

Poverty reduction strategy

[Business](#), [Strategy](#)



Introduction With one-fifth of the world's population not owning land or possessions at all. Very little land. They may have no legal rights to the land they farm, or they may work as hired labor on large farms. Low incomes and rural poverty are often the result. Taking into consideration by the world's standard the average person in the world lives on less than a dollar a day. In recent years, poverty reduction continues to be a challenge in Nigeria. 69 million people, or 54% of the population, lived below the poverty line In 2004. The Nigerian government has promoted agricultural growth through several policies noting that agriculture "outperforms all other sectors in reducing poverty" as it is the sector responsible for the most employment, especially among the poor. These policies including; the National Economic Empowerment and Development Strategies (NEEDS) and II, the Comprehensive Africa Agriculture Development Program (CAD), the National Food Security Program (NSF), and initiatives for crops including cassava and rice. Partly as a result of these programs, agricultural growth rates jumped from 3. % annually in 1990-1999 to 5. 9% annually. If several agricultural subsectors reach official growth targets, Nigeria will experience 9. 5% annual agricultural growth and 8. 0% annual GDP growth. Moreover, the poverty rate will be halved by 2017. Recommendation 1 Land Reforms Redistributing land to small-scale farmers can do much to reduce their poverty. When rural families have land, and secure control over that land, they are likely to grow more food and see their incomes rise. Land security can mean food security. Land reform can increase both employment and income.

Small farms employ more people per hectare than the larger units, often to the benefit of the landless and unemployed. And owning land means that family farmers often secure the bank credit that was previously denied them. Nonetheless, land reform is achieving much, especially when it is community-driven and tailored to local conditions and when it puts the poor at the forefront of the process. The Rural Poverty Report 2001 stresses the particular importance of giving women more control over land as this would give them more power in the community and reduce their vulnerability within the household.

Dividing large farms into smaller units often means that more food is produced per hectare. This is happening in a number of countries and Nigeria is no exception. Gender disparity in legal rights: exacerbating women's vulnerability In both the indigenous customary law, women are considered minors. This means that women? in law, and often in practice? do not control or own major assets, particularly land. This fundamental imbalance in the property rights of men and women leads to gender differences in the pattern of poverty. De facto female headed households (I. E. Here a male co-head is nonresident for large parts of the year) have the highest core poverty levels of any household type. Labor-intensive Labor-intensive agriculture has significant growth and poverty-reduction potential: The small plots under present yields and methods of cultivation cannot provide earnings from farming, households may find it advantageous to switch to higher valued crops, such as market vegetables or perennial products, instead of cultivating predominantly maize, as at present. Those who stay in maize can also achieve higher yields than at present.

Research elsewhere in Africa has produced evidence that the growth potential from smallholder centralization and exploitation of comparative advantage can also generate considerable multiplier effects on local incomes. As more small farmers commercialize they create demand for small farming implements, hired labor (backward linkages) and trading services, small transport, local consumer goods, and so on (forward linkages) which stimulate local labor demand. Both the initial and subsequent rounds of growth through demand linkages are labor-intensive and can be accessible to poorer households. Improved equity and efficiency in public education spending Country-wide, over 50 percent of the people who live in households headed by people with no education live in poverty. In contrast, the poverty ratio is halved for people in households whose heads have obtained some secondary education. This suggests that higher incomes are related to more education and that ensuring affordability of primary and secondary education for the poor is thus an investment with high returns for society and the household.

Improved equity and efficiency in public education spending will lead to better outcomes? at a lower cost? for both poor households and the Government. 4 Enabling the Growth of Smallholder Agriculture: Smallholder agricultural centralization will need to be a central element of the poverty reduction and growth strategy of Nigeria. This emphasis is consistent with Insignia's comparative advantage in labor-intensive sectors and location near a major port.

There is scope for expansion, diversification and intensification to access export markets, through centralization of agriculture into high value crops such as vegetables, perennials, etc. And through the related multiplier effects and demand linkages. The capacity of rural areas to boost incomes is expected to increase, reducing pressures on urban labor markets and services. Focusing public efforts on removing impediments to agricultural growth is thus a priority for reducing poverty in all of Nigeria.

This bottom-up development approach is critically contingent, however, on cataloging and protecting investments for small farmers on Swaziland. This requires: Rural land tenure reform to assure more secure property rights to small farmers. Promoting more sustainable cattle grazing management. Promoting small-scale financial savings and credit mechanisms in rural areas. Implementation of Policies I. Outlining a Poverty Reduction Strategy A new, equitable and dynamic pattern of growth and human development is required for a serious poverty reduction agenda in Nigeria.

Unless public action is undertaken to remove major structural constraints to labor-intensive development, however, livelihoods are expected to continue stagnation and poverty to worsen further. The analysis of poverty can be used to identify priority areas for action. This agenda for reform will require courage, vision and sensitivity on the part of the country's leaders. Basic themes of a poverty reduction strategy for Swaziland are reposed below: 2 Ensuring Effective Human Development Investments: productive assets in which a country can invest.

To facilitate higher productivity of labor, lower fertility and greater mobility of labor in these changing labor markets, the quality, relevance and affordability of basic education and health levels of service most accessed by the poor needs to be improved. A structural shift in the public spending pattern is needed to focus on primary and secondary education levels rather than academic tertiary levels, and on preventive, core health services rather than curative services.

Priorities should focus on: Parameterization of education spending towards quality and efficiency at primary and secondary levels. Improving skills matching to labor market needs. Expanding early childhood development programs for poor communities. Emphasizing a primary and preventive health service. 3 Insuring the Poor against Major Risks: Nigerian poor continue to be highly vulnerable to major shocks and to be locked in poverty traps because of excessive uninsured risk.

Public action needs to be selective, preventive and targeted where possible to reduce the economic limitability of the poor to the major risks. A public social protection program with the following priorities could have the most cost-effective impact in reducing the vulnerability of the poorest of the poor in Nigeria: Cross-sectarian, multi-level response to AIDS; Drought preparedness; Legal reform to provide equal rights to women; and Safety nets which are primarily work-based and self-targeted. Accountability, Information and the Poor A more coordinated approach to local development efforts? based on accountability of local government structures to the

community and better monitoring of poverty information? is essential for improving economic management and poverty reduction efforts.

Poverty information is very limited. The Government, Nags, donors, and others have identified the lack of data on poverty trends and their determinants as a major constraint to establishing greater poverty focus in policy formulation. There is also no clear institutional framework for coordinating data generated by different institutions. Such data and an institutional structure to channel information to policy-makers and community organizations could facilitate social debate and prepare the groundwork for enacting reform.

Strengthening Institutions to Increase the Poverty Impact of Policies: Finally, the speed and effectiveness with which the public policy framework can orchestrate this transformation can be improved by governance structures which are accountable to communities and with ongoing monitoring and evaluation of the ways in which growth dynamics are affecting the poor? both positively and negatively. Priority should be attached to: Institutional mechanisms which ensure poverty planning at central level; Local level coordination and community participation; and Establishment and use of a poverty monitoring and analysis system.