

Poverty Alleviation in Nigeria – A perspective

At the beginning

At independence in 1960 and for the best part of the 1960s, poverty eradication efforts in Nigeria centred on education, which was seen as the key to economic, technological and intellectual development of the nation. "Show the light, and the people will find the way", was, at the time, an oft-quoted mantra by Nigeria's First President, the late Nnamdi Azikiwe.

Thus, education programmes were implemented alongside agricultural extension services, which encouraged increased food production.

The oil boom in the 1970s skewered this outlook as rising global oil prices boosted exports from N4 billion in 1975 to N26 billion in 1980, while GNP per capita rose from \$360 to more than \$1000. By the time oil prices fell, so did the nation's export receipts. This also translated into negative growth and a fall in GNP per capita to \$370 in the 1980s.

In 1960, according to the Federal Office of Statistics, about 15 percent of the population was poor but by 1980 this had grown to 28 %. The FOS estimated that by 1985 the extent of poverty was about 46% although it dropped to 43% by 1992. However, by 1996, poverty incidence in the country was 66% or 76.6 million Nigerians out of a population of 110 million, it said.

The UN human Poverty Index in 1999 which credited Nigeria with 41.6% captured the phenomenon more succinctly as the figure placed the nation as amongst the 25 poorest nations in the world.

Today, it is estimated that two thirds of the country's 120 million people or 80 million are said to be poor and this is in spite of the fact that since independence Nigeria is said to have realised \$300 billion in oil and gas revenues and development aid.

The causes of this state of poverty in the country had variously been traced to, among other factors,

- Corruption
- Bad governance
- Debt overhang
- Unemployment
- Low productivity
- Burgeoning population growth
- Globalisation

- Unfocused government policies
- Lack of effective skills training

Legacies

Successive governments have tried to address some of these issues through the enunciation of poverty related programmes. Whether these programmes have succeeded in either alleviating poverty or not is a moot point. Suffice it to say, however, that the first of such programmes called, **Operation Feed the Nation (OFN)** was enunciated in 1979 by Gen. Olusegun Obasanjo.

The programme had the specific focus of increasing food production on the premise that availability of cheap food will mean higher nutrition level and invariably lead to national growth and development.

OFN lasted until Shehu Shagari's government took over in 1979. Shagari (1979-1983) shared almost the same poverty reduction idea with his predecessor. He came up with his own pet project named **the Green Revolution**, which also emphasised food production.

It must be stated though that lack of continuity and shift in approach trailed poverty alleviation programmes since the ouster of Shagari from power in 1983. Each subsequent military administration came with a different idea or no idea at all. Poverty reduction programmes became more 'regime specific' because there was hardly any continuity with those initiated by previous governments.

The military regime of Gen. Muhammad Buhari (1983-1985) did not have a specific poverty alleviation programme as it clearly focused on fighting indiscipline and corruption.

This initiative better known as **WAI of War Against Indiscipline**, sought to inculcate a military-style regimen of discipline such queuing for public services, observing road signs, memorising the national anthem and generally sprucing up the national psyche on the distinctions of right and wrong, handling of public property etc.

Some analysts argue that the fight against indiscipline and corruption were equal to a poverty alleviation programme in the sense that the two were partly the reason why many Nigerians are poor.

Gen. Ibrahim Babangida (1985-1993) is known to be one Head of State that introduced a welter of poverty alleviation programmes. These include the **Peoples bank**, which sought to provide loans to prospective entrepreneurs on soft terms and without stringent requirements of collaterals. It also regulated to

an extent the activities of **community banks** that also sprouted as adjuncts of the Peoples Bank and as sources of cheap funds for communities and their members.

Another programme was the **Directorate of Food Roads and Rural Infrastructure (DFFRI)** which sought to open up rural areas via construction of feeder roads and provision of basic amenities that would turn them into production centres for the national economy.

The DFFRI was on offer as the most comprehensive programme on the nation's war against poverty. Considering the truism that rural populations in Nigeria are significantly poorer than their urban counterparts, this programme targeted this core group.

Its premise was just not to open the rural areas, but the hinterland, which ordinarily would not have been accessible. It also aimed at promoting rural employment based on the assumption that if rural infrastructure, such as electricity, was available in the villages, many welders, for example, would operate from there, instead of scrambling for spaces in congested urban centres.

On the other hand, DFFRI assumed that if the hinterland was linked by road, farmers would transport their products to the markets easily and at cheaper rates, thereby reducing the cost of food production as a way out of poverty.

Many Nigerians are however agreed that this, like other programmes by the regime, were good but their impacts on the populace and poverty were minimal because of shortcomings in their implementation.

Another programme that tried to head-off the scourge of poverty by targeting the agricultural sector was the **Nigerian Agricultural Land development Authority (NALDA)**. The Authority was intended to reduce the prevalence of subsistence agriculture in the country and in its place infuse large scale commercial farming by assisting farmers with inputs and developing land for them to the point of planting, at subsidised rates.

While all these programmes collapsed at one point or the other, nonetheless, at least one of these programmes enunciated by the Babangida regime – **the National Directorate of employment (NDE)** – has had a 17-year staying power up till date.

By its mandate, NDE was to design and implement programmes to combat mass unemployment and articulate policies aimed at developing work programmes with labour intensive potentials. From its programmes and its staying power, this

was a scheme that could be adjudged as the most successful of Babangida's poverty alleviation policies.

Babangida saw unemployment as one of the key issues challenging the agenda of government since it posed a potential danger to the socio-political and economic system of the nation.

Until the 1980s, unemployment was not a serious problem in Nigeria. Global economic recession however took its toll on the country, because as that decade progressed, inherent weaknesses were noticed in the nation's economy.

The need for the creation of NDE is also traced to the drastic reduction in oil prices and the resultant economic policies at the time. The situation led to low capacity utilization in the nation's industries and the outright closure of some.

Subsequent lay-offs due to closure and rationalisation informed on the need to introduce a system that would accommodate such people, so that the already bloated job market, will not suffer more congestion.

The reduction in employment opportunities and rationalisation in both the public and private sectors formed the basis on which the Nigerian unemployment situation was viewed as a danger for the socio-economic stability of the nation.

It is on record that hundreds of thousands of youths have benefited from the NDE scheme through its four-pronged approach that include Vocational Acquisition Training (673,000), Entrepreneurial (Business) training (373,366), Training for Rural Employment and Training for Labour-Based works programme.

In 2000 alone, NDE said that 21,708 youths received training in vocational skills in 36 states of the federation and Abuja, while 5,075 graduated in different trades. The scheme which has a special arrangement for women said that several of them had been trained on how to process, preserve and package food.

However, the drawback on NDE's schemes for now is that there is no follow-up programme for beneficiaries. Many of them who did not utilise the skills they acquired and others who did not properly invest the loans they received, have found themselves in a worse state. While the directorate asserts that it disbursed N526,901,313.11 since inception, for its various programmes, only 24.4% of this total or N129,048,757.63 was recovered from beneficiaries.

The regime of Late Gen. Sani Abacha (1993 – 1998) was known as the midwife of the **Family Economic Advancement Programme (FEAP)** in Nigeria's quest for a way out of debilitating poverty, as this was the period that marked Nigeria's relapse into the global bracket of 25 poorest nations.

Significantly, FEAP existed for about two years (1998 – 2000) during which it received funding to the tune of N7 billion out of which about N3.3 billion was disbursed as loans to about 21,000 cooperative societies nationwide that were production oriented. Such projects targeted for assistance included poultry production, garri making, soap making and animal husbandry.

As a rider to all poverty alleviation programmes enunciated over the years in the country, it must be recalled that spouses of Heads of State also joined in the fray with novel programmes that not only elevated the status of these First ladies but also focused on issues of poverty, using State funds..

Most noticeable were the **Better Life for Rural Women** heralded by Mrs. Mariam Babangida and Mrs. Mariam Sani Abacha's **Family Support Programme (FSP)**. These programmes also tried to introduce a gender element into anti-poverty programmes, acting on the assumption that women needed special treatment in the light of their immense contributions to the national economy, both as small-scale entrepreneurs and home keepers.

Nonetheless, most of these poverty alleviation programmes suffered the same fate as a recent government assessment showed. It found that they all failed due largely to the fact that

- They were mostly not designed to alleviate poverty
- They lacked a clearly defined policy framework with proper guidelines for poverty alleviation
- They suffered from political instability, political interference, policy and macroeconomic dislocations
- They also lacked continuity

Poverty Alleviation: starting Anew?

Taking cognisance of this, the present Administration which had at inception in May 1999 set out poverty as one of its areas of focus, approved the blueprint for the establishment of the National Poverty Eradication Programme (NAPEP) – a central coordination point for all anti-poverty efforts from the local government level to the national level by which schemes would be executed with the sole purpose of eradicating absolute poverty.

Such schemes already identified include: **Youth Empowerment Scheme (YES), Rural Infrastructures Development Scheme (RIDS), Social Welfare Services Scheme (SOWESS) and Natural Resource Development and Conservation Scheme (NRDCS)**.

On the whole, these schemes would spearhead the government's ambitious programme of eradicating absolute poverty – a condition where a person or group of persons are unable to satisfy their most basic requirements for survival in terms of food, clothing, shelter, health, transport, education and recreation – amongst Nigerians.

With a take-off grant of N6 billion approved for it in 2001, NAPEP has established structures at all levels nationwide. Under its Capacity Acquisition Programme (CAP), it trained 100,000 unemployed youths just as 5,000 others who received training as tailors and fashion designers, were resettled. A total of 50,000 unemployed graduates have also benefited from NAPEP's Mandatory Attachment Programme, which is also an aspect of CAP.

The programme has also established a databank of all unemployed youths in all the 36 states of the federation and the Federal Capital territory (FCT). About 1.1 million youths have so far been registered. Such data could be used in targeting groups in any future poverty alleviation effort.

The difference between NAPEP and past poverty reduction agencies is that it is not a sector project implementation agency but a coordination facility that ensures that the core poverty eradication Ministries were effective. It would only intervene when necessary, under its secondary mandate which gives it the right to provide complementary assistance to the implementing ministries and parastatals nationwide.

.Duplication of functions by a myriad of agencies involved in anti-poverty schemes and programmes in the past had been blamed for their ineffectiveness and outright failure.

Having subscribed to the UN-inspired Millenium goals of halving global poverty by 2015, Nigeria has embraced the process of outlining its own Poverty Reduction Strategy Process (PRSP) which will eventually bring its anti-poverty efforts into the mainstream of the new global thinking that fighting poverty needed to be driven by some acceptable principles.

Experts have opined that given our dismal performance in the past, the PRSP holds some promise for success because "poverty programmes are to be derived in an integrated way from a distillation of each aspect of poverty into its component parts. Government, the poor and stakeholders then work together to develop an overall plan to make progress, with coordinated roles for sectoral ministries and other agencies".(END

