



**Full Length Research Article**

**POVERTY ALLEVIATION PROGRAMS IN NIGERIA: ISSUES AND CHALLENGES**

**\*Mustapha Hussaini**

Department of Economics, Jigawa State University Kafin Hausa PMB 048, Jigawa State of Nigeria

**ARTICLE INFO**

**Article History:**

Received 10<sup>th</sup> December, 2013  
Received in revised form  
13<sup>th</sup> January, 2014  
Accepted 24<sup>th</sup> February, 2014  
Published online 25<sup>th</sup> March, 2014

**Key words:**

Poverty,  
Various government policies,  
Poverty alleviation and  
Policy harmonization.

**ABSTRACT**

The fight against poverty has been a central plank of development planning in Nigeria since independence. Observers have unanimously agreed that successive government's interventions have failed to achieve the objectives for which they were established. It is against this background that the paper examines the various government policies targeted towards poverty alleviation in Nigeria with a view to, come up with policy recommendations for effective and efficient implementation of such policies. Exploration into the literature revealed that governments in power often seek to introduce their own policy and in the process, any other policy inherited from successors are either abandoned absolutely or rendered impotent. There is therefore lack of succession planning and some governments even watch their baby program dying prematurely to give birth to another with different orientation and strategic focus and as such the paper recommends that all programs centered towards poverty alleviation should henceforth be harmonized under the same umbrella, and each unit being accountable and responsible for their actions.

*Copyright © 2014 Mustapha Hussaini. This is an open access article distributed under the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.*

**INTRODUCTION**

Nigeria has one of the greatest development potentials in Africa given the vastness of her resources and above all her rich human resource endowment. But regardless of these potentials Nigeria is still among the poorest countries of the world. The economy is mired by multiple difficulties. On the basis of widespread economic crisis, and the recent global economic meltdown, the country is unable to raise the standard of living of its citizens to an appreciable height. Thus poverty, in both absolute and relative terms, constitutes one of the most serious problems confronting Nigeria. Statistically, between 1960 and 1980, the poverty level covered about 28.0 percent of the population; by 1996 it rose alarmingly to about 66 percent of the population (Aliju, 2001). According to the United Nation Development Program Human Development Report (2008-2009) which combined such components as; level of inequality, life expectancy at birth, standard of living and access to knowledge, and education, between 2004 and 2009 poverty in Nigeria has worsened from 0.43 to 0.49. This shows that despite its vast resources, Nigeria ranks among the 25 poorest countries of the world. In fact, poverty has been a serious challenge to governments in Nigeria. Its effect, which includes lack and deprivation in the basic necessities of life, is

worrisome. Poverty humiliates and dehumanizes its victim Ukpogon (1996). To this end government and people in authority almost always strive to ensure that adequate structural programs are enshrined to see that poverty if not eradicated, is reduced to the barest minimum. Poverty alleviation strategies ranging from Operation Feed the Nation of 1978, the Green Revolution of 1982, the Directorate of Foods Roads and Rural Infrastructures DFFRI, the National Directorate for Employment NDE, Poverty Alleviation Program PAP, the National Poverty Eradication Program, NAPEP up to the Seven – Point Agenda were all attempts made by various governments in the country in order to curb the menace of poverty. Therefore, given this background analysis, the paper critically examines the problems and prospects of achieving a remarkable reduction in Nigeria's poverty profile through policy harmonization of all poverty alleviation programs in Nigeria for effective implementation. The paper employed the use of simple content analysis in analyzing the data collected. The choice of this technique of analysis was informed by the nature of the data collected and the objective of the research. Secondary source of data gathered through reports, publications, the internet and other secondary sources of data are used. Specifically data were collected from the Central Bank of Nigeria and the National Poverty Eradication Council (NAPEC).

**\*Corresponding author: Mustapha Hussaini**

Department of Economics, Jigawa State University Kafin Hausa  
PMB 048, Jigawa State of Nigeria

## THE CONCEPT OF POVERTY

Poverty has no precise definition but, in the simplest form, it refers to the inability of an individual to attain the minimum standard of living. It can also be defined as a social condition characterized by inadequate access to basic human needs (food and non – food) to the sustenance of socially acceptable minimum standard of living in a given society. Some of these basic determinants of well being include adequate food, shelter, portable water, Healthcare, education and employment opportunities (Akintola and Yusuf; 2001). Ajakaiye and Adeyeye (2000) conceptualize poverty as a function of education, health, child mortality and other demographic variables. Poverty to them is the availability or otherwise of the above parameters. In a nut shell poverty can be seen as a situation in which an individual is unable because of economic, social, political and psychological incapacitation, to provide himself and his family the barest basic necessities of life.

## CAUSES AND CONSEQUENCES OF POVERTY

There is no one cause or determinant of poverty. On the contrary, combination of several complex factors contributed to poverty. They include low or negative economic growth, inappropriate macroeconomic policies, deficiencies in the labour market resulting in limited job growth, low productivity and low wages in the informal sector, and a lag in human resource development. Obadan (1997) identified some factors as the causes of poverty among which are; inadequate access to employment opportunities, inadequate physical assets, inadequate access to markets, destruction of natural resources, lack of power to participate in design of development programs and inadequate access to assistance for those living at the margin. On the consequences of poverty, Aku et al. (1997) opined that there is general loss of confidence in a society stricken by poverty and this renders government policies ineffective. Poverty also results in increasing the fragility and vulnerability of members of society to external influences. Furthermore, poverty makes production remain largely subsistence due to lack of capital needed for expansion. Labor becomes intensive and marginal productivity remains low.

## REVIEW OF POVERTY ALLEVIATION PROGRAMS IN NIGERIA

In reaction to the horrendous poverty crisis in Nigeria, different interventionist programs have been established by successive governments. Poverty alleviation strategies implemented so far in Nigeria have focused more on growth, basic needs and rural development approaches. However, Poverty alleviation programs in Nigeria are means through which the government aims to revamp and reconstruct the economy. The high incidence of poverty in the country has made poverty alleviation strategies important policy options over the years with varying results. Measures taken to combat poverty and promote development in the country actually started at the beginning of Nigeria's statehood. This was achieved through the adoption of different development plans. However, literatures on development in Nigeria have categorized government's efforts into two distinct time frames or eras. These include the pre-SAP, SAP/post-SAP eras.

## The Pre-Sap Era

During this era, poverty reduction was never direct, government only showed concern for poverty reduction indirectly. For example, the objectives of the first National Development Plan in Nigeria included the development of opportunities in health, employment and education as well as improvement of access to these opportunities. These objectives, if achieved could no doubt lead to poverty alleviation. Similarly, the Fourth National Development Plan, which appeared to be more precise in the specification of objectives that are associated with poverty reduction, emphasized increase in real income of the average citizen as well as reduction of income inequality, among other things (see Ogwumike, 1987 and 1998). During this era's national development plans, many of the programs which were put in place in Nigeria by the government (either wholly or in association with international agencies) had positive effects on poverty reduction although the target population for some of the programs was not specified explicitly as poor people or communities (Ogwumike, 1995 and 1998).

The policies of the Pre-SAP era, described as essentially ad hoc, included 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 Program (ADP), Agricultural Credit Guarantee Scheme Strategic Grains Reserves Program (SGRP), Rural Electrification Scheme (RES) and Rural Banking Program (RBP) (see Garba, 2006; Omotola, 2008:506; Chukwuemeka, 2009:406). Most of these programs were designed to take care of such objectives as employment generation, enhancing agricultural output and income, and stemming the tide of rural – urban migration, which no doubt affected poverty reduction. Despite some significant degree of success made by some of these programs, most of them could not be sustained. In fact, with time, many of them failed as a result of diversion from the original focus.

## The SAP ERA

Conscious policy effort by government towards poverty alleviation began in Nigeria during the era of the Structural Adjustment Program (SAP), the severe economic crisis in Nigeria in the early 1980s worsened the quality of life of most Nigerians. The government made a determined effort to check the crisis through the adoption of SAP. However, the implementation of SAP further worsened the living conditions of many Nigerians especially the poor who were the most vulnerable group. This made the government to design and implement many poverty alleviation programs between 1986 and 1993. Also, under the guided deregulation that spanned the period 1993 to 1998, more poverty reduction programs were put in place by government. These programs included the Directorate for Food, Roads and Rural Infrastructure (DFRRI), National Directorate of Employment (NDE), Better Life Program (BLP), People's Bank of Nigeria (PBN), Community Banks Program, Family Support programs (FSP) and Family Economic Advancement Program (FEAP) Garba, (2006), Eze (200). Nonetheless, most of these poverty alleviation programs 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 polity instability, political interference, policy and macroeconomic dislocations
- They also lacked continuity
- They are in most cases poorly implemented
- They are characterized by corruption on the part of government officials and public servants.

These antipoverty measures notwithstanding, poverty has consistently been on the increase in Nigeria, showing the ineffectiveness of the strategies and programs. The policies of the pre-SAP and SAP eras obviously failed to eradicate poverty in Nigeria. During these periods, the poverty situation in Nigeria was steadily increasing. The failure of these measures has been attributed to lack of targeting mechanisms for the poor; political and policy instability; inadequate coordination of various programs; several budgetary, management and governance problems; lack of accountability and transparency; and lack of mechanisms for the sustainability of the programs Obadan (2001); Oshewolo (2010)

#### **APPRAISAL OF THE POVERTY ALLEVIATION PROGRAMS (1999 – 2010)**

With the birth of democracy and inauguration of Nigeria's fourth republic in 1999, it was estimated that about 70% of Nigerians lived in poverty (Ogumike, 2001). The Poverty Alleviation Program (PAP) came on board as an interim antipoverty measure. Nwaobi (2003).

#### **Poverty Alleviation Program (PAP)**

As observed by Chukwuemeka (2009), the program was targeted at correcting the deficiencies of the past efforts of alleviating poverty through the objective of providing direct jobs to 200,000 unemployed people Obadan (2001). Despite the introduction of the Poverty Alleviation Program, poverty incidence in Nigeria remained perpetually high. Following the ineffectiveness of the program, the government came up with the National Poverty Eradication Program (NAPEP) in 2001 (see Omotola, 2008:2009).

#### **The National Poverty Eradication Program (NAPEP)**

As revealed in the approved blueprint for the establishment of (NAPEP), the program will serve as 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. This is the only government embarking on eradication; a shift from the traditional concept of alleviation. According to Elumilade, Asaolu and Adereti (2006), NAPEP has been structured to integrate four sectoral schemes which include:

- Youth Empowerment Scheme (YES)
- Rural Infrastructure Development Scheme (RIDS)
- Social Welfare Service Scheme (SOWESS) and
- Natural Resources Development and Conservation Scheme (NRDCS).

On the whole, these schemes were designed to spearhead government's ambitious program of eradicating absolute poverty with a take-off grant of N6 billion approved for it in 2001. 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. Although NAPEP appears to be well crafted, but the prevalence of poverty in Nigeria and the various dimensions it has taken is on the increase.

#### **The National Economic Empowerment and Development Strategy (NEEDS)**

Also worth mentioning is the National Economic Empowerment and Development Strategy (NEEDS) described as a medium term strategy. The implementation of NEEDS rests on four major strategies. First, it aims at reforming government and institutions by fighting corruption, ensuring transparency and promoting rule of law and strict enforcement of contracts. Another strategy is to grow the private sector as the engine of growth and wealth creation, employment generation and poverty reduction. Third, it seeks to implement a social charter with emphasis on people's welfare, health, education, employment, poverty reduction, empowerment, security, and participation. The fourth key strategy is value reorientation (see Federal Government of Nigeria, 2004:4; Omotola, 2008:511; Chukwuemeka, 2009:407). NEEDS is a national framework of action, which has its equivalent at the state and local government levels as State Economic Empowerment and Development Strategies (SEEDS) and Local Economic Empowerment and Development Strategies (LEEDS) respectively (AFPODEV, 2006). The implementation also stresses collaboration and coordination between the federal and state governments, donor agencies, the private sector, civil society, NGOs and other stakeholders (see Action aid Nigeria, 2009:7). As a home-grown strategy, NEEDS has been described as the Nigerian version of the MDGs (see AFPODEV, 2006).

#### **The Seven-Point Agenda**

The civilian administration that started in 2007 under the leadership of late President Umar Musa Yar'Adua proposed a Seven-Point Agenda of development. The agenda later became the policy thrust of the administration. The main objectives and principles of the agenda include improving the general well-being of Nigerians and making the country become one of the biggest economies in the world by the year 2020. The agenda has critical infrastructure as the first key area of focus. This includes power, transportation, national gas distribution and telecommunication. The second focus is to address the existing issues in the Niger Delta. Food Security constitutes the third priority area. The fourth area is human capital development and the land tenure reform is the fifth key area. The sixth key area is national security while the seventh area focuses on poverty alleviation and wealth creation. Although the Seven-Point Agenda appears to have a broad coverage to address the various development challenges facing the country, it has been widely criticized by development experts.

The wide ambit of the program may not allow for proper monitoring and effective implementation. Again resource constraints may hamper the capacity of the government to productively address the wide areas covered by the program (see Oshewolo, 2010b). Nevertheless, as laudable as these programs appear, poverty still remains endemic and pervasive in Nigeria. What then are the challenges? 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 framework with proper guidelines for poverty alleviation; they suffer from political instability, interference, policy and macroeconomic dislocations; and are riddled with corruption, political deception, outright kleptomania and distasteful looting. It must also be stated that lack of continuity and shift in approach trailed poverty alleviation programs in Nigeria. Each subsequent administration came with a different idea or no idea at all. Poverty reduction programs became more 'regime specific' because there was hardly any continuity with those initiated by previous governments. The challenges above have made government's policies to be largely unproductive.

## CONCLUSION

In this paper, we have been able to provide a brief background to the poverty alleviation programs in Nigeria. Without doubt, we can see that attempts were made by each program to identify its target group. These attempts notwithstanding, there is overlap of target and intervention strategies, lack of continuity of programs and some programs were abandoned before reaching their maturity. Moreover, considering the current poverty incidence in the country, one can conclude that poverty alleviation programs in Nigeria have not achieved much. This is perhaps due to the problems identified above which are hindering the effective implementation of the programs.

## RECOMMENDATION

In view of this, harmonization of programs is inevitable. Going by the Nigeria experience, the paper suggests that the federal government should establish an agency or a ministry with the objective of executing poverty alleviation related programs in the country. This would guarantee that successive government does not discard their predecessors program, rather, add their own suggestion (still under the same umbrella) and all programs would run concurrently to ensure that all target audiences are reached. The agency should house

all the poverty alleviation programs. Units/sections should be created to monitor each of the programs according to their peculiarity. By so doing, programs will be able to stand on the premise of the housing agency and as such, might not necessarily fizzle out with government of the day. Even when a program is having conflicting objective, it can easily be harmonized, since they are all premised on the same foundation. The agency should also align with international agencies of relevant purposes. This will ensure continuity of future programs. Similarly, the activities of the programs can be adequately monitored, assess and evaluated. Also, it will give room for accountability in terms of financing and performance.

## REFERENCES

- Ajaakaiye, D.O. & Olomola, A.S. 1999. "Conceptual and Methodological Issues in Poverty Alleviation." CBN Bullion, 23(4).
- Akintola, J. O and Yusuff, J. M. 2001. "Socio – economic analysis of poverty levels among rural dwellers in Kwara State, Nigeria" International Journal of Environment and Development, Vol. 5, No.2 Pg42-48
- Aliju, A. 2001." National Poverty Eradication Program (NAPEP), Conception, Implementation, Coordination and Monitoring." Federal Ministry of Economic Planning Policy Paper, Abuja.
- Bradshaw, T. K. 2006. "Theories of Poverty and Anti-Poverty Programs in Community Development." RPRC Working Paper. No 05-06.
- Chukwuemeka, E. E. O. 2009. 'Poverty and the Millennium Development Goals in Nigeria: The Nexus', Educational Research and Review 4 (9): 405-410.
- Ekpe A. E. 2011. "Poverty Alleviation in Nigeria through Capitalism Economic Framework: Problems and Challenges" Journal of Sustainable Development in Africa. Vol. 13, No. 2, 2011.
- Mukhtar M. 2011. "Poverty Alleviation as Machinery for Economic Reconstruction in Nigeria"
- Obadan, M. I. 1996. "Poverty in Nigeria: Characteristics, Alleviation Strategies and Programs" NCEMA Policy Analysis Series. Vol. 2. No. 2.
- Oshewolo S. 2011. "Poverty Reduction and the Attainment of the MDGS in Nigeria: Problems and Challenges" International Journal of Politics and Good Governance. Volume 2, No. 2.3 Quarter III 2011.

\*\*\*\*\*