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The Imperative of Poverty Alleviation for Socio-economic Development in Nigeria

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Abstract

Poverty remains one of the intractable problems that mankind is facing today. The prevalence of poverty has serious negative effects on society both at individual and national levels. The most important goal of development in any country is to reduce poverty in all its ramifications. poverty in Nigeria has been a long standing issue and its reality manifests in the worsening incidence and severity over the years, despite the enormous human and material resources and economic potentials the country is blessed with. Despite the fact that Nigeria is rich in land, people, oil and gas and oilier resources needed to bring about her development, majority of the people are still wallowing in poverty. This paper examines efforts at poverty alleviation in Nigeria and concludes that no meaningful socio-economic development can be achieved where a greater percentage of Nigeria's population still wallow in poverty and unemployment. The paper recommends among others, development programmes aimed at the poor's direct involvement in income generation, social activities, self-development and empowerment as a panacea for poverty alleviation and socio-economic development in our society.

In recent times, the concern for poverty and the need for its alleviation as a way of improving the standard of living especially of the rural people have continued to receive the attention of stakeholders in Nigeria. In Nigeria, poverty

has become a scourge. It requires a good and purposeful government policy and structure to address. The point must be made here that the most important goal of development in any country is to reduce or eradicate poverty in all its ramifications. This goal appears to be difficult to accomplish in Nigeria.

According to Ahluwalia cited in Ainafor. Knahuncnc and Eregha (2008). the fact of poverty is not new, rather, what is new is the growing idea that economic growth by itself may not be able to solve or even alleviate the problem. Poverty therefore, remains one of the intractable problems plaguing mankind in the world today, and it has continued to pose one of the greatest challenges to leadership in Nigeria. According to Country Review Mission (CRM) (2008). "poverty in Nigeria has declined from over 70 per cent to 54 per cent today." To this end. Nigeria's economy is struggling to use the country's vast wealth in fossil fuels to combat the endemic poverty that affects about 54 per cent of its population. The focus of this paper is on efforts at poverty alleviation in Nigeria as no meaningful socio-economic development can be achieved, where more than half of its population still wallow in poverty,

Concepts of Poverty and Poverty Alleviation

According to Okoli (2009). although poverty has no universally accepted definition, it is nevertheless clear that a person is poor when he or she cannot access the basic needs for human meaningful existence such as: life sustaining income (minimum wage). food security, adequate nutrition, basic health-care services, basic education and shelter.

The National Poverty Eradication Council of Nigeria cited in Afolabi, Adeshina and Ajagun (2005), defined poverty as a condition in which a person or group of persons are unable to satisfy their most basic and elementary requirements of human survival in terms of good nutrition, clothing, shelter, footwear, energy, transport, health, education and recreation. However, the UNDP Conference Report (2001), described poverty "as a form of oppression, it can be seen as a political, social and economic oppression, a situation where some people are poor for reasons beyond their control". Thus, any government policy that is far from ameliorating the problems of the masses is seen as poverty perpetuating.

The above definitions, which focused on lack of basic needs, vulnerability, voicelessness and powerlessness, aptly described the nature of poverty in Sub-Saharan Africa in general and Nigeria in particular. In this regard, the United Nations has shown deep concern for the pervasiveness of poverty around the globe, particularly in the third world countries of Latin America and the Caribbeans. Asia and Africa. Available data show that over one billion people live in absolute

poverty in these developing countries. 64 per cent of these live in Asia. 24 per cent in Africa and 12 per cent in Latin America and the Caribbeans (United Nations. 1997).

Poverty alleviation on the other hand as defined by Odigie (2002). refers to efforts aimed at reducing the magnitude of poverty defined in terms of the proportion of the population living below the poverty line. It also includes all efforts at promoting rural development, infrastructural development, equitable resource distribution, which used to be described as accelerated development programmes, integrated rural development programmes and the like.

Level of Poverty in Nigeria

Onasanya (2005), has argued that "there is substantial and worsening poverty in Nigeria and that comparisons of poverty indicators all over Africa show that African poverty is becoming Nigerianized, since one out of every five Africans is a Nigerian". According to World Bank (2007):

Nigeria is a country of extreme paradoxes, with Widespread and endemic poverty in the midst of Plenty. The country is not onnlynrichly endowed with human and natural resources, particularly oil and gas, but also plentiful mineral deposits such as coal, gold and sulphur. With a real GDP of 54.4 billion dollars and population of about 140 million. Nigeria is among the four largest economics in Africa and is by far the continent's most populous country. Despite this rich human and resource endowment. Nigeria's GDP per capita is only about 752 US dollars, and poverty is widespread, with about 54 per cent of the population living on less than 1 dollar per day.

Economists refer to the coexistence of vast natural resources wealth and extreme personal poverty in developing countries like Nigeria, as the "resource curse". Nigeria's exports of oil and natural gas at a time of peak prices have enabled the country to post merchandise trade and current account surpluses in recent years. Reportedly. 80 per cent of Nigeria's energy revenues flow to the government, 16 per cent covers operational costs, and the remaining 4 per cent go to investors. However, the World Bank has estimated that as a result of corruption, very little of this money benefits the population. Outside the energy sector. Nigeria's economy is highly inefficient (CRM field notes. Nigeria, February/March. 2008).

According to UNDP (2007/8), "Nigeria ranks km on human development indices. In its Human Development Report, the UNDP ranked Nigeria at 158 out of 177 countries in 2007 8, down from 148 out of a total of 173 in 2003". The Country's Human Development index (IID) at 0.453 in 2005 is lower than the

average HDI for sub-Saharan Africa (0.515), although it is slightly above the average for Economic Community of West African States countries (0.434). With 78 per cent of the population living in rural areas, the rural poor represent the largest overall segment of the poor and suffer greatly where public service delivery is concerned (African Development Bank/Organization for Economic Cooperation Development, 2006).

It needs to be said that the undermining of economic diversification due to oil boom, has further exacerbated the poverty level in Nigeria. The oil boom of the 1970s led Nigeria to neglect its strong agricultural and light manufacturing bases in favour of an unhealthy dependence on crude oil. In 2000, oil and gas exports accounted for more than 98 per cent of export earnings and about 83 per cent of federal government revenue. New oil wealth, the concurrent decline of other economic factors, a lurch towards a statist economic model fuelled massive migration to the cities and led to increasingly widespread poverty, especially in rural areas. A collapse of basic infrastructure and social services since the early 1980s accompanied this trend (CRM, 2008 field notes), the question that needs to be asked is to what extent can Nigeria promote socio-economic development when there is no reduction in the level of poverty? Maduewesi (2005) has observed that poverty in Nigeria has been a long standing issue, with its reality manifesting in the worsening incidence and severity over the years, despite the enormous human and material and economic development potentials the country is blessed with. To her, in less than a decade, Nigeria slipped from a middle-income status nation to a low-income category and is currently regarded as one of the poorest countries in sub-Saharan Africa. She argued further that "with 34 million Nigerians representing 70 per cent of households officially recognized as poor and 40 per cent as core poor, the extent of Nigeria's poverty strikes one, as one walks the streets of the nation".

The prevalence of poverty has serious negative effect on society both of individual and national levels. According to Ilori (1999), the lack of access to resources by individuals leads to a state of powerlessness, helplessness and despair, and inability to subsist and protect oneself against economic shocks: social, economic, cultural and political discrimination and marginalization. This pitiable condition leads to desperation and helplessness, if the society is not responsive to the plight of the poor.

This situation can also degenerate into docile followership, ineptitude and political apathy and under such conditions, national goals and objectives as well as their attainment mean nothing to the large proportion of the society that are groaning in pains of poverty.

Poverty Alleviation Efforts in Nigeria

According to Okoli (2008), the issue of poverty serious and challenging task. Many governments have put in place strategies and programmes to tackle poverty head-on. But it would appear that the more these programmes are initiated, the more the spread of poverty. This state of affairs gives the impression that these various poverty alleviation programmes are not having the desired impact, and most important, the strategies adopted are not appropriate and therefore, need to be reassessed. The concern for poverty and the need for its alleviation as a way of improving the standard of living especially of the rural people necessitated the establishment of various institutions and programmes. In the past decades, the different tiers of government in Nigeria have made some efforts to reduce poverty and raise the Using standard of the rural poor. In doing this, government has embarked. A several projects and programmes, aimed at improving productivity in the rural sector.

A significant proportion of public in\ cement had been channelled through the Agricultural Development Projects (ADPs) Directorate of Food, Roads and Rural Infrastructure (DFRRI) launched in 1989 to rural areas, National Directorate of Employment (NDE) launched in 1986 to target unemployment youth, National Poverty Eradication programme (NAPEP), National Primary Health-Care Scheme, Setter Life Programme (BLP). launched in 1987 for rural women, Universal Basic Education (UBE), People's Bank of Nigeria (PBN), established in 1989 for the underprivileged; Family Support Programme (FSP) launched in 1994 to improve health-care delivery in rural areas: the Family Economic Advancement Programme (FEAP) established in (1997) to provide credit facilities to support cottage industry initiatives in rural areas (Country Self Assessment Report CSAR. 2008), and Child Care Trust aimed at caring for the less privileged children. The above agencies, programmes or schemes were put in place to break the vicious circle of poverty nationally but most especially in the rural sector.

However these efforts have not yielded the desired results of alleviating poverty in Nigeria since the issue is not only economic but also social and political. There are however general obstacles to the effective implementation of the programmes. Some of these obstacles arc due to the fuel that the programme were either not well designed, formulated and implemented in a coordinated manner or unduly politicized.

For instance, the National Directorate of Employment (NDE) as one of the important institutions created to address poverty was meant to eradicate poverty through employment generation. Its main areas of intervention are vocational skills acquisition training, entrepreneurial training, training for rural employment and

training for labour-based work programmes. To CSAR (2008), "a total of 783,318 unemployed youth who formerly lacked marketable skills have been trained in 86 different trades under the national Open Apprenticeship Scheme (NOAS). Present. 37,000 youth are undergoing training in various trades across the country. The CSAR acknowledges the achievements made by the NDE. However, it admits that the NDE lacks sufficient funding to make a significant impact on the poverty level. CSAR has equally observed that in the light of the prevailing poverty, it is clear that these programmes and schemes mentioned above were not entirely successful in promoting self-reliance. The reasons for the failure include: the lack of effective mechanisms for coordination; lack of country ownership in view of a top-down approach that left out grassroots participation in both the design and the implementation of plans and programmes; inadequate funding; mismanagement and the diversion of resources for personal enrichment through corruption and looting practices; the politicization of national and regional programmes for self-political positioning; lack of coherent policies, poor linkages and lack of clear underpinning and guiding vision.

Thus as a result of the deepening crises of poverty, especially in the developing countries of the world, the United Nations at the millennium summit held between the 6th and 8th of September, 2000 in New York, adopted its landmark millennium declaration on fast-forwarding development in the third world countries to tackle poverty in all its ramifications. The United Nations went further to state that "we will spare no effort to free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty to which more than a billion of them are currently subjected (Okoli 2009). As Africa's most populous country, Nigeria is pivotal to the attainment of the Millennium Development Goals (MDGs) and to a large extent, it is believed that if poverty issues are successfully addressed in Nigeria, this would lead to significant reduction in poverty levels in Africa as a whole. Therefore, Nigeria as part of the international community, is committed to achieving the Millennium Development Goals (MDGs), including the commitment to halve poverty by 2015.

It needs to be said that Nigeria was making progress towards achieving several goals but falling short on others. Specifically, Nigeria had advanced efforts to provide universal primary education, protect environment, and develop a global development partnership. However, the country lagged behind on goals of eliminating extreme poverty and hunger, reducing child and maternal mortality, and combating diseases such as human immunodeficiency virus acquired immune deficiency syndrome (HIV/AIDS) and malaria (CRM, 2008).

In order to achieve the MDGs targets, the federal government of Nigeria integrated their implementation into the National Development Plan as encapsulated in the National Economic Empowerment and Development Strategy (NEEDS) at the federal level. State Economic Empowerment and Development Strategy (NEEDS) at the state level and Local Economic Empowerment and Development Strategy (SEEDS) at the local government level. From 2003 to 2007, Nigeria was implementing the National Economic Empowerment and Development Strategies (NEEDS), which is currently the overarching framework for poverty reduction in the country. The purpose of NEEDS is to raise the country's standard of living through a variety of reforms, including macro-economic stability, deregulation, liberalization, privatization, transparency, and accountability. NEEDS focuses on four key strategies. They are re-orientating values, reducing poverty; creating wealth, and generating employment (2001 Kuru Declaration).

In assessing the performance of NEEDS, there have been mixed views. While state actors remained optimistic, the non-state actors were of the view that there has been no significant impact yet. However, the majority of the general public (59 per cent) claimed they did not know the sources of fund for the social services provided, on the grounds that they were not informed (62 per cent), not given opportunity to participate (55 per cent) and that they lack the capacity to participate (42 per cent). These conclusions demonstrate the low level of transparency participation and ownership of NEEDS programmes and projects (CSAR, 2008).

Arising from the above, NEEDS programmes and projects have been perceived basically as conduits for siphoning off public resources into private pockets, which made a mockery of the main national instrument designed to bring about economic self-reliance. The lack of inclusiveness, weak targeting of the poor, politically motivated NEEDS programmes and projects aimed at buying legitimacy rather than genuine poverty eradication programmes thus benefiting mostly the rich and powerful, were some of the shared views on the NEEDS strategy. There is need to emphasize that poverty has not been significantly reduced as the rural sector where the poor live, has remained largely backward and obviously unresponsive to poverty alleviation efforts. Okumadewa (1999), cited in Ogundipe (1999). Stated that "economic growth alone is not sufficient for poverty reduction; growth must be accomplished with equity promoted by participation. participation of the poor themselves in the activities that would "push" or "pull" them out of poverty is key to global poverty reduction". There is no doubt that the level of poverty in Nigeria has taken its toll on democratic principles and socio-economic development. Ogundiya and Baba (2005) have observed that:

There is definite correlation between the lack of democratic practices in Nigeria and the deteriorating socio-economic conditions. What this means is

that to ensure a stable and enduring democracy in Nigeria, the question of poverty, which is both a symptom and consequences of economic underdevelopment, must be properly addressed.

There is need for policy framework to tackle the scourge of poverty and promote the well-being of an average Nigerian and the socio-economic development of the entire Nigeria.

According to Onobun and Obadan (2005), a nation can alleviate poverty by guaranteeing a minimum income to the poor and the unemployed for decency and comfort (like the welfare pension and the unemployed programmes in the United States). Though some of these alleviation programmes are already in place in Nigeria, corruption and bureaucratic bottle neck have led to their ineffectiveness. Giving small loan assistance to the rural poor inhabitant without needed education and skills, productivity will not increase. Many Nigerians are struggling to feed. Pay rent, hospital bills and cannot afford cost of minimum education.

Poverty and Socio-Economic Development

Poverty is a major challenge bedevilling Nigeria, thus diminishing its socio-economic development efforts. Many people continue to suffer pronounced deprivation even as NEEDS reforms and the oil boom continue. According to CRM report, large numbers of poor Nigerians are trapped in chronic, long-term poverty that is transmitted from generation to generation. Worse still, the nation does not seem to have a definite definition on poverty and any guideline to measure the construct. Stakeholders have argued that if serious attention was given primarily to three main areas; governance, education and infrastructure, many Nigerians would be lifted out of poverty, despair and sense of hopelessness. The lack of awareness on income generating and entrepreneurial activities as well as wealth creation (for instance through the stock markets) have contributed to stagnant development and persistent poverty.

This therefore calls for development programmes aimed at the poor's direct involvement in income generation, social activities, self-development and empowerment as strategies for poverty alleviation in Nigeria. Nigeria is emblematic of the "oil curse" or failure to utilize oil wealth prudently. Despite earning a cumulative revenue estimated at about 350 billion US dollars over a 35 year period, Nigeria continues to rank low on all development indicators, with an alarming increase in the incidence of poverty, which has seen Nigeria become the host to about (> per cent of the core poor in the world. The country scores below the sub-Saharan average on several socio-economic indicators, including GNI per capita (US \$620 in 2006). infant mortality, access to improved water and sanitation services and life

expectancy. It unfortunately provides some of the most egregious examples of rent-seeking and Corruption that undermine good governance and has become a reference point globally for the way we manage oil wealth (APRM. 2008).

On the whole, Nigeria is no doubt a country of paradox. Overall, the country has the potential to build a prosperous economy, reduce poverty significantly, and provide the basic social and economic (eg infrastructure) services of its population needs. However, several years of military rule, poor public Expenditure management, over-dependence on oil and unmitigated rent-seeking behaviour to amass wealth from the oil and gas industry have conspired to undermine the country's development.

However, there is room for improvement through purposeful economic empowerment for the benefit of all, especially the rural people. It is on this basis that it is herein advocated that there is strong merit for the careful consideration of Non-Governmental Organizations (NGOs) as an alternative development model that can complement the efforts of the tiers of government in Nigeria. They appear to be very active as agents of change and are often responsive to the needs and problems of the communities where they operate. They are likely to have interests and skills to adapt development projects and programmes to local conditions. In view of their small size and proximity to beneficiaries, they are obviously more likely to be more accountable than most government agencies.

It must be noted that poverty alleviation needs resources and capacity to adapt programmes to diverse and uncertain conditions alongside strong performance orientation, supported by the demand 'pull' of the poor themselves. Government may possess enormous resources but when they have no strong political will to execute decisions, the resources will always go down the drains.

Conclusion

The paper has been able to establish the extent to which poverty has bedevilled the Nigerian nation for several decades, based on available facts. A number of developing nations are in the same situation and the causes of poverty are deep-rooted and deep-seated in the social, political and economic environment prevalent in such countries, lack of empowerment of the poor, the poor's non-direct involvement in income generation, social activities, self-development coupled with the low growth rate of the economies, play a critical role in worsening the poverty situation.

Nigeria, like every country in the world, shows concern for reduction and eradication of poverty in all spheres of life. This can be understood from the various efforts being made through the introduction of various projects, programmes and

schemes, aimed at alleviating poverty in the country. as poverty has taken its toll on the socio-economic development in nigeria. however, corruption and lack of strong political will on the pan of various governments in Nigeria, have hindered the successful implementation of these poverty alleviation programmes.

Recommendations

The following recommendations are hereby made to address poverty in Nigeria:

1. The initiation and development of programmes and projects aimed at the poor's direct involvement in income generation, social activities, self-development and empowerment
2. The Involvement of Non-Governmental Organizations to complement the efforts of the three tiers of government in the alleviation of poverty in Nigeria.
3. The poor themselves should be allowed to participate in the activities or projects that will pull them out of poverty.
4. The Nigerian governments must show commitment and develop strong political will to actually tackle the scourge of poverty instead of engaging in mere window-dressing.

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