

AN APPRAISAL OF POVERTY ALLEVIATION PROGRAMMES IN NIGERIA

Ovie Felix Forae

Department of History and International Studies, and
Akpomuvie Orhioghene Benedict
Department of Sociology, Delta State University, Abraka
E-mail: don4real@ymail.com

Abstract

The paper analyses Nigeria's past poverty alleviation measures as well as assessing the reasons for their inability to achieve set goals and targets. It is also aimed at formulating a framework for building and implementing future poverty alleviation strategies in Nigeria. The paper suggests a participatory approach to the planning, formulation and implementation of future policies on poverty alleviation in the country. This approach emphasizes the future involvement of the poor in the whole process of poverty alleviation activities if they are to be meaningful and result oriented. However, consulting the poor and seeking their understanding of poverty, is not an end in itself since consultation without participation in their development, amounts to no consultation.

Keywords: Poverty, unemployment, rural, policy, income, and underdevelopment

Introduction

Poverty is a major development problem in Africa. Unlike most other economies, the region has not yet succeeded in solving the basic livelihood problem. According to Mwabu (2005), over 50% of the African population lives below the international subsistence standard of one dollar a day. And an even large population is at risk of suffering a reduction in their current standard of living, irrespective of poverty status. He stressed that the issue of vulnerability (the risk of falling below a threshold standard of living) is particularly poignant because of its reminder that even the meager necessities that are available to the poor are not guaranteed.

At present, more than one billion people in the developing world continue to live in absolute poverty. The World Development Report 1990 estimates that this is the number of people who are struggling to survive on less than US \$370

a year- or a dollar a day. Poverty is highly visible in most African countries especially Nigeria. Over crowded settlements in major urban areas without basic social services and remote and isolated rural areas are major concentrations of the poor. Recent estimates of poverty by world regions are reported in Chen and Ravallion (2004). Drawing on a sample of 454 national sample surveys from 97 countries, they reported poverty results for two African sub-regions: sub-Saharan African (SSA; with 28 countries and 60 surveys) and North Africa (as part of the Middle East and North African region of the World Bank, with four out of seven countries and 12 surveys).

The sample revealed that in the early 1980s sub-Saharan Africa, with a head count ratio of 0.42, ranked as the third highest poverty incidence region of all developing world regions. East Asia (a headcount ratio of about 0.58) and South Asia (a headcount ratio of

about 0.52) were ranked as the highest and second highest poverty incidence region. By 1984, SSA had become the second highest poverty incidence region (with a head-count ratio of 0.463 compared with 0.468 for South Asia) and by 1987 it was the highest poverty incidence region. In terms of time trends, the result of the survey showed that for all regions, except for sub-Saharan African and the Eastern Europe and central Asia region, poverty incidence declined over time. The reduction in the incidence of poverty was most dramatic for East Asia, which saw its head-count ratio declining by about 43 percentage points from 0.58 to about 0.15-with the decline being systematic over the time period and showing a very clear trend. At the other extreme, the increase in the incidence of poverty was most pronounced in sub-Saharan Africa, albeit not in a systematic fashion.

The incidence of poverty increased by about 5.2 percentage points between 1981 and 1987, but then declined by about 2.7 percentage points between 1987 and 1993 before increasing again by 2.3 percentage points between 1993 and 2001. The second half of the 1990s saw poverty incidence increase in a systematic fashion. The increase in the incidence of poverty was also significant in Eastern Europe and Central Asia, which saw the head-count ratio increase from 0.7% in 1981 to a high of 6.3% in 1999 before declining to 3.6% in 2001. Using end-points, poverty incidence increased in this region by about 2.9 percentage points. By the beginning of the millennium, sub-Saharan Africa was by far the poorest region among developing world regions, having about 46% of its total population living below a poverty line of US \$1.08 per person per day in 1993 PPP.

Nigeria has a per capita income of about US \$310 and a human development index of 0.4. The levels of poverty are so high at individual and household levels that an increasing

number of Nigerians are finding it difficult to eat and clothe themselves. Such Nigerians also find it difficult to afford decent shelter. A recent survey by the Federal Office of Statistics shows that the incidence of poverty has increased tremendously since 1986. The survey shows that about a third of Nigerians were below the poverty line in 1992. The UNDP report puts it at 50 percent in 1990. Poverty worsened for the poorest 17-18 percent of the households from 1985 to 1992; and this group consisted of about 18 million people. The survey also reveals that the incidence of poverty is greater in the rural areas than in the urban areas.

Dimensions of poverty

Any study of poverty must begin with a conceptualization of poverty. A search of the relevant literature shows that there is no general consensus on any meaningful definition of poverty, because poverty affects many aspects of the human condition, including physical, moral and psychological. According to Anyanwu (1997) a concise and universally accepted definition of poverty is elusive. Different criteria have been used to conceptualize poverty. As Anyanwu rightly observed, most analyses follow the conventional view of poverty as a result of insufficient income for securing basic goods and services. The concern here is with the individual's ability to subsist and to reproduce himself as well as the individual's ability to command resources to achieve this (Sen, 1981; Amis and Rakodi 1994). Many other experts have conceptualized the poor as that portion of the population that is unable to meet basic nutritional needs (Ojha, 1970, Reutlinger and Selowsky, 1976). Others view poverty, in part, as a function of education, health, life expectancy, child mortality, etc.

Musgrove and Feber (1976) identify the poor, using the criteria of the levels of consumption and expenditure. Poverty is also related to

‘entitlements’ (Sen, 1984), which are taken to be the various bundles of goods and services over which one has command, taking into cognizance the means by which such goods are acquired and the availability of the needed goods. Yet other experts see poverty in very broad terms, such as being unable to meet ‘basic needs’ — physical (food, health care, education, shelter etc) and non-physical (participation, identity, etc) requirements of a ‘meaningful life’ (Streeten, 1979; Blackwood and Lynch, 1994).

Poverty may be categorized along five dimensions of deprivation.

- Personal and physical deprivation: deprivation can be experienced in health, nutrition, literacy, educational disability and lack of self confidence
- Economic deprivation: These include lack of access to property, income, assets, factors of production and finance. One of the most important and most common manifestations of poverty is the denial of access to the basic necessities of human existence.
- Social deprivation: These involve the barriers to full participation in social, political and economic life. People may be deprived of their human rights because of personal and economic deprivations. Nigeria is a signatory to the 1989 UN convention on the elimination of all forms of discrimination against women, children and adolescents.
- Cultural deprivation: People are deprived in terms of values, beliefs, attitudes, knowledge, information and orientation. Consequently, they are not able to take advantage of economic and political opportunities.
- Political deprivation: Ignorance is a fundamental deterrent to the elimination of poverty because it compliments conditions of

exploitation, domination and deprivation. Studies have shown that economic constraints, illiteracy and ignorance undermine access to legal institutions. It is the poor who lack political voice. Those who are politically deprived occupy lowly position and are subjected to coercion through physical or economic threat.

Poverty- a theoretical note

One of the deductions that could be made from the different definitions of poverty is that, for a given country in a given circumstance, poverty must be conceived, defined and measured in absolute quantitative ways that are relevant and valid for analysis and policy making in that given time and space. Poverty specifications should become relative, once circumstances in the country change

Poverty according to Walton (1990) has many dimensions, such as inadequate income, malnutrition, lack of access to social services and lack of social and political status. Though the poor are heterogeneous across and within countries, some generalizations can still be made on the extent and nature of poverty. The poor can be generally identified as:

- those whose ability to contribute to the productive process is insufficient. That is, those who are unable to contribute adequately to the productive process to warrant an income that would raise them above the poverty line.
- those for whom the economy has failed to provide jobs, that is, those who are willing and capable of earning an adequate income if only jobs were available.
- those whose opportunities to participate in the productive process are restricted by discrimination of various kinds; sex, age, race, etc. (Aluko, 1975; Edozien, 1975). In practice, it may be difficult to strictly

classify the poor into these categories. However, they assist in providing a useful background for discussion on poverty alleviating policies (Uniamikogbo, 1997).

Just as the definitions of poverty are designed around the causes or visible attributes of poverty, theories are also woven around objects and subjects as well as the nature of the phenomenon. We have the “Functionalist Theory” which links economic inequality to the division of labour within a community as a function of the role or the job performed by the individual and the attendant reward. Capitalist entrepreneurial theory argue that the crude exploitation of the poor by means of low wages and poor conditions of service allows for a possible rise in savings and the aggressive entrepreneurship that gave momentum to the industrial revolution in the developed countries. The resultant inequality in income could result in the prevalence of poverty at the lower of society where the majority live.

The Individual - Attribute theory holds the view that the poor in the society are responsible for their misfortune. The argument of this theory, is that the position of an individual in the society’s hierarchy of income and wealth is assumed to be determined mainly by that individual’s motivation, aptitude and ability. As much as an individual’s attributes can contribute to his location in the society’s status — hierarchy, it is true too, that these attributes function only within a structure of possibilities and limits set and defined by forces outside the grip of the individual. As Akeredolu - Ale (1975) rightly noted, these forces are usually determined by the prevailing system of property class relations and power.

The Power Theory of poverty argues rather vigorously that the structure of political power

in society, determines the extent and distribution of poverty among the population. From this context, the ruling class, constituted by the few, establishes and legitimizes an exploitative property system through which it determines the allocation of opportunities, income and wealth, relying on the use of state power, including the use of oppressive state agents such as the police and the armed forces. Akeredolu-Ale (1975), contended however, that how effectively this exploiting class is able to entrench its agenda, depends on the revolutionary consciousness of the subject class, their organizational capacity to resist exploitation and their ability to overthrow an oppressive property system.

The Natural — Circumstantial theories are generally more directly concerned with the issue of property. The focus of these theories is the identification of certain important explanatory variables responsible for poverty. Among these are geographical location and the natural endowment of the individual’s environment, unemployment, old age, etc. A major advantage of these theories is that they have a more immediate bearing on policy than the other theories. These theories hold that poverty reduction can be attained without substantial changes in the larger economic, social and political environment.

Poverty alleviation measures in Nigeria

Owing to the practical difficulties in waiting for the effects of economic growth to “trickle down”, policy makers especially in Nigeria have gradually designed direct redistributive strategies for alleviation of poverty. The Nigerian Government, as far back as 1971, had identified poverty as the bane of rural development in the country. In order to tackle this obstacle to rural development, government in line with the recommendations of the World Bank and based on its agricultural survey of Nigeria, embarked on the implementation of three pilot integrated agricultural and rural

development projects in Funtua, Gusau and Gombe. The Agricultural Development Projects (ADPs) later spread to all states of the federation. The purpose of these projects was to stimulate increased food production and enhance the income of the rural population (Ekong, 1997).

According to Ekong (1991), early poverty alleviation measures were targeted at the agricultural sector. The rural areas which comprise more than 90 percent of the agricultural sector of Nigeria are believed to have the highest level of poverty in the country. Between the 1960s and 1980s, rural development was viewed as agricultural development. Intensification in rural development world wide was to eradicate poverty, raise the standard of living of rural dwellers and improve agricultural productivity.

In addition to the ADPs, an integrated rural development strategy, as proposed by the United Nations was adopted. In the strategy were three major models: rural — urban integration; intersectional and/or zonal coordination; and the package approach. Agricultural improvement strategies such as Operation Feed the Nation and the Agricultural Credit Guarantee Scheme Funds, among others, were adopted in this period. Before the commercial mining of oil in early 1959, the Nigerian economy was mainly dependent on agricultural products for its domestic food supply and foreign exchange earnings. This was soon to change with the coming of the oil boom which led to the neglect of the agricultural sector. This neglect led to the massive importation of food. Many attempts have been made to correct this distortion through agricultural programmes such as Operation Feed the Nation, Agricultural Credit Guarantee Scheme Funds and the Green Revolution, but they have not

achieved the desired objective of food security for the masses (Forae, 2005).

Similarly, the oil boom of the mid 1970s to the early 1980s did not reveal the vagaries of the international oil market with the result that Nigeria's economic policies of that period wittingly neglected other viable areas of the economy such as agriculture and the non- oil export sector. The country according to Atoloye (1997) depended heavily on oil for meeting her international commitments and executing domestic economic programmes. By 1982 he added, when the volatility of the oil market became a stark reality, the economy was already caught in the throes of a depression. To reverse this condition, the Structural Adjustment Programme (SAP) was adopted in 1986. The most important of the various policies under the programme was the restructuring of the production as well as the export base of the economy with a view to restructuring the ailing economy and breaking the mono-product nature of her export sector. The programme was plagued by a lot of contradictions and distortions that inhibited its full implementation and was subsequently abandoned after six years (Forae 2000). Worthy of note, was its haphazard implementation which brought about problems of greater dimension; that of debt overhang and its attendant rescheduling and forgiveness proposals which President Olusegun Obasanjo achieved in 2006, after protracted negotiations with the Paris Club.

In 1986, a mass mobilization approach which included integrated rural development and basic needs strategies, were adopted in Nigeria. Programmes that were created in this macro approach included; the Directorate for Food, Roads and Rural Infrastructures (DFRRI); the National Directorate of Employment (NDE); Mass Mobilization for Social Justice and Economic Reconstruction (MAMSER); Better Life for Rural Women;

the People's Bank, Community Banks; Rural Health Schemes; and the Expanded Programme on Immunization (EPI). The ADPs were also strengthened. The Directorate for Foods, Roads and Rural Infrastructures (DFRRI) was expected to provide basic amenities like access roads, rural electrification and portable water to ease the living conditions of the rural people.

The National Directorate of Employment (NDE) was to help provide self employment opportunities for unemployed youths in rural and urban areas. They were to do this by training the youths in different arts and crafts and by providing them with soft loans and equipment. MAMSER was to provide mobilization and encourage the participation of rural people in their development. The banks were to provide credit to rural and small investors in the informal urban and rural sectors. The EPI and other rural health programmes were to cater for the health needs of the rural people. The ADPs which had earlier been established, were strengthened to provide greater and improved assistance to rural farmers. The ever increasing number of the poor in Nigeria and the low levels of infrastructural and human development in the rural areas attest to the ineffectiveness of these poverty alleviation programmes.

Under FEAP, micro credit or soft loan was provided to the rural populace for the establishment of cottage industries and improved storage facilities. The micro credit scheme was to serve as investment promotion and poverty alleviation that will stimulate growth and development of the less privileged in Nigeria. The 2000s saw the emergence of the Universal Basic Education (UBE) Schemes, Mass Adult Literacy Programmes and Primary Health care Programme. The government was determined to create more jobs for about 200,000 unemployed persons and stimulate production within the period of one year. Within the same period, the

government recognized that about 70 percent of Nigerians are poor in real terms and earmarked 50 percent of Poverty Alleviation Programmes (PAP) jobs for youths; 25 percent for women and the remaining 25 percent for the men, with special preference for the destitute and disabled persons. The jobs thus created were spread among states at (5000 persons each) while the balance of 15,000 was shared among thickly populated cities. In addition, PAP participants were paid monthly stipends of ₦3500 each. In less than two years however, the original outlay of the Poverty Alleviation Programme (PAP) was amended and renamed National Poverty Eradication Programme (NAPEP). Its major components are the Mandatory Attachment Programme (MAP), the Youth Empowerment Scheme (YES) and the Capacity Acquisition Programme (CAP).

Policy failures in poverty alleviation

There are several causes of the failure of poverty alleviation policy in Nigeria. The causes are divided into two broad categories. Those associated with policy design and implementation and causes associated with policy acceptability. Factors that relate and have bearing on these causes include: misunderstanding of the policies made for the people by the policy makers: misplaced priorities: favoritism and benefit capture, which breeds contempt for the policies.

A situation where the change agents or policy makers do not know the people they make the policy for, especially their felt needs, they are want to either overestimate or underestimate the problems of such people and are also likely to misplace priorities. The prevailing public policy on poverty alleviation is at variance with the people's perception of what constitute their development. It is obvious from the above assertion, that the poor do not share government's enthusiasm for poverty alleviation. In most cases they do not adopt the

type of poverty alleviation proposals, programmes and projects that are espoused in the official national development programmes. They therefore undertake other types of projects that they think are more relevant to their “felt needs” and “aspirations”.

Poverty alleviation policies have however continued to be directed at unemployment to the neglect of mass poverty as experienced in the rural areas as the core of the development problem in the country. The emphasis on employment might not be the solution to the problem of poverty in the rural areas. Similarly, the focus on income inequality will yield little result in the elimination of poverty. For poverty itself, according to Adeniyi (1984) is both an expression of life situation and a state of mind which can only be defined meaningfully, only within a particular cultural and historical setting.

Conclusion/Recommendations

The paper has attempted to articulate the definition of poverty as well as its incidence and reviewed some relevant literature as a basis for the appraisal of the effectiveness of poverty alleviation measures in Nigeria. It is obvious that in Nigeria, the incidence of poverty has remained high in spite of growth and the existence of a number of poverty — alleviation programmes. Targeted efforts are therefore required to induce broad — based growth and provide social services and infrastructures aimed at reducing the depth and severity of poverty across the country.

The complexity and enormity of the problems confronting the poor especially the rural dwellers have necessitated the desire for a thorough search for both the causes of the failure of all government poverty alleviation programmes and the need to formulate a more appropriate and enduring approach. The problem is more than just unemployment and income inequality. It is the “social, cultural

and economic issues responsible for poverty and underdevelopment that require attention. Perhaps “community development” through participation would be a preferable approach. It emphasizes the involvement of the poor in the whole process of poverty alleviation activities from the early stage of poverty problem identification to the stage of design and implementation. It is therefore vital to understand what the poor think poverty is and their strategies for long-term solutions to the problems of chronic and persistent poverty. Consulting the poor and seeking their understanding of poverty, is not an end in itself, since consultation without participation in efforts directed at their welfare, amounts to no consultation.

The plan for prosperity must address a startling paradox: about two-thirds of the Nigeria people are poor, despite living in a country with vast potential wealth. Perhaps the greatest hindrance to progress has been the boom and bust mode/cycle of economic management, encouraged by the dominance of oil in the economy.

Meeting therefore the needs of our people and naion is the primary aim of the plan for prosperity. This paper insists that every Nigerian has the right to adequate water and sanitation, nutrition, clothing, shelter, basic education and health care, as well as physical security and the means of making a living. It also recognizes that poverty has many strands and must therefore be tackled from several different directions at once. It also recognizes that the government must work not only to improve incomes but to tackle the many other social and political factors that contribute to poverty.

References

Adeniyi J.P. (1984), Poor Quality of Rural Life in Nigeria: Implication for a

- Policy. *Rural Development in Nigeria*, 1 (2).
- Akeredolu — Ale, E.O. (1975), “Poverty as a Social Issue: A Theoretical Note”, in *Poverty in Nigeria*, Annual Conference of Nigerian Economic Society (NES).
- Aluko, S. (1975), “Poverty: Its Remedies,” in *Poverty in Nigeria*. The Nigerian Economic Society (NES).
- Amis, P and Rakodi, C (1994), *Urban Poverty: Issues for Research and Policy*. *Journal of International Development*, 6 (5).
- Anyanwu, J.C. (1997) “Poverty in Nigeria: Concepts, Measurement and Determinants” in *Poverty Alleviation in Nigeria*. Annual Conference of Nigerian Economic Society (NES).
- Blackwood, D.L and Lynch, R.G. (1994), *The Measurement of Inequality and Poverty: A Policy Maker’s Guide to the Literature*. *World Development* 22 (4)
- Edozien, E.C. (1975), “Poverty: Some Issues in concept and theory”, in *Poverty in Nigeria*. Nigerian Economic Society. (NES).
- Ekong, C. N. (1997), “Framework for Building Sustainable Poverty Alleviation Strategies in Nigeria”, in *Poverty Alleviation in Nigeria*. Annual Conference of Nigerian Economic Society (NES).
- Ekong, E.E. (1988), *An Introduction to Rural Sociology*. Jumak Publishers Ltd.
- Ekong, E.E. (1991), *Rural Development and the Persistence of Poverty*. Inaugural Lecture Series. University of Cross River State.
- Federal Office of Statistics (1995), *The Nigerian Household*. Lagos, FOS.
- Federal Office of Statistics (1996), *Social — Economic Profile of Nigeria*. Lagos, FOS.
- Federal Office of Statistics (1999), *Poverty Profile of Nigeria 1980 — 1996*, Lagos, FOS.
- Forae, F.O. (2000), ‘Structural Adjustment Programme and Development in the Third World: An Appraisal’, *Nigerian Journal of Economic History*, 2
- _____ (2005), ‘The Food and Agricultural Crisis in Africa: An Appraisal of Capitalist Agriculture in Nigeria’, *African Journal of Economy and Society*, 2(5).
- International Labour Organization (1981), *The Challenge of Rural Poverty*. Geneva; International Labour Office.
- Musgrove, P and Feber, R. (1976), *Finding the Poor: On the Identification of Poverty House-holds in Latin America*. Washington D.C; Brookings Institution.
- Nigeria National Bureau of Statistics (2005) *Poverty Profile of Nigeria*. Lagos, NBS.
- Nwabu, G. (2005), “Human Capital Investment, Growth and Poverty Reduction in Sub-Saharan Africa”. AERC Senior Policy Seminar VII, African Economic Research Consortium.

- Ojha, P. O. (1970), A Configuration of Indian Poverty. *Reserve Bank of India Bulletin*, January.
- Olisa, M.S.O. and Obuikwu, J.I. (1992), *Rural Development in Nigeria: Dynamics and Strategies*. Awka: Mekslink Publishers.
- Otite, O. (2002), *On the Path of Progress: A Study of Rural Immigrants and Development in Nigeria*. Ibadan; Ibadan University Press.
- Reutlinger, S. and Selowsky, M. (1976), *Malnutrition and Poverty*. Baltimore; John Hopkins University Press.
- Sen. A.K. (1984), *Poverty and Famines: An Essay on Entitlement and Deprivation*. Oxford: Clarendon Press.
- _____ (1987), *The Standard of Living*. Cambridge: Cambridge University Press.
- The Enterprise* (2005), *International Research Journal for Development*, 7 (3).
- Uniamikogbo, S.O. (1997), "Poverty Alleviation under Nigeria's Structural Adjustment Programme: A Policy Frame work in Poverty Alleviation in Nigeria. Annual Conference of Nigerian Economic Society (NES).
- United Nations Development Programme (UNDP) (2001), *Human Development Report*. Oxford: Oxford University Press.
- World Bank (1990), *World Development Report*, Oxford: Oxford University Press.
- World Bank (1993), *World Development Report*, Oxford: Oxford University Press.
- World Bank (1996), *Nigeria: Poverty in the midst of Plenty. The Challenge of Growth with Inclusion*. A World Bank Poverty Assessment.
- World Bank (2000), *World Development Report*, Oxford: Oxford University Press.
- World Bank (2001), *World Development Report*, Oxford: Oxford University Press.