Analysis of Critical Strategic Factors for Successful Implementation of Poverty Alleviation Programmes in Nigeria

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Abstract
Poverty as a subject matter has been attracting increasing attention in the academic literature in recent years, and researchers from a variety of disciplines such as sociology, psychology, business, management, as well as practitioners ranging from world bodies, national and local governments have all joined seasoned economists in the attempt to better understand poverty as well as generating means to alleviate it. Furthermore, many quantitative and qualitative studies have also been conducted on poverty in various studies. Linking the lively debates shaping the literature on poverty to strategy research and outlining a research agenda for strategy scholars who might develop an interest in this area constitute the main focus of this study. This paper is intended to evoke provoking thoughts and possibly productive actions among management scholars as well as practitioners and policy makers. Poverty is therefore viewed in this context as an issue of both national and international concern and requires the right policies at all levels for alleviation. Recommendations applicable to both academics and policy makers at all levels were also documented for the possibility of application in order to stem the ever rising tide of the menace.

Keywords: Poverty, alleviation, poor, non-poor, government, policies, Nigeria

Introduction
One of the central issues of development economics that governments and policy makers are focusing attention on is how to improve the socio-economic well being of the people and thereby reduce deprivation and misery. The concept of poverty and its measurement is never viewed in the same light by any two individuals because everybody addresses poverty from his/her point of view, position and experiences. The conception of poverty and its measurement is varied due mainly to the relative nature of the subject. And eradication has being misplaced right from the conception stage as a result of the lack of a precise definition. Though the social sciences as a subject are not as rigid as the physical sciences, however, for any social problem to be satisfactorily resolved there must be a proper understanding of the issues to ensure a correct diagnosis of its size and severity that is devout of all ambiguities in the formulation of policies. That will ensure economic growth and reduce poverty, it is necessary to have a proper definition of poverty by identifying its associated or related issues. This would aid practitioners and policy makers in the formulation of necessary policies to ensure effectiveness of the poverty alleviation programme within the Nigerian polity and same measures can be applicable to other developing economies where poverty exists.

Definitions of poverty
Canagarajah et al., (1997) defined poverty as the number of people living below a specified-minimum level of “income” - an imaginary international poverty line which recognizes neither national boundaries nor levels of national per capita income. The poverty line according to Huge and Hens (2009) is an income/consumption data based tool for measuring counted poor when their measured poverty. People are counted poor when their measured standard of living (usually estimated on income expenditure) is below a minimum acceptable level and this may be absolute (OECD 2001). The former compares a household’s position with the average income in the country, e.g., one half of the mean income or the 40% of the distribution while the latter is the comparison of an individual’s household’s position within a poverty line whose real value is fixed over time. Agwu (2012) stressed that given its multi dimensional nature, poverty has been perceived using different criteria. Poverty may be seen as a reflection of glaring defects in the economy as evidenced in mass penury, pauperization of the working and professional class including artisans, mass unemployment and poor welfare services. It denotes absence or lack of basic necessities of life including material wealth, commonplace regular flow of wages and income and inabilities to sustain oneself based on existing resources.
available. In such a state, the means of achieving minimum subsistence, health, education, and comfort are absent. Based on this, Agwu (2011) argued that poverty is a condition in which income is insufficient to meet subsistence needs. Similarly, Harry Johnson (1974) views poverty as "a situation when the resources of individuals or families are inadequate to provide a socially acceptable standard of living". In other words, the individuals live below the conventional poverty line demarcating the poor from the non-poor. Furthermore, Nwere (1997) described poor people as "those who are unable to lead a decent life" while defining poverty as "not having enough to eat, a high rate of infant mortality, a low life expectancy, low educational opportunities, poor water supply, inadequate health care, unfit housing and a lack of active participation in the decision making processes. Fafowora (1998) defined poverty as "lack of command over basic consumption needs such as food, clothing and/or shelter. Such lack of resources to meet the basic needs incapacitates the individual in protecting himself against social, economic and political deprivations". While UNICEF (2010) sees poverty as lack of basic necessities of life" and based on these, Ogwumike (1995) categorized the following as poor, especially within the Nigerian context:

- Households or individuals below the poverty lines and whose incomes are insufficient to provide for their basic needs.
- Households or individuals lacking access to basic services, political contracts and other forms of support.
- People in isolated rural areas who lack essentials infrastructures
- Female headed households whose nutritional needs are not being met adequately
- Persons who have lost their jobs and those who are unable to find employment as a result of economic reforms and those who are in danger of becoming the 'new poor'
- Ethnic minorities, who are marginalized, deprived and persecuted economically, socially, culturally and politically.

Poverty manifests itself in different forms depending on the nature and extent of human deprivation. When the minimum levels of consumption to sustain human existence becomes important in distinguishing the poor from the non-poor, then the unemployed and low income earners come readily as the stratum of poor households. It is more likely that this group may not have the capacity to provide the basic needs like food, clothing, housing and transportation for themselves and their teeming dependants: Most of them live in shanty, overcrowded and poorly ventilated homes. This class of poor people spread across geographical divisions, urban-rural and occupational categories (Agwu 2011).

**Chronic poverty concepts**

Poverty has three key dimensions: breadth, depth and duration. It is important for policy that poverty is disaggregated along these lines.

Poverty breadth refers to the multidimensionality of poverty, the many ways in which people can experience poverty. This can be in terms of, for example, ‘monetary’ or material indicators (low income, expenditure, consumption, physical assets); ‘human capital’ indicators (poor nutrition, health, education status); or ‘socio-political’ indicators (lack of access to services, common property or social networks; powerlessness, marginalisation, stigma).

Poverty depth refers to how far below a poverty line – however measured – someone falls. ‘Deep’ poverty has many names in poverty policy and analysis circles – severe poverty, absolute poverty, extreme poverty, ultra-poverty, poorest of the poor, hardcore poverty, indigence, destitution … – and even more in the local languages used by ordinary people.

Poverty duration refers to the length of time someone experiences a particular poverty state, and also implies an interest in movements into and out of poverty, known as poverty dynamics. Poverty that lasts a long time is primarily known as chronic poverty, but is also commonly called persistent or long-term poverty. People who move into and out of poverty are said to experience transitory poverty (also known as transient poverty). Like chronic poverty, the terms life-course poverty and intergenerational poverty draw attention to the duration of poverty, but also call attention to the processes that can lead to or entrench poverty. Life-course poverty denotes the ways in which a poor child or young person can grow into a poor – or even poorer – adult. Intergenerational poverty refers to the ways in which a poor parent can ‘transfer’ the conditions of poverty to his/her children. The processes involved are often so closely related that the distinction can be difficult to make. For example, the inability of a parent to provide sufficient education to a child can be labeled as intergenerational poverty, while an uneducated child growing into an unemployed adult can be labeled as life-course poverty. In practice, the processes work together. It is commonly assumed that there is a significant overlap between these three dimensions of poverty. In fact, while it is clear that those who are severely and/or persistently poor are likely to be poor in many dimensions, analysis suggests that the relationship...
between severity and chronic poverty is more complex and only partly understood, both at the country and household level. Bebbington and McCourt (2007) stressed that there is general agreement that poverty is a difficult concept to handle, and that it though it is difficult to be specific about the minimum level of well being for the state of poverty, in any given society unusually stands deprivations for their wretched conditions. Dollar and Kraay (2000) stated that, in absolute terms, insufficient or total lack of necessities and facilities like food, housing, medical care, education, social and environmental services, consumer goods, recreational opportunities, neighborhood amenities and transport facilities, are sufficient indicators of state of poverty. In further pursuit of the argument that poverty is more of a relative condition of well being. Moore (2005) stressed that people are poverty stricken when their incomes, even if adequate for survival, fall radically behind that of the community average. An in this case, they cannot afford what the larger community regard as the minimum necessary for decency and they cannot wholly escape from it. In this concept, what is considered poverty level in one country may, well be the height of well being in another. Poverty has income and non income dimensions. While it refers to lack of physical necessities, it also represents a general condition of deprivation manifesting in social inferiority, powerlessness, isolation and degradation. According to Whitehead (2006), poverty be it structural or chronic (i.e. long term and persistent) can be caused by mere permanent or chronic factors such as limited access to production resources, joblessness or endemic socio-political problems. Poverty may also be transitory or temporary and therefore reversible, if it is caused by natural or man-made disasters such as flood, drought, war, environmental degradation or even failure or public policy. In order to understand the issues involved in the measurement of poverty, it is pertinent to discuss the literature summarization of the degree and types of poverty. Bowles et al., (2006) characterized poverty in detail and thus provide an insight into the subject. Drawing largely from that literature a condition of poverty can be recognized and described as being:

**Absolute poverty:** if the consumption of an individual or household is below a minimum acceptable level which has been fixed over time as a global standard for meaningful human existence -known as the poverty line. As cited earlier, 1990 WDR noted that such conditions could be described as poor if per capita income and consumption of the individual is below US $370 or’ poor if it is below US $275.

**Relative poverty:** refers to the position of the individual or household compared with the average income in the country, such as poverty line set at one half of the mean income or at the percentile of the distribution and which often varies with the level of average income.

**Chronic/structural poverty:** If it is persistent or long term. According to Adogamhe (2010), its causes are more permanent and depend on a host of factors such as limited productive resources, lack of skills for gainfully employment, location disadvantages or endemic socio-political and cultural factors.

**Conjectural/transitory poverty:** If it is temporary/transient or short term and caused mainly by transient or short term and caused mainly by transient factors such as natural or man-made disasters (such as wars and environmental degradation) or structural changes induced by policy reforms which results in loss of employment, loss in value of real income, assets, etc.

**Spatial/location poverty:** depending on geographical or regional spread and incidences. Two such conditions are recognized in the literature, viz:

- urban squalor or poverty, typified by the existence of ghettos, slums and shanties in metropolitan cities and characterized by environmental degradation, inadequate welfare services and social deprivations, lower capita income, overcrowded engagement in informal business,
- rural poverty characterized illiteracy, use of crude technology, the dominance of subsistence farming, with high unemployment as well as population, disguised-unemployment as well as underemployment, poor state of social infrastructure and rural urban population drift

**International agencies reports on poverty in Nigeria**
The review of the World Bank (1996) report indicated that poverty improved in Nigeria during period of Structural Adjustment Programme (SAP) (1986-1992). Additional findings show that the percentage of population under poverty line declined from 43 percent in 1985 to 34 percent in 1992. Foluso (1999) in examining the contributions of international agencies towards poverty alleviation argues that although the international agencies have committed more than 20 percent of their total assistance package to poverty reduction activities in Nigeria, more and more Nigerians are still entering into the cold hands of poverty. The author further stressed that thought there is an attempt to fashion out a Poverty
Alleviation Programme by UN agencies in Nigeria, the absence of a policy document to set goals and objectives as well as providing frameworks for the proper articulation of the programme may have stood as the major constraints. In furtherance of this, the author suggested that a national framework for poverty alleviation in Nigeria is imperative and recommended that a strategy document called Community Action Programme for UN Agencies and other donors’ bodies need to be encouraged towards their supportive roles in alleviating poverty in Nigeria.

Unlike Foluso (1999), Iboronke (1999) also criticized the power theory of poverty on the ground that even if there are revolutionary responses within the vast majority of the population to overthrow the political structure (i.e. the then government in power) in the society in question, such cannot be possible in the short-run. For example, it took the people of Federal Republic of Congo 29 years to bring down the momentous Sessieko; and eight years for the dictatorship of Ibrahim Badamosi Babagida of Nigeria; as well as 5 years of Abacha administration in Nigeria; finally, 23 years to bring down Alhaji Ahijo of Cameroon, etc. Thus, the powerlessness of the power theory of poverty to deal with poverty alleviation in the short-run and peacefully constitutes the greatest shortcoming of the theory. More often, attention is drawn to the relative nature of poverty and a clear distinction is drawn between the poor and non poor. According to the World Bank development report 1990. Poverty is viewed as "inability of certain persons to attain minimum standards of living". To demonstrate the practical aspect of this concept, three sets of ratios based on the level of consumption were constructed by the World Bank in 1997. These are the so called p ratios, showing (i) the head count ratio, i.e. the proportion of the population for whose consumption falls below the poverty line; (ii) the depth of poverty, which is obtained by multiplying head count ratio by the proportion of the population deemed to be poor and (iii) the severity of poverty, obtained by squaring the gap between the incomes of the poor and the poverty line and also taking into account income distribution.

The measurement of poverty
Janet (2003) contends that the first attempt to measure poverty was made more than a century ago in the various studies by Booth (1889); Rountree (1901) and Naraji (1901). While Booth’s and Rountree’s studies were focused on the urban tribes of London and New York, Naraji’s was directed at estimating the extent of poverty time in India. In quantifying poverty and identifying the poor, there are two obvious basic requirements. First of all, there is need to measure the standard of living, direct consumption aspects and the basic needs/non consumption aspects) in order to distinguish different individuals, households and countries from each other. Secondly, there is need to choose a "cut off - the poverty line' which separates those identified as poor from the non – poor, (Behrman 1993).

Setting poverty times
Setting or defining the poverty times a tool for measuring poverty is usually the starting point in poverty measurement it is often based on income or consumption date and represents the level of income that categorize the household of a particular size, place and time into poor or non poor and it is intended to designate equivalent levels of deprivation. According to the Bowles, et al., (2006) poverty times be set in relative and absolute terms. Poverty lines also establish the welfare comparability of normal expenditure (or income) across the poverty profile (Huge and Hens 2009). There are many methods adopted in setting poverty lines. The most important among them are Cost of Basic Needs (CBN) and Food Energy Intake (FEI).

- **Cost of Basic Needs (CBN) method**: Using the CBN method, the poverty line is set the cost of a bundle of goods sufficient to reach the predetermined caloric requirement and using consumption pattern which are consistent with the consumption behaviour, customs and preferences of the poor. The CBN measure of the poverty line is closely analogous to the idea of a statutory minimum wage rate. Poverty is then measure by comparing actual expenditure (or income) to the CBN, measure of the specified unit of analysis, i.e. individual or a model household. This method has been faulted on the grounds of the arbitrary nature of definition of basic needs, as well as possibility of running into the problem of non-available incomplete and unreliable cross sectional and a time series data needed for the analysis. The method is also utilized for ignoring utility compensated substitution effects in consumption (Ogwumike1995). In spite of these drawbacks, the CBN method has been found grossly useful.

- **Food Energy Intake Method (FEI)**: This method involves the determination of income level at which a person’s typical food energy intake meets a predetermined food energy requirement. The PEI method seeks to measure consumption poverty rather than under nutrition.

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More precisely, if \( k \) denotes loud energy intake (a random variable), for which the requirement level is \( k \) (assumed to be fixed) and \( x \) denotes consumption expenditure, as long as the expected value of food energy intake, conditional on total consumption expenditure \( e_x \), \( ik/ k \) is strictly increasing in \( x \) over an interval which includes \( ik \); then there will exist a poverty line \( t \) such that \( (elc/x) = ik' \) (Rakner, et al., 2002). This method is easy to implement and does not need data in each sector or region.

**Poverty profile**

The poverty profile is a snapshot of the poor (Agwu 2011). It is an analytical, device for summarizing information on sources of income, consumption patterns, economic activities and living conditions of the poor. According Paul (1998), it shows how a measure of poverty varies across subgroups within a region, location (urban and rural) or sector of employment. In general, profiles place poverty in the country's economic, institutional and social context. It starts with a definition and measure of poverty, based on one or more poverty lines, and should be capable of incorporating the changes in the characteristics of the poor over time and their behavioral responses. The poverty profile should reveal differences in command over basic consumption needs. The World Bank poverty reduction handbook (1993) provides a checklist of main questions addressed in a poverty profile shown below:

- What is the poverty time?
- How many people are extremely poor?
- How large is the poverty gap?
- What is the distribution of living standard among the
- How is poverty correlated with gender, racial and ethnic characteristics
- What are the main sources of the income of the poor?

**Poverty gap**

After the poverty line and the poverty profile, some of the most widely used measures of poverty based on poverty lines and related measure are: head count and poverty gap index. The head count index as outlined by OECD (2006) is the proportion of the population whose measured standard of living/consumption) is less than the poverty line. It simply captures the incidence of poverty as it is usually insensitive to difference between individuals in the depth or severity of their poverty. The Poverty Gap index which is the difference between poverty line and the mean income of the poor expressed as a ratio of the poverty line. It captures the degree of income shortfall below the poverty line. While the measure gives a good indication of the depth of poverty, it does not capture its severity. These two measurements are insensitive to the actual income level of the poor. Thus, a transfer from the poorest to the least poor which raises the income of the latter above the poverty time would reduce the head count; while in the case of poverty gap it would be less obvious that poverty had fallen.

**General causes of poverty in Nigeria**

**Poverty as lack of access to basic needs/goods**

This perspective is essentially economic or consumption oriented it explains poverty in material terms and specifically employ consumption based ‘categories to explain the extent and depth of poverty and establish who is who and who is not poor. This, the poor are conceived as those individuals or household in a particular society, incapable of purchasing a specified basket of basic goods and services. Is dominated by a landed aristocracy, the poor depend primarily on income from agricultural services rendered. Inadequate endowment of human capital is also another major cause of poverty. For many poor individuals, the level of education and skill endowment (human capital) is too low to permit any significant improvement in living conditions in the immediate and long term. As a rule, the poorer strata of the society home very few productive resources’ outside their unskilled labour which is itself is often adversely affected by hunger malnutrition and disease.

- Low endowment of human capital
- Destruction of natural resources, leading environmental degradation and reduced productivity.
- Inadequate access to assistance for those living at the margin and those victimized by transitory poverty and
- Lack of participation, failure to draw the poor into the design of development programmes.

In addition to the above factors, rapid population growth or over population, the use of poor or inappropriate technology, low growth rate of the economy, prevalence of allocation inefficiency particularly in the public sector and low rate of investment are critical factors.

**Poverty as the outcome of inefficient usage of common resources**

Productive resources e.g. human capital can only yield income if such resources are productively exploited. Government, however, would contain restrictions, which limit the productive exploitation of available resources. For instance:

- When the right to exploit or make use of productive resources is banned or restricted
Poverty as a result of exclusive mechanisms

Poverty can result when certain groups use mechanisms in the system to exclude “problem groups” from participating in economic development, including the democratic process. An often-cited example here is the long term, unemployment, which, in many industrialized economic particularly, is creating what has been termed the "new poor". In Nigeria, the agricultural sector wax exploited through direct and indirect taxation throughout the colonial arid postcolonial decades. This has contributed to poor growth performance of the sector and encouraged rural and urban migration, which has in term exacerbated - the employment crisis in urban Nigeria.

Misplacement of governmental policies and priorities

The World Bank’s Poverty Tasks Force, as documented by its report on sub-Saharan Africa including, Nigeria, identified the following factors as the root causes of poverty in the sub region:

- Inadequate access to employment opportunities. This is often caused by started growth of economic activities or growth in which technology provides labour saving devices;
- Inadequate physical assets, such as land and capital and minimal access by the poor to credit even on a small scale.
- Inadequate access to the means of supporting rural development in poor regions.
- Inadequate access to markets where the poor, can sell goods and services.
- Political and civil rights to participate in decisions concerning socio-economic condition (Whitehead 2006). Conclusively, a lack of these basic needs/ goods inherently leads to poverty.

Innovative approaches to poverty alleviation

There exist in various print and electronic media various arguments directed at the causes and effects of poverty from all quarters. There is therefore a requisite need to discuss the approaches to tackling this menace called poverty and curb its ravaging effect on the successive generations of our time. In contemporary development thinking, the frequency with which every successive government have tried and failed proves that volume of reforms and reforms alone is not the defining principle for the alleviation of poverty in Nigeria. Since the various reforms as well as various government programs since Operations Feed the Nation (OFN) do not have the capacity to meet and solve the level of poverty and deprivation that exists among Nigerian, there is need to creatively try other methods as discussed below:

Fiscal poverty alleviation

Nigeria’s poverty alleviation and rural development efforts have undergone some major changes in the 21st century though a lot still need to be done. Although the federal, state and local governments’ agricultural assistance policies are gradually being strengthened nationwide though some areas in the far North, the oil stricken areas of the Niger Delta as well as the suburbs of Lagos, and the entire western states, it must be noted that the number of poor people in Nigeria’s rural areas is still large and accounts for more than fifty percent of the population. The income gap between the poor and the non poor continues to widen. This is corroborated by the CBN (2012) fiscal policy report. The ability of poor people and poor areas to effect their own development is still limited, and they depend heavily on help from outside.

Grassroots’ involvement

The federal government through its agencies and state governments should introduce incentive mechanisms to promote local responsibility in poverty alleviation. At the state levels, and in association with the federal agencies, should adopt the indicator method of fund allocation and transfer responsibility for examining and approving poverty alleviation projects to the local governments, projects, organized groups, etc; this practice should be explored. In addition, a monitoring system with clearly defined responsibilities should include the relevant government authorities at all levels. Suitable government institutions or NGOs should conduct inspections, and a system should be established for rewards and penalties based on inspection results. Finally, the information system for managing and monitoring poverty alleviation funds should be put in place and a mechanism for reporting and cooperation between various government departments should be created.

Corporate social responsibility (CSR)

It is now important to enlist various corporations, especially medium and large scale and conglomerates in the fight against poverty and social exclusions. This calls
for new skills and government policies in development of private and public partnerships and multi-stakeholder approaches. The involvement of these groups will help to endear these business organisations to the communities where they reap their bountiful profits every year.

Most rural dwellers in Nigeria have a wide range of assets that can be developed such as oil palm produce in the South, cocoa in the West, ground-nut, millet, cowpea, etc in the North and many forms of subsistence farming. These rural dwellers do not normally seek a handouts from the government but simply the opportunity for an assistance which in most cases has been denied or taken from them, for example the oil in Niger Delta regions of Nigeria; while the mighty and well connected are enjoying these oil wealth, the indigenes’ are left in a poor state. Therefore, policy and practice must revolve around empowerment strategies such as giving back to these rural dwellers, what have been taken from them. And policies to help these rural dwellers to gain assets can lessen the risk of social conflict turning violent.

Other viable approaches to poverty alleviation include but not limited to the:

- improvement in the quality of life via enhanced national basic infrastructure, such as roads, electricity, safe drinking water and sanitation, communication, transportation, etc.
- attainment of basic education, for all irrespective of location, sex, religion or tribe.
- Facilitation of access to basic health services for all as a means of improving the health status of the Nigerian nation.
- Improved access to credit facilities, productive resource and employment opportunities for all, irrespective of sex, creed, location or tribe.
- Improved access to decent and affordable shelter for all in line with the millennium development goal of the both the federal government and the United Nations.
- Achievement of a broad bases and diversified economy that can absorb the million of unemployed and underemployed citizens.
- Enhanced ability of the poor to participate in decision in making process via economic and educational empowerments.
- Respect for fundamental human rights and human dignity.

Finally, there is now an urgent need for strong political commitment to the poverty reduction as well as millennium development goals. Furthermore, there is also need to pay serious attention to poverty alleviation programmes and projects in order to make a meaningful dent on poverty. Based on this and more, it is therefore, essential for poverty reduction programmes and measures to be executed within the framework of rapid broad-based economic growth with equity and sound economic management and good governance in all tiers of government. These is it believed will empower the rural dwellers and the poor masses of Nigeria as well as reduce the vulnerability of these groups to the adverse effect of their generations. More importantly, CSR activities with the involvement of both medium and large scale organisations as well as access to micro credits will surely set the country on the part to poverty alleviation and steady economic growth

References


