

STRATEGIES FOR POVERTY ALLEVIATION IN RURAL AREAS FOR A SUSTAINABLE ECONOMIC DEVELOPMENT IN NIGERIA.

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ABSTRACT

Poverty is universally acknowledged as a menace requiring urgent attention. Poverty is largely associated with developing countries particularly those in sub-Sahara Africa where a large proportion of the World poor are found. This paper examines meaning and concept of poverty alleviation, manifestation of poverty in Nigeria, the poor and their location, dept and severity of poverty in Nigeria, root causes of poverty in Nigeria and finally identifies multi dimensional strategies aimed at poverty reduction in rural Nigeria some of which are highlighted thus:

- *The provision of educational programme targeted at the poor groups in the population.*
- *The provision of employment opportunities to the large mass of unemployed in the society.*
- *The provision of basic infrastructural facilities (e.g Electricity, pipe-borne water, good motorable roads etc) to transform the social life of the poor and*
- *The adoption of good governance, transparency, accountability and social responsibility.*

INTRODUCTION

One of the main issues in development debates is how to tackle rural poverty. The constraints to developing the rural areas as well as the problems of this critical sector have come to loom very large. For over four decades in Nigeria, all attempts to put the rural areas on course of development have failed. Conditions have continued to worsen and poverty had become a major issue in the rural areas in spite of their potentials. Therefore, a major concern to governments, multilateral institutions and policy makers in different countries is to identify appropriate strategy for poverty reduction especially in the rural areas:

The description of Nigeria as a paradox by the World Bank (1996) has continued to be confirmed by events and official statistics in the country. The paradox is that the poverty level in Nigeria contradicts the country's immense wealth. Among other things, the country is enormously endowed with human, agriculture, petroleum, gas and large untapped solid mineral resources. Particularly worrisome is that the country earned over US\$300 billion from one resource-petroleum during the last three decades of the twentieth century. Rather than record remarkable progress in national socio-economic development, Nigeria retrogressed to become one of the 25 poorest countries at the threshold of twenty-first century whereas she was among the richest 50 in the early 1970s. Despite this enormous wealth, the trend of poverty between 1980 and 1986 as reported by the federal office of statistics (FOS) within three broad categories: the non-poor, moderately poor and core poor depict that the percentage below the poverty line has risen from 6.2% in 1980 to 29.3% in 1980 to 65.6% in 1996. The total population estimated to be poor in million rose correspondingly from 17.7 in 1980 to 67.1 in 1996. Incidence of poverty in 2000-2001 is estimated at 70%, indicating that over 80 million people (equivalent to 10% of African's population) are living the poverty line. From the indicative percentage of the incidence of poverty in Nigeria, it is said that two out of every three Nigerians are poor.

MEANING AND CONCEPT OF POVERTY ALLEVIATION

Central to the quest for strategies that will reduce poverty is the issue of the conceptualization of poverty. Conceptually, three dominant views are identified as the meaning of poverty in the literature (Oyeranti and Olayiwola 2005). The first view sees poverty as a severe deprivation of some basic human needs at the individual or household level. Put differently, poverty is a material deprivation and this can be assessed in monetary terms. While this conceptualization of poverty makes the quantitative analysis of poverty straight forward and permits comparisons over time and between countries, it fails to recognize non-material forms of deprivation such as illiteracy and social discrimination among others.

The second view has a direct link with the work of Sen (1999) and it defines poverty as the failure to achieve basic capabilities such as being adequately nourished, living a healthy life, possession of skills to participate in economic and social life, permission to take part in community activities to mention a few. The conceptualization forms the basis for the belief, that 'poverty is multi-dimensional'. Although, the capabilities framework offers many advantages over the income/consumption conceptualization, yet it is argued that it requires a greater variety of data and that no consensus exists on how capability deprivation at the household level is to be computed.

The third conceptualization of poverty came into limelight in the 1990s and has a fundamentally different approach to the understanding of poverty. Subjective poverty assessments. The core of this view of poverty is that poverty must be defined by the poor themselves or by the communities that poor people live in. The subjective view of poverty posits that poverty has both physical and psychological dimensions. Poor people themselves strongly emphasize violence and crime, discrimination, insecurity and political repression, biased or brutal policing, and victimization by rude, neglectful or corrupt public agencies (Narayan et al, 1999).

The World Development Report (2000/2001) recognizes many of the conclusion on the meaning of poverty and then develops three principles that directly augment what is known of poverty previously and how to attach poverty. These principles are:

- Empowerment – with a pro-poor state and voice for community.
- Security-against natural disaster, war, violence and unforeseen changes in income and health.
- Opportunity – promoting assets and enhancing the return on them through public private policies.

Given the present understanding that poverty goes beyond material and capabilities deprivation, it is acknowledge in the literature that business as usual will not eliminate or reduce poverty (Karlsson, 2001). In other words, poverty reduction requires more than just delivering money and advice.

The World Development Report (World Bank 2000) extends the concept of poverty beyond income and consumption plus education and health, to include risk and vulnerability, as well as voicelessness and powerlessness. It is not necessarily the case that shocks affect the poor disproportionately, but it is clearly the case that they are more vulnerable, since their economic margin is slim. The poor are often exposed to highly fluctuating incomes, and, particularly, in rural areas, it is common for households to move in and out of poverty (Dercon 2000; and World Bank, 2000).

The conceptualization of poverty in terms of the risk and vulnerability of those that are poor has emerged at a time when poverty reduction has become an important aspect of the national economic and social policy mix in many developing countries. Indeed, poverty alleviation programmes and policies when tied with growth enhancement policies are a high priority in national policy design in countries suffering from increasing population pressures and deteriorating living and economic conditions. Thus, there is an implied consensus in the literature that rapid and sustainable poverty alleviation depends upon the interaction of a wide range of policy measures.

Gerster, (2000) classified the different poverty reduction strategies into four, based on their mechanism. There are:

- Market based pro-poor growth-a modified version of the orthodox model;
- Sustainable livelihood approach-putting people first;
- Resource based approach focusing on redistribution of assets; and
- Rights based approach relying on empowerment and redistribution of political power.

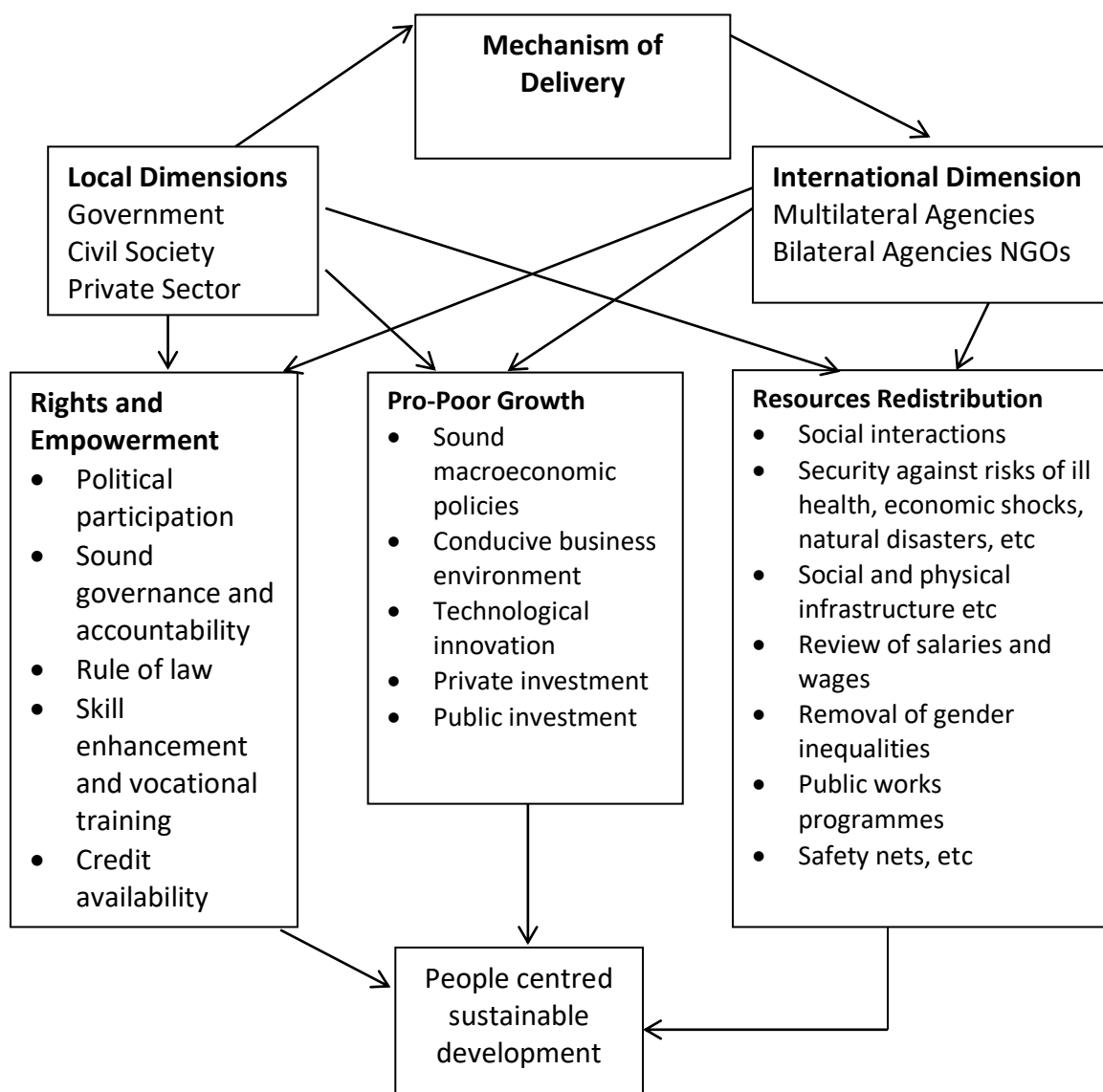
Rights and Empowerment – considers issues like enhancement of political participation, ensuring sound governance, promoting accountability and the rule of law, skill enhancement, vocational training and enhancement of credit availability among others.

The Pro-Poor Growth Model – is based on the provision of sound macro-economic policy which ensures stability of the economy, conducive business climate, technological innovation which lead to growth of the economy, improved out put leading to increased earnings for the people, including the poor.

The Redistribution of Resources Model and Sustainable Livelihood Approach – promote social interaction among groups, provides security against social risks like ill health, economic shocks, and natural disasters, provides social and physical infrastructures, such as roads, electricity, water and social capital.

The People-Centred Sustainable Development Approach – means development that not only generates economic growth but also distributes its benefits equitably; that generates the environment rather than destroying it, that empowers people rather than marginalizing them. It gives priority to the poor, enlarges their choices, opportunities and provides for their participation in decision affecting them.

Figure 1: A schema for analyzing poverty-reduction strategies



Source: Adapted from Gerster (2000)

MANIFESTATION OF POVERTY IN NIGERIA

Poverty in Nigeria is manifested in many ways, ranging from the visible to the invisible are underline by the lack of access to basic services and investment capital, an escalating number of a resource-based conflicts, increased child labour, unemployment and high crime rates, high mortality rates, low literacy, breakdown of social safety nets, rural-urban drifts and brain drains, growing urban slums, increase in women and child-headed households, lack of access to justice and increased prevalence of the HIV/AIDS pandemic. The invisible characteristics of poverty encapsulates the underlying causes of poverty-issues of gender and women's rights, power relationships, subordination of women. It is understood by the broader national and international actions on governance and accountability that reinforce and sustain poverty.

This has been further confirmed by the UNICEF (2001), Situation Assessment and Analysis (SAA) of Children's Women's Rights in Nigeria, pointing out that poverty in Nigeria is characterized by poor access to public services and infrastructure, unsanitary environmental surrounding, illiteracy and ignorance, poor

health, insecurity, voicelessness and social exclusion, low levels of household income as well as food insecurity.

THE POOR AND THEIR LOCATION

In order to achieve poverty reduction in Nigeria we should first and foremost identify who the poor are and the nature of their poverty. Available evidence shows that the poor are located mainly in rural areas, which tend to suggest that poverty was more pronounced among rural than urban people (World Bank 1996; Canagarahah 1996; Aigbokhan 1998; Ogwunike 1998 and Okojie 1999).

Poverty and vulnerability are characterized by women, children (especially the girl-child), widows, street children, child labourers, AIDS orphans, displaced people and female headed households. They are to be found mostly in extremely inaccessible areas and social settings and in the rural and urban slums. Although dominant perceptions have shown that poverty is a largely rural phenomenon, the influx of people to the urban areas culminates in the growing incidence of the urban poor. In Action Aid-Nigeria Country Strategy 2003-2007 (Draft), the prevalence of poverty in the rural areas was affirmed thus "Poverty in Nigeria is a rural phenomenon with almost 72% of the poor residing in the rural areas, and about 71% of heads of households being employed mainly in agriculture".

DEPTH AND SEVERITY OF POVERTY IN NIGERIA.

Nigeria with her abundant natural resources and ranking as the eighth largest exporter of oil, ranks amongst the worst in Sub-Saharan Africa in Social Statistics. According to the World Bank, "the poor of Nigeria have a cash income that is insufficient to cover minimum standards of food, water, fuel, shelter, medical care, and schooling". The human development report (2000) ranked the country the 151st out of 174 countries, and amongst the poorest 20 countries in the World. The UNDP States accordingly, "Nigeria is one of the poorest countries in the world – she is worse off today than in the 1980s".

ROOT CAUSES OF POVERTY IN NIGERIA.

One of the causes of poverty in Nigeria is the country's production base that has remained narrow and weak. The Nigerian economy has remained largely monolithic in that her economy depends on one primary product for export. The emergence of the oil sector led to the neglect of the agricultural sector, leading to over dependence on the oil and unfavourable consequences on the overall national economy.

Second, the various austerity measures that were put in place by various governments in the 1980s merely pushed people into poverty rather than produce the desired results. They therefore accentuated the poor standard of living of the majority of the country's populace during the period, notably the rural dwellers. One of such measures was the Structural Adjustment Programme (SAP) launched in 1986 with mixed results.

Third, the withdrawal of subsidies in the productive sectors, decrease in spending in key social sectors of health and education, devaluation of local currency and erosion of purchasing power have contributed to growing unemployment. The net result is the decline in per capita income and increased vulnerability and poverty.

Fourth, the long years of military rule, and the suspension of the constitution each time, has resulted in draconian laws, such that entrenched unitary state in a seemingly federal system where resources are allocated according to the dictates of whoever is in charge can be situated within this framework, yields lack of accountability in leadership across the broad spectrum of governance in Nigeria.

Fifty, environmental degradation and rural poverty. The long term sustainability of any system entails complex trade-offs between benefits and losses. The use of fertilizers is no exception as the adverse effects of their use result from inadequate knowledge among farmers. Their over-use or misuse can produce effects which support the thesis that fertilizer degrade soil fertility (Barbier 1998) where overgrazing, agricultural activities and deforestation and wood harvest (for firewood) account for most of the human-induced erosion. Land degradation and the depletion of soil resources have economic implications for low-income and poor rural areas. The losses in agricultural production from land degradation can be substantial (Barbier, 1998).

Sixth, Conflict and poverty. Conflict has been one of the causes of poverty, it is also a result of poverty. Conflict of various causes are prevalent in Nigeria and have increased the incidence of poverty.

Loss of lives and property, social facilities and forced relocations affect livelihood systems. In the last four years there has been an exponential increase in communal conflicts due to tensions on matters of land, resources, power and mutual distrust. Action Aid-Nigeria's Primary Focal States (Kaduna, Nasarawa, Plateau, Federal Capital Territory (FCT) and the Niger Delta areas have all experienced conflicts in recent times, leading to worsening vulnerability among the poor in these areas. As in all conflicts and disaster situation, women and children are major victims and the most vulnerable to abuse, including rape, harassments and other forms of unimaginable torture.

Mentioning the causes of poverty, Odumusu in Igbiwu and Nweneazizi (2009) highlighted the following as the causes of poverty in Nigeria:

1. High cost of living
2. Unemployment
3. Failure on the part of the government to provide basic social amenities
4. Lack of adequate education/illiteracy
5. Early marriage
6. Ill health
7. Insufficient farmland
8. Lack of storage facilities
9. Subsistence farming with nothing to sell for cash and
10. Reckless spending during social ceremonies and festivals.

STRATEGIES FOR POVERTY REDUCTION IN RURAL NIGERIA

There is consensus in the literature that rapid and sustainable poverty reductions depend upon the interaction of a wide range of policy measures. Tollens (2002) observes that poverty is not an intrinsic attribute of people, but a product of livelihood systems and the socio-political forces that shape them. Therefore, the productivity of the poor should be raised, to reduce rural-urban migration thereby reducing urban poverty.

Poverty is multidimensional. Therefore poverty reduction strategies must be multi-targeted and are expected to show wide and diverse dimension. It must encompass economic, social, political and institutional factors-lifting the rural poor out of their poverty, breaking the poverty circle, through investments in their basic capital stock (physical human and social).

International fund for agricultural development (IFAD) (2001) states that increasing access to assets is crucial for broad-based growth and poverty reduction (land, water and forest) technological (farm production, processing and marketing methods), infrastructural (roads, communications, wealth and education facilities and housing) and financial (crop sales and off-farm revenue, investment and working capital savings in the form of livestock and stored commodities) these all will enhance the financial asset base of the rural farmers. Secure land use rights can allow farmers to invest in technology, leading to higher farm productivity and income.

The following strategies are adopted as a way of alleviating poverty in rural Nigeria.

- 1) Educational programme must be targeted at the poor groups in the population. Realizing the importance of women in the society special attention must be made to encourage educational opportunities for the girl-child. The Universal Basic Education Programme of the present administration in Nigeria is a positive step in this direction.
- 2) The provision of employment opportunities to the large mass of unemployed in the society would enhance economic potential and also raise their social status.
- 3) To ameliorate poverty, the social life of the poor would need to be transformed through the provision of basic infrastructural facilities (eg Electricity, pipe-borne water, good motorable roads etc).
- 4) To increase general prosperity. In the contention of the trickle down-theory increasing assistance to business will increase profit which will in turn allow the benefit to trickily down to all levels of society including the poor.
- 5) The Nation should increase her subsidies in the productive sectors, increase her expenditure in the key social sectors of health and education which in effect, will enhance the welfare of the populace and a reduction of poverty in rural Nigeria.

- 6) The country's production base should be diversified to include the neglected agricultural sector which is hoped to boost the overall national economy and a reduction of poverty in the country.
- 7) Democratic government in place of military rule. Nigeria in this democratic era, must aim at establishing a political system capable of ensuring opportunities for the people to participate in the decision making process and in economic production and distribution. Additional task, among others, is to bring about a new political culture, which, like a veritable fountain head, will bring forth a suitable, strong and dynamic economy and polity. Such arrangement will enable us to harness the human and natural resources of Nigeria towards building a cohesive and self-reliant society.
- 8) The problem of environmental degradation such as soil erosion, oil pollution, deforestation etc should be addressed across the nation.
- 9) Another way to solve the problem of poverty is to stem the trend of rural-urban migration. Usually the bulk of migrants who leave rural areas for the cities are low-skilled individuals who become nuisance when they get to the cities. By providing adequate facilities for people in the rural areas and establishing cottage industries the incidence of poverty among the people would be drastically reduced.
- 10) Broad-based economic growth with Equity. Given the low labour absorption capacity of the individual sector, broad based economic growth should be encouraged. This should focus on capital formation as it relates stock. Human capital formation has to do with education, health, nutrition and housing need of labour. This is obvious from the fact that investment in these sources of human capital improves the quality of labour and thus its productivity. Hence to ensure growth that take care of poverty, the share of human capital as a source of growth in out put has to be accorded the rightful place.
- 11) Rural Development Approach. This approach sees the rural sector as a unique sector in terms of poverty reduction. This is because majority of the poor in developing countries live in this sector. In addition, the level of paid employment in this sector is very minimal. Hence traditional measures of alleviating poverty may not easily work in the rural sector without radical change in the assets ownership structure, credit structure etc. This approach recognize that poverty is multi-dimensional and therefore requires a multi-pronged approach. The approach aimed at the provision of basic necessities of life such as food, shelter, save drinking water, education, health care, employment and income generating opportunities to the rural drivellers in general and the poor in particular.
- 12) Good Governance, Transparency, Accountability and Social Responsibility. Corruption is generally acknowledged as having adversely affected previous poverty alleviation efforts in Nigeria. Corruption is one of the aspects of bad governance. The anti-corruption crusade of the present administration is expected to have favourable implications for poverty alleviation if successfully carried through. The manifestation and problems associated with corruption have various dimensions. Among these are projects substitution, plan distortion, misrepresentation of project finances, diversion of resources to uses to which they were not meant, even conversion of public funds to private uses etc. The effects of corruption is both direct and indirect on poverty increase. On the other hand, the indirect effect follows from the reduction or misapplication of resources which paralyzes growth rate and growth potential. When growth rates are lowered, there will be no outputs and incomes to redistribute so poverty could escalate. On the other hand, the direct effect is that the poor are denied resources and access to facilities that could have been provided through judicious application of the siphoned resources.

A related problem is that lack of social responsibility manifest in the willful destruction of facilities that benefit the poor. It is expected that the bottom-up approach to project identification with attendant association of beneficiaries with the projects, will minimize willful destruction. But beyond that, it is crucially necessary that efforts and resources are committed to security of provision. Finally, in order to ensure transparency and accountability in the management of poverty alleviation programmes and projects, all the stakeholders should be involved in the monitoring and evaluation of such projects.

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