



# FORCE

FOCUS ON RESEARCH IN CONTEMPORARY ECONOMICS

---

## ANALYSIS OF THE IMPACT OF INSECURITY ON YOUTH UNEMPLOYMENT (1990-2020)

Ibrahim Musa\* |

To cite this article: Musa, İ., (2023). Analysis of the Impact Of Insecurity On Youth Unemployment, *Focus on Research in Contemporary Economics (FORCE)*, 4(2), 525- 542.

To link to this article: <https://www.forcejournal.org/index.php/force/article/view/98/69>



©2020 The Author(s). This open access article is distributed under a Creative Commons Attribution-NonCommercial-NoDerivatives (CC-BY-NC-ND) 4.0 license.



---

Published online: 5 April 2024

---



---

Submit your article to this journal

Full terms & conditions of access, and use can be found out  
<http://forcejournal.org/index.php/force/about>

## ANALYSIS OF THE IMPACT OF INSECURITY ON YOUTH UNEMPLOYMENT (1990-2020)

Ibrahim Musa\*

### ABSTRACT

Using the ordinary least square estimation technique (OLS), this study investigates the effect of insecurity on youth unemployment in Nigeria from 1990 to 2020. The dependent variable in this study is unemployment (UNE), and the independent variables are National Terrorism Index (NTI) and Crime Rate (CR). The study's findings show that NTI has a positive and significant impact on UNE; a unit increase in NTI results in a 0.000827 increase in unemployment. The influence of Nigerian CR on UNE is both favourable and large; an increase in Nigerian CR results in a 0.005653 increase in unemployment. Because heightened insecurity is a direct outcome of unemployment, the study suggests the government should cut interest rates in commercial banks to make loans more available to small business owners so they can hire more people. Government should also fight corruption in both public and private offices, kidnappings and create more skill acquisition centres

### KEY WORDS:

Youth Unemployment, National Terrorism Index, Crime Rate and OLS

## 1. INTRODUCTION

According to the International Labor Organization (ILO), the number of economically active people who are unemployed but available and looking for work in 2017 includes both those who were fired and those who willingly left their jobs. Youth unemployment is thus defined as the collection of young individuals from various backgrounds who are eager and qualified to work but are unable to do so. Youth unemployment was classified as occurring among individuals between the ages of 15 and 24 by the ILO's ILOSTAT Database in 2022. In Nigeria, this rate is roughly 27.3%, which is greater than adult unemployment (NBS, 2020).

The inability of a country's eligible workforce to get a paid job is a worldwide problem known as unemployment. It has social ramifications as well as major economic ones that influence practically every nation and every person, either directly or indirectly. It generates social unrest and is a sign of the recent crime wave, ongoing youth discontent, and shaky socioeconomic framework that have plagued many countries. The recent unrest seen in the Middle East, North Africa, and even the 2011 riots in the United Kingdom, among other places, may be directly linked to the rising unemployment rates in those countries (Olubukola, 2013). The present global employment crisis and widespread shortages of quality jobs are especially acute in emerging countries like Nigeria, which has the potential to widen the poverty gap.

A significant cause of worry is the nation's unemployment rate's sharp increase. Many school dropouts and employable people are having trouble obtaining a job or are being laid off for a variety of reasons. It is now more important to understand how to deal with the realities of graduating from college and entering the ranks of the jobless with little hope for the future rather than focusing on going to school, graduating, or acquiring a skill. In Nigeria, there is no social security system in place to support the jobless, in contrast to what is the case in the majority of affluent nations. Therefore, the majority, if not all, of the jobless are unable to fend for themselves since they do not get unemployment benefits from the government. As a result, many have turned to participate in actions that pose security risks to Nigeria (Olubukola, 2013).

Following the country's restoration to democratic government in 1999, there has

been an upsurge in terrorism, which has made people in Nigeria more fearful of being attacked (Ali, 2013). Nigeria has a long history of violent crime that may be linked to the years 1960 to 1970. Nigeria was forced to adopt a federal system by the British after its independence in 1960.

Different ethnic nations in Nigeria have continued to call for real federalism, economic reform, and political restructuring ever since the country gained its independence. Affected ethnic groups in the nation have reacted violently in rebellious ways as a result of these agitations, affecting Nigeria's security, unity, and corporate survival. Federalism that threatens the autonomy and independence of its constituent parts would only lead to conflict, a danger to national security, and eventual collapse (Ali, 2013; Adamu, 2005).

Youth unemployment is one of the most significant socioeconomic problems Nigeria is now confronting. It has even gotten a lot worse in recent years. However, if specific information on the number of unemployed youths roaming the streets of towns and cities around the country could be gathered from the National Bureau of Statistics, the scale of this might be recognized. Over 60% of Nigeria's population, or 80 million people, are under 24 years old, according to the National Manpower Board and National Bureau of Statistics (2009). There are 64 million unemployed Nigerians and 1.6 million underemployed Nigerians, according to Awogbenle and Iwuamadi (2010).

Additionally, the NBS (2009)'s analysis of Nigeria's national unemployment rates between 2000 and 2009 revealed that the country's unemployment rate was 31.1% in 2000; 13.6% in 2001; 12.6% in 2002; 14.8% in 2003, 13.4% in 2004; 11.9% in 2005; 13.7% in 2006; 4.6% in 2007; 14.9% in 2008; 19.7% in 2009 and 37.7% of Nigerians aged 15-24 and 22.4% of those between ages 25-44 that are willing to work cannot find work. In Nigeria, the average rate of young employment in 2011 was 46.5% (BGL Research and Intelligence 2011:4). This is a reference to the high unemployment rates in Nigeria, which foretell grave social unrest and peril for the nation.

The problem of unemployment has severely disrupted the lives of many young people in Nigeria, leaving them dependent on friends and family members who are also dealing with issues of their own. According to Akwara, Akwara, Enwuchola, Adekunle, and Udaw (2021), the epidemic of unemployment has destroyed almost all of the world's countries in various ways. Similarly, Adebayo

(2013) agrees that one of the main social concerns that have significantly impeded Nigeria's and other developing nations' economic growth and development for a very long time is young unemployment and the consequent rise in crime and insecurity. Notably, it is simple to conclude that the high rate of youth unemployment in Nigeria has had a considerable impact on the country's high rate of poverty and insecurity (Jacob, Goshi, and Jonathan, 2019).

Therefore, this study aims to examine the impact of insecurity on youth unemployment in Nigeria from 1990 to 2022 and the question of interest is to what extent does insecurity impact youth unemployment? This forms the basis of this research.

## **2. LITERATURE REVIEW AND THEORETICAL FRAMEWORK**

### **2.1. Conceptual Review**

#### **2.1.1. Concept of Insecurity**

We must take a quick look at what security is to be able to define insecurity in its entirety. The demand for security drives the social compact, in which the populace voluntarily cedes its rights to the state, which is responsible for ensuring everyone's existence. Nwanegbo and Odigbo (2013) claim that since the end of the cold war, efforts have been made to conceptualize security in a way that puts more emphasis on people rather than static objects. Human security, which embodies aspects of national security, human rights, and national development, is still a major barometer for defining the concept. The endeavour to broaden and extend the idea of security from the level of government to societies to people and from military to non-military challenges is at the core of this discussion (Krahmann, 2003). According to McGrew (1988), the maintenance and protection of socioeconomic order in the face of internal and external threats, as well as the promotion of a preferred international order, which lessens the threat to core values and interests and domestic order, are two crucial pillars that support national security. Security is an all-encompassing condition that suggests that territory must be protected by a network of armed forces; that the sovereignty of the state must be ensured by a democratic and patriotic government; that the military police and the populace themselves must protect the populace; and that the populace must be protected not only from external attacks but also from the devastating effects of internal upheavals such as unemployment, hunger, starvation, and diseases. The viewpoint described above was expanded upon by Dike (2010) and Omede (2011), who argued that Nigeria's security should be founded on an all-encompassing perspective that

views the people as the main beneficiaries of every security and developmental deliverable that the state can provide. According to Nwanegbo and Odigbo (2013), efforts to increase the Federal Republic of Nigeria's capacity will be necessary to advance its interests and objectives in containing internal and external aggression, controlling crime, eradicating corruption, fostering real development, progress, and growth, and enhancing the welfare and quality of life of every citizen. Insecurity, which is defined as the lack of security as previously said, is the polar opposite of security. Uncertainty, hazard, danger, lack of safety, lack of confidence, state of doubt, insufficient guarding and protection, lack of protection and being dangerous, instability, and other words are often used to describe insecurity. The frequent characteristics mentioned above, according to Achumba, Ighomereho and Akpor-Robaro. (2013), refer to a situation in which there is a risk of injury, loss of life, property, or means of subsistence. For them, insecurity entails a condition of ignorance, a lack of control, and the incapacity to defend oneself against forces that could endanger a person or a group, injure them, or leave them defenceless.

Insecurity is a reality for the underprivileged urban residents of numerous nations. He asserts that it could be a symptom of intense personal insecurity brought on by police harassment, maltreatment at the hands of bureaucrats, or a breakdown in neighbourhood public safety. It could also be caused by a lack of secure housing tenure, which leads to living in continual fear of eviction. Insecurity, therefore, indicates a lack of security. It is the antithesis of security. It is the absence of safeguards against illegal action for individuals, nations, or institutions (Magaji, Musa and Salisu 2022).

### **2.1.2. Unemployment**

Regarding the idea, there appears to be a consensus on the definition of unemployment. In its simplest form, the term "unemployment" refers to a person's lack of employment. The unemployed, both those who have lost their jobs and those who have voluntarily left their positions, are individuals who are not working but are still looking for employment, according to the International Labor Organization (ILO, 2017) (World Bank, 1998). Additionally, this happens when people are looking for work but are unable to find it, claims Adebayo (1999).

Unemployment and joblessness result when the supply of labour exceeds the demand for it (Okafor 2011). Young people may be forced to participate in

temporary labour and other unconventional means of subsistence due to the dearth of job prospects in the official sector, which might result in underemployment (Magaji, Musa and Salisu, 2022). The literature has outlined and recognized many types of unemployment. There are several of them, including seasonal, frictional, cyclical, and structural unemployment (Adebayo, 1999). The people whose unemployment is evaluated are those who hold jobs (Obadan and Odusola, 2001; NBS, 2010). People who don't have a job but are actively looking for one at the time of any study are considered to be unemployed. The National Bureau of Statistics (NBS) (2009) defines the labour force of a nation as a collection of persons or citizens of a nation who are willing and able to make their efforts available for gainful employment at any given point in time. The inability of an active person between the ages of 15 and above who are prepared for work but unable to swiftly find a job is known as youth unemployment. Unemployed young people come in a variety of forms, starting with those who lack formal schooling and are looking for work as labourers, cleaners, and other positions. People with elementary education, secondary education, and tertiary education (graduates) fall into different categories of labour in this place depending on their degrees of education.

## **2.2 Theoretical Review**

### **2.2.1. Classical Theory of Unemployment**

The traditional idea of unemployment is used as the foundation for this work. The conventional perspective holds that the labour market is made up of supply and demand for labour, as analyzed by Pigou (1933) and McDonald and Solow (1981). The demand for labour is estimated using the declining percentage of the marginal product of labour. The demand curve predicts that the quantity demand for labour will fall as real wages increase, even if the opposite is true. The labour supply is impacted by a worker's choice to work part-time or not (engage in leisure activities). Because rising real earnings motivate workers to put in more hours, there is a positive correlation between the real pay and the number of hours worked. In an equilibrium economy, demand and supply for labour converge at a clearing point, which establishes the equilibrium real wage rate and full employment. According to Sweezy (1940), the premise of Pigou's Theory of Unemployment is that "apart from frictional obstructions," unemployment "would not exist if wage-earners habitually stipulate for a rate of wages higher than the 'equilibrium' level." Full employment is not always implied by the absence of unemployment. At the current real wage rate, frictional unemployment still exists. A worker might decide not to work, for example, if



they think that working is more inutile than working or earning money is useful. Voluntary unemployment is the name given to this sort of unemployment. The dynamic structure of the labour markets, the accessibility of information, the pursuit of better work opportunities, and sporadic variations in labour demand, such as the closure and opening of new plants, all contribute to frictional unemployment. Benefits from unemployment insurance and the pace of information flow affect how long someone will experience frictional unemployment. According to Wicksell, a drop in wages may sustain full employment provided they are sufficiently flexible in the downward direction (Jonung 1989). The best way to combat unemployment is to provide company owners with more affordable loans. He even believed that the government needed to encourage private investment in land and houses. The introduction of different innovations may also get government help. The funding of government assistance should come from taxes. Wicksell also examines the impact of technological progress on technical unemployment. The introduction of equipment would result in unemployment, but those without work would look for new positions, which would drive down salaries. As a result, full employment is once again achieved. Wicksell believes that ads and employment agencies may lower the typical rate of unemployment for the usual (frictional) unemployment. Another form of unemployment is cyclical unemployment, which results from insufficient demand. He believed that raising wages would be a good idea so that employees could purchase more. However, because of the increased salaries, this move can result in people losing their employment. For Wicksell, incorrect capital investment was the main cause of cyclical unemployment. Investments were made in fields with poor rates of return. He concluded that the greatest strategy for battling cyclical unemployment is public works. Wicksell believes that the boom and price increases brought on by World War I would stop after the conflict. Decreased employment would result. Low pay would have to be accepted by the workforce. Additionally, he believed that the government needed to help out financially those who were out of work. Wicksell goes to Malthus after 1921. According to him, there are too many people in the workforce, there is a capital shortage due to the conflict, and the monetary system is disorderly. Regarding the third factor, manufacturers opted to create less because they anticipated receiving lower prices for their goods when prices fell following the war. As a result, employees lost their jobs and they allowed their money to sit dormant in banks. These reasons imply that one of the key strategies for combating unemployment was emigration. Reducing wages is not an effective strategy to boost employment. Most likely, higher labour productivity is what has driven up wages; lowering wages will result in



lower work-related productivity and intensity. Some capital-intensive businesses won't be forced to move to labour-intensive strategies in the near term by wage reductions. More robots being used for labour should encourage the substitution effect as salaries rise. And over time, this substitution will raise employment and labour productivity. According to (Nishhiyama and Leube, 2011), unemployment results from "a discrepancy between the distribution of labour between industries...and the distribution of demand among their producers." This distortion of the system of relative prices and wages is what causes this difference. The unemployment rate, in other words, is brought on by "a deviation from the equilibrium prices and wages which would establish themselves with a free market and stable money." This is essentially a labour market imbalance, which is often brought on by expansionary monetary and fiscal policies as well as strong trade unions. These policies disrupt the economy and alter its fundamental components, diverting labour and other economic resources to unproductive uses. Additionally, unions have the power to establish salaries that are higher than market rates, creating unemployment, especially in sectors of the economy that are losing money. In summary, Hayek believes that if wages and prices are set by the equilibrium of supply and demand, the issue of unemployment may be solved since resources were allocated to the wrong locations at the wrong times.

### 2.3. Empirical Review

T Magaji, Musa and Salisu (2022), examine the impact of insecurity on youth unemployment in Nigeria using the OLS estimation technique. Findings reveal that insecurity has a positive impact on youth unemployment in Nigeria. A unit decrease in the security index is likely to cause an average increase of about 1.16 units in youth unemployment. The level of youth unemployment in Nigeria is negatively impacted by domestic private investment and the perception of corruption. Government capital spending, however, significantly reduces the rate of youth unemployment. Therefore, the study suggests that to support rural enterprises, the government should adequately equip its security services to prevent security issues not only in urban regions but also in rural areas. However, this analysis is limited to the years 1996 through 2019.

But, Obona and Nweke (2018) employ deprivation theory and a qualitative research design through the survey to obtain data. Using the Likert scale, they measure the magnitude of responses. This is analyzed through the percentage method and hypothesis tested using Chi-square. The results show that the

causes of insecurity in Nigeria are youth unemployment combined with a lack of employable skills as well as the status of Nigeria. According to the document, the government should teach young people useful skills to include them in some constructive activities.

Ali, Qingshi, Memon, Baz and Ali. (2017) check how different terrorist attacks affect stocks in stocks in Pakistan Stock Exchange. They have applied a model that allows new news and good news about changing volatility effects. Their conclusions show that news about terrorist attacks has adversely affected the return of stocks. Although the volatility of the KSE 100 index has increased by these events, Pakistani Stock Exchange has been affected negatively by terrorist attacks. The effectiveness of the attack depends on the attack type, location, and target type. The more severe the attack, the greater the number of people killed, and the greater the adverse effect on the performance of the KSE 100 Index. Very interestingly, capital markets include news about future attacks. In general, different strategies of terrorists have different effects on capital markets, from which terrorist attacks can be predicted. This study looks at the effect of insecurity only on the capital market in Pakistan.

Resolving Insecurity in Nigeria through Youth Employment and Skills Building: Ebonyi State Case Study is the subject of a 2018 study by Obona and Nweke. The study's goal was to determine whether or not youth unemployment and the proportion of unskilled youth in the nation, particularly in Ebonyi State, are to blame for the country's ongoing instability. To accomplish its goals, the research employs a qualitative research design that relies on the survey method. Focus group talks and standardized questionnaire items were used to gather data for the study. 400 respondents from the study region were specifically chosen. The responses were measured using a five-point Likert scale, which was also utilized to collect data. Percentages were used to examine the collected data. Using the Chi-square test, three formulation hypotheses were examined. The findings indicate that the primary drivers of insecurity in Nigeria are youth unemployment, a lack of learning abilities, and the nature of the Nigerian state. Additionally, it demonstrates that the government has not made significant attempts to address unemployment and skill gaps, particularly among young people. Data for this study came from primary sources, therefore there might have been mistakes when collecting questionnaires and other data.

Monday, Akinola, Olobeni and Aladeraji (2015) look into the relationship

between insecurity and youth unemployment in Nigeria, with a focus on the Niger Delta. The study relied primarily on secondary data and employed a survey design. According to the study, one of the challenges to company survival and Nigeria's long-term peace and security is young unemployment. The report makes several recommendations in light of this, including the availability of employment opportunities and hiring based on merit. The second is the social security program, which offers unemployed graduates N30,000 for first-degree holders, N20,000 for those with an ND or NCE, and N10,000 for those with an FSLC or SSCE as unemployment compensation. The government should implement the ALASKA model as soon as feasible to pay the residents of the Niger Delta and to provide for human security in a country where all forms of poverty have been eradicated. The only geographical region of Nigeria covered by the study is the Niger Delta.

However, Ajibola (2016) investigated Nigeria's economic expansion despite the unrest. An explanation of how security affects economic development was provided. To demonstrate the association experimentally using the multiple regressions [OLS] approach, time series data on the Real Gross Domestic Product, Total Expenditure on Security, Gross Fixed Capital Formation, Total Labor Force, Corruption Perception Index, and Poverty Index were gathered from the 1981 to 2014. It was discovered that variations in the total labour force, total security spending, corruption perception index, poverty index, unemployment rate, inflation rate, and gross fixed capital creation account for 90% of the systematic variation in real GDP. The research demonstrated that security and other associated factors not only support economic development in Nigeria but also have a major and statistically significant influence on it. Based on the findings, we conclude that the structure and trend of allocation to security are still insufficient to meet the challenges of Boko Haram. Furthermore, Nigeria's potential GDP growth rate is 11% while its actual growth rate is 6%, implying that Nigeria's economy is inefficient due to the country's level of insecurity, corruption, unemployment, and poverty. In Nigeria, increasing security spending and lowering the unemployment rate are urgent issues that must be addressed; doing so would boost the nation's economy. Therefore, the research suggests. To lower the degree of corruption in the nation, the government should put the EFCC's strategy into action right now. Funding for the security sector should also be promoted by donor organizations like the World Bank, UNDP, UNESCO, and so on.

However, due to the gaps identified in the previous reviews, there is a need to

find a study that covers more periods and more areas of the study which this research intends to fill.

### 3. METHODOLOGY

#### 3.1. Research Design

Based on the objective of this study, time series data is sourced via secondary. The data utilised in this study was obtained over time and intends to look at the impact of insecurity on youth unemployment in Nigeria between 1990 and 2020. The factors influencing insecurity in Nigeria were investigated using ordinary least square regression (OLS). The National Terrorism Index and crime rate were the study's independent or explanatory variables while youth unemployment is a dependent variable. Data on the variables were sourced from the Central Bank of Nigeria and the World Development Index.

#### 3.2. Model Specification

The study aims to examine how insecurity affects youth unemployment in Nigeria and the nature of the relationship between insecurity and youth unemployment.

The model of (Magaji, Musa and Salisu, 2022) was modified for this investigation. Thus, the relationship is specified as follows;

$$YUNM = f(IN, DPI, GCE, CPI, \mu_t) \dots\dots\dots(3.1)$$

The econometric form is specified as follows:

$$YUM = \alpha + \beta_1IN + \beta_2DPI + \beta_3GCE + \beta_4CPI + \mu_t\dots\dots\dots (3.2)$$

Where;

- YUM = Youth Unemployment
- IN = Insecurity (measured by Global Terrorism Index)
- DPI = Domestic Private Investment
- GCE = Government Capital Expenditure
- CPI = Corruption Perception Index
- $\mu_t$  = Error Term

Variables like insecurity, domestic private investment, government capital expenditure and corruption perception index were removed and replaced with crime rate, and National terrorism index (NTI) to achieve a significant result and these are also variables that determine the level of unemployment.

The new model is stated as

$$YUNP = \beta_0 + \beta_1 NTI + \beta_2 CR + \mu_t \dots\dots\dots (3.3)$$

Where:

YUNP = youth unemployment

NTI = National Terrorism Index

CR = Crime Rate

$\beta_1$  and  $\beta_2$  = coefficients to be estimated

$\mu_t$  = Error term.

### 3.3. Sources and Type of Data

The data source for this study is secondary data from the Central Bank of Nigeria Statistical Bulletin, National Bureau of Statistics (NBS) and World Bank. The information gathered spans the years 1990 to 2020.

### 3.4. Method of Data Analysis

Secondary data for this study was provided by the National Bureau of Statistics (NBS) and the Central Bank of Nigeria (CBN). The method used to examine data from CBN and NBS E-view 9.0. Using the Ordinary Least Square method, the reliability of the data is evaluated when performing a regression analysis.

### 3.5. Technique of Data Analysis

In this research, descriptive statistics, trend analysis, unit root test, regression analysis and cointegration test. Additionally, the research will apply the regression analysis method of ordinary least squares. This method will be used since it has the BLUE qualities of best linear unbiased estimators.

The value of our coefficient of determination R<sup>2</sup> and its modified version would be used to analyse how much variation in the dependent would be explained by the independent variable. Similarly to this, the F-test would be used to determine

the model's overall significance, while the T-test would be used to determine each independent variable's significance.

### 3.6. Data Presentation, Analysis and Discussion of Result

#### 3.6.1. Data Presentation

To examine the impact of insecurity on youth unemployment, the study presents data used in estimating the model. The data were sourced mainly from the Central Bank of Nigeria (CBN) and World Development Index (WDI) publications from 1990-2020.

#### 3.6.2. Data Analysis

##### Summary Statistics

Table 1: Descriptive Summary Statistics

	UNP	NTI	CR
Mean	4.437074	166.7618	15.01678
Median	3.980000	76.32437	12.21778
Maximum	6.481000	447.4500	72.83550
Minimum	3.424000	4.206067	5.382224
Std. Dev.	1.007255	156.3596	12.57757
Skewness	1.053177	0.623842	3.792073
Kurtosis	2.411809	1.825062	17.94825
Jarque-Bera	5.380529	3.304348	316.0906
Probability	0.067863	0.191633	0.000000
Sum	119.8010	4502.568	405.4530
Sum Sq. Dev.	26.37861	635656.1	4113.079
Observations	27	27	27

Source: Author's Computation using E-views 9.0, 2023

##### Trend Analysis

Figure 1. Trend Analysis

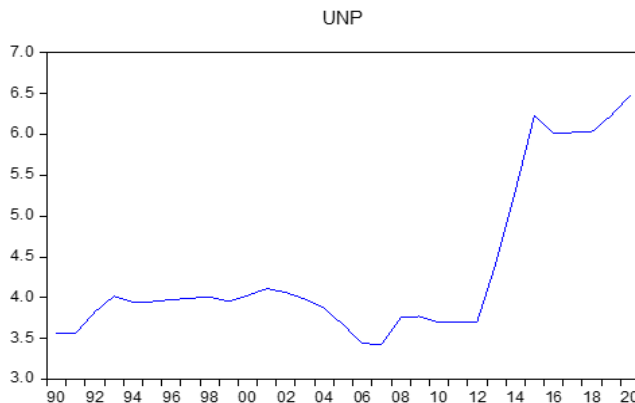


Figure 4.1 shows the trend analysis of unemployment, and the minimum value was recorded in the year 2006 while the maximum was recorded in the year 2020.

**Figure 2 Trend Analysis**

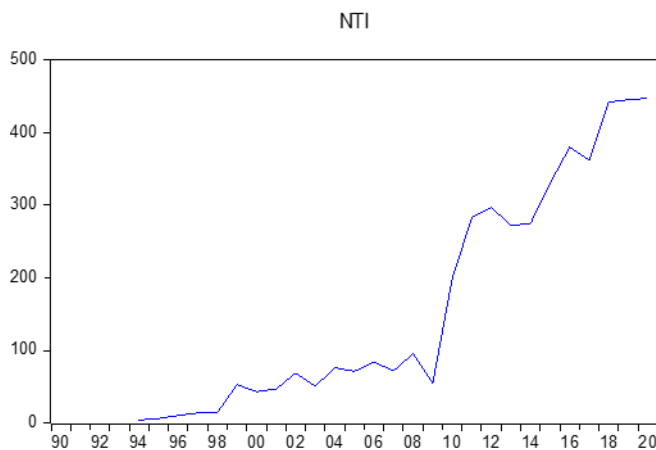


Figure 4.2 shows the trend Analysis of the national terrorism index (NTI) from 1990 to 2020. The minimum value of the national terrorism index was recorded in 1994 while the maximum value was recorded in the year 2020.

**Unit Root Test Result**

The majority of time series variables are not stationary, according to the literature. Since spurious regression cannot be utilized for exact prediction, incorporating non-stationary variables in the model may have this effect (Gujarati, 2003). To ascertain whether the variables have unit roots or not, we must first investigate the characteristics of the time series data utilized for model estimation. To do this, the Augmented Dickey-Fuller test is used.

**Table 2. Unit root test (ADF-TEST)**

Variables	ADF-Statistic	Critical value 5%	Order of integration	Interpretation
UNP	-3.038499	-2.967767	I(1)	Stationary at 1 <sup>st</sup> difference
NTI	-5.138950	-2.986225	I(1)	Stationary at 1 <sup>st</sup> difference
CR	-5.354148	-2.967767	I(1)	Stationary at 1 <sup>st</sup> difference

Source: Author’s Computation using E-views 9.0, 2023

Table 4.2 above shows the summary of the Augmented Dickey-Fuller Unit root test result. It presents the level of integration of the variables. The individual unit



root test is computed for stationarity using the Nigerian data from 1990-2020. The table indicates that all the variables are stationary at first difference.

### Regression Analysis

Each variable is incorporated in the model requirements because it passed the unit root test of stationary at the level, first difference, and second difference. At a 5% level of probability, the ADF test statistics have an absolute value larger than the critical value. Now that stationarity has been established, we may carry out the Ordinary Least Square test to see whether the regressed and the given regressor(s) have a long-term equilibrium relationship. This is the OLS result which was carried out by E-view 11 computer program.

### Cointegration Test

#### *Summary of Regression Results;*

**Table 3.**

Dependent Variable: D(UNP)  
 Method: Least Squares  
 Date: 15/05/2023 Time: 20:35  
 Sample (adjusted): 1990-2020  
 Included observations: 26 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.123645	0.068201	1.812956	0.0229
D(NTI)	0.000827	0.000328	2.524802	0.0007
D(CR)	0.005653	0.001925	2.936052	0.0000
R-squared	0.844250	Mean dependent var		0.097462
Adjusted R-squared	0.838859	S.D. dependent var		0.304087
S.E. of regression	0.309939	Akaike info criterion		0.603284
Sum squared resid	2.209429	Schwarz criterion		0.748449
Log-likelihood	4.842690	Hannan-Quinn criter.		0.645086
F-statistic	33.532434	Durbin-Watson stat		1.911303
Prob(F-statistic)	0.000038			

**Source: Author's Computation using E-views 9.0, 2023**

### 3.6.3. Interpretation of Results

follows: The intercept's value of 0.123645 indicates that, when all other factors are kept constant, the UNP will suffer a rise of 0.123645. The findings indicate that Nigeria's national terrorism index (NTI) has a positive and substantial effect on unemployment; a rise in NTI would cause an increase in UNP of 0.000827. Additionally, the findings showed that Nigeria's crime rate had a positive and

substantial effect on unemployment, with each rise in CR translating into a 0.005653 increase in UNP.  $R^2$  is the determination coefficient, and it is 84.4%. This illustrates a decent fit as the independent (explanatory) factors account for around 84.4% of the entire variance in the dependent variable UNP. The Durbin-Watson statistic score of 1.911303 indicates that the model does not include first-order positive autocorrelation. This suggests that the estimated model's predicting ability is accurate. The f-statistic has a value of 33.532434. This shows that the model's parameters are jointly important and that the model is well-specified. This suggests that the estimated model is effective for predicting and forecasting goals.

#### 4. CONCLUSION AND RECOMMENDATIONS

The effect of insecurity on young unemployment in Nigeria between 1990 and 2020 has been determined by this research. Unemployment is a significant issue that has plagued the lives of many Nigerian adolescents, leading to dissatisfaction, hopelessness, and reliance on family and friends who also have to deal with their issues. The study demonstrates that the amount of unemployment in Nigeria is significantly influenced by crime and insecurity.

Government should lower interest rates via the central bank to make loans more accessible to small company owners so they can increase employment and decrease national insecurity. Increased insecurity is a direct result of rising unemployment. To decrease insecurity, the government should increase jobs. To increase foreign direct investment and lower crime, the government should invest in its infrastructure and make doing business easier.

#### DISCLOSURE OF CONFLICT

The authors declare that they have no conflicts of interest.

#### AUTHOR(S) DETAILS

Ibrahim Musa

Economics Department

University Of Abuja

E-mail: [ibrahim.musa@uniabuja.edu.ng](mailto:ibrahim.musa@uniabuja.edu.ng)

ORCID ID: <https://orcid.org/0000-0002-7949-4298>

## REFERENCES

- Achumba, I. C., Ighomereho, O. S., and Akpor-Robaro, M. O. M. (2013). Security challenges in Nigeria and the implications for business activities and sustainable development. *Journal of Economics and sustainable development*, 4(2).
- Adamu, A. (2005). True Federalism in 21st Century Nigeria. A Lecture Delivered at the University of Jos Alumni Association, Lagos, 24th March.
- Adebakin, M. A., and Raimi, L. (2012). National security challenges and sustainable economic development: Evidence from Nigeria. *Journal of Studies in Social Sciences*, 1(1).
- Adebayo, A. A. (2013). Youths' unemployment and crime in Nigeria: A nexus and implications for national development. *International Journal of sociology and Anthropology*, 5(8), 350-357.
- Ajibola, C. F., Malomo, S. A., Fagbemi, T. N., and Aluko, R. E. (2016). Polypeptide composition and functional properties of African yam bean seed (*Sphenostylis stenocarpa*) albumin, globulin and protein concentrate. *Food Hydrocolloids*, 56, 189-200.
- Akwara, A. F., Akwara, N. F., Enwuchola, J., Adekunle, M., and Udaw, J. E. (2021). Unemployment and Poverty: Implications for National Security and Good Governance in Nigeria. *Journal of Educational Research and Policy Studies*, 1(2), 244-256.
- Ali, A. D. (2013). Security and Economic Development in Nigeria since 1960. Kuwait Chapter of Arabian Journal of Business and Management Review, 2(6), 1-7. 10. Bako, S
- Ali, H., Qingshi, W., Memon, Z. A., Baz, K. and Ali I. (2017). How Different Terrorist Attacks Affect Stock Returns Evidence from Pakistan Stock Exchange. *International Research Journal of Finance and Economics*, 163. 5.
- Aminu, U., Hamza, A. and Ali, D. (2015). The Impact of Insecurity and Poverty on Sustainable Economic Development in Nigeria. *International Journal of Humanities, Social Sciences and Education (IJHSSE)*, 2(2), 32-48.
- CBN (2020), Annual Statistical Bulletin-Central Bank of Nigeria.
- Dike, M. C. (2010). Proximate, phytochemical and nutrient compositions of some fruits, seeds and leaves of some plant species at Umudike, Nigeria. *Journal of Agricultural and Biological Science*, 5(1), 7-16.
- Ilemona, A. and Abdulkareem, A. (2018). Insecurity and Nigerian Economic Development, *Journal of Economics and Sustainable Development*, 9(18), 101-111.
- ILO. (2017). Report 1, General Report. 17th International Conference of Labour Statisticians, Geneva.
- ILO. (2022). ILOSTAT Database. Data.worldbank.org
- Jacob, D. G., Goshi, M. S., and Jonathan, I. (2019). Curbing Youth Unemployment and Insecurity in Nigeria: Vocation and Technical Education Imperative. *Journal of Humanities*

and social science, 24(2), 28-33.

Krahmann, E. (2003), Conceptualizing Security Governance, *Cooperation and Conflict*, 38(1), 5-26, DOI:10.1177/0010836703038001001.

Krahmann, E. (2003). Conceptualizing security governance. *Cooperation and conflict*, 38(1), 5-26.

Lyndsay, M. H., and Erika, F. (2013). Youth exclusive, violent, conflict and fragile states: report prepared for DFID 's equity and rights final report. 30th April.

Magaji, S., Musa, I. and Salisu, A. (2022). Impact of Insecurity on Youth Unemployment in Nigeria: Ordinary Least Square (OLS). *Indian Journal of Economics and Business Management*, 2(1), 4-9.

McDonald, I. and Solow, R. (1981), Wage Bargaining and Employment, *The American Economic Review*, 17(5), 896-908.

McGrew, D. H. (1998), The End of the World Order? Globalization and the Prospects for World Order, *Review of International Studies*, 219-243.

Monday, J. U., Akinola, G. O., Ologbenla, P., and Aladeraji, O. K. (2015). Strategic management and firm performance: A study of selected manufacturing companies in Nigeria. *European Journal of Business and Management*, 7(2), 161-171.

NBS (2020), *Labour Force Statistics*, 2021.

Nwanegbo, C. J., and Odigbo, J. (2013). Post Independence Peace Building in South Sudan: Looking Beyond Ephemeral Peace. *International Journal of Social Science Tomorrow*, 2(1), 1-10.

Obadan, M. and Odushola, A. (2018). Productivity and Employment in Nigeria, National Centre for Economic Management and Administration, DOI: 10.2139/ssrn.3101771.

Obona, E. E. and Nweke, E. N. (2018). Curbing Insecurity in Nigeria through Youths Employment and Skills Acquisition: Ebonyi State in Question. *African Journal of Politics and Administrative Studies*, 11(1), 56-67

Okafor, E. E. (2018), Youth Unemployment and Implication for Stability of Democracy in Nigeria, *Journal of Sustainable Development in Africa*, 13(1), 358-373.

Olubukola, S. A. (2013), Unemployment and Security Challenges in Nigeria. *International Journal of Humanities and Social Sciences*, 3(7), 146-156.

Omede, A. J. (2011), Analyzing the Security Challenges of the Goodluck Jonathan Administration, *Journal A-Z*, 7(5), 6-12.

Pigou, A. C. (1933), *Theory of Unemployment*. Routledge. <https://doi.org/10.4324/978020.>  
 United Nations Educational Scientific and Cultural Organization (2015). *Revised Recommendation Concerning Technical and Vocational Education*: Paris, UNESCO Press.

World Bank (1998), *World Development Report 1998/1999: Knowledge for Development*, <http://hdl.handle.net/10986/2124>.