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# Taking Stock of Poverty Reduction Efforts in Nigeria BILAN DE LA LUTTE CONTRE LA PAUVRETE AU NIGERIA

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## **Abstract**

This study is an evaluation of the Poverty Eradication Programmes in Nigeria. It tries to assess their effectiveness in helping to improve on the lives of the poor. Primary data were collected through questionnaire administered to randomly selected adult male and female residents in Enugu State of Nigeria. Secondary data were collected from the Poverty Eradication office in the State. The analysis shows that most of the poverty reduction efforts had no significant impact on the lives of the poor. Even those that were recorded as effective had negligible impact on the populace to have reduced poverty. The study enumerates among others inadequate funding, mismanagement of resources and inadequate infrastructures as problems stifling most poverty alleviation programmes in Nigeria. The study recommends that in addition to establishing these Poverty alleviation programmes, Nigeria should strive to move away from import dependent economy to an export oriented one.

**Key words:** Poverty eradication programmes; Nigeria; Effectiveness

## Résumé

Cette étude est une évaluation des programmes d'éradication de la pauvreté au Nigeria. Il tente d'évaluer leur efficacité en aidant à améliorer la vie des pauvres. Les données primaires ont été recueillies par questionnaire administré aux résidents adultes choisis au hasard masculins et féminins dans l'Etat d'Enugu au Nigeria. Les données secondaires ont été recueillies auprès du bureau

éradication de la pauvreté dans l'État. L'analyse montre que la plupart des efforts de réduction de la pauvreté n'a eu aucun impact significatif sur la vie des pauvres. Même ceux qui ont été enregistrées aussi efficace a un impact négligeable sur la population d'avoir réduit la pauvreté. L'étude énumère entre autres un financement insuffisant, une mauvaise gestion des ressources et des infrastructures inadéquates que les problèmes les plus étouffante programmes de réduction de la pauvreté au Nigeria. L'étude recommande que, en plus de l'établissement de ces programmes de réduction de la pauvreté, le Nigeria doit s'efforcer de s'éloigner de l'économie dépend énormément des importations d'une une orientée vers l'exportation.

**Mots clés:** Les programmes d'éradication de la pauvreté; Nigéria; Efficacité

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# INTRODUCTION

Since the early 1980's Nigeria has witnessed deterioration in welfare of its people, despite the country's huge material and human resources potential. Over 65% of Nigerians live below the poverty line (FOS, 1999). In response to this condition many poverty reduction programmes were adopted only to be phased out due to mismanagement and other problems. The Gross Domestic Product (GDP) in 1999 was as low as 2.7 percent,2.8 in 2000, 4.3 per cent in 2003 and by 2006 it was estimated at 6.0 percent (Central Bank of Nigeria, 2002) especially when compared to the estimated population growth rate of 3.0 percent. Moreover there was great deprivation by the poor as rate of price inflation moved from 8.5 percent in 1995 and 14.0 per cent in 2003 (Nigeria: Demographic

and Health Survey 2008) making the general level of prices very high above the reach of the poor. Added to the above conditions, the United Nations Development Programme (UNDP) Human Development Index (HDI) ranked Nigeria as the 137th among the 174 countries listed as poor with HDI of 0.384 in 1996. The situation got worse that it 'fell further below this figure to be listed as 142<sup>nd</sup> position. The national poverty incidence in 2004 was about 57.8 %.

The main aim of this study is to assess evaluate the implementation of the poverty eradication programmes in Nigeria so as to be able to determine their effectiveness at alleviating poverty.

Specifically, the objectives include to

- determine the incidence of poverty in Nigeria
- Assess the different programmes aimed at eradicating poverty in Nigeria
  - Evaluate their effectiveness
- Enumerate the problems faced with the implementations and
  - Make recommendations based on the findings.

In view of the worsening standard of living of the people Nigerian government should look forward to alleviating the suffering of the people and laying solid economic foundation.

## **Conceptual Definition**

Poverty is a multidimensional phenomenon. It is characterized by, according to Griffin and Khan (1978), deprivation or lack of something. It could be absolute or relative. In absolute terms, it is the lack or insufficient basic necessities like, but not limited to, food, housing, medical cares, education, information, as well as inability to participate actively and effectively in social, political and economic systems of the community. In relative terms, poverty is measured by the extent to which one meets a certain community's standard (Townsend 1971). Poverty whether absolute or relative cuts across gender, age, location and income sources (Eze, Ezeah and Aniche 2000).

Poverty according to Aluko(1975) has been defined as insufficient income for securing the basic necessities of life such as food, portable water supply, shelter and clothing. It has also been defined as when people do not have enough financial resources to be able to meet their basic needs for life and therefore have limited chances of meeting their life chances. Poverty is caused when there is inadequate income, inaccessibility to employment and lack of access to credit facilities (Galbrath, 1971). Others include lack of productivity, political instability and corruption among others.

Indicators of poverty measures economic performance and the standard of living of the population as recognized by Greeley (1994) include among others poverty lines, Gini Index and Poverty Gap Index. While poverty line is the value of basic (food and non-food) needs considered

necessary for maintaining the minimum standard of nutrition and other necessities. The poverty gap Index or the Income Gap Index measures the gap between the average income of the poor and the poverty line. Another indicator, the Gini Index, measures the extent to which the distribution of income among individuals within a population deviates from a perfectly equal distribution. This measure shows the degree of inequality (World Bank, 1999).

The social indicators of poverty measure the accessibility to health, education as well as infrastructure (Sen 1987; Streeten and Burki 1978). According to Enugu State 2011 Diary, health indicators are those of life expectancy at birth (47.44 years), mortality rates of the segments of the population (Total Infant Mortality Rate-95.52 %), the extent of malnutrition, the proportion of population with access to portable safe water (58.2) per cent), electricity (47.9 per cent) etc. with education, there is the literacy rates (68%). Also important indicator computed by the UNDP is the Human Development Index (HDI). This is a composite measure of both the economic and social indicators of human development. HDI contains data on longevity, knowledge and income of which Nigeria ranked 137 among 174 countries (World Bank20000. The National poverty incidence in 2004 is about 57.8 a 7.7% decline from 1996 level (FOS, 2004). When the benchmark for poverty line was determined and estimated by the World Bank about 43% of the population was considered poor in 1985 (World Bank, 1993).

Over the years a number of poverty eradication programmes were established. That not withstanding the incidence of poverty at the National level in 1992, 1996 and 2004 stood at 44.1%, 65.5% and 67.8% respectively. But with the introduction of National Poverty Eradication Programme (NAPEP), Economic Liberalization And Deregulation driven by National Economic Empowerment and Development Strategy (NEEDS) and the State Economic Empowerment and Development Strategy (SEEDS), the upward trend in poverty incidence has reversed with the National incidence at 57.8% in 2004 (FOS, 2004). NAPEP was established in 2001 by the Federal Government of Nigeria to "coordinate and monitor all poverty eradication efforts of the Federal, State, Local Governments as well as those of the International Donor Agencies and Non- Governmental Organizations" This is with a view not to duplicate efforts as was the case with the past programmes. According to Ngwu (2005), NAPEP was empowered to help eradicate poverty in the country in line with the United Nations Millennium Goal of halving the proportion of people living in poverty by the year 2015. In short it was established to address the challenges of increasing poverty in Nigeria.

## Methodology

The study is on assessing the implementation of some poverty reduction efforts in Nigeria between the 80's and

the first decade of the 21st Century using Enugu State as a case study. According to the National Population Commission the population of Enugu State in 2004 is about 3.2 million with female accounting for about 53% while men account for 47% of the population. 70 % (1.32 million) are rural dwellers. Civil service constitutes the major occupation of the people in the urban ceters. Past Poverty Eradication Programmes surveyed include

Directorate of Food, Roads and Rural Infrastructures The Better Life/and Family Support Programme The Family Economic Advancement Programme National Directorate of Employment Petroleum Trust Fund (PTF)

Mass Transit Programme

World Bank Assissted Agricultural Development Programme

International Non-Governmental Organizations
Others include the all embracing NAPEP which is
collaborating with State Governments and has designed
and is currently implementing the following schemes

- -- Micro Finance Coordination Scheme
- -- Capacity Enhancement Scheme
- -- Community Economic Sensitization Scheme
- -- Youth Empowerment Scheme
- -- Natural Resources Development and Conservation Scheme
  - -- Rural Infrastructure Development Scheme
  - -- Social Welfare Service Scheme

# **Study Area**

According to figures from the National Population Commission, the population of Enugu State in 2004 is 3.2 Million. About 41% i e 1.31 million of this population lives in the urban areas of Enugu North, Enugu South, Enugu East, Nsukka while 59 % (1.89 million) are domiciled the other 13 rural Local Government (Enugu State Diary 2011). The occupational distribution shows that agriculture engages about 70% of the rural dwellers. 84% of the women engage in trading activities fraught with dearth of capital poor marketing conditions and lack of infrastructure end up in a poverty trap. In the urban centers the main occupation is the civil service. The introduction of NAPEP is aimed at poverty reduction

## Population of the Study

The target population consist all the grown-ups (20-24 to 60-64 years) males and females resident in Enugu State, a total of 1.57 million people.

### Sample Size

The sample size is 650 adult male and female taken randomly from the 13 rural and 4 urban local Government Areas. 38respondents were randomly selected from each of the rural local government areas especially those who visit the headquarters of the LGAs, while 39 persons were also randomly selected from the 4 urban LGAs

The instrument used for this study was the

questionnaire formulated based on a four-point Likerttype rating scale with options as follows:

, p	P
Very effective	(VE)
Effective	(E)
Ineffective	(IE)
Very ineffective	(VIE)

The instrument was validated by some senior official of Enugu State University of Science and Technology and some officers of NAPEP for correct identification and coverage of the objectives of the various past and present poverty reduction programmes. For reliability check the questionnaire was administered to 50 residents in Enugu Urban and to another set of 50 respondents implying a test-retest approach.

Their responses were analyzed and a reliability coefficient of correlation of .98 was obtained. The data were analyzed using frequency and mean. To determine the effectiveness of the values of the scaled items values were given to each scale as follows:

Very Effective	VE	4
Effective	Е	3
InEffective	IE	2
Very Ineffective	VIE	1
Total		10

The mean of the values is 2.50. With class interval of 0.1 the upper and lower limits of the mean was determined as 2.55 upper limit and 2.45 as lower limit.

Therefore mean of 2.55 is regarded as effective responses while responses with mean below 2.55 were regarded as ineffective. The mean for each item was calculated using the formula  $\times = \pounds fx$ 

n

Where  $\pounds fx = \text{summation of frequencies}$ n = the number of frequencies

# ASSESSMENT OF THE EFFECTIVENESS OF SOME POVERTY REDUCTION PROGRAMMES

Table 1 Ratings of the Effectiveness of the Some Poverty Reduction Programmes as Perceived by the Respondents

	Programmes	Objectives		Level of Effectiveness								
				VE	Е	ΙE	VIE	TOTAL	MEAN	REMAR		
1	Directorate of Food,	(a) Mobilisation of rural people	f	50	60	200	340	650				
	Roads and Rural	for development activities	fx	200	180	400	340	1120	1.72	IE		
	Infrastructure	(b) Provision of feeder roads	f	200	170	80	200	650				
			fx	800	510	160	200	1670	1.57	ΙE		
		(c) Rehabilitation of rural	f	80	100	150	320	650				
		infrastructure	fx	320	300	300	320	1240	1.91	ΙE		
		(d) Provision of Electricity	f	70	80	200	300	650				
			fx	280	240	400	300	1220	1.88	IE		
2	The Better Life/	(a) Provision of Credit	f	50	60	200	340	650				
	Family Support	facilities and grants	fx	200	180	400	340	1120	1.72	ΙE		
	Programme	(b) Increase the Welfare of Women		100	250	100	200	650				
			fx	400	750	200	200	1550	2.38	ΙE		
		(c) Educating Women in Simple	f	210	160	80	200	650				
		Hygiene	fx	840	480	160	200	1680	2.59	Е		
		(d) Educating Women on the	f	200	180	70	200	650				
		Importance of Child Care	fx	800	540	140	200	1680	2.59	E		
		(e) Establishment of Cottage or										
		Small Scale Industries to	f	150	200	210	90	650				
		Improve the Productivity	fx	600	600	420	90	1710	2.63	E		
		of Rural Women										
3	The Family	(a) Provision of Local Credits	f	70	80	200	300	650				
	Economic	•	fx	280	240	400	300	1220	1.88	ΙE		
	Advancement	(b) Creation of Employment	f	60	70	220	300	650				
	Programme (FEAP)	Opportunities	fx	240	210	440	300	1190	1.83	ΙE		
		(c) Encouraging the Formation of		50	70	190	340	650				
		Producers Cooperatives Societies	fx	200	210	380	340	1100	1.69	ΙE		
4	National Directorate	(1) Agriculture										
	of Employment	(a) Training School Leavers in	f	40	70	200	340	650				
	(NDE)	New Agricultural Practice	fx	160	210	400	340	960	1.48	ΙE		
	,	(b) Providing Loan Packages to	f	60	90	210	290	650				
		make item Self-employed	fx	240	270	420	290	1220	1.88	IE		
		(2) Small Scale Enterprises										
		(a) Sensitizing people to set up	f	210	140	150	120	650				
		their own small scale businesses	fx	340	510	300	120	1770	2.72	Е		
		(b) Provision small credits	f	40	80	190	340	650				
		(b) I IOVISION SMAN CIEURS	fx	160	240	380	340	1090	1.68	ΙE		
		(c) Provision of entrepreneurial	f	100	120	200	230	650	1.00	IL		
		development	fx	400	360	400	230	1390	2.14	ΙE		
									2.14	IE		
		(d) Training for youth corpers	f	100	150	180	220	650	2.20	TE		
		(2) G . I.B. I.P. W. I.	fx	400	450	360	220	1430	2.20	ΙE		
		(3) Special Public Works	C	00	0.0	1.50	220	650				
		(a) Establishment of cooperative	f	90	80	150	330	650	1.00	***		
		societies	fx	360	240	300	330	1230	1.89	IE		
		(b) Education on environmental	f	50	60	220	340	650				
		sanitation	fx	200	180	440	320	1140	1.75	ΙE		
		(c) Provision of Employment	f	200	150	100	200	650				
			fx	800	450	200	200	1650	2.54	E		
		(4) Vocational Skills Development										
		(a) Training of disabled on vocational skills	f fx	60 240	80 240	210 420	360 360	650 1260	1.94	IE		
	D-41. T											
5	Petroleum Trust	(a) Completion of a balanced	f	40	50	290	270	650	1.70	T		
	Fund (PTF)	projects	fx	160	150	580	270	1160	1.79	ΙE		
		(b) Rehabilitation of decaying	f	300	200	80	70	650	2.22	-		
		social infrastructure	fx	1200	600	160	140	2100	3.23	E		
		(c) Supply of drugs to hospitals	f	120	100	200	230	650				
			fx	420	300	400	230	1350	2.08	ΙE		

To be continued

# Continued

	Programmes	Objectives		Level of Effectiveness								
				VE	Е	ΙE	VIE	TOTAL	MEAN	REMAR		
		(d) Opening up rural roads to case the transportation of their populace to outside markets	f fx	70 280	80 240	200 400	300 300	650 1220	1.88	IE		
6	Mass Transit Programme	(a) Improvement in transport facilities (buses) (b) Reactivation of Railways	f fx f	30 120 50	40 120 70	280 560 220	300 300 310	650 1100 650	1.69	ΙE		
		services	fx	200	210	440	310	1160	1.79	IE		
7	Agricultural	(a) Provision of credit facilities to farmers	f fx f	130 920 200	210 630 260	130 260 130	80 80 60	650 1890 650	2.91	Е		
	Development Programme	<ul><li>(b) Improvement in farm productivity</li><li>(c) Raising of incomes and</li></ul>	fx f	800 250	780 130	260 160	60 110	1900 650	2.92	Е		
		standard of living of farm families	fx	1000	390	320	110	1820	2.80	Е		
		(d) Employment generation	f fx	200 800	180 540	160 320	110 110	650 1770	2.72	Е		
8	UNICEF and other International	(a) Increase in primary health care	f fx	250 1000	150 450	160 320	90 90	650 1860	2.86	Е		
	Organizations	(b) Child immunization coverage	f fx	300 1200	250 750	70 140	30 30	650 2120	3.26	Е		
		(c) Provision of technical packages	fx	200 800	170 510	80 160	200 200	650 1670	2.57	Е		
		(d) Mass Literacy Programmes	f fx	190 760	180 540	150 300	130 130	650 1730	2.66	Е		
		(e) Provision of technical support and financial assistants to states	f fx	230 920	180 540	120 240	120 120	650 1820	2.80	E		
		(f) Provision of water supply	f fx	210 840	190 570	130 260	120 120	650 1790	2.75	Е		

Table 2 NAPEP PROGRAMMES

S/N	Programmes	nes Objectives		Level of Effectiveness							
				VE	Е	ΙE	VIE	Total	$\overline{X}$	Remarks	
1	Youth Empowerment	a). Empowering youth with skills	f	300	190	100	60	650	3.1	Е	
	Scheme	, .	fx	1200	570	200	60	2030			
		b). Empowering youth with	f	280	250	90	30	650	3.2	Е	
		resources	fx	1120	750	180	30	2080			
		c). Attachment Programmes to	f	310	260	70	10	650	3.3	Е	
		Businesses	fx	1240	780	140	10	2170			
2	Capacity	a). Empowerment of Women	f	400	100	90	10	650	3.2	Е	
	Enhancement	fx	1600	300	180	10	2380				
		b). Provision of Keke NAPEP	f	450	180	20	_	650	3.7	Е	
		-,-	fx	1800	540	40	_	1960			
	c). Resettlement	c). Resettlement	f	270	200	100	80	650	3.0	Е	
		,	fx	1080	600	200	80	2037			
3	Community	a). Active Participation in	f	285	216	100	49	650	3.1	Е	
	Economic	Wealth Creation	fx	1140	648	200	49	1920			
	Sensitization	b). Employment of various media	f	220	260	90	80	650	3.0	Е	
	Scheme	to deliver messages for self help	fx	880	780	180	80	1830			
4	Rural Infrastructural	Development of Rural	f	210	200	150	90	650	2.8	Е	
	Development Scheme	Infrastructure	fx	810	600	300	90	2300			

To be continued

#### Continued

S/N	Programmes	Objectives		Level of Effectiveness								
				VE	Е	ΙE	VIE	Total	$\overline{\mathbf{x}}$	Remarks		
5	NDE/NAPEP/CAP Programme	a). Skill Acquisition Self Loan Capacity Building i.e. Provision of Equipment	f fx	400 1600	200 600	50 100	-	650 2075	3.5	Е		
		b). Vesico-Vaginal Fistulae	f fx	310 1240	200 600	95 190	45 45	650 2075	3.2	Е		
6	Social Welfare Service Scheme	a). Formation of Coop. Groups	f fx	310 1240	215 645	100 200	25 25	650 2110	3.3	Е		
	Service Serieme	b). Informal Credit Provision	f fx	300 1200	210 630	100 200	40 40	650 2070	3.2	E		
		c). Poultry production	f fx	290 1160	300 900	40 80	20 20	650 2160	3.3	E		
		d). Small Scale Fishery	f fx	275 1100	250 750	90 190	30 30	650 2075	3.2	Е		

Source: Programmes from National Poverty Eradication Programme (NAPEP) 2002 end of Year Report; Analysis from Field Study 2010.

# **EVALUATION OF THE PROGRAMMES**

The programmes in Table 1 were aimed at bettering the lives of the people and to stabilize social and economic growth. But most of them did not see the light of the day or achieve their aims due to corruption, mismanagement, ethnicity and political instability. On compiling the PAP to assess their effectiveness only 16 of the programmes from the past PAP were found to be effectively achieved. 10 of which are programmes carried out by international agencies like UNICEF, UNDP.

The programmes were established with a view to help eradicate unemployment and eventually poverty. They were designed to meet the needs of the poor. But unfortunately their demand by the huge population outstripped the supply. Agricultural Development being sponsored by the World Bank, Child Immunization, Polio Eradication Programme and other programmes by International Agencies are the most successful The rest of the programmes are now facing the problem of sustainability.

All the NAPEP's 7 major programmes recorded very high achievements as at 2002 in Enugu State (See Table 2) Table2 shows the actual achievements of the various NAPEP programmes as at December 2002. The Capacity Acquisition Programme (CAP) distributed 135,605trainees to over 200 training centers for skill acquisition in selected trades. The Table also shows the job implication of the various intervention schemes. Nationwide a total of 336,775 employment opportunities were generated through the NAPEP schemes. But the overall impact of NAPEP so far is still negligible considering the magnitude of unemployment and poverty rate in the State in particular and Nigeria in general.

## **PROBLEMS**

Some of the problems encountered by these programmes

include the inability to ensure effective implementation of these programmes. Political instability was another, followed by lack of commitment on the part of both the providers and the beneficiaries and shoddy execution of projects.

Inadequate funding rippled the activities of most of these agencies providing services to reduce poverty. Nonsupply of electric power made it impossible for the rural people to embark on any project utilizing electricity supply. They are therefore forced to use firewood and kerosene as their main sources of energy. Where there is no communication services no meaningful business will flourish couple with poor roads. All these reflected poor management of resources and planning.

But with the new dispensation of Democratic Government with all its reforms in almost all the sectors in the economy there is very high prospect for economic recovery, and with the Federal and State Government Policy Agenda the horizon seems very bright.

# CONCLUSION

Poverty is a serious problem and does not seem to have received appropriate attention from the government to make considerable impact in the lives of the people.

The adverse international economic environment plus inconsistent domestic policies helped to create some imbalances in the Nigerian economy. Although these programmes were meant to help empower the people and at the same time alleviate the miseries of the poor. But for them to make a notable impact, adequate funding is required. In line with the proposal from experts workshop on "Effective Anti- Poverty Strategies" held in Bankok in 1975 a more equitable income distribution is very necessary in Nigeria. Besides, an enabling environment with adequate infrastructure especially energy and power good roads and water supply.

# RECOMMENDATIONS

The National economy must move away from import dependence to export oriented one and must be fully integrated into the global market economy. Foreign Direct Investment as well as domestic ones should be stimulated taking into consideration Nigeria's rich and abundant human and material resources at her disposal.

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