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INDUSTRIALISATION POLICY AND UNEMPLOYMENT IN AKWA IBOM STATE, NIGERIA (2015–2023)

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ABSTRACT
This paper examined the link between the state's industrialisation policy and unemployment in Akwa Ibom State, Nigeria, between 2015 and 2023, a period of intensive state-driven industrialisation drive in Nigeria. This study employed a descriptive survey research design. The entire population of the Akwa Ibom State was targeted. Using the standard sample size formula for large populations, the sample size of 385 respondents was determined. The proportionate stratified sampling technique was employed, allocating the sample size across the 31 local government areas of the state, proportionate to the size of the population. The data collection instrument, comprising 20 items, was a questionnaire using a 4-point Likert scale. Key Informant Interviews were used as the supplementary data collection tool. The content validity of the questionnaire was established, while the reliability was established using the Cronbach Alpha coefficient, which was found to be 0.82. The data analysis employed the use of tables and simple percentages. The findings showed that although the number of industrial establishments had been rising in the state, their employment-generating potential had been seriously impeded by various factors, which included inadequate infrastructure, capital-intensive production patterns, a large skills gap between the labour force and industries, and inadequate access to finance for small and medium-scale industries. These factors had impeded the labour absorption mechanism of the Lewis Dual Sector Model of Industrialisation and Development, which was supposed to explain the link between industrialisation and employment creation in Nigeria. It recommended the development of infrastructure, promotion of labour-intensive industries, skills development of the labour force, and effective implementation of state policies and programmes to improve the employment-generating potential of the state's industrialisation drive.

Keywords: Industrialisation, Unemployment, Employment Generation, Dual Sector Model, Akwa Ibom State

Introduction

Industrialisation remains a central driver of economic transformation across both developed and developing economies. It contributes to increased productivity, structural change, employment generation, and improved standards of living. The industrial sector encompasses activities such as manufacturing, processing, construction, and energy production, all of which play a critical role in expanding a nation's productive capacity (Okurebia, 2018; Abdullahi, 2023). Beyond output expansion, industrialisation supports import substitution, promotes technological advancement, and strengthens linkages across sectors of the economy. Empirical evidence further suggests that sustained industrial growth enhances government revenue and creates opportunities for large-scale employment (Olusoji & Oderinde, 2022).

In Nigeria, industrialisation has remained a key policy objective since independence in 1960. Successive governments have introduced development strategies such as import substitution industrialisation, export promotion policies, and the establishment of industrial research institutions including the Federal Institute for Industrial Research and the Project Development Agency. Despite these efforts, the outcomes have been mixed. Industrial growth has been constrained by infrastructural deficits, policy inconsistency, and overdependence on primary commodity exports, limiting its capacity to generate employment and drive broad-based economic transformation (Atan & Effiong, 2020).

At the subnational level, these structural challenges are more pronounced. Akwa Ibom State presents a clear example of an economy historically dominated by oil and gas, with limited diversification into manufacturing and other industrial activities. Prior to 2015, the state's industrial base was relatively weak, characterised by inadequate infrastructure, low industrial capacity, and limited opportunities for labour absorption. Economic activities were largely concentrated in extractive industries and subsistence agriculture, both of which provided insufficient employment for the growing population (Ojo, 2020; Nwankwo et al., 2021).

In response, the state government between 2015 and 2023 prioritised industrialisation as a development strategy, establishing several agro-based and manufacturing industries aimed at stimulating economic activity and reducing unemployment. These initiatives represented a deliberate effort to diversify the state's economy and strengthen its industrial base (Afolabi, 2020; Onyekakeya, 2023). However, despite these interventions, unemployment has remained persistently high, raising concerns about the extent to which industrial expansion has translated into meaningful employment opportunities. Existing evidence also points to structural issues such as skills mismatch and weak alignment between industrial demands and labour market capabilities (National Bureau of Statistics, 2021; Etim & Otu, 2020; Akpan & Adekoya, 2020).

While previous studies have examined industrialisation and unemployment in Nigeria broadly, limited empirical attention has been given to how recent state-level industrial policies—particularly in Akwa Ibom State—have influenced employment outcomes. This creates a gap in the literature regarding the effectiveness of subnational industrialisation strategies in addressing unemployment. Against this background, this study examines the level of industrialisation in Akwa Ibom State and evaluates the impact of industrialisation policies on employment generation within the state.

Statement of the Problem

Unemployment remains a persistent development challenge in Nigeria, with national labour force data indicating high levels of joblessness and underemployment (National Bureau of Statistics, 2021). However, available evidence suggests that the situation is particularly severe in Akwa Ibom State, where unemployment rates have consistently ranked among the highest in the country. This raises serious concerns about the effectiveness of economic and industrial policies at

the state level, especially given the expectation that industrialisation should stimulate job creation and absorb surplus labour. The persistence of high unemployment in the presence of industrial initiatives suggests a structural weakness in the link between industrial growth and employment generation.

The problem is further compounded by a clear policy paradox. Prior to 2015, Akwa Ibom State had a weak industrial base, heavily dependent on oil revenue and public sector employment, with limited capacity to absorb the expanding labour force. In response, the state government implemented an aggressive industrialisation drive between 2015 and 2023, establishing multiple agro-based and manufacturing industries. Despite these efforts, unemployment has remained high, indicating that industrial expansion has not translated into meaningful employment outcomes. Existing studies largely focus on national trends and provide limited empirical evidence on how state-level industrialisation policies affect employment. This creates a gap in understanding the actual impact of these interventions in Akwa Ibom State, which this study seeks to address.

Research Questions

This study seeks to answer the following research questions:

i. What was the level of industrialisation in Akwa Ibom State prior to the 2015–2023 administration?

ii. What is the impact of industrialisation policy on employment generation in Akwa Ibom State during the period under review?

iii. What factors have constrained the ability of industrialisation to translate into employment generation in Akwa Ibom State?

Objectives of the Study

The main objective of this study is to examine industrialisation and unemployment in Akwa Ibom State. The specific objectives are to:

i. Examine the level of industrialisation in Akwa Ibom State prior to the 2015–2023 administration.

ii. Evaluate the impact of industrialisation policy on employment generation in Akwa Ibom State during the period under review.

iii. Identify the key factors limiting the effectiveness of industrialisation in generating employment in Akwa Ibom State.

Conceptual Review and Theoretical Framework

Industrialisation

Industrialisation is widely recognised as a central driver of economic development, but its meaning varies across different strands of literature. Broadly, existing scholarship can be grouped into three perspectives: output-based views, structural transformation approaches, and institutional-policy explanations. These perspectives differ in emphasis but collectively shape a more comprehensive understanding of industrialisation.

The output-based perspective defines industrialisation primarily in terms of production capacity and manufacturing expansion. For instance, Anyanwu et al. (1997) conceptualise industrialisation as the process of transforming raw materials into finished and intermediate goods, highlighting the roles of labour, capital, and technology. Ekpo (2005) extends this view by incorporating social overhead capital such as infrastructure and public services, thereby linking production to supporting economic structures. While these contributions are useful in explaining how industrial output expands, they are limited by their narrow focus on production. They pay insufficient attention to how institutions, policy environments, and technological learning shape industrial outcomes. As a result, this perspective alone cannot adequately explain variations in industrial performance across regions.

In contrast, the structural transformation perspective views industrialisation as a broader process of economic and social change. Scholars such as Hewitt, Johnson, and Wield (2002) and Chenery (1960) argue that industrialisation involves a shift from agriculture to manufacturing, accompanied by changes in labour allocation, consumption patterns, and urbanisation. This approach is more analytically robust because it situates industrialisation within long-term development dynamics rather than treating it as an isolated increase in output. However, its major limitation lies in its tendency to assume a linear and universal development path, which does not always reflect the realities of developing economies where multiple sectors coexist and transformation is uneven.

A third perspective emphasises the role of institutions, policy, and strategic intervention in shaping industrialisation outcomes. Amsden (1989) and Chang (2002) argue that successful industrialisation in late-developing countries is not driven by market forces alone but by deliberate state intervention, technological learning, and protection of domestic industries. This view shifts attention from "what industrialisation is" to "how it occurs," highlighting the importance of governance, policy consistency, and institutional capacity. While this perspective provides a more realistic explanation of industrial development in practice, its applicability is often constrained by differences in state capacity across countries. Not all governments possess the administrative strength required to implement such strategies effectively.

Within these perspectives, the theoretical contribution of Lewis (1954) provides a critical bridge between industrialisation and employment. The Dual Sector Model explains industrialisation as a process of labour transfer from a low-productivity traditional sector to a high-productivity industrial sector. Its strength lies in explicitly linking industrial growth to employment generation, making it particularly relevant for developing economies. However, its assumptions—such as surplus labour and automatic reinvestment of profits—have been widely criticised as unrealistic, especially in contexts where industrial growth is capital-intensive and labour absorption is limited.

Drawing from these perspectives, this study adopts a composite view of industrialisation as a process that involves not only the expansion of manufacturing output but also structural transformation and policy-driven institutional support. This integrated approach is more suitable because it captures the realities of Akwa Ibom State, where industrialisation is shaped not just by production capacity but also by infrastructural conditions, policy frameworks, and the ability of industries to generate employment.

Unemployment

Unemployment remains a central concern in both labour economics and development studies because it reflects the underutilisation of human resources and signals weaknesses in an economy's capacity to generate productive employment. At its core, unemployment describes a situation in which individuals who are willing and able to work are unable to secure jobs. However, the concept has been approached from different analytical perspectives, each highlighting distinct dimensions of the problem.

The institutional perspective, as reflected in the definition by the International Labour Organization (ILO, 1982), describes unemployment as a condition in which individuals are without work, available for work, and actively seeking employment within a specified period. This definition is widely adopted because it provides clear measurement criteria and allows for comparability across countries. Its strength lies in its precision and applicability in empirical research. However, it tends to exclude discouraged workers and those engaged in informal or irregular activities, which are common in developing economies such as Nigeria.

In contrast, the labour market perspective, represented by Briggs (1973), conceptualises unemployment as a disequilibrium between labour supply and labour demand at prevailing wage levels. This approach is analytically useful because it explains unemployment in terms of structural imbalances within the economy, such as skills mismatch, wage rigidity, and limited industrial capacity. Unlike the institutional definition, it goes beyond measurement to provide causal insight. However, it may oversimplify unemployment by assuming relatively efficient labour markets, which is rarely the case in developing contexts characterised by informality and institutional constraints.

A broader development-oriented perspective links unemployment to structural inefficiencies in the economy. In this view, unemployment arises not only from job scarcity but also from the inability of the economy to effectively utilise available human resources. This perspective is particularly relevant to developing countries, where unemployment often coexists with underemployment and disguised labour in low-productivity sectors. It highlights that unemployment is not merely a labour market issue but a reflection of deeper structural problems, including weak industrialisation and limited economic diversification.

These perspectives converge on a key point: unemployment in developing economies is multidimensional and cannot be fully explained by a single definition. For the purpose of this study, unemployment is understood as the condition in which individuals who are willing and able to work are unable to obtain productive and gainful employment within the formal or modern sector of the economy. This working definition is adopted because it aligns with the study's focus on industrialisation and its expected role in absorbing labour and reducing joblessness.

The implications of unemployment are both economic and social. Economically, unemployment leads to loss of output and reduced national income, as idle labour represents foregone productive capacity (Lipsey, 1963). Socially, it contributes to poverty, inequality, and instability, particularly in contexts with limited social protection systems (Adebayo, 1999). These effects reinforce the importance of employment generation as a central objective of development policy. Furthermore, the relationship between unemployment and economic performance is captured in Okun's Law, which suggests that rising unemployment is associated with a decline in output. This underscores the dual role of unemployment as both a symptom and a cause of weak economic growth.

The literature indicates that unemployment is not simply the absence of jobs but a structural challenge linked to the nature of economic development. This makes it particularly relevant to examine how industrialisation—expected to expand productive employment—actually performs in practice, especially in contexts such as Akwa Ibom State.

Industrialisation and Unemployment in Nigeria

Empirical studies on industrialisation and unemployment in Nigeria reveal a consistent concern: while industrial development is theoretically expected to generate employment, its actual impact has been uneven and often limited. However, rather than treating this as a uniform conclusion, the literature can be better understood across three phases—early structural studies, reform-era analyses, and recent empirical investigations—each offering distinct insights.

Early studies (1970s–1990s) focused on the structural limitations of Nigeria's industrial base. For instance, Diejomaoh and Orimalade (1971) observed that the modern industrial sector was too small to absorb the expanding labour force, highlighting a narrow industrial structure. Similarly, Fashoyin (1980) argued that industrial growth was largely capital-intensive and spatially concentrated, thereby limiting its employment-generating capacity. These studies differ in emphasis—scale versus structure—but converge on a key point: early industrialisation in Nigeria lacked the breadth and labour absorption needed to reduce unemployment. This suggests that the

problem was not merely the absence of industry, but the nature and composition of industrial growth.

The reform-era literature (2000s) shifted attention to macroeconomic constraints and policy inefficiencies. Nnanna (2001) and Obadan and Odusola (2001) linked unemployment to weak manufacturing performance, attributing this to infrastructural deficits, policy inconsistency, and low technological capacity. In contrast, Anyanwu (2003) acknowledged the employment potential of industrialisation but stressed that poor policy coordination and import dependence undermined outcomes. What distinguishes this phase is its stronger focus on institutional and policy variables rather than purely structural issues. The implication is that even where industrial expansion occurred, the enabling environment was insufficient to translate growth into jobs.

More recent empirical studies (2010s–present) adopt quantitative approaches and provide more nuanced findings. Onakoya, Fasanya, and Babalola (2012), as well as Adeola and Ikpesu (2016), found that industrial output contributes positively to economic growth but has a weak or insignificant effect on unemployment. In contrast, Adofu and Ocheja (2013) identified a negative relationship between industrialisation and unemployment, although the magnitude was small. Meanwhile, studies such as Alege and Ogundipe (2013) and Egwakhe, Akinlabi, and Magaji (2018) emphasise mediating factors—such as energy supply, finance, and capacity utilisation—arguing that industrialisation only reduces unemployment when supported by these conditions. Unlike earlier studies, this body of work highlights that the relationship between industrialisation and employment is conditional, not automatic.

Across these phases, a clear pattern emerges: industrialisation in Nigeria has consistently underperformed in terms of employment generation, but for evolving reasons—ranging from structural weaknesses to policy failures and, more recently, institutional and operational constraints. What the literature does not sufficiently address, however, is how these dynamics play out at the subnational level, particularly in states that have recently pursued aggressive industrialisation strategies.

This study fills that gap by examining the specific case of Akwa Ibom State, assessing both the pre-2015 industrial baseline and the employment effects of industrialisation policies implemented between 2015 and 2023.

Theoretical framework

The theoretical foundation of this study is anchored on the Dual Sector Model propounded by Arthur Lewis in 1954. The model provides a foundational explanation of economic development in developing countries through the interaction of two distinct sectors: the traditional (subsistence) sector and the modern (industrial) sector. The traditional sector, largely agrarian, is characterised by low productivity, low income, and the existence of surplus labour, while the modern sector is driven by industrial activities, higher productivity, and better wages. The model assumes that there is an unlimited supply of labour in the traditional sector, meaning that workers can be withdrawn from agriculture without reducing total output due to disguised unemployment. It further assumes a wage differential between the two sectors, with industrial wages set higher to attract labour, and that profits generated in the industrial sector are continuously reinvested to expand production and employment. Labour is also assumed to be mobile, allowing for a smooth transition from rural to urban areas, while real wages in the industrial sector remain constant until surplus labour is exhausted.

The central thrust of the model is that economic growth and development occur through the gradual transfer of labour from the low-productivity traditional sector to the high-productivity industrial sector. As industries expand, they absorb surplus labour, leading to increased employment, higher incomes, and capital accumulation. This process continues until the economy

reaches the "turning point," after which wages begin to rise. Industrialisation is therefore conceptualised as the engine of structural transformation and employment generation.

Despite its analytical strength, the model has been widely criticised for its restrictive assumptions. First, the notion of surplus labour in the traditional sector is often unrealistic, as rural labour may still be productively engaged, and its withdrawal can reduce agricultural output. Second, the assumption of free labour mobility overlooks real-world constraints such as migration costs, social ties, and institutional barriers. Third, the model fails to account for urban unemployment, as many migrants are not absorbed into the industrial sector but instead enter informal or underemployed activities. Additionally, the assumption that industrial profits are consistently reinvested is weak in developing economies, where capital flight and consumption-driven expenditure are common. Finally, the model does not adequately incorporate contemporary dynamics such as globalisation, technological change, and governance challenges, all of which shape industrial performance. These limitations suggest that the model, while elegant, may oversimplify the complexities of modern developing economies.

Notwithstanding these limitations, the Dual Sector Model remains relevant for analysing the relationship between industrialisation and unemployment in Akwa Ibom State. Prior to 2015, the state's economy was largely dependent on primary activities, particularly agriculture and oil production, reflecting the characteristics of the traditional sector. The industrialisation drive implemented between 2015 and 2023 represents an attempt to expand the modern sector through the establishment of manufacturing and processing industries. In line with the model, such expansion should facilitate labour transfer from low-productivity activities into more productive industrial employment. However, the persistence of high unemployment suggests that this transition has been incomplete. This indicates constraints in the absorptive capacity of the industrial sector, likely driven by factors such as skills mismatch, infrastructural deficits, and the capital-intensive nature of new industries. Therefore, while the model provides a useful theoretical lens, its assumptions must be applied with caution, reinforcing the need for empirical investigation in the specific context of the state.

Methodology

Research Design

Research design refers to the overall strategy that guides the collection and analysis of data in a study, ensuring alignment between research objectives, data sources, and methods of analysis. It provides the framework through which the research problem is systematically investigated.

This study adopts a descriptive survey research design. The descriptive component is used to provide a structured account of the level of industrialisation and the pattern of unemployment in Akwa Ibom State without manipulating any variables. The survey approach enables the researchers to collect data on the opinions, experiences, and perceptions of respondents regarding industrial activities and employment conditions within the state.

The choice of a descriptive survey design is informed by the nature of the study, which seeks to examine existing conditions and assess perceived relationships between industrialisation policies and employment outcomes. It allows for the collection of primary data from a relatively large population, making it suitable for capturing diverse perspectives across different groups.

Population of the Study

According to Creswell (2018), a research population refers to the group of individuals to whom the findings of a study are intended to be generalised. In this study, the population comprises all residents of Akwa Ibom State, rather than only industrial workers. This is because the study

examines the broader relationship between industrialisation and unemployment, which affects the general population and not exclusively those currently employed in industries.

The total population of the state is approximately 5,500,000 people.

Table 1: Local Government Areas in Akwa Ibom State and Population

S/N	Local Government Area	Population
1	Abak	177,500
2	Eastern Obolo	76,500
3	Eket	220,600
4	Esit-Eket	80,900
5	Essien Udim	246,600
6	Etim-Ekpo	135,200
7	Etinan	215,600
8	Ibeno	95,500
9	Ibesikpo-Asutan	175,000
10	Ibiono-Ibom	240,700
11	Ika	92,900
12	Ikono	168,000
13	Ikot Abasi	169,200
14	Ikot Ekpene	180,500
15	Ini	126,400
16	Itu	163,200
17	Mbo	130,400
18	Mkpat-Enin	226,200
19	Nsit Atai	93,700
20	Nsit Ibom	137,900
21	Nsit Ubium	162,200
22	Obot Akara	188,000
23	Okobo	131,100
24	Onna	157,200
25	Oron	156,461
26	Oruk Anam	219,300
27	Ukanafun	160,100
28	Udung-Uko	67,700
29	Uruan	164,000
30	Urue-Offong/Oruko	90,300
31	Uyo	139,300

Source: Akwa Ibom State Government

Sample Size and Sampling Technique

To determine the sample size from a population of 5,500,000 residents in Akwa Ibom State, the study adopted the standard sample size formula for large populations: thus:

$$n = \frac{(Z^2 \times p \times q \times N)}{(e^2 \times (N-1) + Z^2 \times p \times q)}$$

Where:

n = Sample size
Z = Z-score corresponding to the desired confidence level (95% = 1.96)
P = proportion of population (0.5 for maximum variability)
q = 1 – p (0.5)
N = population size (5,500,000)
e = margin of error (0.05)

thus:

$$n = \frac{(1.96)2\times0.5\times0.5\times5,500,00}{(0.05)^2\times(5,500,000-1)+(1.96)^2\times0.5\times0.5}$$

$$n = \frac{3.8416\times0.25\times5,500,000}{0.0025\times5,499,999+0.9604}$$

$$n = \frac{5,282,200}{13,749.9975+0.9604}$$

$$n = \frac{5,282,200}{13,750.9579}$$

n = 384.16

Rounded up to ensure representativeness:

n = 385.

Sampling Technique

This study adopts proportionate stratified sampling as the primary sampling technique. Each Local Government Area (LGA) in Akwa Ibom State constitutes a stratum, and the sample size (385) is distributed across the LGAs in proportion to their population sizes. This ensures that all parts of the state are adequately represented in the study.

Within each stratum, respondents are selected using random procedures. However, the overall sampling design remains proportionate stratified sampling, not simple random sampling. This distinction is important because the representativeness of the study depends on proportional allocation across LGAs rather than treating the entire population as a single undifferentiated group.

Method of Data Collection

A total of 385 questionnaires were distributed to citizens across Akwa Ibom State. The questionnaire was the primary instrument used for data collection. It consisted of 20 items, each measured on a four-point Likert scale: Strongly Agree, Agree, Disagree, and Strongly Disagree. The questionnaire was designed to capture respondents' perceptions, experiences, and attitudes regarding industrialisation and unemployment in the state.

In addition, Key Informant Interviews (KII) were used as a supplementary source of data to provide context and deeper insight into the patterns observed in the questionnaire responses. The KII involved discussions with selected officials and industry stakeholders. The insights from these interviews were used to support and interpret the questionnaire findings.

Sources of Data Collection

The study made use of both primary and secondary sources of data collection in order to ensure the reliability of the information resulting from the research.

Primary Source

Key Informant Interview (KII) was the major source of data supported with closed ended Questionnaire.

Secondary source

The secondary sources data collection comprised published texts, journals, newspapers/magazines, government publications/reports and the internet.

Validity and Reliability

Validity refers to the degree to which a research instrument accurately measures what it is intended to measure. For this study, content validity was ensured by having the questionnaire reviewed by three experts in industrial economics and labour studies. Their feedback helped refine the questions to ensure clarity, relevance, and alignment with the study objectives. Additionally, a pilot test was conducted with 20 respondents outside the main sample to confirm that the items were understandable and effectively captured information about industrialisation and unemployment in Akwa Ibom State.

Reliability refers to the consistency and stability of the instrument in measuring the intended constructs. To test reliability, the questionnaire responses from the pilot study were analyzed using Cronbach's Alpha, which measures internal consistency. The pilot test yielded a Cronbach's Alpha coefficient of 0.82, indicating a high level of reliability. This confirms that the instrument is consistent in capturing respondents' perceptions and experiences related to industrialisation and unemployment.

Methods of Data Analysis

The data collected from the questionnaires were analysed using tables and simple percentages to summarize and present the responses clearly. This approach allowed the researchers to identify trends, patterns, and the distribution of opinions across respondents. The analysis focused on validating the basic assumptions of the study, particularly the relationship between industrialisation and unemployment in Akwa Ibom State.

Data Presentation and Analysis

This chapter presents and analyses the data collected from the field. The responses from the administered questionnaires are summarized using tables and percentages to provide clear insights into the respondents' views on industrialisation and unemployment in Akwa Ibom State. Hypothesis testing and Pearson Product-Moment Correlation were not applied in this study, as no formal hypotheses were stated.

Analysis of Demographic Data

A total of 385 questionnaires were distributed to respondents across the state, and 380 valid copies were returned, representing a response rate of 98.7%. The breakdown of respondents by demographic characteristics is presented in the tables below.

Table 2: Demographic Characteristics of Respondents

Characteristics	Frequency (N=380)	Percentage (%)
Sex		
Male	205	53.95
Female	175	46.05
Total	**380**	**100**
Age (Years)		
18–23	76	20
24–29	152	40

30–35	97	25.53
36 and Above	55	14.47
Total	**380**	**100**
Educational Qualification		
SSCE	38	10
OND/HND	134	35.50
B. Sc.	191	50.26
M. Sc. and Above	17	4.47
Total	**380**	**100**

Source: Fieldwork, 2026

The demographic profile on the table 2 above shows a slightly higher proportion of male respondents (53.95%) than female (46.05%). The majority of respondents are young adults aged 24–29 years (40%), followed by 30–35 years (25.53%), 18–23 years (20%), and 36 years and above (14.47%). Regarding education, most respondents hold a B. Sc. degree (50.26%), with OND/HND at 35.50%, SSCE at 10%, and M. Sc. or higher at 4.47%. Overall, the sample is fairly balanced in gender, predominantly young, and highly educated, providing a suitable basis for assessing industrialisation and unemployment issues in Akwa Ibom State.

Analysis of Research Question i.

Table 3: Level of Industrialisation in Akwa Ibom State Prior to the 2015–2023 Administration

s/n	Items	SA	A	D	SD	Total
1	New industries in Akwa Ibom State struggled with environmental regulation	103	139	98	40	380
2	Government agencies in Akwa Ibom State were responsive to industry needs	120	152	80	28	380
3	Industrial growth in Akwa Ibom State was slow due to poor transportation infrastructure.	155	189	31	5	380
4	The Udom Administration's policies encourage public-private partnerships in industry	116	195	51	18	380
5	Challenges faced by new industries hindered economic diversification in Akwa Ibom State	140	217	19	4	380

Key: SA = Strongly Agree; A = Agree; D = Disagree; SD = Strongly Disagree

Source: Field Survey, 2026

Table 3 shows that prior to 2015, industrialisation in Akwa Ibom State faced several challenges. Regarding environmental regulation, 27.1% strongly agreed that new industries struggled, 36.6% agreed, 25.8% disagreed, and 10.5% strongly disagreed. On the responsiveness of government agencies, 31.6% strongly agreed, 40% agreed, 27.1% disagreed, and 7.4% strongly disagreed that agencies adequately supported industries. Transportation infrastructure was identified as a major constraint, with 40.8% strongly agreeing and 49.7% agreeing that industrial growth was slowed by poor roads and logistics. Concerning public-private partnerships, 30.52% strongly agreed and 51.32% agreed that Udom Administration policies encouraged collaboration, although 13.42% disagreed and 4.74% strongly disagreed. Finally, regarding economic diversification, 36.8%

strongly agreed and 57.1% agreed that challenges faced by new industries hindered diversification, with only 5% disagreeing and 1.1% strongly disagreeing.

The data indicates that prior to the 2015–2023 administration, Akwa Ibom State's industrial sector was constrained by environmental, infrastructural, and institutional challenges. While some government policies encouraged industrial development and public-private partnerships, these were insufficient to overcome existing bottlenecks.

Interview responses further support these findings:

- *"Before 2015, most industries struggled to meet environmental standards due to lack of guidance and support from relevant agencies."*
- *"Transportation and power supply were major hurdles for industrial growth, especially for manufacturing and processing firms."*
- *"The government made efforts to involve the private sector, but the impact was limited until after 2015."*
- *"Many small industries could not survive, which affected economic diversification and job creation."*

Analysis of Research Question ii.

Table 4: What is the impact of industrialisation policy on employment generation in Akwa Ibom State during the period under review?

S/N	Statements	SA	A	D	SD	Total
6	There is an industrial establishment in Akwa Ibom State	101	120	93	66	380
7	The establishment of industries/industrialisation has brought about a reduction in unemployment in Akwa Ibom State	25	44	169	142	380
8	Efforts toward industrialisation have led to increased employment opportunities in Akwa Ibom State	78	96	109	97	380
9	The growth of industry in Akwa Ibom State has led to job creation	47	71	154	108	380
10	I believe employment opportunities in Akwa Ibom will improve with the establishment of more industries in the coming years	105	118	81	76	380

Key: SA: Strongly Agree; A: Agree; D: Disagree; SD: Strongly Disagree

Source: Field Survey, 2025

Table 4 reveals that 26.6% of respondents strongly agreed that there is an industrial establishment in Akwa Ibom State, 31.6% agreed, 24.5% disagreed, while 17.3% strongly disagreed. For item two, only 6.5% strongly agreed and 11.5% agreed that the establishment of industries/industrialisation has brought about a reduction in unemployment, while 44.7% disagreed, and 37.3% strongly disagreed. Item three shows that 20.5% of respondents strongly agreed and 25.3% agreed that efforts toward industrialisation have led to increased employment opportunities, while 28.7% disagreed and 25.5% strongly disagreed. For item four, 12.3% strongly agreed and 18.6% agreed that the growth of industry has led to job creation, while 40.5% disagreed, and 28.42% strongly disagreed. Finally, for item five, 27.6% of respondents strongly agreed and 31.1% agreed that employment opportunities will improve with the establishment of more industries, 21.3% disagreed, and 20% strongly disagreed. The findings indicate that while industrial establishments are recognized in Akwa Ibom State, their impact on reducing unemployment and creating jobs is perceived as limited. Respondents show cautious optimism for future industrialisation initiatives, but the current industrialisation policies under review have not significantly addressed employment challenges.

Interview responses indicated that while industrial establishments exist, most are underutilized and capital-intensive, leading to limited reduction in unemployment. Respondents noted that small-scale industries have provided some jobs, but not enough to significantly impact the labour market. There was cautious optimism that future industrialisation projects could create more meaningful employment if well supported by government policies and infrastructure.

Analysis of Research Question iii

Table 5: What factors have constrained the ability of industrialisation to translate into employment generation in Akwa Ibom State?

S/N	Statements	SA	A	D	SD	Total
11.	Inadequate industrial infrastructure limits job creation	165	138	53	24	380
12.	Capital-intensive production methods reduce labour absorption	152	144	56	28	380
13.	Skills mismatch among the workforce hinders employment	130	170	60	20	380
14.	Poor government policy implementation constrains industrial growth	145	160	55	20	380
15.	Limited access to finance for small and medium enterprises affects job creation	140	155	60	25	380

Key: SA: Strongly Agree; A: Agree; D: Disagree; SD: Strongly Disagree.

Source: **Field Survey, 2025.**

Table 4.4 shows that 82.6% of respondents (165 strongly agree + 138 agree) agreed that inadequate industrial infrastructure limits job creation, while 20.5% (53 disagree + 24 strongly disagree) felt otherwise. This highlights infrastructure as a major constraint. Regarding capital-intensive production methods, 78.9% (152 strongly agree + 144 agree) believe these methods reduce labour absorption, compared to 84 respondents (56 disagree + 28 strongly disagree) who disagreed. This indicates that mechanized, capital-heavy processes restrict employment opportunities. On workforce skills, 81.1% of respondents (130 strongly agree + 170 agree) agreed that skills mismatch hinders employment, while 80 respondents (60 disagree + 20 strongly disagree) disagreed. This underscores the need for skills development and training aligned with industry requirements. For government policy, 81.6% (145 strongly agree + 160 agree) indicated that poor implementation constrains industrial growth, while 75 respondents (55 disagree + 20 strongly disagree) held an opposing view. This demonstrates that policy gaps continue to limit industrialisation's employment potential. Finally, 78.9% (140 strongly agree + 155 agree) of respondents agreed that limited access to finance for small and medium enterprises affects job creation, whereas 85 respondents (60 disagree + 25 strongly disagree) disagreed. This highlights financing as a critical barrier for expanding labour-intensive industries. The data reveal that structural, financial, and skill-related constraints prevent industrialisation from generating the expected level of employment.

Interview responses support these findings, with respondents emphasizing that poor infrastructure, inadequate policy support, and capital-intensive practices are the main reasons industries have not created sufficient jobs. Many respondents also noted that training and financing constraints prevent small enterprises from scaling up and absorbing more workers.

Discussion of Findings

The findings of this study reveal several critical factors constraining the ability of industrialisation in Akwa Ibom State to generate employment, aligning closely with both theoretical expectations and prior empirical research. The study shows that inadequate industrial infrastructure significantly limits job creation. This supports earlier work by Onakoya, Fasanya,

and Babalola (2012) and Egwakhe, Akinlabi, and Magaji (2018), who observed that deficits in transport, power, and logistics reduce industries' capacity to absorb labour. According to the Dual Sector Model (Lewis, 1954), industrial expansion should facilitate the movement of labour from traditional to modern sectors; however, infrastructural bottlenecks hinder this expected transition, highlighting a practical limitation in the context of Akwa Ibom State.

The prevalence of capital-intensive production methods further constrains employment. Industries adopting mechanised, capital-heavy production absorb fewer workers, confirming Fashoyin's (1980) observation that early Nigerian industrialisation favored mechanisation over employment generation. Anyanwu (2003) similarly noted that industrial growth does not automatically translate into jobs when production processes are capital-intensive. In Akwa Ibom, this pattern explains why unemployment persists despite industrial expansion, providing empirical support at the state level.

A skills mismatch among the workforce also emerges as a significant barrier. Many respondents indicated that available labour lacks the skills required by local industries. This finding aligns with structural unemployment theories (Briggs, 1973) and is supported by empirical studies such as Adofu and Ocheja (2013) and Adeola and Ikpesu (2016), which highlight the role of workforce skills in effective industrial labour absorption. Addressing this gap through vocational training and human capital development is crucial for enhancing the employment impact of industrialisation.

The study also finds that weak implementation of government policies hinders industrial growth. This confirms earlier observations by Anyanwu (2003) and Obadan and Odusola (2001), who argued that policy inconsistency and poor institutional capacity limit the translation of industrial output into employment opportunities. From a Dual Sector Model perspective, inadequate policy support disrupts the expected labour transfer from low- to high-productivity sectors, demonstrating the importance of strong governance in facilitating industrial employment.

Limited access to finance for small and medium enterprises (SMEs) constrains their capacity to grow and absorb labour. This mirrors findings by Egwakhe, Akinlabi, and Magaji (2018), who emphasized that financial constraints are a key barrier to labour-intensive industrial development. Without adequate funding, SMEs cannot scale operations to create significant employment, further limiting the overall employment impact of industrialisation.

Finally, these findings suggest that industrialisation in Akwa Ibom State does not automatically generate employment. While the Dual Sector Model predicts labour transfer from traditional to modern sectors, this process is constrained by structural and institutional factors such as infrastructure deficits, capital-intensive production, skills mismatches, weak policy implementation, and limited SME financing. The study confirms prior literature on Nigeria's industrialisation challenges (Fashoyin, 1980; Anyanwu, 2003; Egwakhe et al., 2018) while providing state-level evidence, demonstrating that local industrial interventions can be limited in their employment effects when these barriers persist.

Conclusion

This study examined the capacity of industrialisation in Akwa Ibom State to generate employment, focusing on factors such as infrastructure, production methods, workforce skills, policy implementation, and access to finance. The findings reveal that while industrial growth has occurred, it has not translated into substantial employment due to structural and institutional constraints. Industries remain largely capital-intensive, many workers lack the required skills, policy support is inconsistent, and SMEs face financial limitations. These factors collectively hinder the labour transfer predicted by the Dual Sector Model, limiting the employment impact of industrialisation in the state. The study contributes to the theoretical debate on the Dual Sector

Model by providing empirical evidence from a sub-national context in Nigeria. It demonstrates that even when industrial expansion occurs, the structural and institutional environment critically determines whether the model's predicted labour absorption materialises. In this sense, the findings refine the model's applicability, highlighting that labour transfer is not automatic and depends on localised conditions. From a policy perspective, the results underscore the need for targeted interventions to enhance the employment benefits of industrialisation. Key measures include investment in infrastructure, promotion of labour-intensive production, skills development programmes aligned with industry needs, consistent and supportive industrial policies, and improved access to finance for SMEs. Such interventions can increase the capacity of industries to absorb labour and reduce unemployment, contributing to broader economic development in Akwa Ibom and similar regions. For future research, longitudinal studies tracking industrial growth and employment over time would provide deeper insights into the dynamics of labour absorption. Additionally, focusing on specific industrial sectors could reveal sectoral variations in employment generation, while comparative studies across Nigerian states could identify contextual factors that enhance or limit the effectiveness of industrialisation policies.

Recommendations

Based on the findings of this study, the following recommendations are proposed to enhance industrialisation and employment generation in Akwa Ibom State:

i. Targeted Infrastructure Development: Rehabilitate and expand road networks connecting key industrial hubs, such as the Ibom Agricon Rice Mill in Ini and the Itu Free Trade Zone, to major markets. This will reduce transport costs, improve supply chain efficiency, and facilitate labour mobility.

ii. Promotion of Labour-Intensive Production: Encourage local industries, particularly in agro-processing and textiles, to adopt labour-intensive production methods by providing tax incentives and grants. This aligns with the study's finding that many industries are capital-intensive and fail to absorb sufficient labour.

iii. Skills Development and Training: Establish state-supported vocational and technical training programs in collaboration with industrial firms in Eket, Uyo, and Ikot Abasi, focusing on the specific skills required by local industries. This addresses the skills mismatch identified in the study.

iv. Strengthen Industrial Policy Implementation: Revise and enforce industrial policies such as the Akwa Ibom State Industrialization Policy (2017) to ensure consistent support for SMEs, including streamlined business registration, tax reliefs, and access to affordable electricity.

v. Enhance Backward and Forward Linkages: Facilitate linkages between local suppliers and major industrial firms, such as connecting smallholder cassava processors to the Uyo Agro-Processing Cluster, to stimulate both upstream and downstream economic activity.

vi. Access to Finance for SMEs: Implement targeted financing schemes through institutions like the Akwa Ibom State Development Corporation to provide low-interest loans to micro, small, and medium enterprises, enabling expansion and greater employment generation.

vii. Monitoring and Evaluation Mechanism: Establish a state-level industrial performance monitoring unit to track employment outcomes, industrial growth, and policy effectiveness, ensuring that interventions are data-driven and responsive to local realities.

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