# URBANIZATION AND UNEMPLOYMENT IN IKARE AKOKO, ONDO STATE, NIGERIA

#### **Abstract**

The influx of people to urban area to enhance positive survival and self fulfillment, have definite consequences at the places of destination. The paper posits that urbanization and unemployment could be understood from the perspectives of its consequences in Ikare Akoko, Ondo State, Nigeria. This study adopts both primary and secondary sources of data. The first stage in the collection of primary data involves the reconnaissance survey of the study area. Fifteen questionnaires were randomly administered in each of the identified fifteen quarters, making a total of 225 questionnaires; but on the whole 217 questionnaires were retrieved for the analysis. The paper reveals that urbanization is high, while the major causes of unemployment are urbanization, other indices of urbanization includes; infrastructural facilities, trade and commerce, political reasons as well as high birth rate. The study also reveals causes of unemployment such as socio-cultural factors, low technology, weather conditions as well as government policies The research has found out that the effect of urbanization on employment accessibility, infrastructural facilities as well as on housing is negative, while the effect of urbanization on crime rate is high. The paper also reveals that urbanization and unemployment phenomena have impacted negatively on the standard of living, while government efforts in curbing high urbanization as well as alleviating unemployment problems is inadequate. The paper however, recommended that government should sensitize the masses about family planning which will enhance birth control. Also, government should provide more employment as well as improving the infrastructural facilities in the study area.

**Key Words:** Urbanization, Unemployment, Consequences, Ikare-Akoko.

## **INTRODUCTION**

The concept of urbanization is rather arbitrary, what constitutes an 'urban' area is conceptually and practically ambiguous. Broadly speaking, urban settlements refer to a demographically large, relatively densely populated, built-up area. Urbanization today is most rapid in the relatively less developed countries of Sub-Saharan Africa and South Asia,

where overlapping processes of economic, social and environmental transformation are pushing and pulling people into urban lives and livelihoods. Urbanization is a process by which rural populations become urban residents.

The world is witnessing a rapid urbanization, especially in developing countries, where, by 2020, more than half the population is projected to be urban (United Nations, 2011). The main constituents of urbanization are the shift of an ever-increasing labour force from agriculture to the non-agricultural sector, and a change in population distribution from scattered rural areas to more compact towns or cities, often followed by a change of lifestyle (Carter 1975; King and Golledge 1978). Urbanization essentially involves a transition of labour from traditional industries to modern industries. Employment of labourers is therefore a major subject in studies of urbanization. There are two types of employment; the wage earners and the self-employed, while stability of employment are of two fold, stable wage labour and casual work (Bromley and Gerry 1979).

Urbanization is a process; and it must be noted that the movement of labourers from the agricultural to the non-agricultural sector is constrained not only by personal qualities but also by the capacity of non-agricultural industries. Thus employment is closely related to the development of the nonagricultural sector, especially industrial development. Though urbanization is the spatial consequence of economic growth, policymakers needed to realize that they must treat cities as a key site of policymaking in order to achieve the broader aims of sustainable development and inclusive growth.

One of the most important roles that cities have to play in economic development is creating more and better jobs, but unfortunately creating better jobs seems to have become secondary in the global urban agenda, even in cases where there is a clear nexus between urban services and job creation. Good jobs have been neglected in definitions of good urbanization, while urban livelihoods have become secondary to urban services. The connection between urbanization, industrialization, and the growth of formal employment is far more insubstantial in the developing world. There is varied and tenuous relationship between urbanization and job creation – particularly productive, formal employment; urbanization is treated as a one-to-one proxy for expanding economic opportunity. High birth rate coupled with unemployment and low standard of living in the rural areas led to constant influx of people to the urban areas, where opportunities, such as attractive jobs, better

education and modern life style abounds and thereby leads to the very dynamic growth process.

In the contexts of developing country, the major feature of the urban areas is the rapid change not always linked to economic activity, but driven by rapid population growth, climate change, and internal conflicts. World Bank surveys report that the factors affecting industrial enterprise in Africa includes lack of access to credit, weak infrastructure and an unskilled workforce thereby posing biggest obstacles to expansion and increased demand for labour (see Melamed, et al., 2011).

#### CONCEPTUAL ISSUES AND RELEVANT LITERATURE

There has been diverse opinion by researchers concerning the relationship between urbanization and urban employment rate. Some opined that during urbanization process, a great number of rural labour force will migrate into cities to earn higher wage (Gregory, 2016) or to find new jobs (Cai and Wang, 2010). The huge shift of labour from the countryside to cities will invariably increase the labour supply and further enhance the pressure on urban employment. The level of urbanization and unemployment portrays the level of development in any region.

There is concentration of high-skilled workers in large cities. Ultimately, both high-skilled and low-skilled workers can benefit from the expansion of cities. Urban size has a positive influence on individual employment (Liu et al. 2012). Most urban unemployment in developing countries takes the form of underemployment, in which people are obliged to undertake any available economic activity, however poorly paid and unproductive, because there are no social-safety nets and no alternatives in the form of unemployment insurance or job training for formal sector work ILO (1996).

The clustering of a country's urban population in few localities, known as urban concentration, could generate more economic growth and jobs; this is because innovation and ideas are generated as a result of concentration of people from diverse origin, profession and field of life. The new economic geography literature, for example, emphasizes how urbanization fosters economies of scale and agglomeration, which are found to propel economic growth (World Bank, 2009). But as population grew advancement in innovation and ideas will be unable to have positive impacts on employment creation, Fagbohunka (2014). It must be noted that unskilled and semi-skilled workers often make up the vast

majority of the workforce in rural towns, while semi-skilled and skilled workers dominate the workforce in the cities, as observed for example in Ethiopia and Uganda ( Christiaensen, et al. (2013). Urbanization enhances economic growth, the economic growth so generated has its pull effects on human concentration; thereby attracting more population with attendants consequences, especially unemployment problems.

## The Study Area and Methods

Ikare is a major commercial town in Ondo State, and headquarter of Akoko North East Local Government, is about 120km from Akure the State capital. It is located between latitude 4° and 5° north of the equator and longitude 3°and 4° east of the Greenwich Meridian. Ikare is bounded by Arigidi Akoko to the North and to the South by Akungba Akoko and Ogbagi-Akoko respectively. Ikare is about 100 kilometers from Akure the state capital. It has a land area of 406sqkm with undulating topography interspersed with isolated hills. It is surrounded by chains of hills including; Ale, Reje, Urere, Otado, Belu and Gudegbe which render the town as a valley.

Ikare contained several industrial base and markets which include Oja-Oba, Okore market, Osele market and Jubilee market. This commercial uniqueness has facilitated the establishment of many financial institutions such as First Bank Plc., Spring Bank, Skye Bank and Oceanic Bank among others. It must be noted that other small scale industries also abound in Ikare.

The mean temperature in Ikare area is relatively constant with mean density maximum and minimum temperature of 260c and 24°c respectively. The temperature range is 3°c. The maximum temperature fall during the wet season and gradually becoming hotter in the dry season. The two main seasons are the rainy seasons, which start in April and ends in October and the dry season which start in November and ends in March. Ikare is located within the tropical rain forest zone on firm soil which is good for agriculture and noted for the growth of palm trees and other valuable types of trees. Majority of the men are farmers while the women are mostly traders. The people specialized in both cash and food crops on large scale and subsistence level, the crops growing are kolanut, yam, cassava, cocoa, maize, melon and millet. It has a population of 700,000 inhabitants according to the 2006 national census.

This study adopts both primary and secondary sources of data. The first stage in the collection of primary data involves the reconnaissance survey of the study area. Fifteen

quarters was identified in the study area, namely: Okela, Okorun, Eshe, Odo, Ilepa, Okoja, Iku, Odeyare, Odoruwa, Okeruwa, Iyame, Igbede, Oyinmo, Ishakunme and Ekan.Fifteen copies questionnaire were randomly administered in each of the quarters, making a total of 225 questionnaires, but on the whole 217 questionnaires were retrieved for the analysis.

# **Findings**

 Table 1
 Socio-Economic Variables of the Respondents

| Gender              |                       |             |
|---------------------|-----------------------|-------------|
| Sex                 | Number of respondents | Percentages |
| Male                | 128                   | 60          |
| Female              | 89                    | 40          |
| Total               | 217                   | 100         |
| AGE (Years)         | ·                     | •           |
| < 18                | 45                    | 25          |
| 18-28               | 96                    | 46          |
| 29-39               | 39                    | 16          |
| Above 40            | 37                    | 13          |
| Total               | 217                   | 100         |
| Occupation          |                       |             |
| Farming             | 46                    | 21          |
| Trading             | 62                    | 29          |
| Civil Servant       | 49                    | 23          |
| Artisan             | 39                    | 18          |
| Others              | 21                    | 09          |
| Total               | 217                   | 100         |
| Education           |                       |             |
| No Formal education | 16                    | 07          |
| Primary education   | 49                    | 23          |
| Secondary Education | 71                    | 33          |
| Tertiary Education  | 81                    | 37          |
| Total               | 217                   | 100         |
| Religion            | <u> </u>              |             |
| Christianity        | 129                   | 29          |
| Muslim              | 79                    | 37          |
| Traditional         | 09                    | 04          |
| Total               | 217                   | 100         |

Source: Field Survey, 2018.

Table 1 shows the socio-economic variables of the respondents. Out of the 210(100%) respondents 128(60%) were males, while 89(40%) were females. Also, 96(46%) were between the age 18 and 28, whereas 37(13%) were over 40 years. Furthermore, 62(29%)

were traders, while 39(18%) were artisans. Another, 16(07%) have no formal education, while 81(37%) have tertiary education. Moreover, 129(29%) are Christians, while 79(37%) were Muslims.

Table 2 Level of Urbanization in Ikare Akoko

| <b>Urbanization Level</b> | <b>Number of Respondents</b> | Percentages |
|---------------------------|------------------------------|-------------|
| Very High                 | 78                           | 36          |
| High                      | 103                          | 47          |
| Moderate                  | 36                           | 17          |
| Total                     | 217                          | 100         |

Source: Field Survey, 2018.

Table shows the level of urbanization in Ikare Akoko. Out of 217(100%) respondents, 103(47%) agreed that urbanization is high, while 78(36%) opined low. Another, 36(17%) respondents agreed that urbanization level is moderate.

**Table 3 Causes of Urbanization** 

| Causes                     | Number of Respondents | Percentages |
|----------------------------|-----------------------|-------------|
| Employment Opportunities   | 36                    | 17          |
| Infrastructural Facilities | 52                    | 24          |
| Trade and Commerce         | 81                    | 37          |
| Political Reasons          | 14                    | 06          |
| High Birth Rate            | 34                    | 16          |
| Total                      | 217                   | 100         |

Source: Field Survey, 2018.

Table 3 depicts the causes of urbanization, 81(37%) respondents agreed trade and commerce, whereas 14(06%) opined political reasons. Also, 52(24%) believed that infrastructural facilities is the major cause of urbanization, contrary to 34(16%) respondents who opined high birth rate.

250
200
150
100

Number Respondents

Percentages

Percentages

Fig. 1 Causes of Unemployment

Source: Field Survey, 2018.

Fig. 1 shows that 67(31%) respondents believed that urbanization is the causes of unemployment, while 25(12%) respondents opined socio-cultural factor. Furthermore, 63(29%) respondents opined government policies, contrary to 46(21%) respondents who agreed that low technology is the reason for unemployment.

Table 4 Effect of Urbanization on Employment Accessibility

| Effect    | Number of Respondents | Percentages |
|-----------|-----------------------|-------------|
| Positive  | 32                    | 15          |
| Negative  | 167                   | 77          |
| No Effect | 18                    | 08          |
| Total     | 217                   | 100         |

Source: Field Survey, 2018.

Table 4 reveals that 167(77%) respondents believed that urbanization has negative impacts on employment accessibility, while 32(15%) opined positive effect. Another, 18(08%) respondents believed urbanization has no effect on employment accessibility.

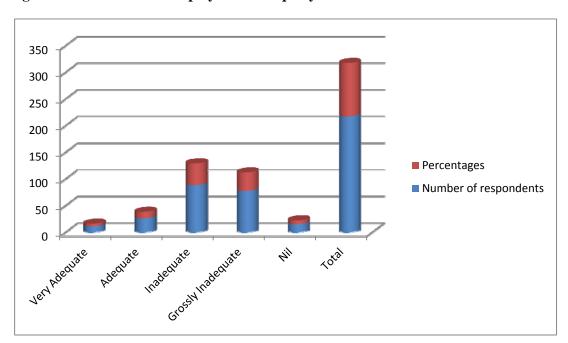


Fig. 2 Urbanization and Employment Adequacy

Source: Field Survey, 2018.

Fig. 2 reveals that 88(41%) respondents agreed that urbanization has led to inadequate employment, contrary to 11(05%) who opined very adequate. Also, 77(35%) agreed grossly inadequate, whereas 26(12%) believed that urbanization has led to adequate employment.

Table 5 Effect of Urbanization and unemployment on Housing

| Effect    | <b>Number of Respondents</b> | Percentages |
|-----------|------------------------------|-------------|
| Positive  | 88                           | 41          |
| Negative  | 122                          | 56          |
| No Effect | 07                           | 03          |
| Total     | 217                          | 100         |

Source: Field Survey, 2018.

Table 5 shows that 122(56%) respondents believed that urbanization and unemployment has impacted negatively on housing, while 88(41%) agreed positive impacts. Another, 07(03%) respondents believed that urbanization and unemployment has no effects on housing.

Table 6 Effect of Urbanization and unemployment on Crime Rate

| Effect    | Number of Respondents | Percentages |
|-----------|-----------------------|-------------|
| 77 77 1   | 7.5                   | 24          |
| Very High | 75                    | 34          |
| High      | 106                   | 49          |
| Low       | 23                    | 11          |
| Very Low  | 13                    | 06          |
| Total     | 217                   | 100         |

Source: Field Survey, 2018.

Table 6 shows the effect of urbanization and unemployment on crime rate. Out of 217(100%) respondents, 106(49%) agreed high, contrary to 13(06%) who agreed very low. Also, 75(34%) respondents opined very high, whereas 23(11%) believed that urbanization and unemployment has low effect on the rate of crime.

Table 7 Effect of Urbanization and unemployment on Infrastructural facilities

| Effect    | Number of Respondents | Percentages |
|-----------|-----------------------|-------------|
| Positive  | 74                    | 34          |
| Negative  | 137                   | 63          |
| No Effect | 06                    | 03          |
| Total     | 217                   | 100         |

Source: Field Survey, 2018.

Table 7 reveals that 137(63%) respondents believed that urbanization and unemployment has negative impacts on infrastructural facilities, contrary to 74(34%) who agreed positive effects. Also, 06(03%) believed that urbanization and unemployment has no effect on infrastructural facilities.

Table 8 Effect of Urbanization and unemployment on Economic Development

| Effect            | Number of Respondents | Percentages |
|-------------------|-----------------------|-------------|
| Very Satisfactory | 59                    | 27          |
| Satisfactory      | 45                    | 21          |
| Not satisfactory  | 96                    | 44          |
| No Effect         | 17                    | 08          |
| Total             | 100                   | 100         |

Source: Field Survey, 2018.

Table 8 depicts the effect of urbanization and unemployment on economic development. Out of 217(100%) respondents, 96(44%) opined not satisfactory, contrary to 17(08%) who believed that urbanization and unemployment has no effect on economic development. Another, 59(27%) opined very satisfactory, whereas 45(21%) agreed satisfactory.

Table 9 Notion about Government doing enough to Curb High Urbanization and Solving

## **Unemployment Problems**

| Effect             | Number of Respondents | Percentages |
|--------------------|-----------------------|-------------|
| Very Adequate      | 38                    | 18          |
| Adequate           | 26                    | 12          |
| Inadequate         | 81                    | 37          |
| Grossly Inadequate | 72                    | 33          |
| Total              | 217                   | 100         |

Source: Field Survey, 2018.

Table 9 show that 81(37%) respondents believe that government efforts in curbing high urbanization and solving unemployment problems is inadequate, whereas 26(12%)

opined adequate. Furthermore, 72(33%) respondents agreed grossly inadequate government effort, contrary to 38(18%) who believed that government effort is very adequate.

Table 10 Influence of Urbanization and Unemployment on the Standard of Living

| Effect    | Number of Respondents | Percentages |
|-----------|-----------------------|-------------|
| Positive  | 24                    | 11          |
| Negative  | 148                   | 68          |
| No Effect | 45                    | 21          |
| Total     | 217                   | 100         |

Source: Field Survey, 2018.

Table 10 shows that 148(68%) respondents believed that the urbanization and unemployment have a negative impact on the standard of living, whereas 24(11%) agreed positively. Also, 45(21%) respondents believed that urbanization and unemployment have no effect on the standard of living.

## **Summary and Conclusion**

The paper has investigated the consequences of urbanization and unemployment problems in Ikare Akoko, Ondo State, Nigeria. Urbanization has increased tremendously in most of Nigerian cities, leading to inadequate employment accessibility. Urbanization and unemployment has a lot of influence on the general socio-economic welfare of any region.

The paper reveals that urbanization is high, while the major causes of unemployment is urbanization. The research has found out that the effect of urbanization on employment accessibility, infrastructural facilities as well as on housing is negative. This lends credence to the fact that, people has to compete for the few available employment opportunities, while adequate housing became a serious problem. Inadequate housing could also make people to live in shanties which also have consequences on their health and lifestyles. Urbanization and unemployment impact negatively on infrastructural facilities, it also leads to strain on the infrastructures. The effect of urbanization on crime rate is high; this may be as a result of lack of contentment, idleness or the quest to make two ends meet.

The paper also reveals that urbanization and unemployment phenomena have impacted negatively on the standard of living, while government efforts in curbing high

urbanization as well as alleviating unemployment problems is inadequate. The research reveals unsatisfactory effects of urbanization and unemployment on economic development. The paper however, recommended that government should sensitize the masses about family planning which will enhance birth control. Also, government should provide more employment as well as improving the infrastructural facilities in the study area. Adequate security should be provided to annihilate the incessant crime.

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