

## ROLE OF GOVERNANCE IN POVERTY ERADICATION IN NIGERIA

By

**Danjuma Abdullahi**

Ghazalie Shafai

College of law, government and international studies

Universiti Utara, Malaysia

### **Abstract**

*The study intends to investigate the causes as well as antecedent effects of poverty on Nigerian economy because despite the laudable efforts of governments (Federal, State and local government) which aim at alleviating and eradicating poverty, the country is still bisect with mass poverty couple with problems of insecurity of lives and properties which is threatening the existence of the country as one indivisible entity. The research adopted descriptive approach using questionnaires to collect data, 120 questionnaires were distributed randomly to the respondents and 80 questionnaires were retrieved. The findings revealed increase in poverty which led to such cases as armed robbery, prostitution, bomb blast and insecurity of lives and properties, the paper suggests among other things that government should create viable programmes as well as empowering the youths to make them self reliance.*

**Key words:** Government; Poverty; Insecurity; Self reliance and Governance

## **Introduction**

Poverty is one of the major problem facing Nigeria as a nation, the incidence of poverty could be seen in raising activities of such groups such as Boko- Haram, Niger Delta militancy and incidence of insecurity of lives and properties in the country. The Nigerian office of statistics (2012) revealed that over 112 million Nigerian live below the poverty line earning less than one dollar per day. Most of the areas worst heat by poverty are the rural areas, due to their subsistence agriculture and lack of government encouragement for creation of viable programmes. Poverty has been rampant in Nigeria since the introduction of structural adjustment programme during the era of Babangida administration in mid 1980s. Poverty incidence for instance in 1980s was 28.1% and rose to 46.6% in mid 80s but drop in early 90s. In 1996 it rose to 65.6% while in 2010 it increased to 70.1% world economics(2012). This paper intends to look at the causes of poverty in Nigeria and its antecedents consequences. Part one is an introduction, part two examines the efforts of past administrations in addressing the problems of poverty, part three looks at the causes of poverty in Nigeria and part four is about impacts of poverty in Nigeria and the last part offers suggestions on how to address poverty in Nigeria.

## **Research questions**

The following constitute research questions for this study which include the following:-

- Q1. Why it is that poverty is very rampant in Nigeria?
- Q2. What are the efforts made by government to reduce poverty?
- Q3. What are the impacts of poverty in Nigeria?

## Research Hypotheses

The hypothesis for this research work are as follows:-

H0 Is there significant relationship poverty and insecurity of lives and properties

H1 Is their significant relationship between poverty and corruption

H2 That lack of political will is likely to led to increase in poverty in Nigeria

## Methodology

The methodology adopted to collect data for this paper include observation and used of questionnaires. 120 questionnaires were printed and distributed randomly to the respondents but out of the 120 questionnaires distributed, the researcher was able to only retrieve 80. Secondary data were also gathered such as government publications, journals and text books.

## Roles of government in poverty reduction

Nigerian economy is dominated by subsistence farmers, 60% of the population of Nigerians engages in agriculture, with 41% contribution to the GNP, despite the dominance of Agriculture oil sector contributes more than 80% of foreign exchange. Manufacturing sector contributes minimum of 3%, while communication sector contribute 5.5% (National office of statistics 2010). According to CBN (2011) the living standard of those living in rural areas have worsened and some of the viable programmes of government that would enhance their living standard could not see the light of the day the programme include:-

- Operation feed the nation (OFN);

- Green revolution;
- The directorate of food, roads and rural infrastructure (DFRFI);
- National Directorate of employment (NDE);
- The establishment of peoples bank of Nigeria;
- Better life for rural women programme;
- The family support programme;
- Agric development programme;
- The nomadic and adult education programme;
- Poverty alleviation programme;
- National poverty eradication programme (NAPEP).
- Nigerian economic empowerment and development strategies (NEEDS) and
- Millennium development goals CBN (2011).

Despite all these programmes the country is still beset with the problem of poverty. According to National Office of Statistics (2012) revealed that 69.9% in 2010 could not afford food, shelter and clothing, while in 2004 only 54.7% could not afford. North East and North West recorded the highest prevalence with 77.7% and 76.3% respectively where the activities of Boko Haram sect are the worst hit. Sokoto and Niger state recorded the top list. Sanusi (2012) opined that Nigerian economy is dysfunctional as results the poverty level in Nigeria will continue grow unless some thing is done to address the situation. Apata, Igbalajobi, Awoniyi (2010) added that majority of poverty stricken people in Nigeria are rural populace that constitute 75% of the population due to lack of accessibility to micro –credit, poor education, lack of accessibility to agricultural

extension workers and distance to market constitute hindrance to poverty eradication in Nigeria.

**Table:1.0 Statistics of unemployment in Nigeria**

	2006	2007	2008	2009	2010	2011
Nig.population	140,431,790	144,925,609	149,563,227	154,349,250	159,288,426	164,385,656
Econ. active	78,922,666	81,448,191	84,054,533	86,744,278	89,520,095	92,384,738
Labor force	57,455,701	59,294,283	61,191,700	63,149,835	65,170,629	67,256,090
Employed	50,388,650	51,763,909	52,074,137	50,709,317	13,946,515	51,181,884
Unemployed	7,067,051	7,530,374	9,117,563	12,440,517	13,946,515	16,074,205
Newly Emplo	-	463,323	1,587,189	3,322,954	1,505,997	2,127,691

**Source: National bureau of statistics general household survey,2011.**

From the table above, it is clear that number of unemployment had increased from 7,067,051 in 2006 to 7,530,374 in 2007 to 9,117,563 in 2008 to 3,322,954 in 2009 to 1,505,997 in 2010 and to 16,074,205 in 2011.

### **Reasons for failure of government policies**

The population of Nigeria stood at 168 million, 75% of the population of Nigeria is concentrated in rural areas and engage mainly on subsistence agriculture that could not feed the family talk less of contributing anything to the development of the nation. Many years of neglect of the rural areas in term of provision of infrastructural development is part of the reasons for increase in incidence of poverty in rural areas in Nigeria.

Despite the efforts of government to address this problem, the poverty is still rampant in Nigeria due to many reasons which include the following:-

**Resource linkage:** Corruption has been the major problem the country is facing been the 8<sup>th</sup> oil producing state in the world. There was a time a president of Nigeria stated that the problem of the country was not the money but how to spent the money. But despite enomous resources the country is blessed with, the country is still lagging behind interm of development which could be attributed to corrupt practices of the leaders. Segun (2010) observed that corruption is one of the challenges facing the country, many of the richest people in Nigeria got their money through corrupt practices living the masses in abject poverty which led to crime, unemployment and communal conflict. Mike (2011) stated that corruption, misrepresentation of project finance and lack of social responsibility as a major reasons that hindered the success of previous poverty alleviation programmes.

**Lack of sustainability of the programme:** Past governments had came out with viable policies and programmes that would enhanced the living standard of the masses in order to solve the problem of poverty in the country but almost all the programmes could not see the light of the day due to lack of continuity of the programme. The end of administration led to the collapsed of the programme due to the lack of continuity.

**Poor coordination:** Lack of proper coordination of the programme by the three tiers of government had contributed to poor performance in Nigeria. Government policies especially on poverty alleviation are good but due to rivalry between the three tiers of government contributed greatly to the failure of the programme.

Absence of achievable target goals: Many times government came out with policies with out taking into consideration of the target of unemployed graduates, the type of work prefer by this unemployed graduate and is it achievable. As a result the programme instead of yielding result turned to white elephant project.

Unclear role and responsibility between the three tiers of government: Nigeria is a federal state with three tiers of government that is the federal, state and local governments. Federal government some time came out with a policies but the division of roles between the three tiers of government has created hiccup to the failure of many of the programme

Lack of efforts from beneficiary: Also the altitudes of Nigerians constituted hinderance to the failure of the programmes. Youths prefer easy money without any zeal to be independence, they prefer following politician that will give them money for taking drugs than learning viable work for their independence as a result it even deepen the poverty situation in the country. Chukwuma (2008) opined that:

*“ Poor could not sleep because they are hungry and the rich could not sleep because they are awake and children of poor are likely to become poorer”*

**Table:1.1 Relative poverty: Non –poor, moderate poor and extremely poor**

Year	Non poor	Moderate poor	Extremely poor
1980	72.8	21.0	6.2
1985	53.7	34.2	12.1
1992	57.3	28.9	13.9
1996	34.4	36.3	29.3

2004	43.3	32.4	22.0
2010	31.0	30.3	38.7

**Source: National bureau of statistics 2012**

From the table above, it is clear that poverty has increased over time for instance in 1980 the percentage of extremely poor people in the world stood at 6.2, it increased to 12.1 in 1985, to 29.3 in 1996, it increased to 22.0 in 2004 and to 38.7 in 2010.

**Table:1.2 Relative poverty head count from 1980-2010**

Year	Poverty incidence%	Estimated population (Million)	Population in poverty
1980	27.2	65	17.1
1985	46.3	75	34.7
1992	42.7	91.5	39.2
1996	65.6	102.3	67.1
2004	54.4	126.3	68.7
2010	69.0	163	112.47

**Source: National bureau of statistics 2012**

From the above, it is clear that the population of poverty stricken people stood at 17.1 Million in 1980, increased to 34.7 million in 1985, doubled the first in 1992 that is 39.2, increased to 67.1 in 1996, increased to 68.7 in 2004 and finally to 112.47 million in 2010.

**Table :1.3 2011 poverty forecast**

	<b>2004%</b>	<b>2010</b>	<b>2011</b>
Estimate population	126.3	163	168
Relative poverty	54.4	69	71.5
Absolute poverty	54.7	60.9	61.9
Dollar per day	62.8	61.2	62.8
<b>Change in inequality</b>			
	<b>2004</b>	<b>2010</b>	<b>% changes in inequality</b>
National	0.4296	0.447	4.1
Rural	0.4239	0.4334	2.2
Urban	0.4154		4.2

**Source: National bureau of statistics 2012**

Also based on the report of national office of statistics the number of poor is likely to increase (Relative poverty) 54.4 in 2004 to 69 in 2010 and to 71 in 2011. Also absolute poverty is likely to increase from 54.7 in 2004 to 60.9 in 2010 and finally to 61.9 in 2011.

The results of the survey conducted by HNLSS 2010 as contained in the Nigerian poverty profile 2010 report indicate increased. The trends may increased in 2011 and employment generation intervention programmes are not taken into account Proshare intelligent investment (2012).

Table 1.4 **Analysis of the questionnaires**

<b>QUESTION</b>	<b>VS</b>	<b>S</b>	<b>IS</b>	<b>DON'T KNOW</b>	<b>Total/%</b>
-----------------	-----------	----------	-----------	-------------------	----------------

Poverty in Nig has led to insecurity of lives and properties	34 42.5%	30 37.5%	10 12.5%	6 7.5%	80 100
Crimes such as armed robbery, prostitution are the order of the day etc	66 82.5%	10 12.5%	3 3.8%	1 1.25%	80 100
Decline in investment opportunities	70 87.5%	7 9%	3 3.8%	0 0%	80 100
Rise of such groups such as Boko Haram and militancy	72 90%	5 6%	2 2.5%	1 1.25%	80 100
Gov't not playing enough role to address this problem	55 69%	15 19%	7 9%	3 4%	80 100
Corruption among the populace is the major cause	67 84%	8 10%	3 3.8%	2 2.5%	80 100
Leading to unemployment in the country	58 73%	17 21%	4 5%	1 1.25%	80 100
Lack of political will to address the problem is also constituting hindrance	70 88%	8 10%	2 2%	0 0%	80 100

**Source: questionnaire administered 2012**

### **Discussion and results**

From the table above, it is clear that most of the questions asked that are related to poverty showed significance relationship for instance on the first question that discussed

the impact of poverty in Nigeria the results show that 42.5% said is very significant, 37.5% said significant 12.5 said insignificant and 7.5% said don't know.

Also, on the question of whether the poverty had increase crime wave in the country the following are the analysis 82.5% said very significant, 12.5% said significant, 3.8% said insignificant and 1.25 said they don't know.

In addition base on the question of decline in investment opportunities especially the foreign investor who are scared of that country due to kidnapping and requesting for money the research demonstrated the 87.5% said very significant,, 9% said significance, 3.8% said insignificant.

More so, on the issue of it paved way for the activities of such groups such as Boko Haram and Niger Delta-militancy the result shows that 90% said very significant, 6% significant, 2.5% said insignificant and 1.25 said don't know.

Also interview with many people and questionnaires distributed demonstrated that government as a stake holder is not playing any vital role in addressing the problem of poverty in Nigeria for instance 69% said very significant, 19% said significant, 9% said insignificant and 4% said don't know.

Further more corruption is another major factor that is constituting hindrance to poverty alleviation in Nigeria as demonstrated by the research 84% said very significant, 10% said significant, 3.8% said insignificant and 2.5% said don't know.

Also 73% said the inability of government to come out with viable programmes coupled with corruption is very significant reason for unemployment in Nigeria, 73%

said very significant 21% shows significant, 5% said insignificant and 1.25% said that they don't know.

Finally, lack of political will on the part of government is another factor as shown in the table above 88% said very significant, 10% said significant and 2% said insignificant.

### **Research Findings**

The following are some of the findings of this research work:-

- That poverty in Nigeria had created chaos and confusion leading to insecurity of lives and properties.
- It also contributed much to the rise of crimes such as armed robbery, kidnapping and the rise and activities of such groups such as Boko Haram.
- Corruption in the country also contributed a lot to the poverty which breeds high rate of inequality between the haves and have not.
- Also despite the efforts of government which aimed at addressing the poverty problem, poverty is still prevalence due to lack of political will on the part of government.

### **Conclusion**

The study was an attempt to look at role of governance in eradication of poverty in Nigeria but despite the role played by government, the impact of poverty in Nigeria could be seen in many dimensions such as armed robbery, kidnapping, ethno-religious violence and recent cases of bomb blast and rise of militant groups such as Boko- Haram, Niger Delta Militant etc. Many programmes were instituted by the federal government which

aimed at reducing poverty but without seen the light of the day due to resource linkage, lack of political will on the part of government and dearth of the economy.

### **Recommendations**

The following are the recommendations with the hope that if put in place it will help in reducing the problems of poverty and improve the security situation of the country at large.

1. First and foremost government should try and ensure transparency in her policies and programme in order to ensure accountability. This will help greatly in reducing the rate of corruption in the country.
2. Government should also come out with viable programme that have direct bearing on the youth not just imposition of programme. Akanji (2011) observed that strengthening the existing institution, proper supervision of resource allocation, increased in funding of primary education and establishing micro finance institutions are the way out to reduce poverty in Nigeria.
3. Government should come out with viable policies that will help in providing employment opportunities for the youth.
4. Government should also create Industries at the same time revive the existing ones in order to boost the economy and create opportunity for the youth. E.g Ghana policy of foreign firm must recruit at least 10 person per firm.
5. Severe punishment should be mate on anyone caught with corrupt practices like death penalty in order to ensure prudent use of resources.

## References

Segun, O. Galloping poverty in Nigeria: An appraisal of the government's interventionist policies, journal of sustainable development in Africa, vol 12, (2010)no 6 ISSN 1520-5504. Retrieved from <http://www.jsdafrica.com/jsda/vizn06fall2010>

Chukwuma, C. S. Making finance work for the poor, being a paper presented at convocation lecture at federal university of technology Owerri, Imo state on 15<sup>th</sup> February, 2008(2008).

Apata T.G.; Apata O.M.; Igbalajobi O.A and Awoniyi S. M. Determinant of rural poverty in Nigeria: Evidence from small holder farmers in south-western, Nigeria. Journal of science and technology education research vol 1(4) (2010)pp 85-91 <http://www.academicjournal.org/JSTER>

Nigerian Tribune Nigeria's poverty level rises hit 71.5% Sokoto, Niger top list of poorest state, 13 February 2012 (2012)retrieved from <http://tribune.com.ng/index>

Sanusi L : Sanusi predicts increase in Nigerian poverty level, Vanguard February 16 2012 (2012)retrieved from <http://www.vanguard.com/2012/sanusi-predict-increase>

National Office of Statistics The review of Nigerian economy, (2010)retrieved from <http://www.nigerianstate.gov.ng>.

National Bureau of statistics Annual socio- economic(2011) report retrieved from  
<http://www.nigerianstate.gov.ng>

Mike, I. O. Poverty reduction in Nigeria: The way forward. Central Bank of  
Nigeria economic and financial review vol 39 no.4. (2011)

Akanji, O.O. Micro finance as a strategy for poverty reduction Central Bank of  
Nigeria economic and financial review vol 39 no.4(2011).