. Northern Nigeria provides a notable example where persistent insecurity has undermined agriculture, commerce, and investment. Musa (2023), using time-series data from 1990 to 2020, established that insecurity exerts a significant adverse effect on youth employment by discouraging investment, reducing business confidence, and disrupting productive activities. States affected by insurgency and banditry have recorded substantial declines in agricultural production and private-sector investment, thereby reducing employment opportunities for young people.

Regional disparities further contribute to unequal employment outcomes. Evidence suggests that employment opportunities are concentrated in a few urban and economically advanced regions, leaving many rural youths with limited livelihood options. Akinwale et al. (2023) found that employment-generating sectors such as manufacturing, financial services, and technology remain disproportionately concentrated in major urban centres, while rural communities continue to depend largely on low-productivity agricultural activities. The consequence is the migration of youths from rural areas to cities where formal employment opportunities remain scarce.

Recent studies have also highlighted the role of digital transformation in shaping employment outcomes. While the expansion of the digital economy has created new opportunities in fintech, e-commerce, software development, and digital services, access to these opportunities remains uneven due to deficiencies in digital infrastructure, electricity supply, internet penetration, and digital literacy. Idris and Moses (2024) observe that the digital economy possesses considerable potential to reduce youth unemployment, but inadequate infrastructural support and unequal access to technology continue to limit its impact across many parts of Nigeria.

The cumulative evidence from recent literature therefore suggests that youth unemployment in Nigeria cannot be adequately explained through individual-level factors alone. Rather, it is sustained by structural deficiencies within the political and economic system, including weak institutions, policy inconsistency, economic dependence on oil revenues, insecurity, educational mismatch, demographic pressures, and inadequate investment in productive sectors capable of generating sustainable employment opportunities for young people. These findings reinforce the argument that addressing youth unemployment requires structural reforms that extend beyond conventional skills acquisition programmes and short-term employment schemes.

The Effects of Youth Unemployment on the Livelihoods and Socio-Economic Well-Being of Young People in Nigeria

The literature on youth unemployment in Nigeria demonstrates that the consequences extend far beyond the absence of paid employment. Recent studies show that unemployment undermines the ability of young people to secure sustainable livelihoods, accumulate productive assets, attain economic independence, and participate meaningfully in social and economic life. The effects are manifested through declining incomes, persistent poverty, social exclusion, deteriorating mental health, increased vulnerability to criminal activities, forced migration, and weakened prospects for long-term socio-economic mobility. Existing evidence suggests that youth unemployment has become a significant development challenge because it affects both individual welfare and broader national stability.



One of the most consistently documented effects of youth unemployment is the deterioration of livelihoods and household welfare. Livelihood security depends on access to stable income, productive assets, and economic opportunities. When young people are unable to secure employment, their capacity to meet basic needs such as food, housing, healthcare, and education becomes severely constrained. Virk et al. (2024) observe that prolonged unemployment among Nigerian youths contributes directly to poverty and economic vulnerability, particularly among recent graduates and school leavers who lack alternative income sources. Many unemployed youths

depend on family support for extended periods after graduation, thereby increasing household dependency burdens and reducing the capacity of families to invest in productive activities.

Recent empirical evidence also demonstrates a strong relationship between unemployment and poverty among young people. Ugochukwu and Chukwu (2023), in their examination of labour market outcomes in Nigeria, found that unemployed youths are significantly more likely to experience multidimensional poverty than their employed counterparts. Their findings indicate that unemployment not only reduces income but also limits access to healthcare, quality education, financial services, and social opportunities. This situation is particularly evident in rural communities where employment opportunities remain scarce and social protection mechanisms are weak. In many parts of northern Nigeria, youth unemployment has compounded existing poverty conditions, leading to increasing economic deprivation among young households.

The expansion of informal employment is another important consequence identified in recent studies. Because formal-sector jobs are insufficient, many unemployed youths resort to informal economic activities characterised by low earnings, unstable working conditions, and limited opportunities for career advancement. Akinwale et al. (2023) found that a substantial proportion of Nigerian youths engage in informal trading, motorcycle transportation, street vending, and other precarious forms of employment as survival strategies. Although such activities provide temporary income, they rarely offer social security, employment benefits, or opportunities for sustainable wealth creation. Consequently, many young people remain trapped in cycles of economic insecurity despite being economically active.

Graduate unemployment has received particular attention in recent literature because of its implications for human capital utilisation. Significant public and private resources are invested in higher education, yet many graduates struggle to secure employment that corresponds to their qualifications. Omoju et al. (2023) argue that prolonged graduate unemployment represents a substantial loss of human capital because valuable skills and competencies remain underutilised. Practical examples can be observed across Nigerian universities where graduates from disciplines such as sociology, political science, education, and engineering often spend several years seeking employment after graduation. This delay reduces the returns on educational investment and weakens productivity at both individual and national levels.

The literature further shows that unemployment contributes significantly to psychological distress and mental health challenges among young people. Employment provides not only income but also social identity, self-esteem, and a sense of purpose. The inability to secure employment often produces feelings of frustration, anxiety, depression, and hopelessness. In a study of unemployed Nigerian youths, Okafor and Bode-George (2023) found that prolonged unemployment was associated with increased psychological stress and reduced life satisfaction. Similar findings have



been reported in studies examining the experiences of young graduates who face repeated job rejections and uncertain career prospects. The psychological consequences of unemployment are particularly severe when unemployment persists over extended periods and when opportunities for economic advancement appear limited.

Youth unemployment has also been linked to rising criminality and insecurity. Several studies argue that persistent economic exclusion creates conditions that increase susceptibility to criminal activities, particularly where legitimate livelihood opportunities are scarce. Musa (2023) established that unemployment contributes indirectly to insecurity by increasing the pool of economically marginalised youths who may become involved in criminal enterprises. Practical examples can be observed in regions affected by banditry, kidnapping, cybercrime, and organised criminal networks. In north-western Nigeria, economic deprivation among rural youths has been identified as one of the factors facilitating recruitment into bandit groups, while in southern urban centres, unemployment has been associated with the growth of internet fraud and other illicit economic activities. Although unemployment alone does not cause criminal behaviour, the literature suggests that it increases vulnerability to such activities under conditions of weak economic opportunities and social exclusion.

Migration has emerged as another significant consequence of youth unemployment. Recent studies indicate that many young Nigerians migrate internally and internationally in search of better livelihood opportunities. Internal migration from rural areas to major urban centres such as Lagos, Abuja, Port Harcourt, and Kano has intensified due to limited employment prospects in rural communities. At the international level, unemployment has contributed to increasing emigration among skilled and educated youths. Obiorah and Amah (2024) note that the inability of the domestic economy to absorb qualified young workers has contributed to the growing phenomenon of youth migration to Europe, North America, and other African countries. This trend has implications for national development because it results in the loss of skilled human resources and reduces the availability of talent for domestic economic growth.

The effects of youth unemployment are also evident in patterns of delayed social transition. Traditionally, employment serves as a foundation for adulthood by enabling young people to establish independent households, marry, and assume broader social responsibilities. However, persistent unemployment has delayed these transitions for many Nigerian youths. Studies indicate that unemployed young adults are more likely to postpone marriage, home ownership, and family formation because of financial constraints (Virk et al., 2024). Such delays have broader social implications, including changes in household structures and increased dependence on ageing parents.

Gender dimensions of youth unemployment have equally attracted scholarly attention. Young women often experience additional barriers to employment arising from cultural norms, occupational segregation, and unequal access to productive resources. Azu et al. (2025) found that female youths in Nigeria face greater labour market vulnerabilities than males despite comparable educational attainment in some sectors. Consequently, unemployment among young women frequently translates into heightened economic dependency and reduced participation in formal economic activities. These outcomes contribute to gender inequalities in income, asset ownership, and socio-economic mobility.

Recent evidence further indicates that unemployment weakens social cohesion and trust in public institutions. Young people who perceive limited opportunities for economic advancement often become disillusioned with political institutions and government programmes. Omoju et al. (2023)



found that repeated failures of employment initiatives have contributed to declining confidence in public institutions among unemployed youths. This situation has implications for democratic participation and political stability because economic exclusion can foster social dissatisfaction and political disengagement.

The literature therefore demonstrates that youth unemployment in Nigeria is not merely a labour market issue but a broader livelihood and development challenge. Its consequences include poverty, livelihood insecurity, psychological distress, social exclusion, migration, criminal vulnerability, delayed social transitions, gender inequalities, and weakened confidence in institutions. These effects underscore the importance of addressing unemployment through structural economic reforms and sustainable livelihood strategies capable of expanding productive opportunities for young people across different regions of the country.

The Policy Interventions and Institutional Measures for Addressing Youth Unemployment and Improving Youth Livelihoods in Nigeria

The literature on youth unemployment in Nigeria shows broad agreement that sustainable solutions require more than short-term job creation schemes. Recent studies argue that effective interventions must address the structural conditions responsible for unemployment while simultaneously expanding livelihood opportunities for young people. Consequently, the literature proposes a combination of economic diversification, skills development, entrepreneurship promotion, labour market reforms, institutional strengthening, industrial policy, digital inclusion, and improved governance as critical measures for reducing youth unemployment and improving youth livelihoods.

A recurring recommendation in recent studies is the need for economic diversification away from excessive dependence on the petroleum sector. Although oil remains a major source of government revenue, its capacity to generate employment is limited. Omoju et al. (2023) contend that employment-centred economic diversification should prioritise labour-intensive sectors such as agriculture, agro-processing, manufacturing, construction, renewable energy, and small-scale industries. Their review of youth employment programmes in Nigeria indicates that sustainable employment outcomes are more likely when interventions are linked to productive sectors capable of generating long-term jobs rather than temporary public employment schemes. The authors therefore advocate integrating youth employment policies into broader national development and industrialisation strategies rather than implementing isolated programmes.

Agricultural transformation has emerged as one of the most frequently proposed interventions for addressing youth unemployment. Recent studies argue that agriculture possesses considerable potential to absorb large numbers of young workers because of its extensive value chains, including production, processing, transportation, storage, marketing, and export activities. However, attracting youths into agriculture requires modernisation of the sector and the provision of incentives such as mechanisation, access to land, affordable credit, irrigation facilities, and market access. Adeyanju et al. (2023) found that agribusiness empowerment programmes implemented in several African countries improved income generation, employment opportunities, and livelihood outcomes among young participants. The implication for Nigeria is that agricultural employment strategies should move beyond subsistence farming and focus on commercial agriculture and agribusiness development capable of generating sustainable livelihoods.



Skills development and vocational education are also prominently featured in recent literature. Several studies identify educational mismatch as a significant contributor to youth unemployment and recommend aligning educational curricula with labour market requirements. Virk et al. (2024) argue that many Nigerian graduates possess academic qualifications that do not correspond with contemporary labour market demands. As a result, they recommend strengthening technical and vocational education and training (TVET), apprenticeship systems, and industry-based learning programmes. Such interventions would equip young people with practical competencies required in sectors experiencing labour shortages, including information technology, construction, manufacturing, renewable energy, and technical services. Their analysis further suggests that stronger collaboration between educational institutions and employers could improve graduate employability and reduce skills mismatches.

Entrepreneurship development remains another widely supported policy intervention. Given the limited capacity of the formal sector to absorb the growing youth population, many scholars argue that entrepreneurship can provide alternative pathways to employment and income generation. However, recent studies caution against viewing entrepreneurship as a universal solution without addressing constraints that hinder business growth. Nwogu et al. (2024) found that entrepreneurial success among Nigerian youths depends significantly on access to finance, business development services, mentorship, and entrepreneurial knowledge. Their findings indicate that young people who receive practical entrepreneurship training and support are more likely to establish and sustain viable enterprises. Consequently, the literature recommends expanding entrepreneurship education, improving access to start-up capital, and strengthening business incubation programmes to support youth-owned enterprises.

Access to finance is consistently identified as a critical institutional measure for improving youth livelihoods. Many young entrepreneurs encounter substantial difficulties in obtaining credit because of collateral requirements, high interest rates, and limited financial histories. Studies therefore recommend the establishment of youth-targeted financing mechanisms, including low-interest loans, credit guarantees, venture capital funds, and grant programmes. According to Omoju et al. (2023), access to financial resources remains one of the most important determinants of the success of youth employment and entrepreneurship initiatives in Nigeria. The authors emphasise that financing programmes should be accompanied by mentoring, business advisory services, and monitoring mechanisms to improve sustainability and reduce business failure rates.

The literature also places considerable emphasis on improving the effectiveness of existing youth employment programmes. Nigeria has implemented numerous interventions, including the National Directorate of Employment (NDE), Graduate Internship Scheme (GIS), N-Power Programme, Youth Employment and Social Support Operations (YESSO), and various entrepreneurship development schemes. Despite these initiatives, unemployment rates have remained persistently high. Omoju et al. (2023) attribute this outcome to inadequate coordination, weak institutional capacity, insufficient funding, political interference, and poor programme monitoring. They therefore recommend stronger governance frameworks, improved inter-agency coordination, rigorous impact evaluations, and greater inclusiveness in programme implementation.

Evidence from programme-specific evaluations supports these recommendations. Agaeche et al. (2024), in their assessment of the Graduate Internship Scheme, found that while the programme



improved work experience and employability skills for some participants, its overall impact on reducing youth unemployment was limited. The study recommends stronger private-sector participation, enhanced internship placement opportunities, and more effective post-internship support mechanisms. Similarly, evaluations of the N-Power Programme indicate that although participants acquired useful skills and temporary employment opportunities, implementation challenges reduced the programme's effectiveness in generating lasting employment outcomes. These findings suggest that future interventions should prioritise sustainability, continuity, and stronger links to labour market opportunities.

Digital economy development has recently attracted considerable attention as a strategy for addressing youth unemployment. The expansion of digital technologies has created new opportunities in software development, digital marketing, e-commerce, business process outsourcing, artificial intelligence, and financial technology. Recent studies argue that Nigeria's youthful population positions the country favourably to benefit from the digital economy if adequate investments are made in digital infrastructure and skills development. Proposed interventions include expanding broadband access, improving electricity supply, strengthening digital literacy programmes, and supporting technology innovation hubs. Such measures could enable young people to participate in emerging sectors with growing domestic and international demand for skilled labour.

Institutional reforms aimed at improving governance and the business environment also feature prominently in recent literature. Several studies emphasise that employment generation is unlikely to succeed without broader reforms that encourage investment, industrial expansion, and enterprise development. Omoju et al. (2023) recommend strengthening public institutions responsible for employment policy implementation, reducing bureaucratic barriers to business formation, improving regulatory predictability, and enhancing transparency in public resource management. These reforms are considered essential for attracting domestic and foreign investment capable of generating employment opportunities.

Another important recommendation concerns social protection and livelihood support for vulnerable youths. Recent literature suggests that employment policies should be complemented by social assistance measures that protect unemployed youths from severe economic deprivation while they seek productive opportunities. Proposed interventions include unemployment support programmes, conditional cash transfers linked to skills acquisition, public works programmes, and targeted support for marginalised groups such as rural youths, women, and persons with disabilities. Such measures can reduce livelihood vulnerability and facilitate participation in productive economic activities.

Overall, the literature suggests that addressing youth unemployment and improving youth livelihoods in Nigeria requires a coordinated approach that combines economic diversification, agricultural transformation, entrepreneurship promotion, vocational and digital skills development, access to finance, institutional strengthening, improved governance, and effective programme implementation. Existing evidence indicates that isolated interventions are unlikely to achieve lasting results unless they are embedded within broader strategies for structural economic transformation and inclusive development.

Empirical Review

Virk et al. (2024) conducted a study on The Challenge of Youth Unemployment in Nigeria. The study focused on Nigeria and examined the structural drivers of youth unemployment as well as the



effectiveness of policy responses. The study was anchored on a political economy perspective which views unemployment as a product of institutional and economic structures. The authors adopted a qualitative research design based on an extensive review and synthesis of secondary data obtained from academic publications, policy documents, labour statistics, and government reports. Since the study was based on documentary evidence, issues of sample size and sampling technique were not applicable in the conventional sense. Data were collected through documentary analysis and systematic review of relevant literature. The findings revealed that youth unemployment in Nigeria is driven by economic dependence on the oil sector, weak industrialisation, educational mismatch, rapid population growth, governance challenges, and inadequate implementation of employment policies. The study concluded that sustainable solutions require structural reforms that promote economic diversification, skills development, and institutional effectiveness.

While the study provides useful insights into the causes of youth unemployment in Nigeria, its emphasis was largely on the employment challenge itself with limited attention to the broader implications for youth livelihoods and socio-economic well-being. Furthermore, the study did not systematically synthesise existing empirical evidence on the relationship between unemployment and youth livelihood outcomes. This creates a gap that the present paper addressed through a systematic review of the political economy of unemployment and the crisis of youth livelihoods in Nigeria.

Agaeche et al. (2024) examined youth employability and the problem of unemployment in Nigeria through an evaluation of the Graduate Internship Scheme. The study was conducted in Nigeria with emphasis on beneficiaries of the Graduate Internship Scheme established to improve employability among unemployed graduates. Human Capital Theory provided the theoretical basis for the investigation by explaining how skill acquisition and work experience influence labour market outcomes. The researchers adopted a survey research design and drew data from participants involved in the programme using structured instruments and documentary evidence relating to programme implementation. The study utilised a sample of programme beneficiaries selected through purposive sampling techniques. Data were collected through questionnaires and secondary programme records. Findings indicated that the scheme enhanced participants' work experience, employability skills, and exposure to professional work environments. However, the programme had only a limited effect on reducing unemployment because many beneficiaries remained unemployed after completing the internship period. The study concluded that employability programmes require stronger linkages with labour market opportunities and sustained institutional support to achieve meaningful outcomes.

Although the study provides evidence regarding one employment intervention, it focuses primarily on programme effectiveness rather than the broader structural factors underlying youth unemployment. It also pays limited attention to the implications of unemployment for youth livelihood sustainability. The present paper filled this gap by reviewing wider political and economic factors contributing to unemployment and their consequences for youth livelihoods in Nigeria.

Musa (2023) investigated the impact of insecurity on youth unemployment in Nigeria between 1990 and 2020. The study covered Nigeria and examined the relationship between insecurity and unemployment using a macroeconomic approach. The analysis was informed by political economy assumptions regarding the influence of social and political instability on economic outcomes. An ex post facto research design was adopted, relying on annual time-series data covering a thirty-year period. Since the study utilised secondary macroeconomic data, conventional sampling procedures



were not applicable. Data were collected from official statistical publications and national economic records. The findings revealed that insecurity significantly contributes to youth unemployment by discouraging investment, disrupting productive activities, reducing business confidence, and weakening economic growth. The study further established that increasing unemployment and insecurity reinforce one another, creating a cycle that undermines national development. The study concluded that addressing insecurity is essential for improving employment opportunities and economic productivity.

While the study makes an important contribution by linking insecurity to unemployment, its focus was restricted to one dimension of the unemployment problem. It did not examine the broader political economy factors responsible for youth unemployment nor did it assess the effects of unemployment on youth livelihoods and socio-economic well-being. In addition, the study relied exclusively on macroeconomic analysis rather than a systematic synthesis of existing empirical evidence. The present paper addressed these limitations by reviewing a broader body of literature on unemployment, youth livelihoods, and policy responses within the Nigerian context.

Theoretical Framework

This paper was anchored on two theories as identified and reviewed as follows:

i. Political Economy Theory

Political Economy Theory is commonly associated with the works of Karl Marx (1867), although its foundations can also be traced to earlier contributions by Adam Smith (1776) and David Ricardo (1817). In contemporary social science research, the Marxian tradition remains particularly influential in analysing the relationship between political power, economic structures, resource distribution, and social outcomes. The theory assumes that economic systems are not neutral mechanisms of production and exchange but are shaped by power relations that determine who controls resources, who benefits from economic activities, and who bears the costs of economic arrangements. It argues that patterns of employment, poverty, and livelihood opportunities are products of institutional and political decisions rather than purely market-driven outcomes.

The central proposition of Political Economy Theory is that unemployment is often a consequence of structural inequalities embedded within political and economic institutions. The theory maintains that state policies, ownership patterns, governance systems, and economic priorities influence access to employment opportunities and productive resources. Where political institutions fail to promote inclusive economic growth, employment generation becomes uneven, resulting in the marginalisation of particular social groups, including youths. The theory further argues that economic growth alone does not guarantee employment creation because the nature of growth, the sectors driving growth, and the distribution of economic benefits are equally important determinants of labour market outcomes.

A major strength of the theory lies in its capacity to move beyond individual explanations of unemployment and direct attention towards structural factors such as governance quality, economic diversification, institutional effectiveness, public policy choices, and resource allocation. It provides a robust explanation for why countries may experience economic growth alongside persistent unemployment and poverty. The theory is particularly useful in developing countries where political and institutional factors significantly influence economic outcomes. Another strength is its ability to



explain regional inequalities, labour market exclusion, and the concentration of economic opportunities among specific groups within society.

However, the theory has certain limitations. Critics argue that Political Economy Theory tends to place excessive emphasis on structural and institutional factors while paying insufficient attention to individual agency, innovation, entrepreneurship, and personal choices. It may also overstate the role of political institutions in shaping economic outcomes while underestimating the influence of technological change, global economic conditions, and market dynamics. Furthermore, some versions of the theory are criticised for being overly deterministic in their interpretation of social and economic processes.

The relevance of Political Economy Theory to this study is evident in its explanation of how political and economic structures contribute to youth unemployment in Nigeria. The theory provides a framework for understanding the consequences of dependence on the oil sector, weak industrial development, policy inconsistency, corruption, inadequate infrastructure, and governance challenges for employment generation. It explains why substantial economic resources have not translated into sufficient employment opportunities for the country's growing youth population. The theory also illuminates how unequal access to productive resources, weak institutions, and limited economic diversification have contributed to the livelihood crisis experienced by many Nigerian youths. Consequently, Political Economy Theory offers an appropriate foundation for analysing the structural determinants of unemployment and their implications for youth livelihoods in Nigeria.

ii. Sustainable Livelihoods Theory

Sustainable Livelihoods Theory emerged from the work of Robert Chambers and Gordon Conway in 1992 and was subsequently developed further by scholars such as Ian Scoones (1998) and Diana Carney (1998). The theory was developed to provide a broader understanding of poverty and well-being beyond income-based measures. It assumes that individuals and households rely on a combination of assets, capabilities, resources, and activities to secure their livelihoods and improve their well-being. These assets include human capital, financial capital, physical capital, social capital, and natural capital. According to the theory, livelihood outcomes are influenced by access to these assets and by the institutional, economic, and political environment within which individuals operate.

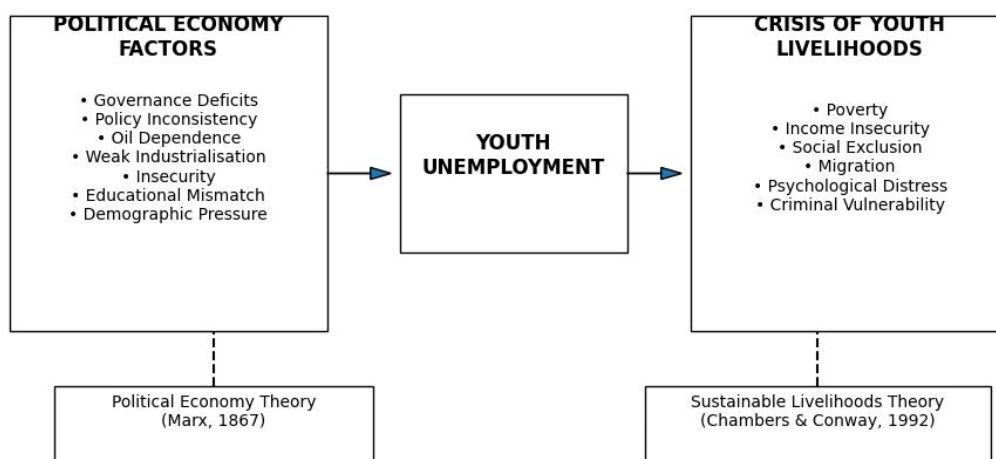
The theory posits that sustainable livelihoods are achieved when individuals possess the capabilities and resources necessary to cope with shocks, maintain their well-being, and pursue productive activities without undermining future opportunities. It further argues that poverty and livelihood insecurity arise when people lack access to critical assets and opportunities required for economic participation. Employment is therefore viewed not merely as a source of income but as a vital component of livelihood sustainability, social inclusion, and human development.

One of the major strengths of Sustainable Livelihoods Theory is its holistic approach to understanding well-being. Unlike traditional economic perspectives that focus primarily on income and employment, the theory incorporates social, institutional, and environmental dimensions of livelihoods. This broader perspective makes it particularly useful for analysing the diverse consequences of unemployment. Another strength is its emphasis on vulnerability and resilience, which helps explain how individuals respond to economic shocks and livelihood disruptions. The theory is also valuable for policy analysis because it highlights the importance of strengthening assets and capabilities rather than focusing exclusively on income generation.

Despite these strengths, the theory has some weaknesses. Critics argue that its broad conceptual scope can make empirical application difficult because of challenges in measuring and operationalising livelihood assets. The theory has also been criticised for paying insufficient attention to power relations, political structures, and macroeconomic conditions that influence access to livelihood resources. While it effectively explains livelihood outcomes at the household and community levels, it is sometimes less effective in accounting for larger structural forces that shape economic opportunities.

The application of Sustainable Livelihoods Theory to this study lies in its ability to explain how unemployment affects the livelihoods and socio-economic well-being of Nigerian youths. The theory demonstrates that unemployment is not simply a labour market problem but a condition that undermines access to financial resources, social networks, productive assets, and opportunities for self-development. It provides a useful framework for understanding how prolonged unemployment contributes to poverty, livelihood insecurity, migration, social exclusion, and vulnerability among young people. The theory also supports the examination of policy interventions aimed at improving youth livelihoods through skills acquisition, entrepreneurship development, access to finance, social protection, and employment creation. By focusing on capabilities and livelihood assets, Sustainable Livelihoods Theory helps explain both the consequences of youth unemployment and the measures required to improve livelihood outcomes in Nigeria.

Conceptual Framework: The Political Economy of Unemployment and the Crisis of Youth Livelihoods in Nigeria



Source: Usman et al. (2026)

6. DISCUSSIONS

The review revealed that youth unemployment in Nigeria is fundamentally a product of political and economic structures rather than merely a consequence of individual deficiencies or labour market imperfections. Evidence from the reviewed literature indicates that economic dependence on the petroleum sector, weak industrialisation, policy inconsistency, governance challenges, educational mismatch, demographic pressures, and insecurity constitute the major factors sustaining youth



unemployment in the country. This finding aligns with the position of Virk et al. (2024), who argue that youth unemployment in Nigeria cannot be separated from broader structural and institutional conditions that limit employment creation despite economic growth. Similarly, Omoju et al. (2023) maintain that Nigeria's growth pattern has historically favoured sectors with limited employment-generating capacity, particularly the oil industry, thereby creating a situation where economic expansion does not translate into proportional job creation.

The findings further demonstrate that unemployment in Nigeria is largely associated with the inability of state institutions and economic policies to stimulate labour-intensive production. This position is supported by Olubusoye et al. (2023), whose study showed that employment elasticity remains low in key sectors of the Nigerian economy. Although the country has experienced periods of economic growth, much of this growth has been concentrated in capital-intensive sectors that employ relatively few people. A practical illustration can be found in the oil-producing Niger Delta region, where substantial petroleum wealth coexists with widespread youth unemployment and livelihood deprivation. This situation suggests that the challenge is not necessarily the absence of resources but the manner in which economic opportunities are distributed and managed. The findings also corroborate the observations of Musa (2023), who found that insecurity and unemployment reinforce one another. In several northern states, persistent insecurity has disrupted agricultural production, discouraged investment, and reduced employment opportunities for young people, thereby deepening economic exclusion.

The review further established that youth unemployment exerts significant adverse effects on livelihoods and socio-economic well-being. The literature consistently shows that unemployment contributes to poverty, income insecurity, social exclusion, psychological distress, migration, delayed family formation, and increased vulnerability to criminal activities. This finding supports the position of Virk et al. (2024), who contend that unemployment among young people has implications that extend beyond the labour market and affect broader dimensions of social and economic well-being. The inability to secure stable employment often deprives young people of the resources required for independent living and productive participation in society. As observed in many urban centres such as Lagos, Abuja, Port Harcourt, and Kano, a growing number of educated youths remain dependent on family support several years after graduation because of limited employment opportunities.

The findings also agree with the argument of Akinwale et al. (2023), who observed that many unemployed youths resort to informal economic activities characterised by unstable incomes and poor working conditions. While such activities provide temporary means of survival, they rarely guarantee sustainable livelihood outcomes. Consequently, a significant proportion of young Nigerians remain economically vulnerable despite participating in income-generating activities. The review further supports the findings of Musa (2023), which indicate that prolonged unemployment increases susceptibility to criminal behaviour and insecurity. The prevalence of cybercrime among some urban youths and the recruitment of unemployed youths into bandit groups in parts of northern Nigeria illustrate how livelihood deprivation can create conditions conducive to criminal engagement. Although unemployment does not automatically result in criminality, the reviewed literature suggests that persistent economic exclusion increases the likelihood of such outcomes, particularly where social support systems are weak.



The findings additionally reveal that existing policy interventions have achieved only limited success in addressing youth unemployment and improving livelihood outcomes. Programmes such as the Graduate Internship Scheme, N-Power, Youth Employment and Social Support Operations, and entrepreneurship development initiatives have provided temporary employment opportunities and skills acquisition among others benefits for some participants. However, evidence from Agaecheta et al. (2024) indicates that many beneficiaries of these programmes continue to experience unemployment after programme completion. This finding suggests that many interventions have focused on symptoms rather than addressing the structural causes of unemployment. Omoju et al. (2023) similarly argue that weak institutional capacity, inadequate funding, poor coordination, and limited programme continuity have reduced the effectiveness of youth employment initiatives in Nigeria.

The review further indicates that sustainable solutions require a combination of economic diversification, agricultural transformation, entrepreneurship development, skills acquisition, access to finance, digital inclusion, and institutional reforms. This finding supports the argument of Adeyanju et al. (2023), who found that agribusiness empowerment initiatives can significantly improve livelihood outcomes when young people are provided with productive resources, market opportunities, and technical support. The findings also reinforce the recommendation of Virk et al. (2024) that educational reforms should strengthen technical and vocational competencies in order to reduce the mismatch between educational outputs and labour market demands. Practical examples can be observed in emerging sectors such as information technology, financial technology, renewable energy, and agro-processing, where demand for specialised skills continues to increase. The expansion of these sectors presents opportunities for employment generation if supported by appropriate policy frameworks and investments.

The findings of this review are strongly supported by the Political Economy Theory adopted for the study. The theory argues that employment outcomes are shaped by political institutions, governance structures, and patterns of economic organisation. The identified causes of youth unemployment, including weak industrialisation, policy inconsistency, poor governance, and dependence on oil revenues, demonstrate how structural factors influence access to employment opportunities. The theory provides a convincing explanation for why unemployment persists despite the existence of substantial economic resources and numerous employment programmes. The Nigerian experience illustrates that employment challenges cannot be understood solely through individual-level explanations because they are closely linked to broader institutional and economic arrangements.

Similarly, the Sustainable Livelihoods Theory provides strong support for the findings relating to the consequences of unemployment and the measures required to improve youth well-being. The theory emphasises that livelihoods depend on access to capabilities, assets, resources, and opportunities. The review demonstrates that unemployment undermines young people's access to financial capital, social resources, productive assets, and opportunities for self-improvement. This explains why unemployment often results in poverty, social exclusion, migration, and livelihood insecurity. The theory also supports the policy recommendations identified in the literature because interventions such as entrepreneurship development, vocational training, agricultural empowerment, access to finance, and social protection are designed to strengthen livelihood assets and improve resilience among young people.



7. CONCLUSION

This paper concludes that youth unemployment in Nigeria is fundamentally a political economy issue rooted in the structure and functioning of the state and the economy rather than a mere consequence of labour market inadequacies. The persistence of unemployment amidst abundant human and natural resources reflects long-standing weaknesses in economic planning, industrial development, governance, institutional effectiveness, and the capacity of the economy to generate productive employment opportunities for a rapidly expanding youth population. The review demonstrates that the crisis of youth livelihoods is not simply a manifestation of income deprivation but a broader condition characterised by economic insecurity, social exclusion, limited access to productive assets, weakened prospects for upward mobility, and increased vulnerability to poverty and insecurity.

The evidence further indicates that the inability of successive employment interventions to produce substantial and sustainable outcomes stems largely from their concentration on short-term employment support rather than addressing the structural conditions that reproduce unemployment. Consequently, the challenge of youth unemployment in Nigeria cannot be resolved through isolated empowerment programmes or temporary job schemes. Meaningful progress requires a deliberate transformation of the country's productive sectors, stronger institutions, improved governance, and policies that place employment creation and livelihood sustainability at the centre of national development planning. Unless these structural constraints are addressed, the growing youth population may continue to experience livelihood insecurity with significant implications for economic growth, social stability, and national development.

8. RECOMMENDATIONS

The Federal Government of Nigeria should formulate and implement an employment-centred economic diversification strategy that prioritises labour-intensive sectors such as agriculture, agro-processing, manufacturing, construction, renewable energy, and the digital economy. This should be supported through targeted investments in infrastructure, industrial clusters, and value-chain development capable of creating large-scale and sustainable employment opportunities for young people across both urban and rural areas.

Educational institutions, in collaboration with industry stakeholders and relevant government agencies, should undertake a comprehensive restructuring of curricula to strengthen technical, vocational, entrepreneurial, and digital competencies. Structured apprenticeship programmes, industry placements, and skills certification schemes should be integrated into tertiary and vocational education to ensure that graduates possess competencies that correspond with contemporary labour market demands.

Government employment and youth empowerment programmes should be redesigned to focus on long-term livelihood sustainability rather than temporary employment provision. This should involve expanding access to affordable finance, business incubation services, market linkages, mentorship opportunities, and post-training support for young entrepreneurs, while establishing robust monitoring and evaluation mechanisms to ensure transparency, accountability, and measurable employment outcomes.



Article Publication Details

This article is published in the **Realpolitik**, ISSN 3139-1443 (Online). In Volume 2 (2026), Issue 2 (May - Aug). The journal is published and managed by **Erudexa Publishing**.

Copyright © 2026, Authors retain copyright. Licensed under the Creative Commons Attribution 4.0 International License (CC BY 4.0), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.
<https://creativecommons.org/licenses/by/4.0/> (CC BY 4.0 deed)

Acknowledgements

We sincerely thank the editors and the reviewers for their valuable suggestions on this paper.

Authors' contributions

All authors read and approved the final manuscript.

Data availability

No datasets were generated or analyzed during the current study.

Declarations

Ethics approval and consent to participate

Not applicable. This study did not involve human or animal subjects.

Funding

The authors declare that no funding was received for this work.

Competing interests

The authors declare that they have no competing interests.

References

- Adeyanju, D., Mburu, J., Gituro, W., Chumo, C., Bebe, B. O., & Bett, H. K. (2023). Impact of agribusiness empowerment interventions on youth livelihoods: Insight from Africa. *Heliyon*, 9(11), e21291.
- Agaecheta, U., Ufomba, H., Elekwachi, E., & Ahamefule, M. (2024). Youth employability and the problem of unemployment in Nigeria: An evaluation of the Graduate Internship Scheme (GIS) in Nigeria. *Journal of Global Social Sciences*, 5(17), 69–93.
- Akinwale, Y. O., Adepoju, A. O., & Olaniyan, O. (2023). Employment dynamics and youth labour market outcomes in Nigeria. *Sustainability*, 15(7), 6096.



- Akwagyiram, A. (2024, February 20). Nigeria's Q3 jobless rate rises to 5% as impact of reforms takes effect. *Reuters*.
- Azu, N. P., Okorie, V. T., Akadile, I. A., & Okafor, J. S. (2025). Impact of institutional quality on youth unemployment in Nigeria: A comparative analysis of male and female youths. *International Journal of Business and Economic Studies*, 7(2), 1–22.
- Dequech, D. (2023). Political economy and its future: Conceptual and institutional issues. *Review of Political Economy*, 35(1), 111–128.
- Griffin, C., Sirimorok, N., Dressler, W. H., Sahide, M. A. K., & Rachman, I. (2024). The persistence of precarity: Youth livelihood struggles and aspirations in the context of truncated agrarian change, South Sulawesi, Indonesia. *Agriculture and Human Values*, 41(1), 293–311.
- Idris, M., & Maikomo, J.M. (2024). Impact of digital economy on youth unemployment in Nigeria. *KASU Journal of Economics and Development Studies*, 10 (2), 141-156
- Kitchenham, B., & Charters, S. (2007). *Guidelines for performing systematic literature reviews in software engineering*. Keele University and Durham University Joint Report.
- Komlos, J. (2023). Unemployment in the high-pressure capitalism of the 21st century: Introduction. *Review of Radical Political Economics*, 55(3), 323–333.
- Manu, Y. A. (2023). Youth bulge, rural banditry and ungoverned spaces in Nigeria. *University of Nigeria Journal of Political Economy*, 13(2), 1–14.
- Martinez-Bravo, M., & Wantchekon, L. (2024). Political economy and structural transformation: Democracy, regulation and public investment. *The Journal of Development Studies*, 60(3), 417–435.
- Moher, D., Liberati, A., Tetzlaff, J., & Altman, D. G. (2009). Preferred reporting items for systematic reviews and meta-analyses: The PRISMA statement. *PLoS Medicine*, 6(7), e1000097.
- Musa, I. (2023). Analysis of the impact of insecurity on youth unemployment in Nigeria (1990–2020). *Indonesian Journal of Social Sciences*, 15(2), 180–193.
- Nwogu, F., Oladosun, M., & Amoo, E. O. (2024). Linkages between sociodemographic factors, knowledge about entrepreneurship, and labour force participation among youth in Nigeria. *Journal of Propulsion Technology*, 45(2), 563–579.
- Obiorah, C. B., & Amah, E. (2024). Youth unemployment and migration intentions among graduates in Nigeria. *African Population Studies*, 38(1), 1–16.
- Okafor, E. E., & Bode-George, T. (2023). Youth unemployment and psychological well-being in Nigeria. *African Journal of Social Work*, 13(4), 210–224.
- Olubusoye, O., Salisu, A. A., & Olofin, S. O. (2023). Youth unemployment in Nigeria: Nature, causes and solutions. *Quality & Quantity*, 57(2), 1125–1157.
- Omoju, O. E., Ikhide, E. E., Olanrele, I. A., Abeng, L. E., Petreski, M., Adebayo, F. O., Odigie, I., & Muhammed, A. M. (2023). *Empirical review of youth-employment policies in Nigeria*. arXiv. <https://doi.org/10.48550/arXiv.2310.07789>



- Thomas, J., & Harden, A. (2008). Methods for the thematic synthesis of qualitative research in systematic reviews. *BMC Medical Research Methodology*, 8, Article 45.
- Ugochukwu, S. U., & Chukwu, J. O. (2023). Labour market outcomes and multidimensional poverty among youths in Nigeria. *Journal of African Development Studies*, 8(2), 75–92.
- Virk, A., Nelson-Eduful, E.-U., & Dele-Adedeji, I. (2024). The challenge of youth unemployment in Nigeria. *Journal of International and Comparative Social Policy*, 40(1), 1–11.

Publisher's Note

ERUDEXA PUBLISHING remains neutral with regard to jurisdictional claims in published maps and institutional affiliations. The statements, opinions, and data contained in all publications are solely those of the individual author(s) and contributor(s) and not of ERUDEXA PUBLISHING and/or the editor(s). ERUDEXA PUBLISHING disclaims responsibility for any injury to people or property resulting from any ideas, methods, instructions, or products referred to in the content.