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Galloping Poverty in Nigeria: An Appraisal of Government Interventionist Policies
GALLOPING POVERTY IN NIGERIA:
AN APPRAISAL OF GOVERNMENT'S INTERVENTIONIST POLICIES

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ABSTRACT
The paper analyzes the poverty situation in Nigeria. Poverty holds sway in the midst of plenty, a situation described in Nigeria’s political lexicon as a ‘bewildering paradox’. Among the committee of nations, Nigeria has been described as poor. Even on the continent of Africa, using selected world development indicators, Nigeria is poorly ranked. Although several programs have been designed by the State to combat the scourge, their impacts on the poor population have been substantially impaired by corruption, weak administration, and poor inter-sectoral governance system. These, in the opinions of observers, have been the major challenges to poverty reduction in Nigeria. To halt the galloping nature of Nigeria’s poverty situation, the paper contends that the Nigerian state should be reformed and repositioned; conducive environment should be created for the development of market and civil society institutions; and inter-sectoral governance system should be encouraged.

Keywords: Poverty; Governance; Human Development

INTRODUCTION
The rising profile of poverty in Nigeria is assuming a worrisome dimension as empirical studies have shown. Nigeria, a sub-Saharan African country, has at least half of its population living in abject poverty (Ojo, 2008). Similarly, the publication of the Federal Office of Statistics (1996) reveals that poverty has been massive, pervasive, and engulfs a large proportion of the Nigerian society. Abiola and Olaopa (2008) state that the scourge of poverty in Nigeria is an incontrovertible fact, which results in hunger, ignorance, malnutrition, disease, unemployment, poor access to credit facilities, and low life expectancy as well as a general level of human hopelessness.

Nwaobi (2003) asserts that Nigeria presents a paradox. The country is rich, but the people are poor. As noted by Omotola (2008), Nigeria is richly endowed and the country’s wealth potentials manifest in the forms of natural, geographical, and socioeconomic factors. With this condition, Nigeria should rank among the richest countries of the world that should have no business with extreme poverty. However, Okpe and Abu (2009) perspicaciously remark that Nigeria has witnessed a monumental increase in the level of poverty. According to them, the poverty level stood at 74.2 percent in the year 2000.

Looking at the records from the Federal Office of Statistics, Garba (2006) reveals that about 15 percent of the population was poor in 1960; the figure rose to 28 percent in 1980 and, by 1996, the incidence of poverty in Nigeria was 66 percent or 76.6 million people. Garba (2006) equally remarks that the UN Human Poverty Index, in 1999, placed Nigeria among...
the 25 poorest nations in the world. According to the UNDP (2010), the population in poverty is given as 68.7 million, as of 2004. This is a very tragic situation when one considers the fact that Nigeria has had over $300 billion in oil and gas revenues since independence (Awa, 1983). Awa further rumbles that up to 95 percent of this great wealth is controlled by about .01 percent of the population.

It is amazing to note that various poverty alleviation strategies have been adopted by successive governments in Nigeria, but their level of social impact leaves much to be desired. Observers have unanimously agreed that these programs have failed to achieve the objectives for which they were established (Ovwasa, 2000; Adesopo, 2008; Omotola, 2008). It is on this premise that the paper periscopes the factors, impair the efforts of government and the strategies to be adopted to combat the scourge.

**Poverty Matrix**

Poverty is a multidimensional concept. Development Assistance Committee (DAC) (2001) reports that poverty encompasses different dimensions of deprivation that relate to human capabilities, including consumption and food security, health, education, rights, voice, security, dignity, and decent work. Rocha (1998) avers that the ample variety of poverty situation worldwide has led to an equally large number of essays in terms of definition, measurement, and policies. Also, Maxwell (1999) observes that the complexity of measurement mirrors the complexity of definition. This complexity increases where participatory methods are used and people define their own indicators of poverty. Hulme and Mosley (1996), therefore, explains that the definition of what is meant by ‘poverty’, how it might be explained, and who constitute as ‘the poor’ are fiercely contested issues.

However, at the heart of the debate about defining poverty, stands the question of whether poverty is largely about material needs or whether it is about a much broader set of needs that permit well-being (Hulme & Mosley, 1996). Looking at the former position, it concentrates on the measurement of consumption, usually by using the incomes as a surrogate. The use of the income-poverty approach, or the poverty line, is strengthened by the fact that the majority of national governments and development agencies use the concept for their analyses of poverty and anti-poverty policies (Maxwell, 1999; Garba, 2006). But Oriola (2009) acknowledges that income is an inadequate measurement of welfare. This is because many forms of deprivation that very poor people experience are not captured by income-poverty measures.

In addition, research studies have shown that new layers of complexity were added in the 1980s. These include the incorporation of non-monetary aspects, such as powerlessness and isolation, vulnerability to a sudden dramatic decrease in consumption levels, ill-health and physical weakness, social inferiority, and humiliation. Such dimensions of poverty are significant in their own right and are also essential analytical components for the understanding of income poverty (Maxwell, 1999; Hulme & Mosley, 1996).

Borrowing a leaf from the work of Rocha (1998), the general definition requires qualification regarding the concepts of absolute and relative poverty. While absolute poverty is theoretically associated to the vital minimum, the concept of relative poverty incorporates the concern with inequality or relative deprivation, where the bare minimum is socially guaranteed. Absolute poverty implies the inability to attain a minimum standard of living or poverty line. The World
Bank (2000) defines absolute poverty as “a condition of life degraded by diseases, deprivation, and squalor.” On the other hand, the essence of poverty, in relative term, is ‘inequality’. This implies that poverty can also be described as relative deprivation (Bradshaw, 2006). Rocha (1998), however, notes that the persistence of chronic deprivation of basic needs nowadays makes absolute poverty the obvious priority in terms of definition, measurement, and political action from the international point of view.

Gore (2002) explains the concept of all-pervasive poverty. According to him, poverty is all-pervasive, where the majority of the population lives at or below income levels sufficient to meet their basic needs, and the available resources, even when equally distributed, are barely sufficient to meet the basic needs of the population. He reiterates further that pervasive poverty leads to environmental degradation. This is because people eat into the environmental capital stock to survive. This, in turn, undermines the productivity of key assets on which the livelihood depends. It should also be noted that where extreme poverty is all-pervasive, state capacities are necessarily weak.

The Human Poverty Approach has been advanced by the United Nations Development Programme (UNDP) in its Human Development Reports. UNDP uses this conceptual framework to specify some basic human capabilities, which, if absent, could result into poverty. It includes the capability to “lead a long, healthy, creative life and to enjoy a decent standard of living, freedom, dignity, self-respect, and the respect of others (UNDP, 1997).

The measurement index method of conceptualizing poverty has also been recognized in the existing literature (Rocha, 1998; Maxwell, 1999; Ajakaiye, 2002). As observed by Omotola (2008), measuring poverty, though a herculean task, has become the rule rather than the exception. In terms of measurement, Rocha (1998) purports that defining the relevant and operational poverty concepts and choosing the adequate measurement procedures is the result of a sensible and informed analysis of social reality.

Rocha (1998) states further that measuring poverty is a matter of identifying the essential causes of poverty in a given society. Is it widespread and affects the majority of the population or is it locally concentrated? Which are its roots? Is it a traditional syndrome or does it result from economic and technological changes? What are its main features? And who are the poor in terms of some essential characteristics? This overall information on poverty syndrome is the key element for adopting concepts and measurement instruments that seem the most appropriate to a specific context in terms of social reality and data gathering possibilities.

POVERTY PROFILE IN NIGERIA
Poverty is still pervasive in Nigeria. Available statistics reveals that the poverty incidence in Nigeria has been on the increase since the 1980s. As reported by the UNDP (2010), between 1980 and 1996, the percentage of the core poor rose from 6.2 percent to 29.3 percent, and declined to 22.0 percent in 2004. According to Omotola (2008), about 70% of the population now lives in abject poverty.

There is the geographical dimension of poverty in Nigeria. According to Aigbokhan (2000), poverty is higher in the rural areas than in urban areas. In 2004, the urban population with access to water was 67 percent, while it was 31 percent in the rural areas. In terms of sanitation services, 53 percent of the urban population had access to sanitation services and 36
percent in the rural areas. This is worse than the situation in Cameroon, South Africa, Zambia, and Zimbabwe (World Bank, 2008). Given the figures above, the rural dwellers in Nigeria grapple with difficult living conditions compared to the urban dwellers. This explains why there is prevalence of diseases among the rural poor in the country.

As observed by Garba (2006), the world’s per capita income as of 2003 was $7,140. Compared to this, Nigeria’s per capita of $290 makes the country one of the poorest in the world. This relegated Nigeria to the ranks of Togo ($270), Rwanda ($220), and Mali ($210). Other indicators of development, such as life expectancy, for which Nigeria is ranked 155th out of the world’s 177 countries, and infant mortality, for which Nigeria is ranked 148th among 173 countries, were consistent with Nigeria’s low rank in income per capita (CIA, 2009). Based on these empirical data, Nigeria has been classified as a poor nation; a situation which can be described as a bewildering paradox given the vast resource base of the country.

According to Earth Trends (2003), 70.2 percent of the Nigerian population lives on less than $1 a day, while 90.8 percent lives on less than $2 a day. The total income earned by the richest 20 percent of the population is 55.7 percent, while the total income earned by the poorest 20 percent is 4.4 percent. This explains the alarming increase in poverty and the sharp inequality between the rich and the poor. Looking at the area with the highest measure of welfare per capita, the leading area in Nigeria, which is Bayelsa with a poverty incidence of 26.2 percent between 1995 and 2006, is still below the leading areas in Ghana (Greater Accra-2.4 percent), Cameroon (Douala, Capital of Littoral-10.9 percent) and South Africa (Baoteng-19.0 percent) (World Bank, 2008).

In terms of the human development index, Nigeria is ranked 158th of the 159 countries surveyed in 2005 (CIA, 2009). Using selected world development indicators, the life expectancy at birth in 2006 for male and female in Nigeria was 46 and 47 years, respectively. Between 2000 and 2007, 27.2 percent of children under five were malnourished. This is alarming compared to 3.7 percent between the same periods in Brazil, another emerging economy. Worse still, the mortality rate for children under five years old is given as 191 per 1,000 births in 2006. This situation is very ridiculous compared to the figures of 69 per 1,000 births in South Africa, 108 per 1,000 births in Togo, 120 per 1,000 births in Ghana, and 149 per 1,000 births in Cameroon (World Bank, 2008). This implies that there is a generalized high level of poverty in the country.
An analysis of the context reveals that poverty holds sway in the midst of the plenty. Nigeria is the eighth largest oil producing country in the world, but it harbors the largest population of poor people in sub-Saharan Africa and is ranked 158th on the human development index. There is pervasive high-income inequality, which has perpetuated the concentration of wealth in the hands of a few individuals (Action Aid Nigeria, 2009). This is an iniquitous practice, which the Nigerian state must redress.

APPRAISING ANTIPOVERTY INITIATIVES IN NIGERIA

In Nigeria, the problem of poverty has, for a fairly long time, been a cause of concern to the government (Nwaobi, 2003). As a result, the government’s efforts at combating the menace actually started immediately after the attainment of independence in 1960 (Ovwasa, 2000; Omotola, 2008). Nwaobi (2003) observed that the initial attention was focused on rural development and country planning as a practical mean of dealing with the problem. He further notes that the failure to adequately implement these programs can be seen as the precursor to most of the present causes of poverty in Nigeria.

Garba (2006) submits that the past attempts to alleviate poverty in Nigeria, which dismally failed, can be grouped into two distinct time frames or eras: pre-SAP and SAP/post-SAP. Obadan (2001) notes that anti-poverty initiatives of the pre-SAP era were essentially ad hoc. The measures focused more on growth, basic needs, and rural development approaches. During the same era, the government sought to fight poverty through certain institutional mechanisms, such as Operation Feed the Nation (OFN), Free and Compulsory Primary Education (FCPE), Green Revolution, Low Cost Housing, River Basin Development Authorities (RBDA), National Agricultural Land Development Authority (NALDA), Agricultural Development Programmes (ADP), Agricultural Credit Guarantee Scheme (ACGS), Strategic Grains Reserves Program (SGRP), Rural Electrification Scheme (RES), and Rural Banking Programme (RBP) (Garba, 2006; Omotola, 2008).

As reported by Garba (2006), the pre-SAP programs were mostly designed to take care of objectives, such as employment generation, enhancing agricultural output and income, and stemming the rural-urban migration tide, which greatly contributed to rising poverty levels. While the Green Revolution and OFN were geared towards improved
agricultural productivity, the Low Cost Housing Scheme was meant to address the housing problem in both the rural and urban settings of Nigeria. Iroegbu (2009) purports that these programs yielded minimal fruit. Reacting to OFN, he claims that the poor were wrongly targeted and this continues to be a problem up to today. On the Green revolution, he maintains that rather than the program reward the poor, the influential people cashed into the fortune of acquiring lands for the purposes of obtaining grants and loans to do green farming.

During the SAP era, which witnessed the worsening of the socioeconomic and political situation of the country, the government equally made some attempts to fight the scourge of poverty (Omotola, 2008). These programs included the Directorate for Food, Roads and Rural Infrastructure (DFRRJ), National Directorate of Employment (NDE), Better Life Programme (BLP), People’s Bank of Nigeria (PBN), Community Banks Program, Family Support Programmes (FSP), and the Family Economic Advancement Programme (FEAP) (Garba, 2006).

These antipoverty measures notwithstanding poverty have consistently been on the increase in Nigeria, showing the ineffectiveness of the strategies and programs. The failure of these measures has been attributed to lack of targeting mechanisms for the poor; political and policy instability; inadequate coordination of various programmes; several budgetary, management, and governance problems; lack of accountability and transparency; and lack of mechanisms for the sustainability of the programs (Obadan, 2001).

The government of Chief Olusegun Obasanjo introduced the Poverty Alleviation Programme (PAP) in 1999 as an interim antipoverty measure (Nwaobi, 2003). According to Obadan (2001), PAP specifically seeks to provide jobs for 200,000 unemployed people; create a credit delivery system from which farmers would have access to credit facilities; increase the adult literacy rate from 51% to 70% by the year 2003; shoot up the healthcare delivery system from 40% to 70% by the year 2003; increase the immunization of children from 40% to 100%; raise the rural water supply and rural electrification from 30% to 60%; embark on training and settlement of at least 60% of tertiary institution’s graduates; and develop simple processes and small-scale industries. This interventionist program, notwithstanding poverty, incidence remained unprecedented in Nigeria.

Following the ineffectiveness of the PAP, as well as the central question it elicits as to why the government should be interested in only alleviating poverty instead of eradicating it, the government came up with the National Poverty Eradication Programme (NAPEP) in 2001 (Omotola, 2008). According to Elumilade, Asaolu and Adereti (2006), the new program has been structured to integrate four sectoral schemes, namely:

1. Youth Empowerment Scheme (YES), which is concerned with providing unemployed youth opportunities in skills acquisition, employment, and wealth creation. To achieve this, the scheme was further subdivided into Capacity Acquisition Programme, Mandatory Attachment Programme, and Credit Delivery Programme;
2. Rural Infrastructure Development Scheme (RIDS), which deals with the provision and development of infrastructure needs in the areas of transport, energy, water, and communication, especially in rural areas;
3. Social Welfare Service Scheme (SOWESS), which aims at ensuring the provision of basic social services, including quality primary and special education, strengthening the economic power of farmers, providing primary health care, and so on;
4. Natural Resources Development and Conservation Scheme (NRDCS), which seeks to promote participatory and sustainable development of agriculture, mineral, and water resources.

The target of NAPEP is to completely wipe out poverty from Nigeria by the year 2010. Three stages to the attainment of this ambitious target have been identified as: the restoration of hope in the mass of poor people in Nigeria, which involves providing basic necessities to hitherto neglected people, particularly in the rural areas; the restoration of economic independence and confidence; and wealth creation (Elumilade, Asaolu, and Adereti, 2006). Although NAPEP appears to be well crafted, the prevalence of poverty in Nigeria and the various dimensions it has taken, place the activities of NAPEP in the realm of prospective analysis (Omotola, 2008).

The civilian administration that started in 2007 proposed a Seven-Point Agenda of development. The main objectives and principles of the agenda include improving the general wellbeing of Nigerians and making the country become one of the biggest economies in the world by the year 2020. The agenda has critical infrastructures as the first key area of focus. This includes power, transportation, national gas distribution, and telecommunications. The second focus is to address the existing issues in the Niger Delta through the NDDC and the Niger Delta ministry. Food security constitutes the third priority area. The fourth area is human capital development and the land tenure reform is the fifth key area. While the sixth key area is national security, the seventh area of focus is poverty alleviation through wealth creation.

As laudable as these programs appear, poverty still remains endemic and pervasive in Nigeria. What then are the key challenges?

Challenges to Poverty Reduction in Nigeria

According to Garba (2006), all the poverty alleviation initiatives in Nigeria since independence have yielded very little fruit. He claims that the programs were mostly not designed to alleviate poverty, they lacked clearly defined policy frameworks with proper guidelines for poverty alleviation, they suffered from political instability, interference, policy, and macroeconomic dislocations, they lacked continuity, and they are riddled with corruption, political deception, outright kleptomania, and distasteful looting.

While examining the impact of institutions and policy on growth, poverty, and inequality in Nigeria, UNDP (2010) identifies some challenges to poverty reduction in Nigeria. First, in the area of governance, it is observed that the GDP growth rate in Nigeria is inversely related to governance indicators, such as political instability and absence of violence/terrorism, economic governance, and government effectiveness. Indeed, comparative analysis shows that governance indicators are on the decline in Nigeria. The poor quality of governance is, therefore, a major obstacle to development and poverty reduction in Nigeria.

Corruption, which is related to wasteful public investment, lower government revenues, and lower quality of public infrastructure, has underdeveloped Nigeria. Corruption has limited the initiatives against poverty and inequality. Many of the wealthiest people in the country are those who have acquired wealth through state power: by political corruption and by access to state contracts, agency rates and concessions. Corruption has also been a key factor in crime, unemployment,
inter-religious, and communal conflicts, unrest in the Niger Delta, police brutality, and other instances of social injustice and dysfunction. Political corruption at any level, therefore, hampers the fight against poverty.

In this age of globalization, inter-sectoral governance system built on institutional interactions among sectors is becoming a therapy against the poverty scourge. The underdeveloped nature of these interactions in Nigeria has not helped in the fight against poverty. The uncoordinated collaborative efforts between the state, market, and civil society are hampering government interventionist programs. The previous policies on poverty alleviation in Nigeria has been dominantly designed and implemented by the state. Where inputs from other sectors were allowed, such were not properly coordinated for effective impacts on the poor population.

The politics of poverty remains another challenge (Ovwasa, 2000; Adesopo, 2008). According to Ovwasa (2000), the politics of poverty arises essentially from the fact that those who are saddled with the responsibility of alleviating poverty are the non-poor and, in the Nigerian case, the probable cause of the problem. As explained by Adesopo (2008), the plight of the poor people have been worsened by the excessive power that public officials enjoy in a country like Nigeria, where a few privileged people benefit from state generosity, leaving the larger portion of the population in abject poverty.

World Bank (1996) reports that the safety nets in the country are ineffectively managed and do not reach the intended beneficiaries. They have not been successful, as they have failed to include intended beneficiary communities in the design and execution of the safety net programs. These constraints and challenges explain why poverty is still pervasive in Nigeria despite the huge sums of money appropriated over the years through relevant antipoverty agencies to fight the menace.

**The Step Forward**

The poverty situation in Nigeria is complex and therefore requires a complex intervention process. This process must necessarily involve the state, market and civil society institutions. The argument is that each sector potentially contributes to poverty reduction. Cimadamore, Dean, and Siqueira (2005) aver that although the state still has the responsibility and the main instruments to define strategies against poverty, the social and political task is huge and sometimes overwhelming. Therefore, from an operational perspective, the state should be viewed as a triangular member of a national development committee, alongside the private sector and civil society. The dominance of the Nigerian state, in this area, is obviously a traditional interventionist measure, which, in contemporary poverty studies, is believed not to be a cutting edge initiative. From this analytical perspective, the viability of each sector has to be enhanced.

However, given the huge development needs of the Nigerian populace, the intervention of the State, through the formulation of welfarist policies, is still a necessary political action. Therefore, to reposition the state, a substantial reform of the sector is necessary to deal with the social maladies associated with its activities. From a normative standpoint, according to Cimadamore, Dean, and Siqueira (2005), such reform should aim for a sustainable creation of wealth as well as its equitable distribution. This kind of reform, in the long run, will both contribute to poverty alleviation and reduction in inequality.
More so, a vibrant private sector can contribute to economic growth and poverty reduction. As enunciated by the African Development Bank (2002), the private sector can contribute to poverty reduction in two major ways. First, it can be the engine of growth with strong contributions to employment and higher incomes. Secondly, the sector can contribute to the development of infrastructure and efficient delivery of social services, including education, health, water, and energy. To realize this potential, the African Development Bank (2002) recommends the creation of an enabling environment conducive to an increasing investment and promoting both national and domestic entrepreneurs. As a matter of emphasis, conditions that can promote the viability of the sector need to be created. These conditions may include better macro and sectoral policies, greater institutional capacity, as well as the promotion of small and medium-scale enterprises.

Furthermore, the civil society, including non-governmental organizations, has been observed to be a critical element in the fight against poverty. As explained by Clark (2010), civil society groups have become important actors in development assistance because they have demonstrated the ability to reach poor people, work in inaccessible areas, innovate, or in other ways achieve things, which are difficult for official agencies. These attributes have positioned them as important actors in any poverty reduction efforts. To function effectively, the civil society requires legal protection. Giving them legal recognition is ideally the starting point, which is then followed by legal protection against harassment. Experiences have revealed that it is possible for the government to create barriers to the existence and operational activities of these groups (PAMNET, 2008). To prevent such tendencies under whatever guise, the place of binding laws becomes non-negotiable.

More importantly, the issue of governance has not been well conceived in this part of the world. Good governance is not limited to the unilateral role of the State. It also encompasses the effective interrelationships between sectors. Good governance can only be achieved when there is institutional flexibility to accommodate the values of other sectors and their likely impacts in the area of poverty alleviation. According to Waddell (1997), this inter-sectoral governance system can be achieved by developing bridging mechanisms across sectors. These bridging mechanisms may include transfusion of money, information sharing, structural relationships, and programmatic collaboration. The optimum employment of these tools will promote inter-sectoral governance system and invariably poverty alleviation.

CONCLUDING REMARKS

Nigeria has endemic poverty statistics. Among the committee of nations, Nigeria has been described as poor. Even on the continent of Africa, using selected world development indicators, Nigeria is poorly ranked. As the research findings suggest, the eradication of poverty and inequality has been a continuing concern in Nigeria’s governance process and thinking, leading to the implementation of several policies, projects, and programs. These interventions, notwithstanding the poverty situation in Nigeria is still galloping. As observed, the impacts of these programs and actions have been impaired. Programs designed have obviously failed to halt the problem. These programs have been substantially impaired by corruption, weak administration, and poor inter-sectoral governance systems. As a corrective measure, therefore, the paper recommends that the Nigerian state be reformed to enhance its capacity in the area of poverty alleviation, conducive climate be created for the development of each sector, and inter-sectoral governance system be encouraged.
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