

Scrap Economy and Implications in A Regressed Economy

Ukegbu, Ezionyinye Ebere ¹ Joseph Fineboy Ikechi², Ihuoma Williamson³

¹Department Of History & Diplomatic Studies, Clifford University, Owerrinta, Abia State, Nigeria; ukegbue@clifforduni.edu.ng; Phone: +2348033944499

^{2&3}Department of Accounting, Clifford University, Owerrinta, Abia State, Nigeria

fayooxyz2009@yahoo.com; 09029654668

DOI: 10.56201/ijssmr.v10.no11.2024.pg.256.262

Abstract

This study examines how scrap business in Aba, Abia State constitutes a disguised crime or a sign of acute economic degradation of a town where unemployment is high. It has become a common place to see people roughly dressed with bags hung at the back sniffing both on the grounds and rubbish dumps in search of scraps whether metals or plastics from the year 2000 till date. It is called 'akpakara business', engaged by the illiterate and stray children desiring to make ends meet. Scraps are unavoidable wastages which manufacturers and families strive to minimize. Scraps constitutes environmental hazards and measures are usually put in place to minimize its occurrence to the barest minimum. However, criminals are hiding under the guise of buying scraps to perpetrate crimes. Some persons engage in this type of activity as a results of worsening economic condition resulting in unimaginable high rate of unemployment. The scrap industry contradicts the Igbo industrial philosophy where occupation is dignifying and not denigrate on the practitioner. The methodology adopted is simply a critical analysis of extant literature on scrap and waste management, observation, and oral interviews with participants players in scrap business (akpakara). The study observed that people indulge in scavenging for scraps as a result of worsening economic condition resulting in high rate of unemployment and collapse of many businesses. The study recommends appropriate policy formulation by the state government that would equip her citizens with skills and make available take off capitals to start up businesses which would help reduce high unemployment rate. It equally recommends that the state government can put a halt to this business through appropriate policy formulation that would encourage the establishment of manufacturing industries in order to engage the citizens meaningfully.

Keywords: *Economy, Unemployment, Industry, Scrap, Wastage*

1.1 Background of the Study

The scrap economy has emerged as a significant economic activity in regions characterized by acute unemployment, poverty, and industrial collapse. In Aba, Abia State, Nigeria, the proliferation of the “akpakara business” (scavenging for scraps) symbolizes a society grappling with economic regression. Individuals—mostly illiterate and marginalized—scour waste dumps and streets to collect scrap materials for resale. While the scrap economy provides an income source for its participants, it also creates environmental hazards and serves as a cover for criminal activities.

For the Igbo people, renowned for their entrepreneurial spirit and industrial philosophy, this phenomenon represents a departure from traditional values that prioritize dignity in labor and sustainable livelihoods. The rise of the scrap economy calls for a critical evaluation of its socio-economic drivers, environmental impact, and implications for Igbo society.

1.2 Problem Statement

The scrap economy in Aba highlights the devastating effects of unemployment, poverty, and the lack of industrialization. It contradicts Igbo industrial ideals, as scavenging is perceived as undignified and degrading. Furthermore, this practice exacerbates environmental degradation and provides a platform for criminal activities. Despite its socio-economic relevance as a survival mechanism, the scrap economy's long-term consequences for the Igbo community and the environment are troubling and warrant urgent intervention.

1.3 Objectives of the Study

This study seeks to:

1. Analyze the socio-economic factors driving the scrap economy in Aba.
2. Examine its implications for Igbo industrial philosophy and cultural values.
3. Assess its environmental and criminal dimensions.
4. Propose policy recommendations for sustainable economic development.

1.4 Research Questions

1. What socio-economic factors contribute to the growth of the scrap economy in Aba?
2. How does the scrap economy affect Igbo industrial philosophy?
3. What are the environmental and criminal implications of this economy?
4. What strategies can reduce reliance on the scrap economy and promote sustainable development?

1.5 Scope of the Study

The study focuses on Aba, Abia State, from the year 2000 to the present. It examines the socio-economic, cultural, and environmental aspects of the scrap economy, with an emphasis on its implications for the Igbo community.

Literature Review

2.1 Conceptualizing the Scrap Economy

The scrap economy refers to the collection, processing, and resale of discarded materials, such as metals, plastics, and electronics, typically by marginalized populations in informal economic sectors. This activity often arises in response to economic hardships, such as high unemployment and industrial collapse, especially in developing countries (Godfrey et al., 2018). While it provides a means of survival for many, the scrap economy is criticized for its environmental hazards, health risks, and the social stigma associated with its practitioners (Agwu, 2020).

In Aba, Abia State, the "akpakara business" is emblematic of such informal economies. It underscores both the resilience and desperation of people living in regressed economies, where formal employment opportunities are scarce, and industrial growth is stagnant.

2.2 Historical and Economic Context of Aba

Aba has historically been known as a hub of trade and light manufacturing within southeastern Nigeria. The city's commercial vitality, driven by the entrepreneurial spirit of the Igbo people, earned it the reputation of being a center of industrial activity. However, economic downturns beginning in the late 1990s, compounded by poor governance and infrastructure decay, led to the collapse of many industries in the region (Onyeukwu, 2015). This decline in industrial output created a vacuum, which informal sectors like the scrap economy have filled.

2.3 Drivers of the Scrap Economy

2.3.1 Unemployment and Poverty

High unemployment rates are a central factor driving the scrap economy in Aba. According to the National Bureau of Statistics (2020), unemployment rates in southeastern Nigeria have reached unprecedented levels, forcing individuals—especially youth and marginalized groups—into informal economic activities. Scavenging for scraps provides a minimal income source in an otherwise barren job market.

2.3.2 Industrial Decline

The deindustrialization of Aba has resulted in a scarcity of formal jobs, making the scrap economy one of the few available options for economic survival. Industries that once thrived on innovation and entrepreneurship have either relocated to other regions or shut down due to poor infrastructure and unfavorable policies (Ojukwu, 2016).

2.3.3 Lack of Skill Development

A significant portion of the population involved in the scrap economy lacks formal education and vocational training. This deficiency limits their ability to engage in more sustainable or dignified forms of employment, perpetuating a cycle of poverty and low economic productivity (Okafor, 2014).

2.4 The Igbo Industrial Philosophy

The Igbo people are widely regarded for their industrious nature, entrepreneurial mindset, and cultural emphasis on dignity in labor. This industrial philosophy is rooted in values such as innovation, self-reliance, and the pursuit of excellence in business (Njoku, 2001). However, the rise of the scrap economy poses a challenge to these ideals. Scavenging for scraps, often seen as an undignified and degrading activity, deviates from the Igbo ethos of creating value through enterprise.

Scholars argue that this shift reflects not just economic regression but also a loss of cultural identity, as survivalist occupations like scrap collection replace traditional forms of dignified labor (Eze, 2018). The "akpakara business" thus highlights the tension between economic necessity and cultural preservation.

2.5 Socio-Environmental Implications of the Scrap Economy

2.5.1 Environmental Hazards

The scrap economy contributes significantly to environmental degradation. Poor waste management systems and the indiscriminate disposal of hazardous materials such as metals, plastics, and electronic waste lead to pollution of land, water, and air (Chukwuma, 2017). In Aba, the accumulation of waste in residential and commercial areas poses health risks to the population and undermines the city's overall aesthetic appeal.

2.5.2 Criminal Activities

The scrap economy often provides a cover for criminal activities. Instances of theft, particularly of valuable metals and other materials, have been reported in areas where scrap collection thrives (Nwankwo, 2020). This dual function—as both a survival mechanism and a potential vehicle for illicit activities—complicates efforts to regulate the sector.

2.5.3 Health Risks

Participants in the scrap economy are frequently exposed to hazardous working conditions. Handling toxic substances without protective gear leads to long-term health issues, including respiratory problems and skin diseases. These health risks are exacerbated by a lack of access to affordable healthcare (Okoye, 2019).

2.6 Policy Responses and Global Perspectives

Globally, governments and organizations have implemented various strategies to address the challenges of the scrap economy. For example: **Waste-to-Wealth Programs:** In countries like India and Brazil, waste collection has been formalized, creating structured employment opportunities for marginalized populations (Medina, 2010).

Recycling Initiatives: Developed nations have invested in recycling industries to minimize waste and environmental hazards. Similar initiatives could be adapted to the Nigerian context.

Skill Acquisition Programs: Training programs that equip participants with alternative skills have proven effective in transitioning people out of the scrap economy into more sustainable employment (Adeyemi, 2018).

2.7 Theoretical Framework

This study is grounded in the Structural Strain Theory, which posits that societal pressure resulting from economic inequality and lack of opportunity drives individuals toward alternative means of survival, including informal economies. The theory helps to explain how systemic unemployment and industrial decline in Aba have led to the rise of the scrap economy. Additionally, the study incorporates elements of Environmental Justice Theory to analyze the disproportionate environmental impacts of the scrap economy on marginalized communities.

Methodology

3.1 Research Design

This study uses a qualitative approach, including critical literature analysis, field observations, and interviews with participants in the scrap economy.

3.2 Data Collection Methods

1. Primary Data

Interviews with scrap collectors, community members, and government officials.

Observations of scrap collection sites.

2. Secondary Data

Academic articles, reports, and policy documents on unemployment, waste management, and the informal economy.

3.3 Data Analysis

Thematic analysis is employed to identify patterns and draw conclusions from the data collected.

Findings and Discussion

4.1 Socio-Economic Drivers of the Scrap Economy

Unemployment and Poverty: High unemployment rates and poverty levels force individuals into informal economic activities like scrap collection.

Industrial Collapse: The decline of manufacturing industries in Aba limits formal employment opportunities.

Economic Inequality: The widening gap between the rich and poor drives marginalized groups to survivalist occupations.

4.2 Impacts on Igbo Industrial Values

The scrap economy represents a deviation from Igbo cultural values of dignity in labor and entrepreneurial excellence. It perpetuates a cycle of poverty and low self-esteem among its participants, challenging traditional societal norms.

4.3 Environmental and Criminal Dimensions

Environmental Degradation: Poorly managed scrap activities lead to pollution, including toxic waste and non-biodegradable materials.

Crime and Insecurity: Scrap collection serves as a cover for theft and other illegal activities, exacerbating community insecurity.

Recommendations and Conclusion

5.1 Policy Recommendations

1. Skill Acquisition Programs: The government should implement vocational training initiatives to equip citizens with marketable skills.

2. Industrial Development: Revitalize Aba's manufacturing sector to create sustainable employment opportunities.

3. Waste Management Policies: Strengthen regulations to improve waste collection, recycling, and environmental sustainability.

4. Community Engagement: Educate citizens on the socio-economic and environmental impacts of the scrap economy and promote alternative livelihoods.

5.2 Conclusion

The scrap economy reflects the challenges of a regressed economy and highlights the need for systemic reforms. Addressing unemployment, fostering industrial growth, and upholding Igbo industrial values are critical for sustainable development. The government and community stakeholders must collaborate to implement these solutions and restore dignity to the local economy.

References

1. **Adeyemi, A. (2018).** Skills Development and Youth Employment in Africa: A Case Study of Vocational Training in Nigeria. *Journal of Development Studies*, 56(3), 245-258.
2. **Agwu, M. (2020).** Economic Survival Strategies and the Informal Sector in Nigeria. *African Research Review*, 14(1), 32-47.
3. **Chukwuma, I. (2017).** Environmental Challenges of Urban Waste in Nigeria. *International Journal of Environmental Studies*, 74(4), 512-530.
4. **Eze, C. (2018).** Culture and Economy in Southeastern Nigeria: A Focus on Igbo Entrepreneurial Spirit. *Journal of African Studies*, 15(2), 78-89.
5. **Godfrey, L., Scott, K., & Strydom, W. (2018).** The Role of Informal Waste Pickers in Waste Management Systems in Developing Economies. *Waste Management*, 74, 52-59.
6. **Medina, M. (2010).** *The World's Scavengers: Salvaging for Sustainable Consumption and Production.* Rowman & Littlefield Publishers.
7. **National Bureau of Statistics (2020).** Unemployment and Underemployment Report: Q4 2019. Retrieved from www.nigerianstat.gov.ng.
8. **Njoku, J. (2001).** Entrepreneurship among the Igbo of Nigeria: Cultural Values and Economic Development. *African Economic History*, 29, 1-15.
9. **Nwankwo, C. (2020).** The Link between Scrap Collection and Theft in Nigerian Cities. *Crime and Society Journal*, 22(3), 204-218.
10. **Okafor, E. (2014).** Youth Unemployment and the Future of Informal Work in Nigeria. *Nigerian Journal of Economic Studies*, 36(2), 165-180.
11. **Okoye, A. (2019).** Health Implications of Informal Scrap Economy Workers in Urban Nigeria. *Journal of Health and Environment*, 11(2), 95-112.

12. **Onyeukwu, O. (2015).** Economic Decline and the Collapse of Industry in Aba: Causes and Implications. *Nigerian Journal of Industrial Economics*, 25(4), 342-357.
13. **Ojukwu, J. (2016).** Reviving Manufacturing in Southeastern Nigeria: Policy Imperatives and Opportunities. *African Policy Review*, 12(3), 144-159.