CONCEPTS, ISSUES, POLICIES AND DIVERSE INSTITUTIONAL PERSPECTIVES IN THE UNDERSTANDING AND MITIGATION OF POVERTY IN NIGERIA - A RETROSPECTIVE REVIEW

Original Research Article

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ABSTRACT

This paper views poverty from national standpoint highlighting the institutional/policy framework within which the problems of poverty have been consistently understood and also historically "addressed" especially in the past several decades of Nigeria's history, the study has also examined poverty from global standpoint putting into context the roles and responsibilities of the Bretton-Woods institutions and other associated neo-imperialist activities. The study finally came up with a highlight that emphasised the need for third world states to re-evaluate their relationship with the "overriding economies" of the world and their institutional structures. As an analytical framework, the study relied heavily on secondary data drawn essentially from key national bodies such as the Central Bank of Nigeria CBN and other global organizations such as the UNDP, World Bank and several others. Other desk-based methods of analysis have been closely adopted by the study.

Key Words: Development, Distribution, Growth, Institution, Living Conditions, Overriding Economies.

I. INTRODUCTION

Analysts sometimes, find it expedient to draw pictures that tend to ultimately designate the relative nature of poverty. A clear distinction is therefore drawn between the poor and the non-poor. The *World Bank Development Report* (1990), indicated that poverty is the "inability of certain persons to attain a minimum standard of living." Many scholars sight poverty as a manifestation of glaring defects in the economy as evidenced in mass penury, pauperisation of the working and professional class including artisans, mass unemployment and poor welfare services. Also. it denotes the conspicuous absence or lack of basic necessities of life including material wealth, commonplace regular flow of wages and income and inability to sustain oneself based on existing resources available. In such a state, the means of achieving minimum subsistence, health, education, and comfort are absent.

Poverty Further Defined:

Similarly, other scholars defined poverty as "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. The German government in 1992, 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, inadequate health care, unfit housing and lack of active participation in the decision making processes" (German Federal Ministry of Economic Co-operation and Development, 1992).

Professor Sam Aluko (1975), in his treaties on poverty expressed it as a "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. Other scholars have simply defined poverty as "lack of basic necessities of life". The problem of poverty manifests itself in different forms depending on the nature and extent of human deprivation. When the minimum level of consumption to sustain human existence becomes important in distinguishing the poor from the non-poor, 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 their basic needs like food, clothing, housing and transportation for themselves and their dependants. Most of them live in shanty, usually overcrowded and poorly ventilated homes. This class of poor people spread across geographical divisions, urban-rural and occupational categories, all over the Nigerian federation.

The total lack of necessities and facilities like food, housing, medical care, education, social and environmental service, consumer goods, recreational opportunities, neighbourhood amenities and transport facilities, are sufficient indicators of poverty. Pursuing the argument that poverty is more of a relative condition of well-being, Aluko, stated that people are poverty - stricken "when their incomes, even if adequate for survival, fall radically behind that of the community average, they cannot have what the larger community regard as the minimum necessary for decency, and they cannot wholly escape therefore the judgement of the larger community that they are indecent. They are degraded, for in the literal sense, they live outside the grades or categories which the community regards as acceptable".

Public Sector Interventions against Poverty: A Review of Nigeria's Institutional Approaches and Strategies -

Most of the efforts made towards addressing issues and problems of poverty in the third world countries are based on the following strategies. In Nigeria these strategies constitute the main thrust or driving forces towards poverty reduction or alleviation.

1. Evident placement of a reasonable pattern of economic growth and widespread grassroots development of basic necessities and amenities that would result in improved welfare is one of the most prominent recommendations of a joint study conducted by both the World Bank and the Central Bank of Nigeria [CBN]. The choice of particular growth pattern or strategy to attain simultaneous Movement of Growth and Development involved choosing among options of public policies and expenditures. Such choices may involve emphasizing rural over urban investments, for example, in building roads, or emphasizing primary health services over tertiary services such as universities and hospitals.

2. The need for Improved Distribution of the Benefits of Growth especially as it relates to income distribution was also considered not only vital but critical. Relatively high levels of inequality persist in Nigeria, even where solid growth and a reduction in the average incidence of poverty have occurred. Current high levels of inequality, low human capital development, and the low level of assets held by the poor in Nigeria underline the importance of instituting a pattern of growth that significantly benefits the poor.

3. Even though evidence shows that economic growth is a powerful means of reducing poverty, not all patterns of growth have the same impact, thus for this reason a Change of the Pattern of Growth was prominently advocated as a strategy. For example, production incentives that encourage growth in rural areas will likely directly benefit farmers but also indirectly benefit the landless through an increased demand for labour and those involved in agricultural marketing. Labour-intensive agricultural growth is particularly important for poverty reduction because agriculture in Nigeria provides employment for up to 70 percent of the labour force and between 50.0 and 70.0 percent of the poor are known to be living in rural areas. Enhancing access of small scale farmers and traders (particularly women) to land, credit, improving rural infrastructure, and generating and applying better production technologies are irrefutable measures for poverty alleviation.

4. In order for rural people to lead productive and enjoyable lives, and therefore, to participate actively in various socio-economic activities of the nation, they will also need better access to education, health and water supply services. This is best attainable through a comprehensive scheme for Rural Transformation and Improvement. The effect of growth on poverty is measured by the extent to which national growth in income helps to reduce the national measure of poverty. This depends on the ability of the poor to take advantage of expanded economic opportunities offered through growth, which in turn is governed by their access to land, credit, education, health care, markets and so on. Interestingly, it is evident that proceeds of our resource endowments did not make the citizens any better, perhaps explainable by the fact that the nation's billions of 'petro-dollars' have been cornered by a small political-cum-military elite, which also constitute less than 1% of the nation's population.

5. Furthermore, it was noted that Nigeria should set a growth rate of not less than 6.5 to 7.0 per cent per year. This called for an Accelerated and Equitable Distribution of Growth. Assuming a population growth rate of 2.5 per cent per year, an annual growth rate per capita of 4.0 per cent would allow a doubling of average per capita income in about 18 years. If the distribution of this growth were to focus more on the poor average per capita income would double more rapidly. These strategies are based on a CBN and World Bank Collaborative Study on poverty assessment and alleviation in Nigeria.

Most of these attempts at Poverty Reduction or Alleviation in Nigeria in particular and the Third World in general are known to have been centred on what has been tersely described as "growth maximization" strategies. S.A. Nkom (2000) was most explicit in drawing this conclusion. In this context, the poor are expected to gain from the "trickle down" of the benefits resulting from overall rapid growth. However, experience has indicated that despite "achieved rapid rates" of growth in many countries of the third world, poverty was interestingly found to have increased dramatically. A leading Pakistani economist similarly displayed his disillusionment when he observed that this model of growth maximization only resulted in "woeful consequences" and as a result he declared that "…we were taught to take care of our GNP as this will take care of our poverty. Let us now reverse this and take care of our poverty as this will take care of our GNP" he advised. This position similarly further underscores the incompetence of a number of these approaches.

In the 1980s, S.A..Nkom (2000) further noted that Nigeria witnessed a completely different driving force, this time from World Bank and the International Monetary Fund, in favour of Structural Adjustment Programmes (SAP) as a means of alleviating poverty via structural economic reforms and growth-maximization, against the strategies of the 70s which were equity centred strategies emphasising integrated rural development/basic need approach and redistribution. It is interesting to note that the structural adjustment programmes only succeeded in bringing about some level of growth in many countries. In most others, SAP programmes worsened the poverty of the majority of low and medium income people. In general, "they worsened income distribution with the benefits they generated being captured mostly by the top hierarchy of the income profile" (Nkom, 2000).
National Poverty Alleviation Programme (NAPEP) of the Third Republic:

II. STRUCTURE, FUNCTION AND COORDINATION

The National Poverty Alleviation Programme (NAPEP) comprises of schemes and programmes that are aimed at "eradicating absolute poverty among Nigerians". This is to be achieved through the implementation and nationwide coordination of "a well articulated poverty reduction programmes". The Federal Executive Council, in January 2001, approved the blue-print which provides for implementation of four key schemes by relevant Ministries and Agencies and a coordination, monitoring and intervention role of The National Poverty Eradication Council (NAPEC) chaired by the President of the Federal Republic of Nigeria.

Other important structures established to support NAPEC are the National Coordination Committee (NCC) chaired by the National Coordinator of Programme and the State Coordination Committees (SCC) chaired by the State Coordinator as expressed in the operational guidelines for the State Poverty Eradication Council's coordination committees, (NAPEP, Aug, 2001).

State Poverty Eradication Councils (SPECs)-

As a strategy towards strengthening collaboration in terms of the implementation of poverty eradication/reduction related programmes and ensuring complementation of activities among the Federal, State and Local Governments, the State Poverty Eradication Council (SPEC) chaired by the Executive Governor of Each State is established. The Blue-print spelt out the functions of SPEC as follows:

i) To formulate and review all policies and strategies of State Government designed to eradicate/reduce poverty;
ii) To set annual targets for institutions and agencies mandated to undertake such programmes;

Other Members are - Honourable Commissioners whose Ministries have direct mandates on poverty eradication/reduction/alleviation; Representative of NAPEP from the National Headquarters; and State Coordinator of NAPEP

In view of the constitutional provisions which provide for closer supervision of the Local governments by respective State Governments, it is desirable that SPEC membership includes the Commissioner of Local Government Affairs. This is to facilitate a vertical integration of all poverty alleviation/reduction/eradication programmes being undertaken by all the three tiers of Government. The operational mandate in this context is in general - the eradication of absolute poverty and to ensure that all Nigerians are provided with:

- Steady income through gainful employment; abundance and affordability of high nutritional food; basic healthcare facilities; good quality education; availability of portable drinking water; good shelter for all; good road infrastructure; stable power supply; good urban and rural communications facilities; availability of agricultural inputs to boost production; and security to lives and property.

- In order to achieve the above targets, it is necessary for the SPEC in each State to ensure that the following issues are addressed:Employment and wealth generation; education; agriculture and food security; water resources development; energy; healthcare; treatment and control of HIV/AIDS and STD; women, youth and gender development; industry; environment; transport and shelter; communication; and social, recreational and public facilities.

The State Coordination Committees (SCCs)

Functions of SCCs - The State Coordination Committees (SCCs) have been established in every State and the FCT. The functions of the SCCs are to-

- Coordinate and supervise the execution of all poverty eradication programmes of the Federal Government in their respective States among others.

- Furthermore coordination, monitoring and evaluation of the various poverty related activities in the State shall follow a structured framework such that:

- Programmes and projects shall be demand driven and implemented based on the needs of the people ETC.

Blueprint for National Poverty Alleviation Schemes:

The Federal Executive Council at its meeting of 9th January, 2000, approved the establishment of National Poverty Eradication Council whose function is to formulate policy and coordinate activities of all national poverty eradication programmes and initiative and after considering the **Ahmed Joda panel report** on the streamlining and rationalisation of the **Poverty Alleviation Institutions and Agencies**, in January 2000, twelve Ministries and Nine Agencies were recognised as core poverty alleviation Ministries and Agencies.

Funding

The schemes the blue-print stated shall be funded from two main sources – internal and external Internally, funds shall be sourced from the following:

- Withholding Tax on Contracts (WHTC)
- Petroleum Technology Development Fund (PTDF)
- Funds Recovered from Treasury Looters (FRTL)
- Education Tax Fund (ETF)
- Budget Allocation

The schemes WERE also be empowered to solicit independent sources of funds from International Donor Agencies (IDAs); Community Banks (CBs); Corporate Bodies; and Non-Governmental Organisations .

Delivery

Effective credit delivery may be central to the poverty reduction and for effectiveness, the banks are to be strengthened and mandated to provide credit delivery.

III. FRAMEWORK FOR ANALYSIS:

Many Scholars have attempted evaluating the effectiveness or otherwise of the numerous poverty alleviation programmes/institutions over the years, more especially following Gen. I. B. Babangida's Structural Adjustment Programme. Institutions/Programmes focused included the Directorate of Food, Roads and Rural Infrastructure (DFRRI), Better Life Programme/Family Support Programme (BLP/FSP) and Family Economic Advancement Programme (FEAP) and many others.

The role of International Organisations such as the World Bank, UNDP, UNESCO, WHO etc. in concert with government and non-governmental organisations, in initiating, promoting and executing poverty alleviation programmes in Nigeria, and more currently, the Poverty Alleviation Programme of the Obasanjo / Yar'adua administration, Poverty Alleviation Programme (PAP) at the centre and similar such programmes being carried out by the respective federating states have also been subjected to varied examinations.

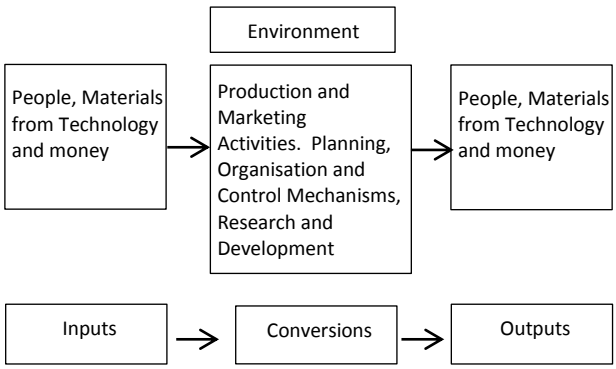
Varied theories can be employed to evaluate performance and output of poverty reduction organizations and programmes. As Cole clearly pointed out, the works of Fredrick Taylor of the Scientific Management School, Max Weber and his concept of bureaucracy and the motivation, leadership and group at work studies pioneered predominantly by Elton Mayo or Harold Leavit's Power Equalization Models (PEMs) can be used successfully to analyse organizational output and performance. While the classic theorists are concerned with the formal structure and relationships as sole determinant of organisational performance, the Humanists or Motivational and group work theorists have laid more emphasis on the informal structure and relationships (structural and human) in formal organisation, which have a lot of influence on organisational performance as well.

We have decided to use the systems theory of organisation for our analysis of the factors affecting the performance of the various poverty reduction efforts and institutions that existed within the polity over the years. This approach provides a better basis for the understanding of the achievements and failures of the various poverty alleviation programmes using the OPEN SYSTEM layout. The systems approach also apart helping us to see success or failures of government led PAPs and the sum total of all its units, the approach further reveals the inter-relatedness and inter-dependence of the various units and structures at different levels – from community to top-most government level, and how a failure of any one unit can affect the operations of other units and the performance of the organisation as a whole. Through this approach the actual performance of an organisation can be established and more through the use of the inputs – outputs device. The approach is finally indicative of how an organisation can subsist by generating more outputs as results.

The Systems theory as an analytical as well as a theoretical formulation has defined organisations as sets of interrelated and interdependent components surrounded by a boundary, which absorbs inputs from other systems and transform them into outputs (products and services) that are needed by other systems in the environment.

The approach further argues that since organisations are Open-Systems, they of necessity draw resources from their environment, which they mobilise and employ to produce goods and services which are in turn exported back to the environment. As these input-output activities occur in cyclic manner, the performance (success or failure) of an organisation or programmes/a set of or programme can be measured by the ratio of inputs to outputs. If the outputs are higher, the organisation is viewed as efficient. And when the inputs are higher and the output less, the organisation will be regarded as fundamentally defective and therefore inefficient.

Fig. I: Interactive Process of the Input-Output Concept



This also further implies that PAP and other public programmes are not insulated from the happenings and forces in the immediate environment – political, economic technological etc. For instance, the endemic socio-economic and political instability in the nation has had its negative consequences on government agencies, parastatals and programmes and therefore performance. Frequent changes in policy that usually go along with frequent change of government have also made continuity of plans and plan implementation difficult to achieve. The daily increase and sophistication of corruption especially in government business has also made governmental programmes or organisational successes unachievable - thus any attempt to analyse the situation must take these factors into account in order to get to the root of the problems or factors affecting the performance of the more than numerous public sector led poverty reduction programmes in the last few decades.

Another question is – is it possible to establish the true performance of the various government poverty reduction programmes using the inputs-outputs model? We can in the affirmative say "yes, it is!" For instance, if it is discovered that the PAPs inputs have been consistently higher than their outputs, we have to establish them, and also why PAPs have not succeeded over the years notwithstanding the huge amounts of money said to have been expended; and why successive governments continued to sustain PAPs which have evidently demonstrated a high cost profile and little is seen as empirical achievements or successes in terms of concrete poverty reduction.

Performance Assessment of Nigeria's Poverty Alleviation/Reduction Programmes :

Apart from the inputs-outputs ratio device as we discussed in this paper, the objectives of PAPs in general can be used to assess current or past performance. What this means is that we can establish the effectiveness of PAPS as well as the extent to which their goals/objectives have been achieved. It must thus noted that, while the inputs-outputs ratio device looks at performance from the angle of efficiency, the study of an organisation's objectives can tell much about the effectiveness of such an organisation in terms of goal attainment – meaning a combination of two key criteria – efficiency and effectiveness. PAP as a scheme largely sought to reduce poverty within the group of the poor or the underprivileged in our society, therefore PAP should not only be assessed within the limited confines of financial effectiveness but also must necessarily be viewed from the perspective of its general contribution to the socio-economic and political transformation of its target audience and subsequently its impact on the general economy.

The Context of Global Conspiracy:

The Bretton-Woods Institutions, World Bank inclusive and whose positions also provided the bulk of the introductory poverty alleviation strategies we have presented above have denied and concealed social realities especially in the third world in relation to the true state of poverty especially in Less Developed Countries [LDCs], Nigeria inclusive. This distortion of social realities has also been used to gloss over the resultant negative effects of the so-called economic re-structuring on the well-being of our nations and citizens. The World Bank and the United Nations Development Programme (UNDP), asserted that "economic growth in the late 20th century has contributed to a remarkable reduction in the levels of world poverty". The question is how true are these assertions or claims? Again, the World Bank framework fundamentally departs from established concepts and procedures for measuring poverty. It arbitrarily sets a "poverty threshold" at one dollar a day, fraudulently labelling population groups with a per capita income above one dollar a day as "non-poor." This subjective and biased labelling is carried out irrespective of actual conditions at the country level (World Bank, *World Development Report,* 1990) and with the liberalization of commodity markets, the domestic prices of basic food staples in developing countries have risen to world market levels. The one dollar a day standard therefore has no rational basis as population groups in developing countries with per capita income of two, three or even five dollars remain poverty stricken and definably unable to meet their basic expenditures on food, clothing, shelter health and education.

Once the one dollar a day poverty threshold has been set, the assessment of national and global poverty levels becomes merely an arithmetical exercise. These forecasts of poverty are based on an assumed rate of growth of per capita income; growth of the latter implies a matching lowering of the levels of poverty for instance according to the World Bank's calculations, the incidence of poverty in China should decline from 20 percent in 1985 to 2.9 percent by the year 2000. Similarly, the case of India (where according to official data more than 80 percent of the population (1996) have per capita incomes below one dollar a day), a World Bank "simulation" (which contradicts its own "one dollar a day" methodology) indicates a lowering of poverty levels from 55 per cent in 1985 to 25 per cent in the year 2000. (*World Bank Report*, 1997).

The entire framework built on the one dollar a day assumption is totally removed from real life situations. In the World Bank framework, the "estimation" of poverty indicators has become what we can freely refer to as a simple numerical exercise and indeed a grand arithmetical manipulation.

Similarly the UNDP Human Development Group which has in previous years provided the international community with a critical and perhaps a fair assessment of key issues of global development, the 1997 Human Development Report devoted to the eradication of poverty ironically but expectedly too conveyed a view point similar to that advanced by Bretton Woods Institutions. According to the UNDP "the progress in reducing poverty over the 20th century is remarkable and unprecedented … the key indicators of human development have advanced strongly". The UNDP "human poverty index" (HPI) is based on "the most basic dimensions of deprivation: a short life span, lack of basic education and lack of access to public and private resources"(*UNDP Human Development Report, 1977*).

Perhaps, one can assert that the Human poverty estimates put forth by the UNDP portrays an even more distorted and misleading pattern than those of the World Bank. For instance, only 41.6 percent of Nigeria's population is categorized by the UNDP as "poor". Yet this estimate contradicts the situation observed in Nigeria since the early 1990s: a collapse in social services, the impoverishment of small farmers and a massive decline in real earnings triggered by successive currency devaluations are indicative that real incomes in Nigeria had drastically fallen, following the adoption of IMF prescriptions. Infant deaths due to malnutrition have risen beyond imagination. The real minimum wage has lost over two-thirds of its value; and the percentage of the population living in poverty has to date astronomically increased.

Double standards are therefore evident in the measurement of poverty, more so as the World Bank's one dollar a day criterion only applies to "developing countries." Again, as similarly explicated Michel Chussudouvsky, both the Bank and the UNDP dubiously failed to acknowledge the existence of poverty in Western Europe and North America. Moreover, the 'one dollar a day' standard eminently contradicts established methodologies used by western governments and inter-governmental organizations to define and measure poverty in their countries, further confirming the popular allegation of double standard in their so-called 'Scientific' measurement of poverty.

Furthermore, Poverty assessments by both organizations take official statistics at face value. They have been largely described as OFFICE-BASED EXERCISES conducted with insufficient attentiveness to local realities. For example, the 1997 UNDP Report points to a decline of one third to one half in child mortality in selected countries of sub-Saharan Africa, as we earlier noted despite declines in state expenditures and income levels. Its report blatantly refused to acknowledge the shutting down of health clinics and colossal lay-offs of health professionals responsible for compiling mortality data.

These are the realities which are disguised by the World Bank and UNDP poverty analyses. The poverty indicators manifestly feign country-level situations as well as the weightiness and pervasiveness of global poverty. They serve the purpose of portraying the poor as a minority group representing some 20 per cent of world population (1.3 billion people!) in their attempt to craftily vindicate the free market system and more especially its tools of evaluation and assessment.

The so-called 'diminishing levels of poverty' including forecasts of potential trends are manufactured with a view to vindicating free market policies and upholding what is often described as the 'Washington consensus' on macroeconomic reforms. The "free market" system is glossily presented as the most effective means of achieving poverty alleviation, while the negative impact of macroeconomic reforms are skilfully denied.

Local and Global Poverty - Causes:

The global as well as local turn down in living standards is not the result of a scarcity of productive resources as indicated in prior historical periods. The globalization of poverty has indeed occurred when the world recorded the most visible technological and scientific advancement. While the latter has contributed to a vast increase in the potential capacity of the economic system to produce necessary goods and services, expanded levels of productivity have not effectively translated into a corresponding reduction in levels of both local and global poverty. J W Smith, in his Economic Democracy: The Political Struggle of the 21st Century, observed that in the global exchange process, the "third world states which furnished the raw materials to feed East Asian and developed countries industries, was not paid enough to purchase a balancing share of production", adding that "industries were built in cheap labour countries to sell to the same consumers in the well paid world, their labour was not paid enough to buy their relative share of production.."

Also on the contrary, we must observe downsizing, corporate restructuring and the lately identified relocation of production to cheap labour havens in the third world have been conducive to increased levels of unemployment and significantly lower earnings to urban workers and farmers. In further analysing the situation, J.W. Smith again noted this process as fundamentally destructive in the sense that "the excessive accumulation of capital by stateless corporate mercantilists entities and the denial of capital to the world's powerless and their lack of prosperous internal market economies are two side of the same coin. There is simply too little buying power among the dispossessed to purchase all the production of industrial capital. When there is already a surplus, capital building more industry without developing more consumer buying power will destroy other capital". To illustrate this thesis further, Smith aptly quoted William Greider's Who Will Tell The People where he noted that the current global competition "…generates a vicious economic trap for world wide prosperity; a permanent condition of over capacity in production that insures destructive economic consequences…"

This new international economic order feeds and prospers on human poverty and cheap labour. High levels of national unemployment in Nigeria for instance have contributed to depressing real wages and incessant "casualization" of labour, especially in several indigenous and multi-national firms/companies. Unemployment has been internationalised, with capital migrating from one country to another in a perpetual search for cheaper supplies of labour. According to the International Labour Organization (ILO), by 1996, worldwide unemployment affects one billion people, or nearly one third of the global workforce. (ILO 2nd World Employment Report 1996).

National Labour markets are no longer segregated: workers in different countries are brought into overt competition with one another. Workers rights are derogated as labour markets are deregulated. This means greater unemployment within our national boundaries also leading to greater 'casualization' of regular employees as earlier noted. Also crucial to note are the following paradoxes of globalization. The global corporation minimizes labour costs on a world level. Real wages in the Third World especially are as much as seventy times lower than in the United States, Western Europe or even Japan.

While mainstream economists stresses efficient allocation of society's scarce resources, harsh social realities call into question the consequences of this means of allocation. Local industrial plants are closed down, small and medium-sized enterprises are driven into bankruptcy, professional workers and civil servants are laid off (a newspaper at the initial days of the Obasanjo administration reported that Nigeria's Federal Government was to downsize by over 32,000 !) and human and physical capital stand idle in the name of "efficiency." The drive towards an "efficient" use of society's resources at the microeconomic level leads to exactly the opposite situation. Resources are not used "efficiently" when we have large amounts of unused industrial capacity and millions of unemployed workers, some of them first rate professionals. Modern capitalism reappears totally incapable of mobilizing these untapped human and material resources.

The global economic restructuring promotes stagnation in the supply of necessary goods and services while redirecting resources toward lucrative investments in the luxury goods economy (again, this is amplified by the emergence of Dubai and Singapore as a veritable havens for luxury goods, extensively fed also by the huge wealth of third world nations extensively cornered by a few). Moreover, with the drying up of capital formation in productive activities, profit is sought in increasingly speculative and fraudulent transactions, which in turn tend to promote disruptions on the world's major financial markets, accumulation of wealth by individuals as well as formidable distortion of productive activities. Again the current recession facing world's strongest economies is further illustrating this trend.

In the South, the East and the North, a privileged social minority has accumulated vast amounts of wealth at the expense of the large majority of the population. The number of billionaires in the United States alone increased from 13 in 1982 to 149 in 1996. The "global Billionaires Club" (with some over 450 members) some of them African Military Generals and Public Officers has a total worldwide wealth well in excess of the combined GDP of the group of low income countries, reported the Forbes Magazine, 28th July, 1997.

Besides, the process of wealth accumulation is increasingly taking place outside the real economic sector; divorced from real productive and commercial activities. Again the Forbes Magazine, in an article titled "Successes on the Wall Street stock market (meaning speculative trade) produced most of the year 1996 surge in billionaires". Today, there is a bigger surge in the number of billionaires with some of them emerging out of India. The Daily Telegraph 30/9/97,in an article titled "Wall Street Warriors" reported that billions of dollars accumulated from speculative transactions are tunnelled toward confidentially numbered accounts in the more than 50 offshore banking havens around the world. The estimated wealth of private individuals managed through private bank accounts in offshore havens stood at U.S. $3.3 trillion according to the Financial Times (1995). The IMF puts the offshore assets of corporations and individuals at U.S. $5.5 trillion, a sum equivalent to 25 percent of total world income (Financial Times June 7th 1996). This largely ill-gotten loot, a sizeable part of which comes from Third World elites is put at U.S. $600 billion, with one third of that held in Switzerland. A sizeable hunk of this is from the multi-billion dollar oil economies of Africa, the Middle East and other oil producing areas of the world. The want for of a stringent regulatory and monitoring system in our states has allowed for rampant corruption (Aigbokhan B.E., 2000). This has hindered past poverty alleviation efforts, and will continue to do so (Duffeld C., 2010) since resources which could pay for public goods or directed towards investment and so create employment and other opportunities for citizens are being misappropriated.

In developing countries, entire branches of industry producing for the internal market is largely eliminated and the informal urban sector – which historically has played an important role as a source of employment creation – has been undermined as a result of currency devaluations and the liberalization of imports. In sub-Saharan Africa, the informal

sector garment industry has been wiped out and replaced by the market for used garments, imported from the West at U.S. $80 dollars a tonne. The textile industry in Kaduna alone has capacity for employment for over 100,000 personnel but the situation on ground has only made it possible to employ less than 10,000 confirmed a media report traced to the GM/CEO Kaduna Textile, at a Government – Industry Forum, held in State House Kaduna 2001 [Umar M.B., 2011].

With this picture, the world's largest corporations have experienced unprecedented growth and expansion of their share of the global market and such examples can readily be found in organizations Microsoft, British America Tobacco, AXA, Bell Corporations, Virgin, Daimler Benz and a number of international Oil Companies like Shell, Mobil, Total, ELF Petroleum, most of which are evidently operational in Nigeria. The process, however, has largely taken place through the displacement of pre-existing productive systems, i.e. at the expenses of local-level, regional and national producers. Expansion and profitability for the world's largest corporations is predicated on a global contraction of purchasing power and impoverishment of large portions of the world population.

While the spirit of Anglo-Saxon liberalism is committed to "fostering competition," G-7 macroeconomic policy (through tight fiscal and monetary controls) has in practice supported a wave of corporate mergers and acquisitions as well as the bankruptcy of small and medium-sized enterprises especially in the third world). In this system, state power is deliberately positioned to sanction the growth and expansion of private monopolies; large capital destroys small capital in all its forms. With the drive toward the formation of economic blocks both in Europe and North America, the regional – and local – level entrepreneur is uprooted, city life is transformed, individual small scale ownership is wiped out. "Free trade" and economic integration provide greater mobility to the global enterprise while at the same time suppressing (through non-tariff and institutional barriers) the movement of small local-level capital. "Economic integration", (under the dominion of the global enterprise, while displaying a semblance of political unity, often promotes factionalism and social strife between and within national societies. Nigeria and the ECOWAS have had their own share of factionalization and ethnically directed violence. With all these, it is already noticeable that poverty especially in the Third World countries has to be viewed from a GLOBAL CONTEXT for it to be properly understood. Again, some developments associated with current internationalisation of macro-economic reforms have outstanding effect on third world and moreso its global poverty profile. The debt crisis for instance of the early 80s was marked by the simultaneous collapse of commodity prices and the rise of real interest rates. The collapse of the price of crude petroleum globally with the on going recession is also more illustrative of this development. The balance of payments of developing countries was in crisis, and the accumulation of large external debts provided international creditors and "donors" with "political leverage" to influence the direction of country-level macroeconomic policy resulting in more pauperisation of third world economies as Michel Chussudovsky further articulated (1999).

Also, contrary to the spirit of the Bretton Woods agreement of 1944, which was predicated on "economic reconstruction" and stability of major exchange rates, the structural adjustment programme (SAP) has, since the early 1980s, largely contributed to destabilising national currencies and ruining the economies of developing countries. A look at the current Naira exchange rate clearly profiles the issue here.

The internationalisation of macroeconomic policy transforms countries into open economic territories and national economies into "reserves" of cheap labour, natural resources and markets.

The state apparatus is undermined, industry for the internal market is destroyed, national enterprises are pushed into bankruptcy These reforms have also been conducive to the elimination of minimum wage legislation, the repeal of social programs, real or cosmetic and a general reduction of the state's role in fighting poverty.

The inauguration of the WTO in 1995 marks a new phase in the evolution of the post war economic system. A new "triangular division of authority" among the IMF, the World Bank and the WTO has unfolded. The IMF has called for more effective "surveillance" of developing countries' economic policies and increased coordination among the three international bodies, signifying a further infringement on the sovereignty of national governments.

The deregulation of trade under WTO rules combined with new clauses pertaining to intellectual property rights will enable multinational corporations to penetrate local markets and extend their control over virtually all areas of national manufacturing, agriculture and the service economy.

National-level social programmes, job creation policies, affirmative action and community-based initiatives are therefore threatened, leading to the consequent dis-empowerment of national societies and the extension of extensive powers to global corporations – who came in with few dollars in their brief cases to "invest" in strategic sectors of our economies.

IV. CONCLUSIONS AND RECOMMENDATIONS:

One of the most critical observations that tend to criticize poverty alleviation schemes especially under the civil dispensation in Nigeria is that the schemes have been manipulated by politicians. The "benefits" therefore are restricted to favoured individuals/political groups and relations of individual politicians. This trend was also noticed (even though not to the level being witnessed now) during military rule.

Another observation is that quite a number of such PAPs are not properly organized especially at States and Local Government levels and this is because they are only viewed as "political rewards" or meal tickets by those giving out by virtue of their political/state functions and those receiving as "beneficiaries". By implication little or no accountability is required in terms of funds/credit utilizations and repayments. Repayments are often haphazard, unorganised unserious and in most cases completely abandoned.

A number of such schemes especially at local government and state levels have been high points of anomalies because the programmes are generally conceived and allowed to reach "maturity" stage without reference to the target population meaning that the schemes are designed without the slightest inputs of those expected to benefit from them representing "another form of state intervention"

It is very important that we note that our national economic system as a sub-system of the Global economy has been penetrated by an overdose of false consciousness in all spheres polluted by the ideals of "free market reforms" or "Structural Adjustment Programmes" (SAP). These intellectual conceptions/ideals have prevented many state institutions and functionaries from properly appreciating and "understanding the actual workings of global capitalism" (Chussudousky, 1997) and its destructive impact on the livelihood of millions of people especially in Less Developed Countries (LDCs). Some sources have confirmed that International Institutions, including the United Nations, also followed suit in this process of intellectual myopia – similarly up-holding the dominant economic discourse "with little assessment of how economic restructuring backlashes on

national societies" such as ours and which inevitably leads to the collapse of socio-economic political institutions/structures and the exponential escalation of social conflicts of varying types and proportion. A cursory glance at the rise of militant groups in different sections of Nigeria arising out of intense poverty and joblessness is a typical case in point.

In making recommendations therefore towards the creation of genuine solutions to the global problem of poverty and also alleviating poverty within the context of our country, we must first give priority to understanding the problem of poverty from the perspective of the poor themselves. Its non-economic dimensions, its locations, the social groups it affects in reality and other vital specifics that are really essential to the design of policies and programmes intended to attack poverty must also be adequately comprehended.

Priorities of the poor or the deprived should also be seen to be reflected in the goals set forth for poverty reductions. This could help in sequencing of public actions, the choice of indicators for monitoring implementation of poverty reduction strategies and budget allocation.

The need for a renewed vision and approach to poverty reduction is urgently required for Nigeria especially in view of the nation's potential for growth. This can be achieved by making poverty reduction a 'core element' of national development strategy – that contains within it, the promotion of broad based economic growth with equity, implying the adoption of sound sectoral policies and the re-arrangement of priorities in public expenditure – also as means of enhancing and promoting efficient and a more diversified economic growth, increasing productivity and focusing on the poor more closely.

There is also the need to reform or re-orient the public sector aimed at making it work and function in partnership with the civil society and the private sector pointing further to the inevitable need for Nigeria to redirect or re-focus towards policies, institutional arrangements, and programmes that could promote efficient, sustainable and broad based growth and poverty reduction.

A more effective and participatory approach to the issue of poverty reduction and growth in Nigeria has to be evolved. This is only achievable through decentralization and the formation of new arrangement with community based organizations (NGOs, Civil Organizations, private sector bodies etc.). This arrangement is expected to reinforce and build on positive creativities, initiatives, practices, conventions and other endowments of the intended beneficiaries of the development programmes.

So far the structural reforms and the development strategies pursued over the years under the "Washington consensus", (which places emphasis on so-called fiscal discipline, tax reforms cut in public spending on health; education, privatisation, removal of subsidies etc) have not yielded the desired outcome. Therefore the Bretton Woods Institutions by their strategies only added to raising poverty levels in developing countries and further enriching the richer economies. For example, a study revealed that in 1960s per capita GDP in the richest 20 countries was 18 times that of the world's 20 poorest countries. By 1995, the poor-rich countries gap of per capita GDP had increased to nearly double. On the other hand however, accusing fingers have been pointed at developing / poor countries. Their problems are said to have mainly emanated from political instability, weak institutions, corrupt practices and poor governance. The World Development Report – 2000, has interestingly conceded that there is a need to broaden the approach to alleviating poverty, a position equally expressed by several observers adding that the Bretton Wood organizations especially the IMF and World Bank have over the years plundered the economies of the periphery countries.

The negative results generated by their activities – fiscal, monetary growth and development policies, have further underlined the importance and need for reviewing the various approaches to poverty alleviation not only in Nigeria but in other developing countries.

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