

# Rural poverty alleviation in nigeria



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RURAL POVERTY ALLEVIATION IN Nigeria In addressing this topic; Rural Poverty Alleviation, it is necessary to define each of the words in this phrase. Efforts will therefore be made to clearly describe/define the following words; Rural, Poverty, and Alleviation. WHAT IS RURAL? To define what is rural is a daunting task, because the word rural is an inexact term that can mean different things to different people. For example, what is considered rural in a place like the United States of America and the United Kingdom may not resemble what is considered rural in a place like Nigeria and other West African countries.

However, for the purpose of this paper, efforts will be made to describe the word Rural and the general characteristics of rural areas. Rural is the opposite of urban or city; it refers to a place with a small population size and consists of homogeneous people whose primary occupation is agriculture. Rural areas are characterized by open spaces and scattered villages. There are other features of rural areas that are Nigeria-specific but which may not qualify as standard features of rural areas in other nations of the world like the United States of America and the United Kingdom.

For instance, illiteracy is one of the characteristics of Nigeria's rural population; more than 90 percent of rural people are predominantly illiterate. Again, lack of safe water, and other basic infrastructure, such as primary health care, road network, are all features of Nigeria's rural areas. The United Kingdom National Statistics describe Rural thus; rural areas are generally observed to have particular attributes which give them a distinctive character.

These attributes include tracts of open countryside, low population densities, a scattering of small to medium size settlements, less developed transport infrastructure and lack of access to services and amenities especially of the type provided in large urban centers. WHAT IS POVERTY? In order to know what helps to alleviate poverty, it is important to describe or define what poverty is. Poverty is hunger. Poverty is being sick and not being able to see a doctor. Poverty is losing a child to illness brought about by unclean water. Poverty is powerlessness and not being able to send a child to school. Poverty is also a lack shelter.

In the World Bank reports, 1995 and 2001, Barker made the following observation regarding poverty definition: “ No one common definition of poverty is accepted by all countries. Poverty is generally categorized as material deprivation. Generally, poverty is defined as the state of being poor or deficient in money or means of subsistence (Barker 1995). Increasingly, the concept of basic subsistence is measured by the availability of infrastructure services, such as safe water, sanitation, solid-waste collection and disposal, storm drainage, public transportation, access roads and footpaths, street lighting, and public telephones.

In some countries, other neighborhood amenities such as safe play areas, community facilities, electrical connections, and social services become important in helping increase the standard of living so that the poor can break the cycle of poverty (World Bank 2001). Now breaking away from cycle of poverty is another way of saying alleviating poverty. WHAT IS ALLEVIATION? To alleviate is to make something less painful; it is to take measure (s) to cause reduction in the painful effect of something.

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That something is poverty, and the essence of this work is to critically examine and conduct a research on Rural Poverty Alleviation in Nigeria. The research problems are: (1) What are the factors that are responsible for rural poverty and (2) How can rural poverty in Nigeria be alleviated. The objective of this research is to identify some of the factors that are contributing to the rural poverty and to come up with the recommendations on how the rural poverty can be alleviated in Nigeria. FACTORS CONTRIBUTING TO RURAL

## POVERTY

The dramatic increase in the magnitude of rural poverty in Nigeria in the last ten years is an indictment of government and other stakeholders in terms of counter-productive policies, poorly executed development programmes and lack of transparent integrity and public accountability. While advances are made in the area of communications and information technology and substantial growth recorded in this sector, but sadly no parallel investment was made by both the government and the private investors on poverty alleviation.

The aforementioned and those outlined below are some of the factors contributing to the rural poverty in Nigeria. Neglect of agriculture: Before the discovery of oil in Nigeria, agriculture used to be the main sources of revenue and foreign exchange earning for government but regrettably this has been neglected. And since this is the major occupation of the rural people, their income has been the decline ever since. Neglect of infrastructure: There has been a deliberate neglect of infrastructure facilities in the rural areas.

Basic amenities such as road network, piped water, primarily health care centers, electricity, schools etc are all contributing factors to the rural poverty. Lack of poverty programme coordination: Various levels of government are claiming to be doing one thing or the other to reduce the suffering of the rural dwellers; the Federal, the State, and the Local government, but lack of proper coordination of their programmes make the impact not be felt by the rural community. Lack of government commitment: No serious commitment on the part of the government to the rural poverty alleviation initiative.

Local power structures and vested interest: Many good rural poverty reduction programmes of the government are made un-implement able because of selfish interest on the part of government officials. So also is local power structure and lack inbuilt programme monitoring mechanism. All this accounted for rural poverty. RURAL POVERTY ALLEVIATION: Past governments have engaged in the past time of glorifying poverty alleviation on the pages of newspapers and news conferences but have failed to deliver.

The earliest poverty alleviation programmes were the 1972 Gen.

Yakubu Gowon's National Accelerated Food Production

Programme (NAFPP) and the Nigerian Agricultural and Co-operative Bank, entirely devoted to funding agriculture. The NAFPP turned out to be a colossal waste and nothing was achieved. There was the much publicised Operation Feed the Nation in 1976 by the then military strong-man, Gen. Olusegun Obasanjo, " which expended much money

and effort in getting ill - prepared university undergraduates to go to the rural areas to teach the peasants farmers how to farm.

A kind of teaching an old dog a new trick. A theoretical farming graduate teaching a farmer, who makes his/her living out of farming, how to farm. The scheme's only success was in creating awareness of food shortage and the need to tackle the problem. The 1979 Shehu Shagari's Green Revolution Programme had the twin objectives of curtailing food importation while boosting crop and fibre production. The overall objective was big (mechanised) farming. Many senior civil and military officers, both in and out of office, used their access to the state to the advantage of the wide range of facilities committed to the Green Revolution. These bureaucrats - cum - farmers were also joined by many private businessmen. Some new-breed farmers were only interested in getting Certificate of Occupancy for large tracks of land. The land can then be used for speculative purposes, for example, as collateral for securing loans".

When the programme ended in 1983, 2 billion naira tax payers' money was wasted. That is more than two hundred billion naira in today's exchange rate. Buhari's government introduced the Go Back to Land programme with variations such as the former Rivers - State governor, Fidelis Oyakhilome's School to Land programme and his Lagos - State counterpart, Gbolahan Mudashiru's Graduates Farming Scheme. Initially the Oyakhilome's scheme worked wonders in Rivers, made headline news in some newspapers.

But like everything, Nigerian, it fizzled out and died. There is a believe that one of the major reasons for the failure of all these agricultural/poverty reduction programmes was that they were based on “ faulty philosophy”. The belief is that food programmes such as the Gen. Gowon’s National Accelerated Food Production Programme; the Gen. Obasanjo’s Operation Feed the Nation; the Shehu Shagari’s Green Revolution, and the Gen. Buhari’s Go Back to Land Programme “ failed because of the far fetched objectives of making farmers out of all Nigerians, and that no country attains self - sufficiency in food by seeking to turn all its citizens in to farmers, that farming should be left for those whose business it is to farm”. In 1986 Gen. Babangida established the Directorate of Food, Roads and Rural Infrastructure ( DFRRI ) for rural development. This was meant to provide feeder roads, electricity, and potable water and toilet facilities for the rural dwellers. The projects gulped N1. b ( about N80 billion today’s value ) without Nigerians benefiting from them. Various projects were set up for poverty alleviation purposes. Amongst them, are the Peoples Bank of Nigeria and the Community Bank of Nigeria. Neither did these financial institutions lived up to their expectations, nor did they actualised their aims and purposes. Babangida’s wife, Maryam, also went in to the business of caring for the Nigerian poor. She set up Better Life Programme (BLP) and ended up making millionaires out of the BLP officials and friends.

The better life for rural women became the better life for rich women. The Nigerian poor did not know what hit them, before the poor could

say " Food At Last", the food was taken away from them, they were left gapping and hungry as usual. In 1993 Abacha and his wife found a gold - mine in the business of pretending to care for the poor. The Family Support Programme (FSP) and the Family Economic Advancement Programme were set up. The Nigerian poor, again, were taking for a ride.

According to the Tell magazine of 3/8/98 " FSP gulped over N10 billion of tax payers money at a time her husband, Abacha, was retrenching helpless civil servants nation-wide". Poverty reduction is understood as a process of enabling people to gain access to basic goods and opportunities. In the report titled " the state of the World Rural Poverty" published by the International Fund for Agricultural Development in 1992, starts from the premise that poverty may be reduced on a sustainable basis through productive investments in the capabilities of the rural poor.

Sustainable poverty reduction consists of broadly based economic growth to generate efficient income-earning opportunities for the poor and improved access to education, health care, and social services. It was not the intention of this work to suggest that the existing poverty programmes be abandoned, rather there was seen to be a need for the fine-tuning, better coordination of, and longer term commitment to the existing measure. METHODOLOGY: The method adopted in this research work is mainly review of literatures.

Written reports of previous work on rural development were considered and several text books that covered the subject - matters were reviewed. The books and the reports of the previous work reviewed during this research



work are listed in the bibliography. BIBLIOGRAPHY Joseph, Mullen, Rural Poverty Alleviation: In association with the Institute for Development Policy and Management Lewis, T. , Preston, The World Bank, Washington, D. C. Poverty Reduction Catherine H. , Lovell, Breaking the Cycle of Poverty, The BRAC Strategy Anthony, Maduagwu, aka – Toniman, Africa Economic Analysis: Alleviating World Bank Reports. 1995 and 2001, Global Poverty The world may be categorized into seven major areas for ease of study and understanding. They are: Latin America and the Caribbean; the Middle East and North Africa; Africa—Sub-Sahara; Europe, and Central Asia; East Asia and the Pacific; South Asia; and North America. In a major study of global poverty, the World Bank (2001) estimated that 1. 2 billion people lived in poverty in these seven major areas. Additionally, UNICEF (2001) reported that in a \$30 trillion global economy, this figure represents one-fourth of the human race that is living in conditions of almost unimaginable suffering and want.

Nearly 1 billion people in the world are illiterate. Approximately 1. 3 billion people lack safe water. Over one-half of the developing world’s population (2. 6 billion people) is without access to adequate sanitation. The United Nations Department of Public Information (1996) estimated that more than two-thirds of the world’s poor people live in only ten African and Asian countries: Bangladesh, Brazil, central and western China, Ethiopia, India, Indonesia, Nigeria, Pakistan, the Philippines, and Vietnam.

In Africa, the majority of the countries that are poor gained their independence from European colonial powers in the second half of the twentieth century. In Asia, most of the poverty is concentrated in the

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southern and eastern areas. More than a billion people still live on less than \$1 a day (World Bank 2001). The majority of the world's poor people are women and children. Most of these reside in rural areas. More than 110 million children of school age do not attend school.

Easily preventable diseases (pneumonia, diarrhea, malaria, and measles) account for the deaths of nearly eleven million children under the age of five each year. Between 600 million and 700 million children, representing about 40 percent of all those in the developing world, are poor (World Summit for Social Development and Beyond web site). Measuring Poverty Each country measures poverty according to its level of development, societal norms, and values. Because of these differences, the poverty level may change from country to country; thus, there is no uniformity in the poverty line.

The poverty line is a measure of the amount of money a government or a society believes is necessary for a person to live at a minimum level of subsistence or standard of living (Barker 1997). In the United States, the poverty line measurement was developed in the mid-1960s by Mollie Orshansky (1965). Essentially, a poverty level (line) was determined by figuring out how much a family needed to maintain a minimally adequate diet and then multiplying by three (represents the number in a family). The United States government adopted this standard, and, with minor yearly adjustments, has used it ever since (Ellwood 1988).

The establishment of a poverty line has political implications. Poverty lines are established at given points of time, and they are usually adjusted, minimally, on a yearly basis. The question of who to count and what to count

remains important because a poverty line reveals what a country does and does not do in addressing the needs of its poor citizens. When estimating global poverty, the United States poverty line is not used. Although there are disagreements on its use, the World Bank uses poverty lines that are set at \$1 and \$2 per day (U. S. dollars) in 1993 Purchasing Power Parity (PPP) terms. The PPPs measure the relative purchasing power of currencies across countries. It was estimated that in 1998, 1.2 billion people worldwide had consumption levels below \$1 a day—24 percent of the population of the developing world—and 2.8 billion people lived on less than \$2 a day. For purposes of analysis, the World Bank uses the poverty lines that are based on the norms for respective countries (World Bank 2001). Welfare Response Welfare is defined as a condition of physical health, emotional comfort, and economic security.

The term also characterizes the efforts of a society to help its citizens achieve that condition, and is used as a synonym for public assistance or other programs that provide for the economic and social services needs of poor people (Barker 1997). Welfare refers to government efforts that provide money, programs, medical care, food, and housing, for instance, to those who are poor. All countries differ, however, on how much they spend on welfare as compared to social insurance or the size of the overall economy (Garfinkel and Waldfogel 2001).

Typically, European countries have universal programs that provide free medical and hospital care, family allowances, and retirement pensions. The Scandinavian countries, such as Norway and Sweden, have extensive government programs; these are so comprehensive that poverty is

considered practically nonexistent. Canada, Australia, New Zealand, and the United Kingdom all spend large shares of their economies on the needs of the poor. Aid is provided by employers and families in East Asian countries, such as Japan, South Korea, and Singapore.

Less developed countries in Africa, Latin America, and Asia have lower overall budgets for welfare than other nations. South Africa, however, has one of the most developed social welfare systems, with a particularly comprehensive health care system. Uruguay has a well-developed welfare system. India and Sri Lanka provide smaller benefits and serve fewer recipients (Garfinkel and Waldfogel 2001). Categories of Dependence Dependence can be divided into two categories: generational welfare dependence and situational welfare dependence.

Welfare families who raise children who, in turn, become welfare recipients are the generational welfare dependent. Generational welfare dependency is the hardest type of poverty for a family to overcome. Over time, this kind of poverty creates a poverty of spirit that can affect a person's and family's entire being. The last thirty years of social welfare history in the United States, for example, reveal that such poverty usually destroys the family unit. In the worst cases, poverty of this sort overtakes entire neighborhoods, towns, and communities by thrusting them into hopelessness and despair (Carlson 1999).

Situational welfare-dependent families are those who have moved from a state of financial independence to welfare dependence, generally due to crises. Causes of sudden financial hardship include abandonment, divorce,

debilitating illness, economic recession, natural disasters, and civil strife (Carlson 1999). A Welfare Program Example In the United States, federal cash assistance for dependent children began in 1935 with the enactment of the Social Security Act. At that time, most poor single mothers were widows, and the cash assistance appropriation was designed to help mothers stay home with their children.

Through the years, that initial program, which was called Mother's Pension, changed in both the titles of the cash assistance programs and the requirements placed on the mothers who participate in these programs. During the 1960s, the United States Congress passed laws that provided incentives to poor mothers to find jobs or to be in job skills training programs. Efforts were also made by the federal government to require fathers of poor children receiving governmental aid to pay child support.

By the 1980s, the generalized picture of most poor single mothers revealed that they had never been married or were separated or divorced. Two decades of moderate to conservative governmental leadership resulted in the U. S. Congress making major changes in the nation's welfare system in 1996. It passed the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). Within this act, the Temporary Assistance to Needy Families (TANF) program also replaced the former federal program of Aid to Families with Dependent Children (AFDC).

Under AFDC, the federal government required the states to provide aid to families whose income was below the poverty line. Under TANF, the federal government distributed cash payments directly to the states. The respective

states determined the recipients of the cash assistance. The major shift in TANF from AFDC was that recipients must be working within two years, with five years being the maximum time that poor families could remain on government aid. The results of this ideological paradigm shift were mixed. Some statistics reveal decreases in the welfare caseload.

Other statistics revealed that more poor people, especially women, were employed although many of the jobs paid only minimum wage. Anecdotal evidence abounded about the number of poor women with children who had to choose between paying their utilities and purchasing food. Some estimates suggested that by the early twenty-first century, TANF would result in 2.6 million more people living below the federal poverty line (OneWorld web site). Understanding Poverty What is poverty? Poverty is hunger. Poverty is lack of shelter.

Poverty is being sick and not being able to see a doctor. Poverty is not having access to school and not knowing how to read. Poverty is not having a job, is fear for the future, living one day at a time. Poverty is losing a child to illness brought about by unclean water. Poverty is powerlessness, lack of representation and freedom. Poverty has many faces, changing from place to place and across time, and has been described in many ways (for a collection of readings, see Poems and Personal Accounts of Poverty). Most often, poverty is a situation people want to escape.

So poverty is a call to action — for the poor and the wealthy alike — a call to change the world so that many more may have enough to eat, adequate shelter, access to education and health, protection from violence, and a

voice in what happens in their communities. | Alleviating Poverty in Nigeria  
| | By Anthony Maduagwu ( aka -Toniman ) | | The Nigerian government is  
once again embarking on another attempt to alleviate poverty.

This present one looks | | like it is heading the same way the past  
ones headed and subsequently failed. Amongst the reasons why the  
past | | poverty alleviation attempts failed were - ( 1 ) the politics of  
personal rule - a distinctive type of political | | system in which the  
rivalries and struggles of powerful and willful men, rather than  
impersonal institutions, | | ideologies, public policies, or class interests,  
are fundamental in shaping political life.

It is a monopolistic | | politics as against pluralistic or multiparty  
politics. It is usually a civilian one - party state or a military | |  
dictatorship ( There is overwhelming believe that Obasanjo' PDP  
government is shifting towards a full blown one - | | party state ). It is  
the politics of Big - Men who are a considerable distance from the  
ordinary people. Politics | | of no accountability, transparency and  
responsibility.

Other practices in personal government are conspiracy, factional | |  
politics, clientelism, and corruption, purges and rehabilitations and  
secession manoeuvres. In this type of monopolistic | | politics there is  
little or no time for the governed. When the governed, the ordinary  
people, are eventually | | remembered, a not - well - thought of system  
is put in place to alleviate their sufferings. At the end the |  
beneficiaries of the systems ( Poverty Alleviation Programmes ) are the

same big - men that the political system is made| |- up of. Nigerian politics since independence ( perhaps, with the exception of the Balewa government ) to the last || military rule have been monopolistic in practice. Hence the lukewarm attitudes towards the impoverished majority and || the badly managed programmes that supposed to alleviate their sufferings. | |( 2 ) the top-down-big-man from Lagos (and now Abuja) approach - the master and servant relationships associated with || the programmes to alleviate poverty. Government claims to know and understand what poverty is, who the poor are || and what they need in order to alleviate their poverty. The Abuja big men can not possibly claim to understand || what it is to be poor.

Only the poor understands poverty and it is also the poor that knows how their poverty || could be alleviated. A sick man knows where it hurts him. So it stands to reason that the viable alternative to || the big man telling the small man what to do, is the ordinary man telling the big man his problems and how he || thinks the problems could be solved. The fact is that the poor usually have quite good perceptions of their own || needs and goals and of what would be required to satisfy and make progress toward them.

According to the theory || of Humble Approach to Development, it is appropriate for government " to ensure their citizen's active participation || in formulating and implementing projects of which they are supposed to be the beneficiaries". || || Government should not presume that they know what will benefit the poor better than the

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poor themselves. Projects || should be embarked upon because the people need them. , not because some contractors (who stands to profit from the || projects) are pushing for them. If development is about people, it cannot happen without the participation of the || people. The citizens should clarify their own needs and priorities. They should speak up and stand up for what || they consider their priorities, and speak and act against white elephant projects”.

It is also reasonable that || before forms and loans are dished out to the public, the government should do well to take stock of the past | | attempts at alleviating poverty in this country. The point is that when a program has been failing each time it || is attempted, the ideal thing to do would be to study the past attempts to see where the mistakes lies. The || concept of the above analysis is sometimes referred to as - participatory development, bottom - up, sustainable | | livelihoods, humble development approach, and so on. | Past Attempts to Alleviate Poverty in Nigeria | | | Past governments have engaged in the past time of glorifying poverty alleviation on the pages of newspapers and | | news conferences but have failed to deliver. The earliest poverty alleviation programmes were the 1972 Gen.

Yakubu | | Gowon’s National Accelerated Food Production Programme and the Nigerian Agricultural and Co-operative Bank, entirely | | devoted to funding agriculture. The NAFPP turned out to be a colossal waste and nothing was achieved. There was | | the much publicised Operation Feed the Nation in 1976 by the then military strong-man, Gen. Olusegun Obasanjo, | |” which expended much money and effort

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When the || programme ended in 1983, 2 billion naira tax payers' money was wasted. That is more than two hundred billion naira || in today's exchange rate. || Buhari's government introduced the Go Back to Land programme with variations such as the former Rivers - State | governor, Fidelis Oyakhilome's School to Land programme and his Lagos - State counterpart, Gbolahan Mudashiru's || Graduates Farming Scheme. Initially the Oyakhilome's scheme worked wonders in Rivers, made headline news in some || newspapers.

But like everything, Nigerian, it fizzled out and died. There is a believe that one of the major reasons for the failure of all these agricultural/poverty reduction programmes was that they were based on “ faulty philosophy”. The belief is that food programmes such as the Gen. Gowon’s National Accelerated Food Production Programme; the Gen. Obasanjo’s Operation Feed the Nation; the Shehu Shagari’s Green Revolution, and the Gen. Buhari’s Go Back to Land Programme “ failed because of the far - fetched objectives of making farmers out of all Nigerians, and that no country attains self - sufficiency in food by seeking to turn all its citizens in to farmers, that farming should be left for those whose business it is to farm”. In 1986 Gen. Babangida established the Directorate of Food, Roads and Rural Infrastructure ( DFRRI ) for rural development. This was meant to provide feeder roads, electricity, and potable water and toilet facilities for the rural dwellers.

The projects gulped N1. 9b ( about N80 billion today’s value ) without Nigerians benefiting from them. Various projects were set up for poverty alleviation purposes. Amongst them, are the Peoples Bank of Nigeria and the Community Bank of Nigeria. Neither did these financial institutions lived up to their expectations, nor did they actualised their aims and purposes. Babangida’s wife, Maryam, also went in to the business of caring for the Nigerian poor.

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know || what hit them, before the poor could say “ Food At Last”, the food was taken away from them, they were left || gapping and hungry as usual. || || In 1993 Abacha and his wife found a gold - mine in the business of pretending to care for the poor.

The Family || Support Programme and the Family Economic Advancement Programme were set up. The Nigerian poor, again, were taking || for a ride. According to the Tell magazine of 3/8/98 “ FSP gulped over N10 billion of tax payers money at a time || her husband, Abacha, was retrenching hapless civil servants nation-wide”. || Would this present measure by Obasanjo be any different? Would there be succour at last for the poor? The || previous measures all started like today’s own.

The Better Life for Rural Women, the Family Support Programme and | the Peoples Bank were particularly interesting because they were directed to the poor. Shame that the government’s || objectives and purposes ran parallel to the Nigerian poor expectations. Shame that they were bent on taking the || Nigerian poor for a ride. || Corruption and Poverty Alleviation || I was one of the Nigerians who sincerely believed in Babangida’s economic policies.

When, in 1986, he embarked on || the structural adjustment programmes and some people criticised the idea, I was one of those who believed Nigeria || needed SAPs because I had (and still have) the opinion that if each time “ Peter” (Nigeria) is in need of money || he goes to his neighbour “ Paul” (USA or Europe) to lend him some

money and, frequently, Peter does not honour his || debt repayment, the neighbour, Paul, has the moral and economic right to seat the frequent borrower down to || discuss the terms of the next lending.

Terms such as, Peter, no, I am not lending you money this time unless || you tell me what you intend to do with the money, ( for I believe you have not been using the previous lending || judiciously well, and that is why you keep coming back for more and also you have not been honouring your debts) || and if I do not like your plan, I will advise you on what I think will benefit you and me. On take it or || leave it bases. I understand that bilateral and/or multilateral lending is not as clear cut as is put here. | There are much more to country lending than just Peter and Paul. || The fact was that Babangida inherited a steadily declining economy from his predecessor, Buhari, who ran out of || new ideas on how to revamp the recalcitrant economy. The regime's counter - trading economic policy (exchange of oil || for raw - materials, spare - parts, machinery and consumer goods) was worsening the economy, international debts were || not being honoured and IMF conditionalities did not appeal to Buhari and Idiagbon.

Babangida implemented the || conditionalities and the rest as they say is history. Nigerians are quick to criticise SAPs for the country's woes || but the question is, did SAPs fail Nigeria or did Nigeria fail SAPs? I think Babangida failed Nigerians, not the || other way round. Babangida wasted more than 100 billion naira in phantom projects.

Projects such as his wife's || Better Life Programmes for the poor, DFRRI, People's Bank of Nigeria, two democratic transition experiments, big || time corruption in which members of the Babangida regime enriched themselves. So it goes without saying that according | | to the book implementation of SAPs would do any country good. | | When also the Peoples Bank was established, I supported the august idea, hoping that the measure would do well to || ease the plight of the Nigerian poor. | My optimism was premised on the knowledge that the idea had been tried and tested somewhere in the world and it || worked and, guess what, the idea is still thriving now as you are reading this article. The country in question || is Bangladesh and their own Peoples Bank is called Grameen Bank. In fact Nigeria got the idea of the Peoples || Bank, as an effective way of alleviating poverty, from the Bangladesh's Grameen Bank.

So one is forced to ask why || is it that when something is working perfectly well in one country, when the idea is imported to Nigeria it stops || working. As my mother used to say, it is not what you do, but how you do it. The Nigerian problems lie in the || lacklustre attitudes to execution of government projects. If Obasanjo can correct that ugly aspect of the Nigerian || factor (lacklustre execution), the country's problem is half solved.

A tall order, maybe, but the success of this || country movement forward or backward hinges on three things: ideas, implementations and executions. || Had Buhari been honest in his management of the petroleum trust fund, PTF, the amount of money that was in his || <https://assignbuster.com/rural-poverty-alleviation-in-nigeria/>

disposal, he would have alleviated Nigerian poverty ten fold. Obasanjo has earmarked N10 billion to fight poverty, || but according to a newsmagazine report ( Newswatch ), Buhari had an average of N52 billion every year to spend on || Nigeria.

At the end of the PTF reign Nigerian poverty and underdevelopment level remained the same, if not worse, || as prior to the establishment of the PTF. Nigerians were fooled by the two former Head of States, Buhari and || Abacha. Dr Haroum Adamu's interim report says that N135 billion out of the N146 billion was squandered, possibly || through over invoicing, over supplies, supplying expired materials, wrong project priorities, settling perceived || trouble spots, like the army and the police, and blatant hievery. || It was like Buhari was out to punish Nigerians for God - knows - what. As one commentator put it, " In a country || where poverty has remained pervasive in spite of the oil wealth, such a huge amount could have provided succour || to millions of Nigerians by way of the provision of basic infrastructure. For decades after independence, Nigerians || cannot even have potable water despite the huge sums of money sunk into boreholes. Safe for some few roads || lopsidedly selected by the PTF, the roads network in the country especially in the eastern parts, can only draw || tears even from the man with the heart of stone. The educational sector has even suffered more degradation despite || the intervention of the PTF under Buhari". || The whereabouts of the Babangida's Gulf - war windfall is still a mystery to Nigerians. " Earnings from the sale of || crude oil during the Gulf war was put at \$12. billion but

government eventually declared deficits of N21.7 billion and N35.31 billion in 1990 and 1991 respectively” Pius Okigbo - led panel set up in 1994 to look into the matter “ returned a verdict of a gross abuse of public trust and of payments that were surreptitiously and clandestinely done”. A French paper put the overall worth of IBB at N450 billion. IBB’s ministers, generals, contractors and indeed Abacha’s ministers and generals are all untouchables.

John Fashanu found \$6 billion debt buy back scam that was perpetrated by IBB, is once again reminding Obasanjo that IBB should not be left untouched. When you see gloomy political and economic statistics from the World Bank or any other august body on Nigeria, you know why and how Nigerian came to that sorry level. Statistics such as \$250 GDP per capital, life expectancy of about 50 with illiteracy rate of 45%, that between 1985 - 1986, 34.1% of Nigerians lived below poverty level. That figure had jumped to 56% in 1996. The same report also revealed that 26 million Nigerians were core poor in 1996 unlike 13 million in 1985, an indication of rising poverty level. The figure also show that 60% of rural dwellers and close to 48% of urban dwellers are in poverty. The report ranked Nigeria as the 12th poorest country in the world, ranks 146 out of 174 in the Human Development Index, has 112 per 1,000 (live births) infant mortality, 50% of the population has access to clean water. 0% of Nigerians have access to electricity. ( Sunday Vanguard 30-1-00 ). The Demise of the New Initiative Obasanjo , perhaps to correct the wrongs of the operation feed the nation, or to prove



to the Nigerians that his government can actually alleviate poverty in the country, has vowed to improve the welfare of the poor lot and in so doing stop the rot of the country's economy.

But the signs are that this quest to alleviate poverty may go the same way as the past attempts. It is becoming obvious that this administration maybe paying lip service on the question of the plight of the Nigerian poor. The new administration's policy and law makers are already enmeshed in corruption, allegations and accusations of corruption. The rate of official profligacy in this administration is fast approaching the level of the Shagari's administration.

Obasanjo and his elected members are running haywire with the tax payers money. The law makers "senators welfare" allowances as contained in the Senators Committee on Insurance and Allied Matters Budget proposal for insurance cover on 109 Senators are seen by ordinary Nigerians as a rip-off by the government. There are also ridiculous allowances under the 2000 Recurrent Expenditure, which covers such things as over-head costs for self, aides, family, children and other dependants. These, in addition to the N5 million each law maker received for furniture allowances. Governing Nigeria has become business as usual. Direct and indirect appropriation of public funds. The poor yet again are being left behind, as if they are not part and parcel of Nigeria. The big-men are sharing the spoils while the poor looks on. Just like the old saying - the rich are getting richer while the poor are getting poorer.

The proposal would enrich the law makers each to the tune of several million naira, serving or retired. ( See May 6 2000, Weekend Concord for an exhaustive details about these rip-offs ) The anti - corruption policy stance of this administration can only be achieved if greed mentality is addressed through proper management of the national wealth and through proper implementation of the on-going poverty alleviation programmes.

The fact is that it is poverty and greed that breeds corruption, so it goes without saying that where poverty is alleviated, corrupt practices would be minimal or alleviated as-well (for corruption can never be eradicated, and never has it been eradicated in anywhere in the world). As one commentator put it, “ poverty makes people compromise on moral values or abandon moral values completely. Poverty has created frustration, loss of hope, prospects and value for life.

Loss of the meaning of life, purpose of living, something to live for and disillusionment about morality because criminals are living best. In order words, poverty is a cause of corruption while corruption is a consequence of poverty and loss of moral values”. On the issue of Obasanjo’s anti-corruption crusade or selective crusade, as it is beginning to look like. It is true and quite pleasing to know that the administration is making good their promise to fight corruption in Nigeria. Nigerian Monies are frequently being identified and recovered from all over the world. It is also true, or so it seems, that Obasanjo is carefully picking his battles. Those battles that he thinks he might

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lose, he develops selective amnesia and refuses to know. All the corruption probes today seem to be centred on Abacha and his government alone, no probes on Babangida and Abubakar's governments. These people are untouchables, in the sense that Obasanjo has chosen not to probe them.

Would Obasanjo be preaching anti-corruption today if Abacha was alive? So long as this administration continues to pick their battles on whom to probe or not to probe in their anti-corruption stance, so long will the sincerity of the probe remains questionable. Essentials of Poverty Alleviation Inflow of foreign investments cannot materialise in an environment of political and economic instability.

Officially Nigeria is politically an unstable country. As a newspaper put it - "From the far north where forces campaigning for sharia seem to have all the governors in agreement, the south-east where MASSOB holds sway, to the south-west where the Oodua Peoples Congress had been championing a violent form of ethnic nationalism, right down to the creeks of the Niger Delta where the youths are in a virtual state of rebellion. The trend has been to pull away, not pull together".

As the saying goes "money is a coward, it does not go where it is not safe. Nigeria is directly calling foreign investors to come and invest in the country, while indirectly letting the would-be foreign investors know that they and their money are not safe in Nigeria. On the economic front the government is not making clear it's

economic policy. Past regimes had their economic || policies spelt out for Nigerians and the world to know.

Buhari had his trade - by - barter policy ( counter - || trading ), Babangida had his structural adjustment programmes, and Abacha had one economic policy for every other || year until his death. There were structural adjustment programmes for one year, controlled economy for another, || guided economic policy for one, and sundry others. The point here is not whether these policies worked or not. || Nigerians know that they all failed badly, either because the policies were not implemented in good faith by he || Nigerian leaders or that the economic policies were not suitable for Nigeria The point is that Nigerians knew || which economic policies their governments were implementing. And that made it possible for government watchers to || criticise, suggest an alternative (s) or praise a particular policy (s). || Obasanjo at this moment in time do not have a clear cut economic policy for the Nigerian economy. As at now all || that the government have as economic policy are poverty alleviation and loot recovery.

The policy of providing jobs || for the unemployed without stimulating production is tantamount to papering the wall cracks. Money will be provided || to the states and the local governments so as to be able to employ the unemployed. What happens when the || stipends from the federal government dries up or late in coming, like it is usually the case, retrenchment || surfaces again and back to square one.

But, as an observer put it, “ if production is stimulated in a market as || huge as ours, jobs will automatically be created. In fact many of those who are now unemployed are likely to || become the job creators and employers”. || || No doubt, Nigeria is the most attractive country to do business with in Africa. The largest market in Africa, || with population of around 120 million people, twenty percent of them with qualitative education.

But at present the || truth is that Nigeria, since the Buhari government to this day, have become the most dangerous country to do || business in. In addition to the already enumerated catalogues of woes that besiege the country, political || instability is the most serious of them. Forget about the chicken or the egg debate of which one comes first, || political stability or economic growth.

In the developing world where foreign investment is the pillar ( the be all || and end all ) of economic growth and sustainable development, political stability comes first. Investors do not feel || save in a volatile environment, hence the Nigerian problems in attracting them. But in the rich western world || where foreign investment is important, but not as crucial as is the case in the poor, economic growth and || political stability have equal position. One compliments the other. | || Fiji’s tourism, and perhaps other aspects of economic activities, are today suffering from lack of patronage due to || the political instability in that country today. The country’s much needed foreign exchange is fast drying out. The || country may face international isolation, much more serious to the one Abacha government faced. || Why do you

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think the South-Africa's Nelson Mandela chose peace and reconciliation, in that country's post - apartheid government, to political vendetta.

The reason (s) being to avoid instability, protect the economy, attract new foreign investors and encourage the ones that flee the country, due to apartheid, to come back. Recent reports have it that there are signs that foreign companies have completed plans to haemorrhage out of the northern region for fear of sharia. The report said that thousands of employees may lose their jobs in the process. So much for the government that has employment creation as one of the ways of alleviating poverty in Nigeria.

In Kano 20 companies, amongst them, Impresit Bakolori Plc, the KLM Royal Dutch Airline, Pulama Associates, and Star Model Paper Mills, are on their way out of the region. So much for the government that globe-trot round the world convincing potential investors to come to "business friendly Nigeria" and invest. The instability in the Niger-Delta region is probably the most crucial concern for the country's survival.

This region is where the Nigeria's GNP is based, where the country's foreign exchange is earned, where the country's budget is based, where this government poverty alleviation fund is obtained and yet the region has one of the worst forms of marginalisation, only second to that of the Ibos. If Niger-Delta region were to be in the

Hausa ||land, Hausas would have gone their separate ways for long, the same goes for the Yoruba land.

I am not from the || Niger-Delta region but I know that they have been hard done by. The Ibos (Oguta in particular) have a saying || that “ as the rain beats the goat, the same rain is also beating the person who is dragging the goat”. The || Niger-Delta region is the bread winner of Nigeria, it is imperative that the region is well fed if everybody in || the country is to expect continuous food from the region.

Nigeria will never be at peace as long as the || Niger-Delta question is not settled to the satisfaction of the Deltians. || The Nigeria’s age old problem of inadequate business infrastructure is begging for proper attention. Erratic power || supply, water, telephone, fuel (more so as Nigeria is an oil producing country), inefficient civil service, || inadequate crime control, poor judicial system, inadequate primary health care, and less than average educational || system.

Nigerian infrastructure problem is legion, but has to be tackled squarely if any economic development is to || occur. All these public services, since independence, have been consistently inconsistent in their service to the || public. Another dimension to this constant inconsistencies in the public service is the fact that a good number of || these public services problems are contrived. They are being manipulated by powerful group of people who gain || enormously by the ineffectiveness of these authorities.

NEPA and oil refineries are two of the fingered authorities || that are being manipulated. It is the job of the government to fish out these elements of anti - progress and || deal with them accordingly. || To illustrate the importance of one of the important public services, electricity. Lets assume a would - be business | |- man, lets call him “Onesi”, borrowed money from the alleviation fund and set up a barbing saloon.

Due to the || electrical nature of the equipment in use these days, it goes without saying that constant supply of electricity || would be one of his major requirements and with today’s Nigeria epileptic electricity supply, his barbers (assuming || he employed one or two barbers to help him) and himself could be idling about most of the days, not making || money because there has been no electricity supply for days.

At the same time Onesi is still expected to pay the || barbers, feed his family, pay the land-lord and honour his loan repayment. Power failure is just one of the || numerous epileptic public services Onesi could be facing. Obviously with these experience Onesi would not be able || to make ends meet, not to talk of repaying the loan. It would not be long before customers, landlord and hard || life force him out of business.

The state that gave him loan to better his life, to be out of poverty, the same || state has indirectly aided him back to where he was, poverty line, by relegating on the social contracts signed || by the



government and the governed. || The fact is that the Nigerian State today is collapsing. Some say the state has already collapsed, that the state, || like the other embattled African states, remains relevant only in the juridical sense.

The state has relinquished || it's functions and obligations to the highest bidder (s). There are now 120 million miniature states in Nigeria. || Each providing ( or hoping to provide ) their own electricity supply, water supply, education for their children, || security of life and property, roads and air-port ( Ibos, through voluntary and involuntary contributions have built || roads and air-port, to alleviate their transport problems ).

Nigerians now rely on vigilante groups, like the || Onitsha Traders Association, the Bakassi Boys, the O'odua People's Congress and sundry associations, to protect their || lives and property. The state has no legal answer to the all-powerful armed robbers, ritual killers, hired || assassins, swindlers and sundry life and property threatening crimes. Even the government's Police Affairs Minister, || David Jemibewon, and the Anambra State Governor, Chinwoke Mbadinuju, are strongly in support of vigilante alternative || to the proper rule of law.

Their support for illegal methods of combating crimes in Nigeria demonstrates the || height of loss of confidence in the ability of the government, they are serving, to provide sufficient security || for lives and property. || Proper rule of law is primary for economic growth and development. This, not only ensures life and personal || security,

it also provides a stable framework of rights and obligations which can help to reduce political risk to || investors and to cut down transportation costs.

Lack of proper rule of law not only drives away foreign || businesses, but also hinders domestic businesses. Business do not thrive in an environment of unchecked abuses of || political power, unchecked violence by security personnel, and unchecked corruption ( official and non-off