

Poverty Situation in Nigeria: An Overview of Rural Development Institutions

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Abstract: Poverty situation in the rural sector of the economy is a response to the process of development brought about by institution to undertake specific rural development activities. So in reality, state decisions about rural development in Nigeria are made within the context of those institution. The aim of this study is to examine rural development institutions with a view to highlighting how they can effectively alleviate poverty in the rural areas. The study assesses public strategies and private initiatives designed officially to address poverty issues. This study therefore attempts an overview of the poverty trends in Nigeria rural areas. The effectiveness of the various government strategies towards checkmating the prevalence of poverty in the rural areas is also assessed. Finally, it is therefore recommended that the official rural development institutions are empowered for effective performance to alleviate poverty, promotion of private initiatives to enhance technology and all round rural development geared toward eradication of poverty and achieving the goal of sustainable rural development in Nigeria.

Key words: Poverty, reality, state decisions, trends, government, empowered

INTRODUCTION

Complete eradication or alleviation of poverty is a key imperative development of a country like Nigeria. Poverty is largely situated in rural areas where the poorest people live. For this reason, efforts to reduce poverty have largely targeted rural areas. Theoretically, the rural areas of a region or country lie outside the densely-built up environments of towns, cities and sub-urban villages and their inhabitants are engaged primarily in agriculture as well as the most basic of rudimentary form of secondary and tertiary activities (Adebayo, 1998).

Ariyo (1991) asserts that rural development has been placed to the top of the agenda in Nigeria's national development drive. The upsurge of interest in rural development can be attributed to a number of events which had their origin in the colonial heritage and the unanticipated oil boom of the seventies. There were massive rural-urban drift of able-bodied young men and women declining productivity in agriculture, increasing food imports, growing unemployment and the widening gap in welfare terms between the urban and rural areas. Related studies affirmed that rural areas of Nigeria are areas where the lack of basic socio-economic infrastructure, low access to the factors of production, poverty, natural disaster and socio conflict have become a strong push factor for rural out migration. Therefore, there exist large irregularities in the standard of living between geographical areas in Nigeria and pockets of poverty are still common in Nigeria more especially in the rural areas.

Definition and measurement of poverty: The literature is replete with the definitions of poverty. This fact was affirmed by Abumere (2004) that there are probably as many definitions of poverty as there are researchers in the field. These varied definitions can be grouped into three broad categories that define poverty in terms of income, consumption and access to social and physical infrastructure. Abumere (2004) further stressed that poverty as a multi-component phenomenon be defined or measured by one single variable like income but must be defined in terms of many other variables such as consumption, socio-economic resources access to social and political infrastructure and demographic variables (life expectancy and infant mortality, political participation, freedom and human rights). Hagenaar defined poverty in terms of income which reflects the budget restrictions within which a household can choose its consumption goods.

Measurements follow closely the definition offered by poverty measured as Income Poverty Index (IPI), based on the income or consumption definition of poverty or as Human Poverty Index (HPI) based on access to infrastructure (Abumere, 2004). The World Nation Development Program (UNDP) the construction of the two obtain Human Development Index (HDI).

Persistence of poverty in Nigeria has posed serious concerns to successive administration to bridge the gap between the rural and urban areas and have demonstrated the needs to solve domestic food production problems reflected in the main objective of rural development in Nigeria which were articulated in the Third National

Development Plan and include to increase rural productivity and incomes, to diversify the rural economy and to improve the quality of the life of the rural dwellers (Central Processing Office, 1975).

The Government of Nigeria does not have a coherent development strategy. Rather it as a number of strategies developed by different institutions within the government, to pursue these objectives. In fact, the present poor state of rural areas reflects a cumulative policy neglect, poor planning and inadequate resources transfer Rural Development Sector Strategy.

Successive governments in the country has created rural development institutions selected for consideration. In this study are the River Basin Development Authorities (RBDA); the World Bank Assistant Agricultural Development Projects (ADP), the Directorate for Food Roads and Rural Infrastructure (DFRRI) and Better Life for Rural Women (BLRW).

However, there are other quite numbers of official institutions directly or indirectly involved in rural development activities which are not considered these include the Ministries of agriculture and rural development, health, works, education, utility boards, the Agricultural and Cooperative Bank, water resources, national directorate of employment, Poverty Alleviation Programme (NAPEP), National Millennium Development Project through rural infrastructure.

MATERIALS AND METHODS

The rural environment in Nigeria

Poverty situation and features: It is generally agreed that the rural sector has invariably lagged most in the rate of development and constituted a drag on national development as a whole. Despite the high number of development projects undertaken by national and international agencies within Nigeria, the living condition of the rural areas still remains deplorable as attested by many scholars studying the problem of the rural areas (Gbadamosi, 2001).

One of the most significant features of rural environment is land. In rural areas of most countries in sub-sahara Africa, land is not only the primary means for generating a livelihood but often also the main vehicle to invest, accumulate wealth and diversify the rural economy base.

Oladipo (1999) expatiated on the unique features of the Nigeria rural environment when he opined that rural economy is that branch of the statesmanship which deals in agriculture and rural enterprises and consider rural life

as factors in nation-building. It places agriculture in the center of economic life of rural communities and it is around this that other enterprises revolve and/or spring from. Structurally, rural economies are multi-enterprises dominated entities with identifiable boundary lines between major complementary, supplementary and other seasonally oriented subsidiary enterprises. The arable crops under traditional; small-scale cultivation are for subsistence and are usually prone to poor yield and low productivity.

The imbalance created by these attributes are low income levels, unemployment and underemployment resulting in unmitigated poverty for majority of rural dwellers. A consequence of rural poverty in Nigeria is rural-urban drift with an increasing infrastructure facilities. Urban migration has also led to shortage of both skilled and unskilled labour in the rural area. Rural employees see themselves in transmit, employment bidding their time for better jobs in the cities.

Another features of rural economy are the part-time nature of many enterprises. Farmers, teachers and government officials with little or no training in relevant trades rely on family labour and part-time workers to partake in all forms of rural enterprises. Finally, vital input such as transportation facilities, electricity, water, business premises and information are lacking in rural economies because of inadequate government attention. Effective real demand and hence markets are not develop because of the poverty that pervades the rural scene (Olawepo, 2002).

Rural poverty is further manifested in unlimited employed and income generating opportunities due to the absence of commercial and industrial facilities or lack of the necessary resources to establish them. Poverty situation at individual level include inability to sustain and house oneself sufficiently, physical insecurity, inadequate assets, ignorance, incapability to afford basic necessities to meet social and economic needs and powerlessness to improve to one's situation.

Poverty conditions in Nigeria is corroborated with the statistics below as analysed by the Federal office of statistics based on consumer expenditure surveys carried out over a period of 60 years (1980-1996) and subsequently (1998-2005).

Using the internationally recognized definition of the poor as those individual living on <1 US dollar per day at purchasing power parity, the surveys showed that poverty in Nigeria increase sharply between 1985-1996 and drop gradually between (1998-2005) due to the economic reform embark upon by the Obasanjo administration (Table 1).

Table 1: Spread trend in poverty levels, 1980-2004

Area	1980	1985	1992	1996	2004
National	27.2	46.3	42.7	65.6	54.4
Urban	17.2	37.8	37.5	58.2	43.2
Rural	28.3	51.4	45.0	69.3	63.3
Geo-political zone in Nigeria					
South South	13.2	45.7	40.8	58.2	35.1
South East	12.9	30.4	41.0	53.5	26.7
South West	13.4	38.6	43.1	60.9	43.0
North central	32.2	50.8	46.0	64.7	67.0
North West	37.7	52.1	36.5	77.2	71.2
North East	34.3	50.4	44.3	63.4	63.3
Size of household					
1	0.2	0.7	2.9	13.1	12.6
2-4	8.8	19.3	19.5	51.5	39.3
5-9	30.0	50.5	45.4	74.8	57.9
0-20	51.0	71.3	66.1	88.5	73.3
20	80.9	74.9	93.3	93.6	90.7
Educational level of household head					
No education	30.3	51.3	46.4	72.6	68.2
Primary	21.3	40.6	43.3	54.4	48.7
Secondary	7.6	27.2	30.3	52.0	44.3
Higher than secondary	24.3	24.2	25.8	49.2	26.3

FOS: poverty profile for Nigeria, 2004

According to the RDSS Main Report between 1980 and 1991, all but one of the 19 existing states had declared that more than half of their respective populations were poor. Statistics confirmed also that 59% of urban and 70% of rural households had become poor by 1996.

Infant mortality had reached 21.7 and 14.7 per 100,000 live births in urban and rural households, respectively while maternal mortality was 948 per 100,000, live births overall. Furthermore, preliminary health profiles 2004 figures from the Federal Ministry of Health indicated that major causes of morbidity include maternal which is 919 per 100,000 dysentery 386 per 100,000, Pneumonia 146 per 100,000 and measles 89 per 100,000.

Gross primary school enrolment was 82% for girls and 87% for boys in 1995 while adult literacy rate was 5% in 1996 the literacy rate on gender basis showed that there were more educated males (62%) than female (38%) in the country.

The report further confirmed the expectancy which was 54 years in 1990 had dropped to <50 years 2005 access to adequate shelter water and sanitation facilities as well as communication had been very low while income inequality had also worsened during the same period. The worsening situation had affected vulnerable groups and women in rural areas the most in particular individuals with limited or no formal education, large families farm communities and groups engaged in informal sector activities.

Rapid annual population growth of about 2.83% since the 1990s has not helped the situation, leading to a high dependency ratio and pressure on resources. During the twenty four period, the proportions of core poor moved from 6.2% in 1980-269.3% in 2004 (Table 2) and the proportion of moderate poor rose from 21.0% in 1980-38.1% in 2004.

Table 2: The moderate and core poor in Nigeria (1980-2004)

Years	Poverty
1980	27.2
1985	46.3
1993	42.7
1996	65.6
2004	54.4

FOS Nigeria poverty profile (NLSS) 2004

Though, the statistics from Federal Office of Statistics (2004) did not indicated that females in Nigeria have higher level of poverty compared to the males. However, female-headed households are headed by widows, infertile women, unmarried mothers and mother with only children are particularly vulnerable to extreme poverty. As the Nigerian society lacks formal safety net for the poor. Findings from the poverty and development study by the World Bank DFID in Nigeria using participatory poverty assessment method indicate that the consequence of being a women in Nigeria include the following: the likelihood of having fewer opportunities than men of coping with the materials aspects of well-being of having very limited coping strategies and safety nets and of constantly living with a sense of insecurity.

According to the uncommon country assessment on Nigeria in 2001, the most telling social characteristics of the poor in Nigeria is exclusion. The major variants of these are exclusion from the labour market as manifested in the perennial and high unemployment rates, exclusion from basic housing and easy access to productive assets, public utilities and other services and exclusion from meaningful participation in community activity, social life and national development.

All these reduce the poor people in Nigeria rural areas to the Jeffrey Tempest, poor-no-money, no food, no shelter, no dignity. All these have been traced to inadequate availability and access to basic social service, poor quality of the available services, inadequate income, unemployment and ineffective performance of official rural development institutions as well as poor implementation of relevant policies and programmes. This was further corroborated by usage of adjusted dollar per day poverty measure which gave a national poverty incidence of 51.6%. The urban poverty incidence was 40.1% compared with rural poverty incidence of 60% (Federal Office of Statistics, 2004).

RESULTS

Assessment of rural development institutions and their mandate: Nigeria rural development involves many government agencies. These agencies make policy, manage rural development, build and maintain infrastructure, channel funds to farm and non-farm

activities, sell inputs and carry out other activities in the rural sector. Ariyo (1991) asserts that if one can paraphrase the conclusion reached in most scholarly attempts to evaluate the performance of ADP, RBDA and DFFRI it is that in terms of the areal extent of their effective impact, the size of the target population reached, level of production attained and the quantity and quality of the infrastructure developed these institutions achievements are unimpressive when set against the cost and other agencies for rural development of the projects they have executed and their over all performance (Ariyo, 1991). Since, 1999 government has put in place several poverty alleviation programmes in addition to those mentioned above these also include KEKENAPEP, motorcycles, micro-credit finances, allocation of land for agricultural purpose, introduction of United Basic Education (UBE) programmes as an institution. This is because correlation between the levels of education with levels of poverty which serves as a good measure for manifestations of poverty across the quantiles. The ability to read and write in english language could determine the weaklessness and powerlessness of the population. Government sees this as a weapon to tackle the issue of poverty in Nigeria. In present day Nigeria, there are agencies for mass education, nomadic education, universal basic education, adult literacy among others to tackle this realm for sustainable development.

The ADP is state institution whose mandate is to raise agricultural production and improve conditions of the rural population but because of the sophisticated technologies which they promote these projects have no chance of benefitting the generality of the rural poor. Similar, argument of capitulation to the dominant interest of capital achievement of the highly sophisticated and capital intensive projects of RBDA (Beckman, 1982; Oculi, 1986). DFFRI as an official institutions was established in 1986 by the Babangida administration by which it is hopes to transform the rural sector of the economy. And as with most government sponsored rural development projects, lack of user-application in their planning and executing official corruption in the form of inflated contracts and invoices (Ariyo, 1991) top down agenda are some other reasons given for the deficiencies of rural development institutions.

Rural development institutions such as those under consideration have produced limited results consequently leading to the past deficiencies which include proliferation of institutions, lack of capacity building, authoritarianism, institutional duplication, inadequate funding, unjustified public interventions and wrong policies. Institutional duplication is well manifested particularly with those of existing ministries. This duplication has led multiple agencies to concentrate on specific areas and neglecting

Table 3: Poverty and agriculture in Nigeria

Description	Percentage	Percentage cumulation
Core poor household in agriculture	25.0	25.0
Core poor household in non-agriculture	20.0	40.0
Others	55.0	100.0
The non-poor household in agriculture	37.0	37.0
Non-poor household in non-agricultural	46.1	83.0
Others	16.9	100.0

Federal Office of Statistics, 2004

others and created difficulties in setting technical standards and maintaining quality control among beneficiaries and inhibited proper planning for resources and for achieving objectives. Although a series of institutions have been established over the years the Agricultural Development Programmes, River Basin Development Authorities, Directorate of Food, Road and Rural Infrastructure (Defunct), Family Empowerment and Poverty Alleviation (FEAP), National Directorate of Employment, Better Life for Rural Women (Defunct) etc. have not been able to meet enormous demands of the population particularly the teeming rural population.

At the Federal level, a number of sectorial and multi-sectorial programmes were put in place ostensibly to ameliorate the poverty inducing impacts of major national policies. Some of the most well known and far reaching in scope include the NDE which targeted skill development and job creation especially for youths; the Directorate of Food Road and Rural Infrastructure (DFFRI) which was devoted to the rural infrastructure projectsv and the better life and family support programme which among others supported a horde of programmes targeted at rural women. According to statistics, agricultural activities are predominant in rural areas where more than four-fifth (86.5%) of the households participated in agriculture is the rural areas compared with only 14.0% in the urban area (Federal Office of Statistics, 2004) (Table 3).

Private initiatives involvement in poverty alleviation in the rural areas: Individual and non-governmental organizations and community-based organization as well as international donor agencies (such as USAID, EEC, UNDP, UNID, BAND) have put up a number of initiatives to cope positively and effectively with poverty situation in the rural areas of Nigeria. Though the majority are small-scale in nature. These private initiatives involves the private sector in agricultural research and extension through appropriate policy regime such as intellectual property rights, regulation for commercial commodities and through-sub-contracting for the providing of research and extension services. Compared to government efforts, these grassroots efforts have shown better results even with comparatively smaller resources. Their focus on human poverty dimension through projects in food

security, education, health and income generation has been sharper and proven to be more sustainable. A review of successful community based programmes indicate that factors such as ownership participation, discipline, cooperation and sustainability are important ingredients of effective poverty reduction measures (United Nations Systems in Nigeria, 2001).

The appreciation of the efforts of private sector in monitoring and devaluation of the performance of policies and national development programmes in relation to the living conditions of households in rural environment and their active involvement in terms of provision of monetary aids, vocational materials and facilities etc. Among others device and link up with public and private organizations to include Universities, NGOs and the private sector in the delivery of research and services.

There are a good number of them presently working towards poverty in the rural environment. Many of them are presently found in different part of the country, wires of state Governors, now operate various NGOs working towards alleviating poverty among the rural dwellers. Others include Foundations, organized NGOs with international affiliations now operate across the country, Major GSM operators in the country Globacom, MTN, V-Mobile etc. all have different programmes aimed alleviating poverty in Nigeria and empowering the unemployed youths who have migrated to cities from the rural area.

DISCUSSION

The reductions of poverty is the most difficult challenges facing Nigeria as a nation where in the average majority of the population is considered poor. Evidences in Nigeria show that the number of those in poverty has continued to increase. Successful government in Nigeria have responded positively by setting up institutions and policy responses to address the widening gap of poverty between the urban and rural areas of the country. These were manifested through the increase in investment on education, health, agriculture, to sustain economic growth so as to generate increase employment and raise income as well as to discourage rural-urban drift.

Many of the institutions have not been very effective in the discharge of their primary responsibilities as a result of insufficient funding, mismanagement, policies inconsistency. These institutions were supposed to assume prominent positions in driving development thinking and policies. Recent years have seen the recognition of the indivisible nexus of institutions. Poverty and the verification that such institutions have tremendous influence for poverty alternative. In this context, the role of institutions has also gained increase

Table 4: Nigerian's policies and target

Policy/Goal	Target
Eradicate extreme poverty and hunger	2015
Achieve universal basic education	2015
Promote gender equality	2015
Reduce child mortality	2015
Improve maternal health	2015
Combat AIDs, Malaria and other infection disease	2015
Ensure environmental sustainability	2015
Significant improvement in the negativity of the country's population	2020
Best 20 economies in the world	2020
Developing a global partnership for development	2020

influence in explaining differences in growth performance and the hike with poverty alleviation as pro-poor governments. The 2004 report by the National Planning Committee indicates that poverty has decreased to 54.4%. Nigeria fares very poorly in all development indices. In fact, Nigeria is among the 20 countries in the world with the widest gap between the rich and the poor. Nigeria is 50.6. This compares fairly with other countries such as India (37.8), Jamaica (37.9), Mauritania (37.3) and Rwanda (38.1).

For example, the number of those in poverty increased from 27% in 1980-46% in 1985. It declined slightly to 42% in 1992 and increased very sharply to 67% in 1996. By 2004 when the CIVILIAN administration came to power estimates had it that >70% of Nigeria lived in poverty.

Therefore, the government through its development institutions, aimed to reduce poverty and revamp the economy by pursuing the following policies goals which are embedded in the National Economic Empowerment Development Strategy (NEEDS), National Economic Programme and Development (NEPAD) and Millennium Development Goals (Table 4).

CONCLUSION

Dimensions of rural poverty in Nigeria where over 75% of the country's population live imply lack of options for this bulk and the inability to live decent, healthy and creative lives. Top-down rural development institutions in Nigeria have generally not succeeded in raising the living standard among the rural poor. The mandate of an institution should be enough to avoid over laps and duplication of responsibilities so as to achieve the set goals and work against the background of resources that would be available to it. The overall objective of the rural development institutions is to reduce poverty, increase productivity, reduce unemployment improved rural food security and raising the quality of the rural people using rural development as a corner stone for national development.

RECOMMENDATIONS

Implication for planning and sustainable development: In line with the performance of official institutions and private initiatives involvement in poverty alleviation, the federal Ministry of Agriculture and Rural Development as the lead National Institution for promotion of sustained and accelerated transformation of the rural sector should monitor the implementations of the national policies and programmes on integrated Rural Development and co-ordinate the activities of all Rural Development institutions and Partners.

Government should also ensure a small group of stable institutions with public funding, purposeful, adequate and consistent funding and stability is required for effective performance. In this line, government should increase allocations to NAPEP, Agricultural Credit Guarantee Fund (ACGSF), National Directorate of Employment (NDE), Agricultural and Cooperative Bank, Resuscitation of Peoples Bank so as to increase access to credit by rural farmers and traders, respectively to alleviate the development of Small Scale Enterprises (SMEs) in the rural areas of Nigeria.

As identified earlier, one of the major obstacles to rural progress is duplication of efforts among institutions. These should be checked and efforts geared towards rationalizing the existing agencies as it being done now, so as to streamline their numbers for effective monitoring and performance.

State and private sectors should be partners in progress. There are numerous NGOs operating in Nigerian promoting rural development as well as increasing the standard of living of the poorer rural communities by providing credits and technical assistance. These should be encouraged to further accelerate development in the rural areas. A typical illustration in this case is the, partnership between Kwara State Government and the Zimbabwe White Farmers in Tudunlande, Kwara North Senatorial District.

Finally, the government should put the rural economy back on the path of equitable economic growth with the urban sector through the sustainable development strategies and capacities enhancement for the integral sector which is plagued by low productivity, unemployment and high poverty. Infrastructural facilities,

health facilities, schools should be put in place from going to the cities. In addition, all multinational companies, communication giants and GSM Operators (Glo, MTN, V-Mobile, NITEL) should be made to contribute at least 2% of their annual income for this purpose.

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