HUMAN CAPITAL DEVELOPMENT FOR ACHIEVING SUSTAINABLE DEVELOPMENT GOAL 8 IN NIGERIA

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ABSTRACT

Sustainable development goal 8 targets to promote inclusive and sustainable economic growth, employment and decent work for youths and adults. This could be achieved through investment in human capital development. Hence, this paper discussed the roles human capital development plays in achieving sustainable development goal 8 in Nigeria. It also identified the strategies for developing human capital to achieve sustainable development goal 8 in Nigeria. The paper highlighted among others that investing in human capital development increases the number of individuals in the society who are able and willing to start-up small and medium scale business ventures and effectively manage the venture. The paper also emphasised that improving the relevance of general education to economic activities, promoting entrepreneurship education and improving the quality of adult and non-formal education for youths and adults among others are effective strategies for human capital development towards achieving sustainable economic growth, employment and decent work in Nigeria.

Keywords: human capital, development, sustainable development, goal 8.

1.0 INTRODUCTION

For many decades, the world has been faced with development challenges like hunger, poverty, illiteracy, conflicts, environmental degradation and many other social issues, especially in developing nations. In order to address these challenges, the United Nations General Assembly has from time to time made agreements and commitments by both developed and developing countries with goals and time limits to reach the goals. One of such commitments is a set of seventeen (17) development goals collectively called the Sustainable Development Goals (SDGs) adopted by the United Nations General Assembly (UNGA) in 2015 (Klapper, L., El-Zoghbi, M. & Hess, 2016). The SDGs seek to build on the Millennium Development Goals (MDGs) and complete what they did not achieve in 2015 (UN, 2015). The sustainable development goals cover all the development needs of the society and are expected to be achieved by 2030, hence the name “Agenda 2030”. Sustainable development is aimed at the improvement of living standards which extends from
the present to the future generation. It is a development template that stands the test of time thereby serving beyond the generations that introduced it.

The 17 Sustainable Development Goals as outlined in (Babasanya, Oseni & Subair (2018) include eradication of poverty and hunger, improving health and well-being, provision of quality education, achieving gender equality, ensuring availability and sustainable management of water and sanitation and affordable and clean energy. Others are promotion of economic growth, employment and decent work, building industries, innovation and infrastructure, reduction of inequality, building sustainable cities and communities, ensuring responsible consumption and production patterns, sustainable climate action, conservation of life below water, sustaining life on land, promote peace and justice and strong institutions and strengthen partnerships for the goals. However, this paper specifically focused on the achievement of sustainable development goal 8 which is economic growth, employment and decent work. Goal 8 specifically targets sustaining economic growth, increase economic productivity and create decent jobs, combat forced labour and end modern slavery and human trafficking by 2030 Federal Department for Foreign Affairs (FDFA), 2017). It also emphasizes that in promoting economic growth, the environment should not be degraded.

Economic growth is the increase in the income and wealth of society through improved production of goods and services. This is highly related to the productive capacity of the labour force in society (Potters, 2021). Thus, Potters (2021) emphasised that human capital is a very essential factor in economic growth. This implies that economic growth will be facilitated if a higher number of the human resource comprising the youths and adults in the society are employed and have decent work. However, evidence revealed that the rate of unemployment among youths and adults is on the increase in Nigeria. Nigeria experienced a steady increase in the unemployment rate between 2015 and 2018 from 6.4% to 23.1% respectively as of the third quarter of the year 2018 (National Bureau of Statistics, 2018). This rate of unemployment has further risen to 27.1% while the underemployment rate is also at 28.6% (National Bureau of Statistics, 2020). The statistics revealed that a combined total of 55.7% of Nigerians are either unemployed or underemployed. The rise in the rate of unemployment may not be unconnected with low infrastructure, low industrial development, insecurity, global economic depression resulting from social and environmental challenges and the novel COVID-19 pandemic.

The increase in the rate of unemployment and underemployment in Nigeria significantly slows down the country’s economic growth and challenges the focus of FDG 8: achieving decent work and employment for youths and adults by the year 2030. This poor economic condition would get worse if human capital in the society is not adequately equipped with the necessary knowledge and skills for employment and decent works (Jwasshaka & Fadila, 2020). Hence, the need to invest more in human capital development for achieving employment and decent work for the citizens. Recent evidence revealed that human capital development has the potential for improving labour productivity; promoting self-reliance among youths and adults; enhancing technological innovations; and reducing drastically the rate of unemployment and poverty in the society (Teixeira & Queiros, 2016). This is because the quality of human capital in a society determines the rate at which innovations and appropriate technology use are adopted or sustained for development (Anyanwu, Adam, Obi
& Yelwa, 2015). This position further confirms that human capital development plays major roles in the achievement of other sustainable development goals in society. It is on this established fact on the capacity of human development to achieve SDG 8 and enhance the chances of achieving the other goals that this discourse focused on the roles of human capital development in achieving decent work and economic growth in Nigeria.

2.0 HUMAN CAPITAL THEORY

The position on the author of this paper is built around Human Capital Theory. The Human capital theory was first introduced by Theodore W. Schultz in 1961. The theory explains the significance of labour maximization and how an individual, organization or community can improve individuals’ knowledge, skill, and ability which will, in turn, enhance their productivity (Wuttaphan, 2017). This implies that when an individual has a higher level of knowledge, skill and ability, he or she has a higher chance of getting more decent work and also contributes to the economic growth of the society. The human capital theory states that adequate investment in education and training of citizens will build up a stock of skills and abilities among the people which will serve as a veritable tool for economic growth and national development (Merwe, 2010). The theory is relevant to this discourse as it advocates for education and training for the development of the human resources. The theory argues that productivity will increase highly if the cognitive stock of human resources which handles other resources of production is high.

3.0 SUSTAINABLE DEVELOPMENT GOAL 8

Sustainable development goal 8 is focused on achieving “Decent Work and Economic Growth”. The main target of this goal is to promote inclusive and sustainable economic growth, employment and decent work for all by the year 2030 (Babasanya, Oseni & Subair, 2018). According to (Kutesa, 2015), some other targets of sustainable development goal 8 is to achieve a higher level of economic productivity through diversification, technological upgrading and innovation; achieve full and productive employment and decent work for all women and men, including young people with disabilities; protect labour rights and promote safe and secure working environments for all workers. This implies that sustainable development goal 8 is highly targeted towards economic growth, especially through the provision of decent employment opportunities for youths and adults.

In addition to the creation of employment opportunities, improving the working conditions of men and women who are already working is also part of the target of sustainable development goal 8. These people should be placed in a condition that will enable them to earn enough to lift themselves and their families out of poverty. This is in relation to International Labour Organization (2016) definition of decent work as opportunities for all citizen to get productive employment which delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom to express one’s concerns, organize and participate in decisions affecting them. This further highlights the need for improved efforts towards achieving sustainable development goal 8 as having more productive citizens in the society contributes greatly to
the growth of the society. While on the other hand, a high rate of unemployed and unproductive citizens could lead to unrest and disrupt growth in the society.

4.0 ECONOMIC GROWTH AND UNEMPLOYMENT IN NIGERIA

Nigeria’s economic performance has not been as desired since independence in 1960. This is because the economic growth in Nigeria moves at a very slow pace when compared to the other emerging economies in the world (Yaqub, 2011). This prompted the government to adopt various micro and macroeconomic policies such as monetary and fiscal policies, import substitution strategy, direct distribution of capital to the poor among others to address the problem of low productivity and slow economic growth. However, despite these macroeconomic policy measures, the performance of the Nigerian economy in terms of growth has remained unchanged. For instance, Mohammed & Ehikioya (2015) stated that the growth of Nigeria’s economy as of 1990 was 8.2% and decreased to 5.4%, 4.6%, and 3.5% in 2000, 2001, and 2002 respectively. It further increased to 9.6% in 2003 and decreased to 5.8% in 2005 and increased marginally to 6.4% and 7.3% in 2008 and 2011 respectively. In 2020 and the first quarter of 2021, the Nigerian economy will experience a recession. This in turn has led to a very high rate of unemployment among youths and adults in the country.

Youth unemployment is one of the strongest challenges militating against sustainable development in Nigeria. According to the National Bureau of Statistics (2020), Nigeria’s unemployment rate rose to 27% in the second quarter of 2020. This is over a 4% increase of the 23% rate reported in 2018. Similarly, the underemployment rate rose to 29% which is over a 9% increase of the 20% recorded in 2018. This unemployment rate is more among the youths who form over 35% of the entire population of Nigeria. Youths within the age of 15 to 24 had an unemployment rate of 41% while youths between the age group of 25 to 34 have an unemployment rate of 31%.

5.0 HUMAN CAPITAL DEVELOPMENT

Human capital refers to all the capability and skills possessed by the human resources in a society. Human capital involves the abilities, knowledge, skill, personal talent, and behaviour of individuals who make up the society’s workforce (Eigbiremolen & Uchechi, 2014). Human capital development is the process of improving the knowledge, skills, values, and behaviour of people to enable them to function effectively in society. Based on this description, Tende, Achebelema & Brownson (2018) stated that any effort to increase human knowledge, enhance skills, productivity and stimulate resourcefulness of employees is referred to as human capital development. Similarly, Harry (2010) stated that human capital development is the totality of efforts aimed at developing and grooming human beings so as to present them fit and qualified to be productive to themselves, in particular, and the society in general. Obisi and Ayim in Asodike (2016) hold a similar view and assert that human capital is the reservoir of competencies, skills, knowledge, emotional intelligence, character, creativity and other abilities which the people of a nation value. All these features when applied, make individuals employable and promote productivity which in turn increases the economy of the society.
Furthermore, Chikwe, Ogidi & Nwachukwu, (2015) posit that human capital development largely involves the provision of opportunities for all citizens to develop to their fullest potentials through education, training and motivation as well as creating the enabling environment for everyone to participate fully in the development of the society. Paul & Akindele (2016) made it clear that when the labour force of a society is well trained and educated, the tendency towards innovation and creativity increases, which in turn improves the overall effectiveness and performance of the labour force and contributes significantly to economic growth. In this vein, human capital development refers to the process which facilitates the acquisition of more knowledge and skills by members of the society who are willing and able to work for the development of the society.

Human capital development could be approached from two angles; health and education. Human capital development through the improvement of the health of citizens plays an important role in economic growth because healthier people can work stronger and longer for improved productivity (Baldanzi, Bucci & Prettner, 2016). This implies that the healthier the workforce is, the more the work to support the economic growth of the society. In the same vein, human capital development through education or training of the citizens also plays a crucial role in economic growth because when the labour force is adequately trained or educated, they develop the required knowledge and skills for improved productivity and capacity supporting economic growth effectively.

6.0 ROLES OF HUMAN CAPITAL DEVELOPMENT IN ACHIEVING SUSTAINABLE DEVELOPMENT GOAL 8

Human capital development plays important roles in achieving sustainable development goal 8 (economic growth and decent work) by reducing the rate of unemployment and poverty in society. This could be achieved through the following means:

6.1 Promoting Entrepreneurship:

Investing in human capital development increases the number of individuals in the society who are able and willing to start-up small and medium scale business ventures and effectively manage the venture. These small and medium scale businesses to a great extent contribute to the economic growth of the society as it serves as an employment opportunity for many youths and adults in the society.

6.2 Growing Skilled Artisans:

Through human capital development, the number of skilled artisans in society increases. These artisans offer products and services which are consumed internally and externally. Hence, these skilled artisans become gainfully employed and also contribute to economic growth by employing other members of the society, paying taxes, involving in other social responsibilities and community services among others.

6.3 Improving the Employability Skills of Youths and Adults:
Some of the unemployed individuals lack the required skill for employment in their desired sector of work. However, through adequate practical training, these individuals would be able to acquire the skills and knowledge required for them to become employable in their desired field of work.

6.4 Enhancing the Health of Workers:

An unhealthy individual would find it very difficult to contribute adequately to the economic growth of society. Nevertheless, investments in promoting the health of the human resource by equipping them with necessary basic health knowledge and skill will help keep the individuals in a healthy shape which will enable them to work fully for achieving sustainable economic growth. It is widely accepted that health and well-being at work can have profound impacts on individuals, organizations and societies (Hafner, Stolk, Saunders, Krapels and Baruch 2015). This assertion supports the popular saying that “a healthy nation is a wealthy nation”. It simply means that when the workforce that drives the economy is in healthy condition, the tendency for increased production capacity will be very high.

7.0 STRATEGIES FOR HUMAN CAPITAL DEVELOPMENT TOWARDS ACHIEVING SUSTAINABLE DEVELOPMENT GOAL 8

To achieve goal 8 of the SDG in Nigeria, the following strategies could be adopted.

7.1 Improving the Relevance of General education to Economic Activities:

To ensure that education achieves its objective of human capital development, it is necessary to ensure not only its easy access but also the relevance of its content to the development of the beneficiary. A quality education system should be able to provide learners with the skills and knowledge which they require to become economically productive and develop sustainable livelihoods (Uba, 2017). Hence, it is necessary that the curriculum planners design curriculum that is more practical and relevant to economic productivity. For instance, the agriculture curriculum should focus more on educating the students on how to apply modern technology tools and substances for improved agricultural productivity.

7.2 Establishing and Revitalising Vocational/Technical Institutes:

Vocational education is the form of education or training designed to facilitate the acquisition of practical and applied skills as well as scientific knowledge which would enable an individual to become employable. Vocational or technical education is designed to offer people the opportunity of improving themselves in their general proficiency, especially in their present or future occupation (Okoye and Arimonu, 2016). Employability skills acquired through vocational education could help an individual to secure decent work, perform all the necessary roles in the work or even start up his own business and run the business effectively (Okolocha and Baba, 2016). Having vocational education institutes in various locations would make it easier for youths and adults to participate more actively in vocational education programmes which will develop their capacity for contributing to economic growth.
More importantly, is to strengthen and revitalise already established vocational institutions in Nigeria. For instance, there are many technical schools in Nigeria that are faced with many challenges. These challenges as revealed by (Okoye and Arimonu, 2016) include among others, a curriculum that has little or no relationship with workplace and social needs, embezzlement of fund meant for educational development purposes, bribery and corruption, lack of teacher motivation, inadequate facilities, inadequate funding and poor staff training. Vocational education institutions can be revitalised when these challenges are addressed.

7.3 Promoting Entrepreneurship Education Among Youths and Adults

Entrepreneurship is seen as a vital economic driver because it often creates job opportunities for youths and adults in society. Entrepreneurship education is the educational activity that creates the willingness and ability in youths and adults to discover investment opportunities in the society and effectively manage the investment for economic growth (Aidelunuoghere, 2013). In other words, entrepreneurship education has the potential for equipping youths and adult members of society with knowledge, skills and attitudes necessary for succeeding in the business world. Furthermore, entrepreneurship abilities enhanced through education can lead to a developed human capital in the form of conceptual knowledge, development of capabilities, skills, coordination, attitudes which are needed for growth (Asodike, 2016:83). When people are grounded in the business they are doing through entrepreneurship, they will create employment and reduce the rate of unemployment and poverty and contribute to sustainable economic growth.

Making it mandatory for senior secondary and higher institution students to pass through entrepreneurship education will lay a strong foundation for all the students. This will equip the students with the mindset to undertake the risk of venturing into something new by applying the knowledge and skills acquired throughout the period of entrepreneurship education in school. It will also expose the students to real-life business experiences necessary for starting up and successfully managing a business. Through entrepreneurship education, the student would be able to acquire some skills necessary for being gainfully employed such as in agricultural crop production, animal husbandry, iron and steel production, sewing and fashion design, waste management technology, welding, information management technology among others (Oyelola, Igwe, Ajiboshin, and Peluola, 2014).

7.4 Revitalizing the Public Health Care System

Health maintenance is a very important aspect of human capital development because improving the health status of the citizens will help in the maintenance of a strong and active labour force for enhanced productivity. Hence, improving the public health care system in Nigeria is necessary for achieving sustainable development goal 8 in the country. Public health care system contributes to human capital development by providing adequate and timely medical care to the citizens, tracking, monitoring and controlling disease outbreak in society. There is a need therefore for Nigeria to improve the nature and scope of the National Health Insurance Scheme (NHIS) established in 2005 so that it would benefit a larger number of the country’s labour force (Alawode & Adewole, 2021). This is necessary because NHIS will help to ensure that the country’s labour force receives quality health care services at an
affordable price. Quality health will in turn help improve the ability to work harder for economic growth.

7.5 Organizing Regular On-The-Job Training Programmes.

Regular training is an essential technique for the maintenance of the human capital in society because inadequacy of skills and knowledge could lead to low productivity. On-the-job training is a practical training that is organized for different categories of workers to improve their skills and ability to become more efficient and effectively increase their job performance rate. This implies that on-the-job training is a continuous effort designed to improve employees’ competence and performance. Making it a prerequisite that all government and non-governmental organizations in all sectors of the Nigerian work environment must be able to organize regular on-the-job training for its employees will help in addressing employee weaknesses; improve worker’s performance; ensure consistency in duty performance; improved quality of service and products; reduced cost of production and supervision amongst other (Vinesh, 2014). These benefits of on-the-job training will improve the performance and productivity of the labour force in Nigeria and help drive economic growth.

7.6 Improving the Quality of Adult and Non-formal Education.

Adult and non-formal educations refer to all communication of skill, knowledge, and attitude provided outside the confinement of the formal school system. Adult and non-formal education enhance human capital development as it equips youths and adult members of the society with knowledge, skills and competencies necessary for self-reliance (European Association for the Education of Adults (EAEA), 2018). Therefore, improving the quality of adult and non-formal education systems in Nigeria will significantly contribute to human capital development.

Such improvement in quality can be done by ensuring that:

- the curriculum of all adult and non-formal education programmes practically meets the skill needs of the youths and adults and addresses the economic needs of the society;
- adult education facilitators are adequately and regularly remunerated;
- adult and non-formal education programmes are properly certified;
- there is adequate awareness creation about adult and non-formal education programmes in rural and urban areas through print and non-print media; and
- establishing more adult and non-formal education centres to make it more easily accessible to the beneficiaries.

8.0 EMPOWERING NIGERIAN WOMEN FOR ECONOMIC GROWTH

Women constitute about 50% of the population, therefore, discussion on Nigerian economic growth will be incomplete if the womenfolk are excluded. This is because it is widely accepted that the female population is a powerful engine and backbone for economic growth
especially in the rural areas (Ijere, 1991), Amucheazi, (1991) and Glassy, in Ugwu, 2016). Similarly, women are very active in agriculture and animal husbandry. Supporting this assertion, FGN, in Obinaju, (2013), reported that women are responsible for carrying out 70% of agricultural labour, 50% of animal husbandry related activities and 60% of food processing activities. Apart from agriculture, women make a remarkable impact in any area they find themselves in, at home, in business places, workplaces and even politics. Even where they are not directly involved, they play supportive roles to men who have also made remarkable progress in their own fields.

However, women in Nigeria do not have access to an adequate education in Nigeria as the literacy rate as of 2018 is 52.66% (UNESCO Institute of Statistics (UIS), 2019).

Nigeria can achieve sustainable development goal 8 if the women are empowered with the information, knowledge, attitude, skill, ideas and creativity required for utilizing the natural resources for personal and national economic development. They need to be empowered through literacy programmes, entrepreneurship education, agricultural extension, cooperative education and other educational programmes needed to improve their self-esteem and dignity and be able to make informed decisions that will facilitate economic growth.

9.0 CONCLUSION & SUGGESTIONS

Sustainable Development Goal 8 targets to promote sustained, inclusive and sustainable economic growth; full and productive employment and decent work for youths and adult members of the society. This would be more achievable if the youths and adults have the required skills, knowledge and ability to function effectively in the work environment. The paper, therefore, suggests that:

1. The ministry of education should ensure that the education curriculum in Nigeria is more practical oriented, covering all sectors of economic activities. This will make it easier for students to become employable immediately after graduation.
2. The ministry of health should establish a regulatory unit that will monitor the health care services and pricing in all government and private hospitals. This will ensure that the society’s labour force has access to quality and accessible health care services.
3. There is a need to fund adult and non-formal education adequately to take care of the education needs of adults and youths who are not in the formal school system.

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