PRODUCTIVITY AND CAPACITY BUILDING

By

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“Productivity and Capacity Building”, may not be far from the nascent realization of the primacy and centrality of humans in economic development and growth process of a nation - an aspect of the problem that falls into the mandates of my organisation – the National Manpower Board (NMB). This, no doubt, agrees with the enfolded major developmental paradigm shift to a new programme with profound global appeal and impact - investment in human capital, otherwise called capacity building. There has been series of national and international workshops and seminars on capacity building in Nigeria since the mid 1990’s which gives the impression of Nigeria’s deliberate policy and preparedness to build up its own indigenous capacity to repeat the success story of the “Asian Tigers” despite the latter’s recent economic shocks. One begins to think that the apex bank is at the helm and vanguard of this new proposition for more attention to be paid to Capacity Building as the quickest way for Nigeria to cast off its physical litemy and inability to develop. What a commendable foresight!!

It is to be taken, going by the thematic arrangement of the sessions of this Conference, that the thrust of this paper being the last and yet on the main theme of the Conference is to attempt a synthesis of the underlying ideas of the Conference. In doing this, the paper attempts not to engage in repetition or detailed discussion of core technical issues, which have presumably been creditably treated by the two preceding papers on “Concept and Measurement of Productivity “and” Capacity Building and Utilization. Rather the objective is to trace, in brief, the thread that links the issues in a manner of recapitulation.

Coming from a Federal Government human resources organisation and taking a macro stance, I view the topic; “Productivity and Capacity Building”, through the human resources lens, narrowing it (the topic) down as “Labour Productivity and Human Capacity Building”. This is because both concepts, Productivity and Capacity Building, when defined as given are very broad and all encompassing include a wide variety of other concepts depending on how one sees them. Productivity, for instance, can be defined as output per unit of input in a production process; we also talk of productive time, productive wage, productive work or engagement and so on. The same is true of capacity building; it includes
building national capacity, human capacity, engineering capacity, Social Capacity, and so on. With this little alteration **labour productivity** in this paper is being therefore defined as output per unit of labour input in a production process, given the level of (existing) technology (ILO 1999). This definition presupposes international comparability of productivity using data that are reliable over time and space, a case considered in the paper as “a mission impossible” for many developing countries such as Nigeria where for one reason or the other productivity is scarcely if ever assessed let alone keeping data on it (productivity).

Despite installed institutional arrangements, Nigeria is yet to seriously embark on generation of data on productivity, which is now considered as one of the distinguishing factor between developed, and developing countries. A perusal of the latest ILO Key Indicators of the Labour Market 1999 (not provided) shows that productivity measurement and records have been nearly the exclusive preserve of developed countries such as US, Europe, some Asian and Latin American Countries. It is bewildering as it is intriguing that a perusal of the table does not indicate any African country that has taken steps to measure and determine its labour productivity. In Nigeria, for instance, installed capacity utilisation remains the most acclaimed proxy for productivity measurement; when it varies productivity is said to vary, at other times factory performance is used. In this regard Services Sector productivity growth remains unmeasured and undetermined and therefore a national labour productivity figure is yet to emerge.

However, we have defined **Labour Productivity as Output per unit of labour input**, with the level of existing technology. When this figure rises productivity is said to increase; conversely, when the figure decreases productivity is said to decline, its constancy equally depicts static productivity.

**DETERMINANTS OF PRODUCTIVITY**

A number of factors affect productivity. Major among these are the complementing factors of production as well as technology/innovation, institutional backup, worker motivation, the quality of labour, environment, etc.

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P = f(L, L_b, K, T, M^c, W^m, I^b, E).
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**P** = Productivity.

**L** = land.

**L_b** = Labour.

**K** = Capital.

**T** = technology/innovation.

**M^c** = Managerial Competence, or

**W^m** = Worker motivation.
To discover the effect of each of the cooperating factors on productivity, we have to go into a hypothetical world where we can hold other things constant while varying each of these factors one after the other. Here, we are still relying on the theory of diminishing marginal productivity which states that if increasing amounts of a variable factor, say labour, is applied to a fixed amount of other factors (e.g. land, capital, materials etc.), given the level of technology then beyond a certain number the extra or marginal product of the variable factor begins to fall down or diminish (Todaro 1985). We discover for instance, that when all but land are held constant, a variation of the supply of land will automatically affect output per unit of labour input. The same is true of capital, managerial competence, labour quality, environment, technology/innovation or what is popularly termed, the state of arts. However, in a real world all the factors impact productivity simultaneously. In this instance, with the availability of data and the application of multiple regression analysis simultaneous percentage effect of each of the factors on labour productivity can be estimated. Due to lack of data we are unable to show the effect of these factors on our GDP the proxy for productivity in the context of this paper.

The point we are making, in other words, is that low level of labour productivity can be explained by the absence or abject lack of complementary factor inputs such as land, infrastructures, physical capital, and a whole range of other factors such as competent management or in fact by the quality of the labour input itself. The assessment of labour productivity therefore counsels analytical approach solidly supported by empirical evidence. We shall briefly examine these determinants of productivity under four headings; namely, land, capital, technology/innovation and labour.

(a) **Land, A Factor of Labour Productivity Growth**

As already noted above both quantitatively and qualitatively land can affect labour productivity. If land is identified as the limiting factor of labour productivity more arable land can be brought under cultivation to relax the land constraint. In this regard a number of forest reserves have, for this purpose, to be deforested. The quality of land can be improved through the application of manure and fertilizer, which also increases the yield per hectare. Other methods of farming that make for more yields per hectare of land such as improved seed and grain varieties have been adopted by modern farmers. New land policies that alter tenureship and ownership are devices for relaxing land constraints and improving productivity. The
Nigerian land policy, which markedly invests land ownership in Governments despite its strident criticisms, makes it possible for Government to supply land to needy farmers with little or no encumbrance!

(b) **Capital Accumulation and Labour Productivity.**

If identified low labour productivity is attributable to lack of Capital, resort can be made for the mobilization of domestic savings and foreign investment to raise the needed capital. In this instance, acquisition of new factories, equipment, and machinery will, no doubt, lead to increases in productivity and output per capita of the nation. The Nigerian Governments are committed to the attraction of foreign investments to, among others, improve the capital base of the country. However, while the yearning covers the need for further capital, installed capital such as the Liquefied Natural Gas Project. Petrochemical plants, Refineries and Iron and Steel factories, to name a few, need revamping and revitalization if our productivity is to increase.

In this consideration, these productive investments must be further complemented with equal and commensurate investment in concomitant social and economic infrastructures that give salutary effect to productivity such as roads, electricity, water, sanitation, communication for the facilitation and integration of economic activities. Road networks are needed to bring the additional product to areas of need, while electricity, water, communication, all play very dominant roles in bringing about the additional product and service arising from the new investment. Dams, irrigation facilities, bridges and road extensions to interior areas all raise product per hectares of cultivated land. Use of chemicals, fertilizers, pesticides, etc. are part and parcel of the capital package needed for enhanced productivity because their effects in raising the productivity potentialities of farm land have been acclaimed world wide.

(c) **Technology/Innovation And Productivity**

Most economists regard technology/innovation as the most important source of productivity growth. In our context technology is being seen as a new and improved ways of achieving or performing traditional tasks. Technology, as we are all already aware can be neutral, labour or capital intensive. Technology is said to be labour and capital neutral when higher output levels are achievable using the same quantity and combinations of factor inputs in a production process. Simple innovations such as re-
distribution of labour can result in higher output levels, too. On the other hand, technology may be capital intensive or labour intensive if higher levels of output are possible, with more capital or more labour. Use of simple implements such as those of cottage and small scale industries are said to be labour intensive while those such as electronic computers, automated textile looms, mechanical ploughs, tractors and even now robots display capital intensity (Todaro 1985). The relevance and consideration of technology in terms of its labour or capital intensity stems from the need of the user.

In industrialized countries where unit cost of labour is very high and expensive technology choice favours one that is capital intensive or labour saving, while in developing countries such as Nigeria where there is abundance of labour and scarcity of capital, choice of technology gravitates towards those that are labour intensive, and capital saving. There is the fourth aspect of technology called labour or capital augmentation technology. The quality or skill of labour can be augmented by the use of, for example, videotapes, televisions and other electronic communication devices while capital augmentation is said to occur when productivity can be enhanced by the use of existing capital goods for instance iron types etc can replace wooden hoes. Today hybrid products such as cassava, rice, etc that give higher yield per hactre are being developed through technological augmentation.

(d) Labour Force Growth and Labour Productivity.

Labour Force growth a concomitant of population growth stimulates economic growth and consequently productivity growth particularly when the former has not attained its optimum level. A large labour force, all things being equal, means a large population and the latter is potentially a large domestic market, and if well endowed, empowered and developed, a great international market, too. However, much depends obviously on the absorptive capacity of the economic system to productively employ the additional workers arising from the population/labour force growth. Again this will equally depend on the rate and kinds of capital accumulation and the availability of related factors such as managerial and administrative skills and competence the level of commitment of the political administration. Often, the tendency has been to assume that labour is a homogeneous factor input. In reality, it is disaggregatable into types and kinds. The problem, for instance, may be that the quantity of the particular type of labour is insufficient, e.g. the case of teachers, in the implementation
of education policy, the case of engineers and technicians, etc in the execution of our electricity power policy, or running of our tertiary institutions or doctors in the operation of our health policy. At times low labour productivity might be traceable to low quality labour input which requires beefing up through education and training and other short term training courses such as on-the-job-training, seminars, workshops, conferences, etc.

**HUMAN CAPACITY BUILDING (HCB).**

This brings us to the relationship between labour productivity and human capital development or human capacity building (HCB). HCB can be described as a deliberate effort by Government and people to provide the right number of workers, at the right areas of need and at the right time in an economy. This definition suggests a deliberate attempt to forecast and provide the labour needs and requirements of the economy over a period of years in respect of each industrial and occupational group supported with policies and programmes that guarantee their sustainability. Although, it must be appreciated that the existence of a large pool of human population does not translate automatically to a productive resource. Human beings become productive resource or human capital only when they are able and in a position to contribute meaningfully to productive economic activities. They have to be trained to become agents of production and economic activities. Without training they remain passive, potential and inactive as other factors of production. *(Hepler 1967)* likens capacity building to industrial processing by which basic ores and raw metals are converted into useful tools through molding, tempering, shaping and sharpening them for some ultimate purposes. In the same manner, human beings can be fashioned to lead useful and happy lives and contribute to societal development by the development of their characters and potential abilities through education and training conducted over a long period of years.

The enterprise of human capacity building therefore is the impartibility of knowledge and skills to human beings through education and training for productive as well as consumptive ends. Education is only one form of Investment in human beings. Others include expenditure on medical care, migration to more prosperous regions, information about job opportunities and career prospects and choice of jobs with higher training contents *(Blaug 1970)*. Capacity building from this perspective is indeed a form of investment with expected economic as well as social returns not only to the individual investor and his family but also the society at large. The economy, with time, begins to experience growth, while the beneficiary acquires the opportunity to contribute to and secure qualitative live by being able to make the right choices and command higher earnings profile.
Consequently, human development has been seen as the ultimate concern of all types of development-economic, social, cultural, political, etc. Capacity building or human capital development responds to a wide-range of questions such as what people are able to be or do, the issues longevity, health and mind development, their inalienable fundamental human rights to freedom of choice, speech, association, political, economic, social and other needs and ability to escape from avoidable diseases, malnourishment and illiteracy (HDR Nigeria 1996).

One of the remarkable attributes of enduring capacity building is the extent of its sustainability. Human Development Report (1996) maintains that sustainability of human capacity building is the essential component of the ethics of universalism of life, stressing that it is a matter of sharing development opportunities between all classes and groups of people between the rich and the poor, between the present and future generations. It is of the view that sustainability demands what it calls intra-generational and inter-generational equity (HRD Nigeria 1996).

Capacity building or HRD has other associated benefits and returns. (Umo 1995) has itemized other crucial contributions of human capital to development in general to include (i) the generalized capacity to absorb economic shocks as well as cope with the complexities of modern development; (ii) creating a corps of well informed citizenry with positive attitude to national development, (iii) providing persons for technology base needed for industrialization; (iv) building the technical expertise for efficient institutional building and economic management. He (Umo 1998b), however, posed a warning that the relationship between education and employment is not automatic; certain conditionalities have to be met. It depends on several factors including (i) the extent to which educational attributes are congruent with labour market parameters; (ii) the extent to which education is adaptable to the emerging dynamics in the labour market; (iii) the speed with which investments, hence jobs, are generated in the economy and (iv) the efficiency with which job seekers and job givers sort out their demands and expectations resulting in job offers. When any or a certain combination of the above conditions is not met, what results is the phenomenon of underutilization commonly expressed as unemployment and/or underemployment. This is a universal truth now respected and applied by all nations including African countries.

It is instructive to recall here that African Ministers in-charge of Human Resources Development (HRD) in their recently articulated African Common Position on Human and Social Development prepared for the World Summit for Social Development have underscored the need to strengthen and build human and institutional capacities to facilitate the execution of their development and social
agenda. In the same vein, the World Bank, United Nations Development Programme (UNDP), and the African Development Bank (ADB) have jointly established the African Capacity Building Foundation based in Harare to support in collaboration with the donor community, the initiatives of African Countries to build, strengthen and support their capacities in development policy and programme implementation and execution. Along the same consideration African Ministers of Economic and Social Development and Planning, chose as the theme of their Ministerial Meeting in Addis Ababa 2 – 5 May 1994 “Building Critical Capacities in Africa for Accelerated Growth and Sustainable Development”.

Here again one may wish to recall a well-attended tripartite ILO/JASPA/UNDP Regional Symposium on Capacity Building held in October 1991 at Abidjan, Cote d’Ivoire. A major recommendation of the symposium was the need to establish a network of African Specialists, research and consultancy institutions on employment promotion. Its major concern was the growing marginalisation of indigenous experts in policy and research work in the employment and other fields. It was feared that most of the advisory activities, were being largely carried out by foreign experts and officials of the international organizations and agencies, resulting in virtually all the financial resources given as technical assistance flowing back to the developed and donor countries leaving the indigenous experts undeveloped, unchallenged and unutilised (Diejomoah 1994).

**Impact of Human Capacity Building on Labour Productivity**

Human Capacity Building enhances labour productivity and the productive capacity of the economy. **Enoch Powell** asserts that economic growth is associated with higher education. Employers regard the qualification arising from capacity building, as a reliable indication of personal ability, achievement drive and perhaps docility, reasoning for instance that, a graduate must make a better salesman than a man who had never met the challenges of higher education – that higher education has not only improved his skills the degree identifies him as the better man in the society. Capacity building thus marks out the bright and energetic from the stupid and dull, making his age earnings profile curve to perpetually remain above those of his counterparts without or with lesser education. A number of explanations for this include the fact that the better educated are generally more flexible and more motivated and adapt themselves more easily to changing circumstances, benefit more from work experience and training, act with greater initiative in problem solving situations, assume supervisory responsibility more quickly and are more productive than the less educated even when their education has taught them no specific skills. They are
found to earn high income because they tend to have access to wider range of occupations and more inclined to migrate in search of jobs with higher pays. A number of studies have unmistakably identified earnings rise with additional education even when other factors likely to influence earnings such as Intelligent Quotient (I.Q), family background, social class origins, native ability, etc, etc, had been isolated. Hence higher productivity growth is associated with developed societies. Leading further to the argument that the higher the educational attainment of the labour force, the higher the concomitant productivity. This realisation has led many countries of the world - developed and developing countries alike - to embark on capacity building.

**NIGERIAN EFFORT AT CAPACITY BUILDING.**

Despite our political turmoil and other shortcomings, Nigeria has made outstanding and indeed commendable strides in capacity building. From the National Manpower Board (NMB)’s records tables I & II are constructed. Tables I & II analyze the distribution of students enrolment and outturn by type of institution and academic year between 1987/88 – 1997/98, respectively. Both tables show a continuing general growth trend at all levels of our educational system both in the number of institutions and their student’s enrolment and outturn between 1987/88 and 1998/99 periods. The number of primary schools rose from 33,796 to 41,342 and at the same time enrolment grew from 14,208,966 in 1987/88 to 16,306,456 in 1998/99. Within the same period students outturn from primary schools rose from 1,494,873 to 2,174,154. At the secondary school level the country suffered substantial reverses between 1988/89 – 1981/90 academic years as the number of schools as well as enrolment and outturn all fell in absolute terms before they rose from 1990/91 and maintained their laborious upward climb until they peaked at 6,596 in 1998/99 accounting for enrolment and outturn figures of 5,274,285 and 607,000, respectively. Colleges of education maintained their growth in number, enrolment and outturn until they, too peaked at 60, with enrolment figure of 105,416 and outturn figure of 21,147 in 1998/99 academic year.

The growth of tertiary institutions displays very intriguing features, apart from maintaining an upward growth pattern, it further shows the rates at which Nigeria was establishing these expensive institutions with little or no regard paid to quality. While the number of Universities rose from 30 in 1987/88 to 40 in 1998/99 with students enrolment growing from 158,758 in 1987/88 to 319,914 in 1998/99, within the same period outturn rose from 37,286 in 1987/88 to 61,749 in 1998/99, the Polytechnics increased from 28 in 1987/88 to 45 in 1998/99 accounting for student enrolment figure that grew from 68,675 in 1987/88 to 219,770 in 1998/99. From the tables it can be seen that their outturn figures exhibit similar pattern as
the enrolment. In the establishment of tertiary institutions within the period under reference, no effort was make to seek the opinion of NMB, which is statutorily mandated to advise the governments on their high level manpower needs! From the displayed growth pattern, Nigeria within the period under consideration was having one University and one polytechnic every two years. And has tended to enroll and produce for every one polytechnic graduate virtually two university graduates leading to what is called **inverted pyramid** in the structure of our human resources development (See figure 3). Ideally, Nigeria ought to produce for every one university graduate, three polytechnic graduates. This pattern of capacity building where we have for every polytechnic graduate two university graduates does not make for rapid development rather it impairs employment growth, accentuating skill – job mismatch that is already pandemic in the economy, among other harms.

Apart from the purely academic angle, Nigeria has made outstanding pace in the area of training and institutional support. We have noted above that Nigeria has about 40 Universities, about 6 degree awarding institutions, 45 polytechnics, and 60 Colleges of Education, Secondary schools have grown up to 6,596 and we boast of 5,274,385 primary schools. Nigeria enrolls in all our educational institutions about 22,225,841.00 students with a corresponding students outturn figure of 2,922,873.00 students yearly and releases into the labour market about three fifths of the outturn of graduates in all the educational institutions.

Purely training institutions with each specifically targeted to a particular need are equally growing in number. These include the Administrative Staff College (ASCON); the Centre for Management Development (CMD); Industrial Training Fund (ITF), National Centre for Economic Management and Administration (NCEMA); National Institute for Strategic Studies (NIPSS), etc, etc. For Administrative purposes each tier of our educational system is tied up to a governing and administrative Institution, - the National Universities Commission (NUC) in this respect caters for universities, National Board for Technical Education (NBTE) for Polytechnic and Technical Colleges, The efforts of Departmental schools of Ministries eg. Fisheries, FOS training schools at Ibadan, Enugu, etc. the Civil Service training Centres in this respect and even the policy of allocating 10% of personnel budget for on the job training of staff are to be well noted. Private sector efforts and initiatives in this consideration are worthy of note, too. Apart from building institutions such as Financial Institution Training Centre for Banking Institutions in Nigeria, (FIFT), the National Institute of Management (NIM), the private sector organisations have equally developed in-house training programmes. There is now a growing complaint of proliferation of management consulting and training outfits in the country.
There are another forms of capacity building, which are seldom considered. There is the capacity building sponsored by international development agencies, whether multilateral agencies like the UN system and individual donor countries. In large measures and almost without exception, the aid or assistance package includes capacity building, staff (HR) development, equipment and management systems. Training, whether as fellowships or study tours are usually organised in local and overseas institutions as well as local workshops, conferences and seminars (Chirnsman, 1996). Initially, this form of capacity building was focused on “operational staff” of the beneficiaries’ institutions. The concern has, however, recently shifted to include the top functionaries to expand national executive capacity (NEX) as well as the bottom, grassroots individuals and communities struggling with poverty. This has brought grassroots associations, NGOs or the civil society into partnership with Government. Notwithstanding the strident criticisms against this approach, it must be recognised as a veritable means of capacity building.

It must be observed that the current concern for human capacity building goes beyond national boundaries. In response to global challenges, human capital formation has taken on international character primarily to enhance the migration of personnel and to move with the global operations of enterprises (Verma 1997). One of the main attributes of globalization process is the ever-growing interdependence of people of the world. For the highly skilled, the global labour market is integrated – corporate executives, scientists, engineers, entertainers with high mobility and wages. But for the unskilled labour, the market is limited to national boundaries (HDR 1999). In this relationship however many people in Nigeria especially the less skilled are missing out on employment and other opportunities and are limited to local processes. A well-designed capacity building programme has the virtue of human mind development, fostering creative mind that faces up to the challenges of development, environment and peaceful coexistence in a pluralistic social set-up such as Nigeria. It needs a developed mind to appreciate and maintain a clean environment, to switch off a wasting tap water, dispose of orange and other peelings that degrade the environment to work to improve productivity to peacefully coexist with folks of differing backgrounds without coercion. Professor Aluko one of Nigeria’s foremost economist speaking on the essence of mind development at the Young African Leaders Forum held at Ogun State, is of the view that; “Development is a function of the State of the mind of the people. A people who are not ready for development cannot develop (Guardian Wed. Dec. 18, 1993). I could not agree more with him. However, Jawaharlal Nehru of India captures the very essence of mind development in respect of national economic growth and productivity in this moving statement
“the substitution of modern methods of thinking, acting, producing, distributing, and consuming for age-old, traditional practices require modernisation. According to the first Indian Prime Minister, Jawaharlal Nehru, what underdeveloped nations need is “a scientific and technological society. It employs new techniques whether it is in the farm, in the factory or in transport. Modern technique is not a matter of just getting a tool and using it. Modern technique follows modern thinking. You can’t get hold of a modern tool and have an ancient mind. It won’t work”. The quest for rationality implies that opinions about economic strategies and policies should be logically valid inferences rooted as deeply as possible in knowledge of relevant facts. Such changes are envisaged as necessary to increase labor efficiency and diligence: promote effective competition, social and economic mobility, and individual enterprise; permit greater equality of opportunities; make possible higher productivity; raise levels of living; and promote development. Included among social institutions needing change are outmoded land tenure systems, social and economic monopolies, educational and religious structures and systems of administration and planning. In the area of attitudes, the concept of “modern man” embodies such ideals as efficiency, diligence, orderliness, punctually, frugality, honesty, rationality, change-orientation, integrity and self-reliance, cooperation and willingness to take the long view”.

EMPLOYMENT AN ASPECT OF CAPACITY BUILDING AND A SOURCE OF NATIONAL PRODUCTIVITY GROWTH.

Utilization of human capital (i.e. Employment) is certainly the essence and Key enterprise of capacity building. Unutilized developed human capital is froth with great potential socio-economic hazards and danger. They constitute great potential armed robbers, fraudsters, four-one-niners’, drug users and peddlers and other anti-social deviants. In the language of the economist they increase the level of unemployment, which is rife in Nigeria. The phenomenon, which began in the 1960’s affecting only the primary school leavers, climbed to the secondary school in the 1970s and by 1980s affected the tertiary graduates. The 1990s witnessed the worsening of unemployment affecting the graduates of the three tiers of school system. Unemployment has assumed a crisis proportion in the country, resulting in generalized wastage of HR and the attendant anti-social consequences as already slated, sectoral brain drain, etc. The problem of unemployment is pronounced among the young Nigerians in the age bracket 15 – 34 years, easily cutting across the graduates of the entire school system. This problem is illustrated in Figures 1 and 2 and Table 4. The data for these illustrations are drawn from National Manpower Board’s recent study. The Study of Nigeria Labour Market Phase II: Selected Metropolitan Areas, 1998. As NMB has shown, the Nigerian Labour
Market can hardly absorb 10% annually of the graduates of the school system. This translates into a large pool of school graduates that have cumulatively been openly unemployed and/or grossly underemployed as of now. For instance, it is estimated for the tertiary graduates alone, the cumulative figure of the unemployed as at 1998 stood at about one million (Umo, 1998b).

In general, the economy is currently cumulatively saddled with over 15 million unemployed and heavily underemployed persons. The most recent NMB’s study already cited indicates that the open unemployment rate in Nigeria in 1998 stood at 17.6%. This problem of underutilization is not likely to disappear overnight, notwithstanding the current efforts of the poverty alleviation programme of the President Obasanjo’s administration, which aims at creating at least 6 million jobs in the next three years. As Table 5 shows, the expected additional jobs to be generated under present circumstances are few, compared to the magnitude of unemployment running close to 17.5%.

What accounts for such dismal utilization by way of employment? Several likely roadblocks to the employment of trained HR have already been identified above. But the practical answer lies in the disconnection between school and jobs or the disarticulation between school and work. The producers of school graduates in particular have recently become insensitive to the changing preferences of the labour markets so much that they produce unemployable graduates, a phenomenon best illustrated with the emergence of what has come to be described as inverted skill pyramid, especially among the tertiary graduates. This is illustrated in figure 3. The second form of utilization, which currently receives less attention, is underemployment. Underemployment relates to situation where full employment (utilization) is not attained. Three forms of unemployment are distinguished: time –related, skill-related and inadequate employment, which includes skill mismatch (ILO, 1998). NMB’s study attempted to measure this form of underutilization and it is hoped that the findings of the study would really insightful when published.

**THE NIGERIA ECONOMIC POLICY.**

About March 22, 2000 President Olusegun Obasanjo launched a four-year economic blueprint of his Administration. The 32-page document dubbed Nigerian Economic Policy 1999-2004 succinctly typifies the beginning and the direction of our development process as a democratic nation during the millennium. The policy envisages a 10 percent growth rate of the Gross Domestic Product by 2003 as against its 1999 rate of 2.4%. Inflation rate is billed to fall to a single digit figure its current rate of 13%; gainful employment will be provided to 70% of the labour force as against about 50% achieved in 1999; implying bringing
down the rate of unemployment not only to one digit mark but trying to achieve a full employment situation in about four years of his administration. Priority sectors such as oil and gas, agriculture and solid minerals would receive strong governmental focus and initiative such as, the prompt release of incentives designed to achieve 40% boost in domestic oil and gas activities, the policy will ensure that increases in telephone line soars up to 40% per 1000 and so on. Although highly ambitious, the plan is doable! Already poverty alleviation and job creation and employment are not only top in the Administration’s development agenda, they are already being implemented nation-wide. From the excerpts of the economic policy identified development and growth inhibitions and shortcomings are likely to be eliminated by the present Administration thus setting the economy on a free self-propelling development path.

Furthermore the point we are making here is that improvement in productivity requires more than human capacity building, it needs a whole lot of institutional, social, political, economic and other reforms, transformation and adjustments, new fiscal, credit and monetary structures, the creation or strengthening of an independent transparent, efficient and uncorrupt administrative service, mainstreaming of women and other socially vulnerable members of the society – the Youth, the aged etc to contribute to the enhancement of productivity. Attention to the creation of a healthy and vibrant workforce through appropriate advance and improvement in the health sector are all part of areas of focus if national productivity is to be improved. Some people have emphasized the need to improve on poor dietary habits, lack of essential foods and even low personal hygiene as contributory to low labour productivity. Labour productivity is a key measure of economic performance, not only for a national economy but in-fact for the different sectors of the economy. It is equally a key indicator of the quality of the human resources of a nation and indirectly of the efforts of the society to improve the quality of its workforce. Measures of productivity can be extrapolated to indicate how labour market performance affects living standards.

**CONCLUSION**

Is it possible for a poor, unhealthy, hungry and a crisis ravaged workforce to contribute substantially to National Productivity? The productivity of the Nigerian Nationhood, the built up human capacity are being ravaged by crisis, crisis and crisis. Democracy should not be equated as anarchy, nor should it be translated as an opportunity to war. The young and fledging democracy must be given the opportunity to thrive. Human Capacity of this nation must be built. And productivity must be made to increase! **Kofi Anan**, the United Nations Secretary
General has this to say “The day will come when nations will be judged not by their military or economic strength, nor by the splendour of their capital cities and public buildings, but by the well-being of their peoples: by their opportunities to earn a fair reward for their labours; by their ability to participate in the decisions that affect their lives; by the respect that is shown for their civil and political liberties; by the provision that is made for those who are vulnerable and disadvantaged; and by the protection that is afforded to the growing minds and bodies of their children”. In the face our ever growing crises, shall we as a nation be so judged when the time comes?

Thanks for your time.
REFERENCES


