

Strategies for Poverty Reduction in Nigeria

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KEY WORDS Economic situation; eradication of poverty; humankind; social development

ABSTRACT Poverty remains widespread within Nigeria. This is no longer a controversial subject. What is controversial is the choice of appropriate strategies for poverty reduction. The major suggestions are that the strategies must be multidimensional and for all the strategies recommended earlier on to work, the society needs to be committed, disciplined and consistent with all the ideals that have been stipulated. This is because poverty reduction cannot come by accident by through conscious and concerted efforts. Since poverty is largely a social problem rather than individual dispositional, society has to address it critically, severally and simultaneously at all fronts. It is in recognition of this that various strategies comprising of economic, political, social, agricultural and ideological policy options were suggested. It is envisaged that all these strategies will definitely help to reduce the incidence of poverty to a large extent in Nigeria if adopted and implemented accordingly. Again, all the strategies suggested are mutually reinforcing. Our final thesis is that policy must simultaneously address the broad range of fundamentals that we have shortlisted earlier as all of them are mutually reinforcing and do not work in isolation. There is no doubt that Nigeria has adequate capacity to implement these suggestions.

INTRODUCTION

The problem of poverty in Africa has over the years engaged the attention of the international community, governmental and non-governmental agencies, including African scholars. Indeed, poverty and poverty reduction have been the focus of numerous researches, discussions, debates and implementation programmes for as long as these African states have been in existence. In 1989, the World Bank issued a report on the crisis of poverty in Africa in which it highlighted the gravity of the economic situation on the continent, and specifically proffered advice on the economic strategy needed to bring about some improvement in the economic conditions of the people of the continent. Again, there is the declaration of 1996 by the United Nations as the international year for the eradication of poverty. This was soon followed by the proclamation of

the first United Nations Decade for the Eradication of Poverty, which was adopted by the General Assembly in its fifty-first session in the autumn of the same year. The theme for the Decade is that eradicating poverty is ethical, social, political and economic imperative of humankind. The inspiration for the proclamation of the Decade has come from the World Summit on Social Development held in Copenhagen; Denmark, in 1995 which committed all countries to the goal of poverty. Since then, several studies have ensued on the economic plight of Africa, including a call on African governments to introduce major economic reforms in their countries to alleviate poverty.

In response to the above, many African countries, including Nigeria, have committed themselves to carrying out extensive economic reform programmes. The results have been somewhat mixed. In some cases a modest growth has been achieved through the transition from a centrally - planned economic system to a market based strategy. But in virtually all cases, the modest growth achieved has not translated into any significant improvement in poverty. For instance, between 1986 and 1992, Nigeria introduced a structural adjustment programme (SAP) which, by and large, has halted the decline in the national economy, and achieved an average growth rate of one per cent. Again, this has not brought any significant reduction in poverty in Nigeria. The so-called trickle down effect of the structural adjustment programme has not materialized. In fact, today it is clearly evident that the poor are not better off than they were in the past, and there is no reasonable hope even for the future if things continue the way they are presently.

What is poverty? Poverty, because of its multidimensional and nature, does not lend itself to easy definition. In defining poverty, however, Robertson (1980) and Giddens (1996) argued that a distinction should be made between subsistence or absolute poverty and relative poverty. Robertson (1980) defined subsistence poverty as lack of basic requirements to sustain a physically

healthy existence, that is, sufficient food and shelter to make possible the physically efficient functioning of the body. Nobbs (1984) defined relative poverty as the relative deprivation which people suffer from when or because they are unable to enjoy things, which the majority of the people in that particular society enjoy. Again, Chambers (1995) defined poverty as the lack of physical necessities, assets and income. It includes, but is more than incomes. Invariably, poverty has both income and non-income dimensions. Finally, Okoh (1997) defined poverty as a state of deprivation, in terms of both economic and social indicators, such as income, education, health care, access to food, social status, self-esteem and self-actualisation. Okoh in the same place contended poverty is said to exist when income or disposable resources are inadequate to support a minimum standard of decent living. The next logical question is, who are the poor?. According to Obadan (1996) the poor are those who are unable to obtain an adequate income, find a stable job, own property or maintain healthy living conditions. Olayemi (1995) described the poor as those who had no access to the basic necessities of life such as food, clothing and decent shelter; are unable to meet social, economic, political obligations. For Giddens (1996) people in the following categories are particularly likely to be living in poverty; the unemployed, those in part-time or insecure jobs, older people, the sick and disabled, and members of large families and/or single parent families. About half of all old-age pensioners are living in poverty. Many people who may have been reasonably paid during their working lives experience a sharp reduction in income on retirement. Single - parent families, nearly all headed by women, make up an increasing proportion of the poor. The high unemployment of the 1980's and early 1990's seems unlikely to decline in the near future, and this will put more families into poverty.

How really poor are the poor in Nigeria? In 1978, Nigeria was ranked by the World Bank as middle - income country with a per capita income of about 1000 US dollars and an exchange rate of 2 US dollars to the naira. In 1990, the World Bank report showed that per capita income had declined to 290 US dollars, and Nigeria had dropped from a middle income to the 17th poorest country in the world in terms of per capita income. By 1996, Nigeria's per capita income had dropped to 280 US dollars. On a comparative basis, Nigeria is poorer than virtually all her neighbours. Togo is ranked

25th with a per capita income of 320 US dollars. Benin is ranked 30th with a per capita income of 370 US dollars, Ghana is ranked 33rd with a per capita income to 410 US dollars. Cameroon is ranked 47th with a per capita income of 680 US dollars which more than double that of Nigeria.

When we consider the figures for income distribution, they show that there is far greater income inequality in Nigeria than in virtually all other African countries. In Nigeria, the highest 10 per cent earn more than 40 per cent of the gross income, with a balance of 60 per cent going to 90 per cent of the population. In fact, the lowest of 10 per cent earn about 1 per cent of the total income. In Ghana, the lowest 10 per cent earn 3.4 per cent of total income, while in Benin, the figure is 4.1 per cent, that is, four times that of Nigeria.

Statement of The Problem

According to the 'Socio-Economic Profile of Nigeria (FOS) (1996) published by the Federal Office of Statistics, sub-Saharan Africa is noted for the prevalence of absolute poverty in all its characteristic features. Poverty in these countries is massive, pervasive and chronic, engulfing a large proportion of the society. The concern about poverty in most of these countries, including Nigeria has been very tremendous. Resulting from large-scale poverty, human conditions in Nigeria have greatly deteriorated, particularly in the last decade. Real disposable incomes have dwindled while malnutrition rates are on the increase. The concern for poverty is two-dimensional. Over time, a sizeable reduction in poverty is important, both in its own right and as a first step to providing the means for the self-improvement of the most disadvantaged group in the society.

In Nigeria, government efforts at poverty reduction have not succeeded in reducing poverty. Some of the factors responsible for this lie in the nature of the socio-political and economic structures, which alienate and exclude the poor from decisions affecting their welfare. Programmes are imposed from the top, with huge overheads, which favour contractors, consultants and the cronies of those in power. The politicisation of policies aimed at poverty reduction and the interplay of corrupt practices has often led to the displacement of goals and the objectives of programmes designed to reduce the incidence of poverty. Coupled with this is the problem of political instability, the rapid turnover of programmes of

action and office holders, leading to the truncation of programmes midstream and unnecessary duplication and waste.

For most Nigerians, poverty is endemic, is real and devastating. For a large percentage of the population, there is no food, housing and health security. Life in Nigeria involves a daily struggle against hunger and a total lack of housing and health facilities. By 1998, estimates of the Nigerian Human Development Report (NHDR) put the number of Nigerians living in poverty at 48.5 percent. Between the 1980s and the 1990s, Nigeria experience worsened as the incidence of poverty rose from 46.3 per cent of the population in 1985 to 65.6 per cent in 1996. The Human Development Report for 2000 ranked the country 151 out of 174 countries and among the poorest in the world. In short, the vast majority of the people have little or no access to the social amenities that are taken for granted in the rich countries. In Nigeria, there is no social welfare network to ameliorate the condition of the poor. The poor in Nigeria depend largely and mostly on relations and friends for a bit of sustenance.

Table 1 and 2 shows the trends, depth and severity of Poverty in Nigeria between 1980 and 1996.

Table 1: Trends in poverty level 1980 - 1996 (%)

<i>Year</i>	<i>Poverty level</i>	<i>Estimated total population</i>	<i>Population in poverty</i>
1980	27.2	65. m	17.7m
1985	46.3	75. m	34.7m
1992	42.7	91.5m	39.3m
1996	65.6	102.3m	67.1m

Source: FOS, 1999

Table 2: Depth and severity of poverty

<i>Year</i>	<i>Depth</i>	<i>Severity</i>
1980	.160	.080
1985	.352	.169
1992	.384	.202
1996	.358	.207

Source: FOS, 1999

Why is Poverty a Problem?

Poverty has a range of sociological implications both for the individuals and the society at large. Poverty is anti-development. Poverty is man's most powerful and massive affliction. It is the progenitor of much pain ranging from ignorance, hunger, disease to social and civil conflict. It is divisive,

and is often the source of political instability and social disorder. For instance, the conflict and the regular violence recorded in the Niger Delta communities can be attributed directly to the poverty, which emanated from environmental degradation. Conflict erupts when people have no jobs, food and shelter. Sometimes such conflict occurs because of fear of unemployment, or perceived social injustice and deprivation (Nick Ashton-Jones, 1998; Aluko, 1999; NHDR, 1996, 1998).

Poverty is also a problem because it constitutes an obstacle to rapid economic development of a nation as it usually affects both performance and productivity negatively. The poor cannot contribute effectively to economic growth because they lack the skills to do so. The poor also lack the motivation to commit themselves to socio-economic growth since the reward of doing so is neither self-evident nor guaranteed. Again the poor are alienated from the state which they regard as the source of their poverty.

Poverty creates pent-up grievances and resentment against the power elite and the ruling authorities. It breaks up families as women and children are usually the worst victims of poverty. Poverty is also directly responsible for crime in the cities as well as the rural areas. (ERA, 1998). To Quinney (1980) crime is a direct product of poverty; it is a by-product of the political economy. In the popular views and as previous studies have shown (Quinney, 1980; Fadayomi et al., 1988; and NHDR 1996), poverty contributes to social deviation such as delinquency, drug addiction, and general criminality. According to Fadayomi et al. (1988), the poor experience greater difficulties in achieving their personal goals and aspirations through institutionalised means. Therefore they tend to experience unfulfilled aspirations which result in anomie for most of them. Consequently, the only choice open to them is often a resort to illegitimate means to achieve those personal goals which people who are better off generally achieve without resource to deviance. Again, the poor youths are more likely to be exposed to the life of touts, drug pushers, thieves, prostitutes and other types of criminals sharing community of residence. In essence there is correlation between poverty and deviance.

According to ERA findings in 1998, poverty also leads to social and environmental degradation. Poor people can hardly be expected to care about their environment as they are persistently faced

with the constant battle for survival. Hence, the filth, which persists in Nigerian towns and cities despite the monthly environmental exercise, is simply ignored by the vast majority of the poor. In fact, many see it as a nuisance, which affects their time and income.

Again, the NHDR 1998 reported that as environmental degradation gets worse by the day; this phenomenon is both a cause and a consequence for deepening poverty. According to the report of the Technical Committee on the review of poverty alleviation programmes in Nigeria, Vol. 11, October 2000, poverty has also been known to force women into situations in which they are vulnerable to various forms of exploitation such as early marriage, teenage pregnancy and health complications. Poverty is also a factor in the high rate of infection of women with HIV/AIDS/STDS.

Again, HIV/AIDS have become the major threat to Nigeria's development. The result of National HIV sentinel sero-prevalence-survey conducted in Nigeria in 1999 indicated that HIV/AIDS epidemic has reached every community/locality in the country, with prevalence rate increasing from 1.89 per cent in 1993 to 4.5 per cent in 1996 and 5.4 per cent in 1999. Youth within the 20-24 age range showed a much higher prevalence rate of 8.1 per cent with grave implication for our national development. In fact, Nigeria is among the first populous country in the world to have crossed the 5 per cent prevalence mark. Although there are still gaps in the necessary information required to fully explain what drives the epidemic, there are, however, substantial evidences that one of the significant factors driving the epidemic is poverty. AIDS deepens the poverty of households and nations, and poverty aggravates the spread of HIV/AIDS.

Furthermore, the NHDR 1998 also reported a correlation between poverty and life expectancy. It is argued that the poor have a shorter life span than the rich. According to this report, this is the more reason why the life expectancy remains 52 years, health services at 49 percent, and an estimated 33.8 percent of Nigerians are not likely to survive the age of 40 years.

The huge population of extreme poor people is a great cause for concern. According to the NHDR 1998 report, thirty-seven million Nigerians are wallowing in extreme poverty-deprived, harassed and dehumanised. This widespread sense of hopelessness threatens social cohesion.

Finally, the NHDR 1996 reported the multiple social manifestations of poverty. According to this report, poverty manifests itself in prostitution, exposure to risks, corruption, robbery, street life, increased unemployment, living in squalor, shanties shackles, high infant mortality, acute malnutrition, short life expectancy, human degradation, living in over crowd and often poor ventilated homes etc.

It is evident from the foregoing discussions that the problem of poverty is real in Nigeria and something positive must be done to reduce it. It is also clear that unless the problem of poverty in Nigeria is tackled head on and severally at all fronts, political stability, social cohesion and socio-economic growth and progress will continue to elude this nation.

Causes of Poverty In Nigeria

Poverty has no single cause. It is produced by a number of sometimes interrelated, wide, diverse and complex factors.

Conventional explanations for poverty in the poor countries have ranged from lack of capital, low-level technology, huge population to economic mismanagement. All these causative factors are applicable to Nigeria. Robertson (1980) identified four categories of factors (i) economic discrimination cultural and political. Abdullahi (1993) stated that poverty depends on a host of factors such as limited productive resources, lack of skills for gainful employment, location disadvantages, or endemic socio-political and cultural factors.

The Socio-Economic Profile of Nigeria (FOS) (1996) summarised the main causes of poverty in Nigeria. These are:

- (1) Inadequate access to employment opportunities for the poor. The stunted growth of economic activities or growth often causes this with labour saving device;
- (2) Lack or inadequate access to assets such as land and capital by the poor. This is often attributed to the absence of land reform and minimal opportunities for small-scale credit;
- (3) Inadequate access to the means of fostering rural development in poor regions; the preference for high potential areas and the strong urban bias in the design of development programmes is often assumed to be its primary cause;
- (4) Inadequate access to market for the goods

- and service that the poor can sell; this is caused by their remote geographic location or other factors;
- (5) Inadequate access to education; health; sanitation and water services. This emanates from inequitable social service delivery, which consequently results in the inability of the poor to live a healthy and active life and take full advantage of employment opportunities.
 - (6) The destruction of the natural resource endowments, which has led to, reduced productivity of agriculture, forestry and fisheries. This often resulted from the desperate survival strategies of the poor as well as inadequate and ineffective public policy on natural resource management.
 - (7) The inadequate access to assistance by those who are the victims of transitory poverty such as drought, floods, pests and war. This is brought about by lack of well conceived strategies and resources; and
 - (8) Inadequate involvement of the poor in the design of development programmes. This is often exacerbated by the non-involvement of the representatives of the poor communities or beneficiaries in the discussion, preparation, design and implementation of programmes that will affect them.

Theoretical Basis of Poverty

The micro-macro perspectives in sociological theorizing highlight these causal factors. From the micro perspective, poverty is seen as arising largely from individual dispositions what some sociologists Bilton et al. (1987) termed the product of deficient personal character and morality. The poor were seen as thriftless, lazy and undisciplined; lacking initiative and moral fibre. The poor are believed to breed large families. All these submissions are in line with the 'culture of poverty' thesis which suggests that the poor are poor because they have different values and a way of life different from the rest of the society. That is, the poor have a culture of their own which prevents them from achieving success and prosperity. According to Lewis (1966) the poor have a strong sense of fatalism, helplessness, and inferiority. They are oriented to the present and do not plan for the future.

Lewis (1966), Bilton et al. (1987) and Henslin (1996) posited that the poor possess certain cultural features which mark them off from the rest of society

and which are passed on from generation to another; inhibiting those exposed to them from taking opportunities to escape from poverty. From this theoretical position, poverty is seen as largely resulting from individual dispositions. In other words, the poor are poor because their way of life is different and as such any alteration in this condition had to be achieved through their own efforts. This suggests that the individual's destiny lies in his own hands.

From the macro perspective poverty is seen as a social problem to be handled by systematic government action and provision of welfare services. Even if an individual desires a change in his position or status, institutionalised constraints within the socio-economic and political environment may hinder him from realizing this ambition. Some societies provide little possibility for upward social mobility to allow the poor to escape from their poverty. (Nobbs, 1984). In this sense, poverty is seen as a social problem, a macro political and economic issue that directs attention to the politics of poverty.

The major questions generated by the discourse on the politics of poverty are:- (1) Why is it that in the allocation of resources to the poor are generally neglected? (2) Why are the poor not adequately targeted by economic and social policies? (3) Why is it that in spite of government's economic policies aimed at addressing and curtailing poverty nothing seems to have happened? One of the many answers to these questions is that the poor are in a situation of powerlessness (NHDR, 1998; Aliyu, 1999). They are downtrodden, forgotten, alienated and estranged even though they constitute the vast majority. In Nigeria, successive governments have been largely concerned with security, that is the maintenance of law and order and good international image rather than policies aimed at alleviating or reducing poverty. More so, it is the interests of the power elite that are dominant. Again in the fierce competition among the political elites for power, there is no room for the poor. And the usual conflict among the political elites is about the allocation of state resources and not about the policies which address the problem of poverty. Because the poor have no access to power, they cannot play any important role in the allocation of state resources. Ultimately, poverty is a product of unequal access to and distribution of power in Nigeria. (Socio-Economic Profile of Nigeria, 1996).

The problem of the state ideology is closely

related to the discourse on the politics of poverty. Nigeria is a capitalist nation and one of the evils of capitalism is that it polarizes the society into two camps-the rich and the poor. Marx (1963) argued that poverty is largely a problem arising from the exploitative relationship between the workers and the owners of the means of production. The poor in Nigeria remain poor because the state under capitalism did not establish enough welfare policies and social programmes to take care of the poor. The Nigeria economy has not been in good shape in the last two decades. According to Obadan (1997) the introduction of the structural adjustment programme (SAP) in 1986 aggravated the incidence of poverty in Nigeria. SAP caused massive layoffs; reduction in capacity utilization; closure of industries; hyperinflation rates; high interest rates and unstable foreign exchange rates (Aliyu 1999). With SAP, the middle class, that is those living above poverty level became marginalized with the lower class thereby increasing the percentage of the poor. According to FOS and World Bank report on Poverty and Welfare in Nigeria, the population of the poor which was 36.1 million in 1985 and 34.7 million in 1992 has jumped to 55.8 million in 1997. In other words, from a reduction by about 6 percent between 1985 and 1992, there was an escalation by 61 percent between 1992 and 1997 in the country's poor population. No doubt these negative developments have greatly contributed to depressions which are manifesting poverty amongst Nigerians presently. (Fadayomi et al., 1988; and CDHR, 1996).

Furthermore, Nigeria's Gross Domestic Product (GDP) per capita is low with the purchasing power on the decline with inflationary trends moving slowly and increasing income inequality. According to Aliyu (1999) by 1993, the GDP per capita for Nigeria was =N 1,069 and it dropped to =N 1,046 by 1996. The inflation rate by 1992 was 45 per cent, 57 per cent in 1993, and 73 per cent in 1995 and dropped to about 29 per cent in 1996. Due to dwindling fortunes in the country's earning from the oil sector as a result of instability of the International Oil market and the general global recession, poverty was again on the rise in Nigeria between 1992 to 1995.

Apart from SAP therefore, the Nigerian economy is characterized by - unfavourable exchange rate, lack of budgetary discipline, high level of unemployment, under - utilization of industrial capacity, shortage of raw materials, huge foreign debt and the attendant high cost of debt

servicing leaving relatively little income for recurrent and capital expenditure, continued crash in oil prices leading to loss of foreign exchange earnings and a fall in the standard of living as a result of persistent inflation. There is no doubting the fact that these identified salient features of the Nigerian economy have had a remarkable effect on the quality of life of people in Nigeria particularly the poor whose conditions have been worsening over the years. (Fadayomi et al., 1988; CDHR, 1996).

Arising largely from the economic situation is the problem of unemployment. The level of poverty in Nigeria is high because the level of unemployment is also very high. Presently, Nigeria is faced with the unpleasant phenomenon of highly educated, professionals who are poor because there are no jobs for them. Graduate unemployment has become a major social problem. Nigeria produces some 100,000 graduates a year, but less than 10 per cent of these have any reasonable hope of finding a job. Again, the problem of under - utilization of industrial capacity has meant regular retrenchment exercises in both the private and the public sectors of the economy thereby aggravating the already high level of unemployment. Thus unemployment is one of the main causes of poverty in Nigeria (CDHR, 1996; NHDR, 1996, 1998).

Again, there is the problem of inequitable distribution of income. According to Giddens (1996) the more the distribution of wealth and income in a country is left open to mechanisms of the market, the greater the material inequalities. This is the true position in Nigeria where the gap between the rich and the poor is so wide as a result of inequitable distribution of wealth and income. According to the Socio-Economic Profile of Nigeria 1996, reported by the FOS, in Nigeria the workers live in a state of acute deprivation as they earn too little to bring them over the threshold of poverty. The wages and salaries paid keep them at the subsistence level (CDHR, 1996; NHDR, 1996).

Coupled with this is the fluctuation in incomes often experienced by some people in certain occupations. For instance farmers and fishermen experience seasonal fluctuations in their incomes because of the lack of storage facilities for their produce. This explains why farm products are cheaper during harvest seasons but later on become costly. Again, fishermen make more catches during the dry season than in the rainy season. This unstable and fluctuating income is a source of poverty to people in these occupations. (Socio-Economic Profile of Nigeria, 1996;

NHDR, 1998).

Lack of education has also been identified as one of the causes of poverty. In general poverty is more prevalent among those lacking in education that are then forced to seek accommodation with poverty. Nobbs (1984) Bilton et al. (1987), Giddens (1996). World Bank Assessment (1995) HDR (1997) and (1998). In reality, a large percentage of the poor are uneducated. This is because education provides the means for securing a job either in the public or private sector. The vast majority of the middle - class and those at the upper echelons were those who had access to education. Education thus provides ample opportunities for people to escape from poverty. In Nigeria, according to the NHDR 1998, Adult literacy rate remain at 55.6 percent. Lack of education is thus one of the causes of poverty.

Having large families is also one of the causes of poverty. In Nigeria as in most of the third world countries, family sizes are usually large. It is common to see a man with as many as four wives and plenty of children. This can be attributed to the tradition of polygyny in most of these societies as well as the Islamic injunction, which allows men to have multiple wives. But this tradition of having large family sizes is in some way undesirable and unfortunate as it breeds poverty. The 'vicious circle of poverty' usually associated with the developing world is again associated with high birth rate and large family sizes. The head of the family in most cases do not usually have enough resources to sustain and cater for the family at all fronts satisfactorily. Large family size means that the burden of dependency will be high, the propensity to save will be low and hence there will be poverty.

According to the NHDR (1996) the child dependency ratio is high with over 44 percent of the population below 15 years. Again the NHDR (1998) also reported a link between high population and poverty. The country is projected to be growing at 2.83 per cent since the 1990s. Unless during the intervening quarter-of-a-century it manages to bring down this growth rate, it will be further entrapped by the vicious circle of demographic - induced, aggravation of poverty with majority of people unemployed, uneducated, ill clad and disease ridden.

The institutionalisation and the culture of corruption in Nigeria have something to do with poverty. A lot of public funds, which could have been used to take care of the poor, are sometimes

misallocated or misappropriated. There are startling revelations of public looting and outright diversion of public funds meant for the execution of welfare schemes for the poor into private coffers. This culture of corruption has thus aggravated the condition of the poor as the various programmes designed and agencies established to help them have not been functioning. Again, corruption also weakens governments and lessens their ability to fight poverty. (NHDR, 1997; Aliyu, 1999; Aluko, 1999).

Furthermore, there is the problem of debt burden and its link with poverty. A recent UNDP publication, Progress against Poverty in Africa (1998) has correctly assessed, "standing in the way of efforts to mobilize the resources needed to substantially reduce poverty is Africa's crushing overhang of debt.... Clearly real debt reduction under a reinvigorated initiative for the highly indebted poor countries is essential".

According NHDR 1996, Nigeria's total public indebtedness was approximately one trillion naira in 1994. Given such a debt burden, it is very difficult to achieve much success in poverty alleviation, unless, of course, there is substantial debt relief and the country succeeds in reducing significantly over the years its debt burden. The NHDR 1998 therefore concluded that the country's heavy debt burden continues to inhibit its capacity to address and tackle poverty in a bold and holistic manner. Nigeria remains one of the world's top debtors and the World Bank's biggest all-time target borrowers.

Again, the persistent inflationary trend in Nigeria, most especially between 1987-1996 has also been a source of poverty. According to NHDR 1998, high inflationary policies inevitably brought adverse effect on nutritional condition of the populace in general and the poor in particular have escalated poverty both in scope and magnitude. The Nigerian poor face the most severe constraints on their food production, in getting the right price for their products and in their access to food from the market which renders them vulnerable to food crises and the consequent human deprivation. Food insecurity also leads to productivity losses due to diminished work performance, lower cognitive ability and poor school performance. For Nigerians engaged in the agricultural sector, production is usually done at the subsistence level and so such people remain largely poor. For those in wage employment, the persistent inflationary trend and abysmal low wages and poor reward system has meant living in poverty. Most workers

in Nigeria live far below their real requirements, as wages cannot meet basic needs (FOS, 1996).

Finally, it is also argued by Nobbs (1984) Bilton et al. (1987) that some people are in poverty because of the peculiarity of their position or status. People in this category include the aged, widows, orphans, the sick and the disabled. Such people are sometimes found in disadvantaged positions, which limits their opportunities to survive or make both ends meet. This acute state of deprivation and disadvantage is a source of poverty most especially in Nigeria where there are no special social provisions in place for this category of people. Thus, these multidimensional causes of deprivation make poverty to be very endemic in Nigeria.

Problems of Poverty Alleviation Schemes in Nigeria

In order to make the foregoing discussions explicitly clear and more meaningful, there is the inevitable need to examine the problems associated with some of the previous poverty alleviation schemes in Nigeria. Several of these schemes and programmes have been implemented in the past and include the following.

- The Family Economic Advancement Programme, (FEAP) established by decree No 11 of 1997; responsible for providing the capital and indigenous equipment to cooperative societies and run productive micro and small enterprises.
- The National Directorate of Employment (NDE), established by decree No 24 of 1989; whose vocational skills development and small scale enterprises programmes are designed to create self-employment and at the same time combat mass unemployment.
- The People's Bank Programme, (PBN) established by decree No 22 of 1990; designed to extend credit services to the poor.
- The Petroleum Trust Fund, (PTF) responsible for the rehabilitation and provision of urban roads, water, health facilities, educational materials and agricultural facilities.
- The Directorate of Food, Roads and Rural Infrastructures, (DFRRI), responsible for financing the construction and rehabilitation of rural infrastructure (roads, water, dams, rural electrification etc).
- The Better Life Programme (BLP), aimed at alleviating rural poverty, particularly among women.
- The Family Support Programme (FSP) meant to

provide social and welfare services to the family in order to improve their living standard.

- The Oil and Mineral Producing Areas Development Committee (OMPADEC) which provides development aid to the oil producing areas.
- National Agricultural Land Development Authority (NALDA) for the provision of agricultural infrastructures.
- The Nomadic Education Programme - to raise the literacy level among the nomadic groups.
- River Basin Development Authorities (RBDA) for the development of the basins of the country's major rivers.

The list has not been exhausted here but in all there are over twenty of these institutions and programmes established by the government in Nigeria with a view to reduce the incidence of poverty.

However, it is sad to observe that all these effort have not produced the desired results as they have only achieved modest successes while the level of poverty still remain high.

Several reasons have been given for the failure of these institutions and programmes. First is the fact that some of the functions of these agencies and programmes have been duplicated leading to unnecessary plurality of influences and interests. Second, in some cases, the implementation agencies have been wrongly identified and as such roles and functions have been wrongly allocated. Third, Aliyu (1999) contended that in some cases, there is the non-existence of the right or appropriate implementation agencies thus creating gaps in the implementation trend. Again, there is the problem of poor management, poor accountability, high level of corruption and dishonesty, pursuit of parochial interests, poor staffing, incompetence, lack of commitment, among the rank and file of the workers in many of the implementation agencies. As a matter of fact, this is the bane of most public concerns in Nigeria. (Aluko, 1999).

Finally, we will also add that the government in Nigeria has not critically addressed the problem of capacity utilization in the industrial sector. It is an indisputable fact that most of the industries in Nigeria have been operating below installed capacity either because they could not procure adequate financial resources or the social infrastructures that will help to enhance capacity utilization are not in place. According to Aliyu (1999) this under-utilization of industrial capacity has meant massive lay-offs and regular

retrenchment exercises, a development which has aggravated the incidence of poverty in Nigeria than any other cause. (CDHR, 1996).

Suggested Strategies for Poverty Reduction in Nigeria

Since the causes of poverty are multidimensional, in the same way the strategies for poverty reduction must also be multidimensional. The following suggestions were made -

According to Aliyu (1999) a very strong and solid foundation is essential for the successful implementation of poverty reduction programmes in any developing country. The solid base is in the areas of:

- (a) National Security and Political stability;
- (b) Discipline;
- (c) Infrastructural Development;
- (d) Economic stability and provision of adequate welfare services.

Again the World Bank in its 1990 report suggests two strategies. These are:

1. Promotion of the productive use of the poor's most abundant asset-labour. This invariably calls for policies that create market incentives, stable social and political institutions, good infrastructure and adaptable technology.
2. The second is to make basic social services available to the poor. Hence primary health care, family planning, balanced nutrition and primary education are of prime importance. The five major strategies suggested are- economic, political, social, agricultural and ideological.

Firstly, economic growth remains the primary means of reducing poverty and improving the quality of life. Therefore economic policies should be directed towards poverty reduction. There should be increased sectoral allocation to the productive sectors of the economy e.g. industries in order to create more jobs and raise the level of employment. Unemployment is perceived to be a major source of poverty in Nigeria FOS (1996). There is a unanimous view that adequate employment opportunities are lacking given that Nigeria's economic problems have seriously affected industrial growth, which could have eased the problem. It is clear that poverty cannot be reduced in Nigeria in the face of the present high level of unemployment. The best strategy therefore is to embark on economic policies that will give room for expansion in industries and thus create more jobs. The ongoing retrenchment exercise in

the public sector should stop as the labour market is already oversaturated and will only aggravate the problem at hand (CDHR, 1996; NHDR, 1996; Socio-Economic Profile of Nigeria FOS, 1996).

Again, the nation must adopt economic policies that will facilitate the redistribution of wealth and incomes in order to solve the problem of inequalities and at the same time reduce the margin between the rich and the poor. This must not be left open to mechanisms of the market which according to Giddens (1996) backfired in Britain by actually swelling the numbers of those living in subsistence poverty. And as such the redistribution of wealth and income requires conscious strategy rather than being left open to the market forces.

In addition to the foregoing, poverty can be reduced in Nigeria if some of the existing Banks and financial institutions are recapitalized (1) make more funds available to investors and industrialists (2) facilitate the establishment of small scale industries (3) expand the scale of operation of the existing industries and maximize capacity utilization. On the long run, recapitalization of the existing Banks and financial institutions will help to reduce unemployment and subsequently reduce the level of poverty. Again, a poverty alleviation programme must be investment driven. Therefore policy must include measures to increase investment and improve allocation among sectors and projects. This must be tactically done to ensure widespread employment.

Aliyu (1999) stated that as a result of negative economic policies adopted by government, there are clear indications of dwindling productivity, under-utilization of installed capacity, closure of industries and increased importation of goods and services which could easily be sourced locally. All these have increased the number of people living below the poverty line in Nigeria. In order to effectively address the problem of poverty, some important fiscal and industrial policies adopted by government need to be seriously re-examined. (NHDR, 1996)

In general, the capacity and effective performance of political institutions and governance are very essential to reduction of poverty in Nigeria. In Nigeria, many people remain poor because of leadership problems on the one hand and the problem of total neglect on the other hand. Many Nigerian leaders do not understand the domestic problems plaguing and affecting their citizens and even when they are in the know of it they do not care. This is the more reason why in

the allocation of resources the poor are generally neglected. In the formulation of economic and social policies the poor are not targeted. To this end, the government must consciously draw and design programmes of action and policies that will reduce the incidence of poverty. This calls for rational governmental planning and disciplined leadership.

Aliyu (1999) and NHDR (1998) again made two submissions. First, they argued that one of the strategies for reducing poverty is to fight corruption and embezzlement of funds, issues that have become a bane of governance and resource use in Nigeria. Elimination of corruption must be seen as an integral part of a poverty alleviation strategy.

Second, they argued that poverty reduction programmes must be given adequate and sustained funding to create the necessary conducive atmosphere for effective implementation. The funding of such programmes should not be subjected to the whims and caprices of any government in power. The annual allocation to poverty reduction programmes must be specified as a percentage of the national budget and should not be interfered with, no matter who assumes the mantle of leadership of the country. The NHDR (1998) further suggested that Nigeria should subscribe to and fully implement the 20:20 compact on human development. This means that Federal, state and local governments would commit every year not less than 20 percent of their combined recurrent and capital budgets to the following specific human development targets during the next ten years:

Education:

- (i) Basic education for all;
- (ii) Reduction of adult illiteracy by one half of current figure;

Health:

- (iii) Universal access to primary health care sanitation;
- (iv) The immunization of all children;
- (v) Reduction of maternal mortality by one half;
- (vi) Eliminating completely severe malnutrition and reducing by one half moderate malnutrition.

Population:

- (vii) Access to family planning by all willing couples.

According to the NHDR (1998) meaningful education is the most potent instrument for alleviating and eventually abolishing poverty. It is education that is expected to provide opportunities

for the acquisition of knowledge and skills. Empirical evidence in Nigeria shows that there is a steady decrease in percentage of the poor as the level of education; particularly that of the head of the household, increases.

There is overwhelming evidence that the development of human resources is one of the keys to reducing poverty. Learning from the experience of others, the remarkable growth of the economics of the so-called Tigers of the Pacific Rim was largely due to the heavy investments made by these countries in developing human resources. All of them are 100 per cent literate as against a literacy level of only 55.6 per cent in Nigeria. Nigeria in spite of her abundant natural resources has simply not made adequate investments in the development of its human resources. The World Bank Report for 1996 shows per capita expenditure in Nigeria on health and education is one of the lowest in Africa. Ghana spends twice as much as Nigeria while Togo and Benin spend three times as much as Nigeria on education and health. According to NHDR (1998) education and health hold the key to eliminating poverty. Basic education should therefore become one of the major strategies for poverty reduction in Nigeria. It is obvious that only those who are educated that can hope to find reasonable employment that will lift them above the threshold of poverty. According to the NHDR (1998) meaningful education is the most potent instrument for alleviating and eventually abolishing poverty. It is education that is expected to provide opportunities for the acquisition of knowledge and skills. Empirical evidence in Nigeria shows that there is a steady decrease in percentage of the poor as the level of education particularly that of the head of the household increase. Uneducated people usually end up with poorly paid jobs and as such they always remain poor. In order to reduce poverty, Nigeria has to invest more in the development of her human resources.

In agreement with the World Bank suggestions, there should be a clear commitment to providing the poor with access to social services through the development of a good infrastructure. Safe water, electricity, and good roads are areas of infrastructure, which need massive investment particularly, in the rural areas. With more stable supply of electricity, urban artisans can more than double their incomes. A substantial income is lost through erratic power supplies by artisans in Nigeria. (CDHR, 1996).

In the rural areas too, the provision of good infrastructure will also assist farmers to increase

their income rapidly. The existing poor infrastructure, particularly in the rural areas prevents farmers from producing more food and cash crops, as such an increase may not be easily evacuated to the towns and cities where they are needed. Again, having good infrastructural facilities in place will also encourage the growth of cottage industries in the rural areas where labour is cheaper than in the cities. One of the strategies for reducing poverty is to provide the poor with adequate social infrastructures.

Although not much success has been recorded in agriculture, agricultural development remains the best means of reducing the incidence of poverty in Nigeria. In order to succeed in poverty reduction, development of agriculture must be focused on the rural dwellers. There is the imperative need to invest in agricultural technology so as to boost agricultural productivity. Affordable tools must be fabricated locally while the more expensive tools can be assembled locally with a view to reducing costs. Storage facilities should also be produced to take care of excess farm products. This again will help to stabilize the incomes of those engaged in farming as income fluctuations itself is a source of poverty. If poverty is to be reduced, Nigerian agriculture must shift from the traditional hoe and cutlass agriculture, which keeps people at the subsistence level to, mechanised agriculture.

There are the social dimensions of poverty. In order to reduce poverty, the government put in place some measures that we have in mind includes - old age schemes, unemployment allowance, and welfare schemes for the widows, orphans, the sick and the disabled people. Furthermore, a strict population policy limiting or stipulating family size must be put in place. The strategies should include the following:

- (1) Limiting age at marriage.
- (2) Taxation - imposing heavy tax burden on large families so as to deter people from having large families.
- (3) Limiting the number of children per couple to a maximum of four.
- (4) Marrying multiple wives to be discouraged.

Even though some of the issues raised above seems controversial, this notwithstanding, they are quite in order as they have been adopted and implemented by both China and India with a remarkable degree of success. And as such, Nigeria can borrow so much from the experiences of both nations, which is in line with the convergence thesis. Again, the average Nigerian woman, as indicated by the UN profile on Human Resources, has six children. If recent population trends

continue according to projections by the UN, by the year 2015, the population will double the natural growth rate thus making the challenge of poverty reduction programmes a daunting or Herculean task.

It is envisaged that all these strategies will help to reduce the incidence of large family sizes and thus help to reduce poverty since it is understood that the burden of parenthood also increases the level of poverty.

Finally, there is the ideological dimension of the problem. It has been argued that the incidence of poverty is high in Nigeria because it is a capitalist nation. It is posited that a change in the political ideology from capitalism to socialism will help to reduce the incidence of poverty. This is because Socialism ensures the establishment of a just and egalitarian society as all the productive assets and resources will have been nationalized and the proceeds distributed on the basis of need or want but not on their ability to pay. According to Riordan (1984) the poor in socialist countries were better off than the poor in the capitalist nations. To the capitalists this position may not be acceptable but to the workers it is very desirable as socialism creates better opportunities for the poor. This notwithstanding, our thesis is that any worthwhile change in the status quo must have an ideological position or underpinnings.

At this juncture, it is pertinent to raise issue as to the problem that will be encountered in the implementation of some of the strategies proposed. As a matter of fact, the success or the practicability of the strategies proposed depends on a number of factors. For instance, the ability of government to enhance sustained economic growth, expand existing industries, tackle the problem of unemployment, recapitalize the existing banks and finance houses, develop the human resources *vis a vis* basic education and health, provide social infrastructures and invest in agricultural development depends largely on the following factors. These are:

- (i) The availability of the funds or capital needed to execute these policies.
- (ii) Adequate or proper monitoring, implementation and critical evaluation of these policies of action.
- (iii) Adequate citizenship participation, identification and cooperation with government most especially those dealing with individual initiative e.g. Family size and age at marriage.
- (iv) The ability of government to address the problem of official/bureaucratic corruption,

mismanagement and poor accountability. The failure of some of our previous policies and programmes on poverty alleviation has been attributed to official corruption. However, the fundamental issues from all indications is that of inadequate funding and lack of commitment on the part of those entrusted with governance.

CONCLUSION

Poverty remains widespread within Nigeria. This is no longer a controversial subject. What is controversial is the choice of appropriate strategies for poverty reduction. The major suggestions are that the strategies must be multidimensional and for all the strategies recommended earlier on to work, the society needs to be committed, disciplined and consistent with all the ideals that have been stipulated. This is because poverty reduction cannot come by accident but through conscious and concerted efforts.

Since poverty is largely a social problem rather than individual dispositional, society has to address it critically, severally and simultaneously at all fronts. It is in recognition of this that various strategies comprising of economic, political, social, agricultural and ideological policy options were suggested. It is envisaged that all these strategies will definitely help to reduce the incidence of poverty to a large extent in Nigeria if adopted and implemented accordingly. Again, all the strategies suggested are mutually reinforcing. Our final thesis is that policy must simultaneously address the broad range of fundamentals that we have shortlisted earlier as all of them are mutually reinforcing and do not work in isolation. There is no doubt that Nigeria has adequate capacity to implement these suggestions.

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