



## Beyond being the Largest Economy in Africa: An Ethical Enquiry into the Major Causes and Effects of Poverty in Nigeria

Okpe Nicholas Ojoajogwu, Ph.D

*Department of Philosophy and Religious Studies*

*Kogi State University, Anyigba*

*P. M. B. 1008 Anyigba, Kogi State – Nigeria*

### ABSTRACT

The reasons for poverty could be very numerous in the like manner of the effects. Some people believe that poverty results from a lack of adequate resources on a global level; resource such as land, food, and building materials—that are necessary for the well-being or survival of the world's people. Others see poverty as an effect of the uneven distribution of resources around the world on an international or even regional scale. It is further believed that overpopulation is another cause of poverty: This is a situation of having large numbers of people with too few resources and too little space. Excessively high population densities put stress on available resources. Only a certain number of people can be supported on a given area of land, and that number depends on how much food and other resources the land can provide. In countries where people live primarily by means of simple farming, gardening, herding, hunting, and gathering, even large areas of land can support only small numbers of people because these labor-intensive subsistence activities produce only small amounts of food. In many developing countries, the problems of poverty are massive and pervasive. Some nations have become fairly wealthy, however, lack essential raw materials and the knowledge and skills gained through formal education and training. They also often lack the infrastructure provided by, for example, transportation systems and power-generating facilities. Because these things are necessary for the development of industry, developing countries generally must rely on trade with developed countries for manufactured goods, but they cannot afford much. Nigeria was recently adjudged to be the largest economy in Africa, while the stark reality on ground does not seem to agree with this. Because of this assertion and counter assertion, this paper sets out to social ethically analyze the causes and effects of poverty in Nigeria while maintaining and proffering that those responsible for lifting people out of poverty should not be carried away by principles and theories while much leaves to be desired in imparting the lives of the common Nigeria.

**Key Words:** Poverty, Causes, Effects, Nigeria, Economy

### INTRODUCTION

One of the most threatening and destructive phenomena in Nigeria and the world at large is poverty. While all efforts to curb these social vices are proving abortive its effects have continued to be felt by her victims. Eating good food in the required proportion has become a mirage for most Nigerians (eating good food and having good clothes to wear and living in good housing conditions guarantees good health and long life). Cases of mal-nutrition are piled up in hospitals because of lack of proper diets. No one wants to be identified with it, and throughout the world, people wish one another long life and prosperity and never poverty.

Poverty destroys individuals and the social fabrics of the society. In order words, poverty deals with an individual physically, emotionally and psychologically as well as the social institutions. Poverty makes her victims vulnerable to sickness and diseases and above all, death (Oyedepo 2).

In the ambience of the declaration of Nigeria as the largest economy in Africa and her richness in natural resources, poverty is still prevalent among her citizens, with about 100million people living on less than \$1 a day. According to Lamido S., (Channels Television 27-1-2012), "90% of Nigerians are living below \$1 per day". Despite strong economic data and growth, Nigerians living in absolute poverty (those who cannot afford essentials of life such as food, shelter and clothing) are said to have risen to 60.9. According to the National Bureau of Statistic (Nigerian Tribune, 01-05-2013), Nigeria's economy projected to continue growing while poverty is likely to grow worse as the gap between the rich and the poor will continue to widen. Accordingly, at the end of 2012, Sokoto State remained the poorest state in the country with 81.2 percent poverty rate. Others in sequence include: Kastina, 74.5 percent, Adamawa, 74.2, Gombe 74.2, Jigawa 73, Pleatuea, 74.1, Ebonyi 73.6, Bauchi, 73 percent, Kebbi 72, and Zamfara, 70.8 percent. The state with lowest poverty rate was Niger 33.8percent, Osun, 37.9 and Ondo 45.7. Others with less than 50 percent poverty rate were Beyelsa State, 47 percent and Lagos state, 48.6. The average poverty rate of the states in the North-West geographical zone remained the highest at 71.4 percent, followed by North-East 69.1percent and North-Central, 60.7percent. The record showed that poverty was least prevalent in the South-West and South-South with an average of 49.8%, followed by 55.5 percent in South-East (Punch Mobile, Monday 12<sup>th</sup> August, 2013).

### **Definition of Major Term**

**Poverty:** According to New Webster Dictionary of English language the word poverty comes in two dominants dimensions: unproductiveness/deficiency or inadequate supply (that is lack in the face of need). Poverty delineates the state of one who lacks the socially expected and acceptable amount of money or material possession. The Dictionary informs that poverty may cover the range from extreme wants of necessities to the absence of material comforts.

The English word "poverty" came from the Latin word pauper which means "poor". Basically poverty is a violation of human dignity and denial of choices and opportunities. It also hampers ones potentials. Poverty means lack of capacity to participate actively and effectively in the society. It means insufficient possession to feed and cloth a family, having no school or clinic to go to, not having land to farm on or a job to earn a living. It means insecurity, lack of access to credit, powerless and exclusion of individuals, household and communities. It means susceptibility to violence and it often implies living in marginal or fragile environments without access to clean water or sanitation (Encyclopedia Britannica 35)

In United Nations (UN) view, poverty is pronounced deprivation in wellbeing and comprises many dimensions. It includes low income and the inability to acquire the basic goods and services necessary for survival with dignity. Poverty also encompasses low level of health and education, poor access to clean water and sanitation inadequate physical security, lack of voice, insufficient capacity and the opportunity to better ones' life (Poverty Wikipedia).

### **Major Causes of Poverty in Nigeria**

**Economic Cause:** One of the major causes of poverty in Nigeria can be said to be economic. There is high economic disparity existing between the poor and the rich irrespective of the fact that they are both subjected to the inflationary system. For example, some workers are not well rated and their pay does not come regularly and sometimes at all. Furthermore, the turn

of attention to oil boom and the total neglect of the agricultural sector which led to the rural-urban migration and wasteful spending of money in public finance management are economic scenarios causing poverty in Nigeria. Added to the above is unemployment which is caused by myriad of factors including macro-economic instability and the collapse of the educational system, which has increased the number of unemployed and unemployable persons. We also have an unfortunate situation where economic reforms have been simplistically reduced to mass retrenchments (Agbaje, in Muo 26). The petroleum pricing regime has created its own poverty impact in Nigeria as the prices of petroleum products have been adjusted upward many times.

Similarly, harsh business environment has contributed to the causes of poverty as industries and businesses have not fared well in recent years. They are therefore not able to generate employment and create wealth. The problem plaguing the industries includes poor infrastructure, high cost of operations, policy instability, multiplicity of regulations and regulators and multiple taxes. Due to these economic situations, the poor are not only made to bear the brunt of its effects, but to also wallow in their pains. Base on this, more people are falling out of the survival line thereby swelling the numbers of the indigents. By this, unemployment continues to rise, food and housing are getting out of the reach of ordinary people.

**Social and Religious Causes:** (Oboh 65) said, there are differences in the treatment of the poor and the rich socially, more respect is given to the affluent than the poor, they have no voice among their equals and their ideas are hardly regarded as meaningful, they are treated with disdain and contempt, they are treated as outcast and unwanted members of the society, they are seen and people whose miserly and distress are self inflicted. In the feeling of the rich and the rulers, the plight of the down trodden their struggle to survive seem to have no place at all. though, they see themselves as servant leaders, but as lords living comfortably large at the expense of those who were to serve, no matter how long they stay in position, they are never satisfied or fulfilled and even when there is a cause for them to leave usually against their will, they recycle themselves back to power by bringing in their children, relations and accomplice through dubious process. Ironically, the poor play along the trend of the misplaced value system of the society that has brought poverty and hardship on them, thus by so doing the statuesque is maintained. As a result they act according to the wrong societal dictate in giving undue respect to the rich simply because of their wealth, which they have robbed from the common national possessions.

From socio-religious perspective, the poverty mentality that is been instilled in some people has gone a long way to affect them. This is especially among Christians, who think poverty is a sign or righteousness. They believe those who are rich and living in abundance are unrighteousness and are living sin and will not make heaven so they decide to stay poor in order to inherit the kingdom of heaven where God promised riches in abundance. This notion and mentality will not only make one get poorer, it will make one live in perpetual unnecessary suffering. In Oboh's view, it is a system whereby some parents are raised in a poverty condition and in the same context breed their own children. The people are culturally conditioned to accept poverty as a norm of life irrespective of the suffering they go through (67).

The emergence of Pentecostalism in Nigeria around the middle of the second half of the 20<sup>th</sup> Century with prophets preaching material prosperity is another factor to be considered. They assert that the real evidence of the blessing of God depends on the amount of wealth and material possession. Thus there is this belief that most people in Nigeria go to their places of worship because of their poor state. However such blessings are consequent on person act of faithfulness and righteousness. Consequently, the poor are people who do not believe and are sinful. Hence, their suffering is an act of punishment for their unbelief and wickedness. This notion is to some large extent not encouraging. Poverty is a condition of life that some people do not have the easy means to overcome even when they desire to. But to make them believe they are in such situation because of their sins in spite of their belief in God is disheartening (Oboh 68).

The various religious, ethnic and political conflicts in Nigeria especially the recent menace of Boko Haram sect has contributed immensely to the poverty situation in the country. According to Nigeria Tribune newspaper of 14<sup>th</sup> February 2012, the North East and North West where the Boko Haram sect originated, are the poorest regions in Nigeria. These conflicts and bombing have degenerated into large scale destruction of properties and business. Poverty is also traced to the inferior mindset of the deprived group because the poor are lazy, lack education, lack personal initiative and have too many children (Abiola 17).

**Government Policies and Politics:** According to Muo (24-25) one of the key factors in the Nigerian poverty equation is that the paradoxical concepts of government policy induce poverty. The Nigeria government at various tiers and at various times had undertaken policies and actions that tended to impoverish her citizens. These actions may have been taken in pursuit of good intentions, but the way they were executed, created more problems.

The government at a time banned the importation of cars older than 5 years, second hand fridge's and air conditioners. It also introduced 100% inspection policy and moved from pre-shipment to destination inspection, banned importation of poultry through land borders and the banned on some other goods in 2014. According to IMF country report of August 2005, these policies are punitive trade regimes. These actions threw many people into poverty, because they depend on some of these fairly used imported materials and goods for trade, for example, the fish and pure water seller who can not afford a new refrigerator will go for the second hand one which his/her money can afford.

Furthermore, money has become the controlled power in Nigerian politics. Plenty of money is used for electoral campaigns, bribe electoral officers, hire thugs and buy people's votes. The people's votes are totally rendered ineffective due to corrupt electoral officers who have sold their authority in order to distort election results. Thus, both the power to context and to effect a change in an unfavorable political system is absolutely taken away from the poor. The struggle for power has led so many conflicts resulting in civil and intertribal wars. A good number of people have been killed, orphaned, widowed and physically deformed in the process, valuable properties have also been destroyed. To this end, the crave for power and the political system plaguing Nigeria plunges the poor into a more difficult and helpless situation (Oboh 66).

## **Effects of Poverty in Nigeria**

**Hunger:** The increase in the cost of living render poor people less able to afford food items for themselves. The greater portion of the poor people's budgets is spent on food as compared to their rich counterpart. As a result of this poor households and those near the poverty threshold are vulnerable to increase in food prices, and increase in hunger rate. It is believed that about 11 million children living in poverty die before their fifth birthday due to hunger. Nearly half of all Nigerian children are suffering from malnutrition and are under nourished due to the poverty state of their parents. Women die in pregnancy or during childbirth due to hunger and lack of adequate nutrients that are necessary for mother and child healthiness. Hunger and starvation are seen in almost every home in Nigeria as a result of poverty.

**Health (Disease and Death):** Those living in poverty suffer beyond proportion from diseases, hunger and starvation. Worldwide, about 270 million people most of whom are women and children have died consequent to poverty related disease since 1990 and Nigeria is not exceptional.

According to world health organization's report, hunger and malnutrition is the single gravest scourge to the world's public health. Asthma and rickets are common health condition and problems children acquire when born into poverty. In Nigeria today, most people living in poverty suffer health problems just because they lack the necessary resources to acquire proper medical care and take needed or required vitamins for body maintenance poverty is comparatively the biggest contribution to many health problems and child mortality in Nigeria today.

**Education (Illiteracy):** Education is the best and most vital legacy one could acquire but on the contrary this is not the case for people living in poverty. There is a high risk of educational underachievement for people living in poverty. There are numerous reasons that make students end up as school drop outs. For families with little or low resources, the financial support for quality education is not available. Poverty often affects drastically her victim's success in school. People living in poverty are far less successful educationally than people who are above the poverty line. Because they have less wealth, this ultimately results in many being absent from the schools during the academic year. And even when they are there, because poor people are most likely to suffer fatigue and all forms of emotional and mental imbalance they are potentially restricted and could lose focus and concentration. Poor people see going to school as suffering as most student from poor background end up with one disease or the other as a result of hunger and starvation at school that they are subjected to.

**Violence and Crime:** Robbery incidences have increased in recent years. It is not uncommon to find unemployed graduates and school dropouts among these criminals, who have become cruel and merciless in their operations. Things are really worsening in Nigeria on daily basis, ranging from kidnap, rape picking pocket, theft and all sorts act due to the prevailing poverty situation in the country. It is the source of political instability in Nigeria and social disorder. This calls to mind the regular conflict and violence that prevail in the Niger delta communities. This is a clear example of poverty experience caused by environmental degradation. Conflict erupts when people have no job food and shelter.

There are so many other effects of poverty. In Nigeria poverty constitutes an obstacle to the rapid economic growth and development of the nation as it usually affects negatively both performance and productivity. Poverty brings about grievances and feelings of resentment against the ruling authorities and elite. It breaks up families as women and children are usually the worst of her victims (E. Aluko (165). He further says that poverty leads to social and environmental degradation, that poor people can hardly be expected to care about their environment as they are persistently faced with the constant battle for survival. People in Nigeria are obviously suffering from poverty inflicted on them mainly by bad government and personal contribution and its effects is seen in everyday life in Nigeria.

### **Evaluation of Poverty Alleviation Strategies in Nigeria**

At independence in 1960 and within that period, poverty eradication efforts were geared towards education which was seen as a nucleus to economic technological and intellectual development of the nation. The popular slogan at that time was "show the light and the people will find the way" quoted by Nigeria's first president, the late Nnamdi Azikiwe.

So, eradication programmes were implemented alongside agricultural extension service which encouraged increased food production. The oil boom in the 1970s totally eroded this outlook as rising global oil prices boosted exports from N44 billion in 1975 to N 26 billion in 1980, while the GNP per capital rise from \$360 to make them \$100. When the oil price fell, nation's export receipts also translated unto negative growth and a fall in GNP per capital to \$370 in 1980s. According to the Federal Office of Statics in 1960, about 15 percent of the population was poor. However it had greatly grown in the subsequent years and by 1980 it got to 28 percent. The Federal Office of Statistics estimated that by 1980 the extent or level of poverty in Nigeria was 46% although dropped to 43% by 1992. However, by 1996, the incidence of poverty among Nigerians increased out of a population of 110 million. The UN human poverty index in 1999 which credited Nigeria with 41.65 percent aptly depicts the phenomenon as the figure placed the nation among the 25<sup>th</sup> poorest nation in the world.

Two third of the country's 160 million people are estimated to be poor today in spite of the fact that since independence Nigeria is said to have realized trillions of naira in oil and gas. Successive government regimes have variously tried looking at the issues of poverty through forming and executing poverty related programs but whether these programs have achieved the desired result is another problem for study.

The Operation Feed the Nation (OFN) as a program was initiated in 1979 by General Olusegun Obasanjo. Its main focus was to facilitate increase in food production and ensure the availability of food at a very cheap rate. And by so doing, nutritional level will be enhanced among Nigerians and thus national growth and development. OFN became history as Shehu Shagari came in with his own ideas and program from 1979-1983. Though he shared almost the same ideas as regard poverty reduction with his predecessor, he came with the Green Revolution. This programme laid emphasis on food production but could not continue as shift in office also means shift of approach and ideas in Nigeria. Thus when Shagari left office in 1983, it also mark the end of Green Revolution. At each subsequent military administration came different idea or even none. Poverty alleviation programmes became more regime oriented. Directorate of Food, Road and Rural Infrastructure (DFRRI) was another programme.

The main thrust of this programme was to open up rural areas through construction of feeder roads and provision of basic amenities that would turn them into production centers for the programmes on the nation's war against poverty. By virtue of the fact that rural populace in Nigeria are considerably poorer than their counterparts in urban areas, this programmes was not just to open the rural areas but the remotest or hinter lands which ordinarily would not have been accessible. Another programme that tried tackling the poverty scourge via agricultural sector was the Nigeria Agricultural Land Development Authority (NALDA). The programme hoped to meet this target by helping or assisting farmers with inputs and also by developing land for them to planting point at a subsidized rate. All these programmes collapsed at one point or the other. Nonetheless at least one of them enunciated by the Babangida regime. The Nation Directorate of Employment (NDE) is still powerful till date. NDE was designed and implemented to combat mass unemployment and articulate policies aimed at developing programs with labour intensive potentials.

The regime of late Gen. Sani Abacha 1993-1998 was known as the midwife of the Family Economic Advancement Programme (EFAP). This project assisted in poultry production, garri making, soap making and animal husbandry as a rider to all poverty alleviation programs enunciated over the years in Nigeria. Wives of head of state also joined in the fray with novel programs that not only elevated the state of the first ladies but also focused on issues of poverty using state funds. Most noticeable were the Better Life Rural Women heralded by late Mrs. Mariam Babangida and Mrs. Mariam Abacha's Family Support Programme.

There have been series of policies by the federal government of Nigeria since May 29, 1999 when democracy was ushered in. These policies aimed at bettering the plight of the poor, the blue print for the establishment of the National Poverty Eradication Programmes (NAPEP) as a result "Keke Nappes" was introduced. This serves as a central coordinating point for all efforts against poverty starting from the federal, state and to local government levels. Through this programme, schemes are carried out or executed with the sole aim of eradicating poverty completely such schemes include; Youth Empowerment Scheme (YES) rural infrastructures development scheme (RIDS) social welfare service scheme (SOWESS) and National Envelopment and conservation scheme (NDCS). There are other ones from non-government organizations (NGOs), individual and corporate bodies including the religious institution with different purpose oriented foundations. The salient in the government poverty alleviation programmes is the current removal of "Fuel Subsidy" which has brought about difficulty in the standard of living. But in the words of President Goodluck Ebele Jonathan and his economic advisers, this removal of subsidy is aimed at alleviation of poverty through the creation of more job opportunities, construction of accessible roads ultramodern health facilities and improvement in agricultural sector, availability of good water and improvement in educational standard etc.

Having considered the various poverty alleviation programmes put in place by the government. (Oshitel in Abiola 21) summed it up by saying that the strategies of alleviating or eradicating poverty with their good intention have all failed because the programme were politicizes to attend to those who were related and close to the ruling political party or relative of members of the directorate or commissions. These programmes became ineffective when

the number of directorates and scheme commissioned for the same purpose became so many to the extent that poverty alleviation programmes became job creation approaches and government offices for financial allocation without portfolio (which require poverty to multiply so as to sustain the existence of poverty alleviation programmes and continue as means of earning a living) and unable to make any tangible difference to the number of the poor and unemployed graduates in the country.

### CONCLUSION

This paper has seen us through the facts that though Nigeria is currently purported to be the largest economy in Africa, it remains a fact that two third of Nigerians live in abject poverty caused by variety of social factors. The attendant consequences and effects of poverty are immediately felt as typified in the living condition of so many Nigerians. Despite the fact that successive governments over times have made effort to alleviate poverty in Nigeria, policies have remained at the theoretical level or stagnated due to inconsistencies and sustainability plans. As a result of this Nigeria's poverty rate has moved to a level involving about 112,518,509 Nigerians currently. The country's gross domestic growth (GDP) had grown, but it had little impact on the poverty situation of the country. Giving the breakdown and applying the United Nations definition of a poor person in dollar terms, would show that 51.6% of Nigerians were living below U.S \$ 1 per day in 2004, but this increased to about 61.2% in 2010. Although the world bank standard now is U.S \$1.25 per day. Generally Nigeria is identified as sitting in poverty and so earned the 154<sup>th</sup> of 172 countries in the world marginal index. This means that, of countries where citizens are merely subsistence and which have the biggest task of developing the people and their resources; Nigeria is even so low on the scale that is slowly riding above or ahead of only 18 countries. This is very alarming and contradictory of the recent evaluation of Nigeria as the largest economy in Africa.

### References

- Aluko, M.A.O., "Strategies for Poverty Reduction In Nigeria" in Research and Policy Directions and Poverty in Nigeria. Ed Simi Afonja Et al. Ile -Ife Anchor print Ltd, 2001. 164-170
- Iwara, A.U., Ed. Nigeria and the Millennium Development Goals. Lagos: Royal Birds Ventures, 2008.
- Iwena, O.A., Essential Geography. Lagos : Tonad publisher, 1998.
- Okpe, N. O., In my Father House : Towards a Culture of Justice, Development and Peace (JDP). Enugu: Snaap Press Ltd, 2006.
- Onwuliri, C.O., "The Millemiun Development Goals and the Church in Nigeria. Keynote address" in the word of God and the Meeting of the Millennium Development Goals in Africa Ed. Ferdinand Nwaigbo Etal.
- Oyedepo, O. D., "Winning The War Against Poverty", Lagos: Dominion publishing house, 2006.
- Abiola, A. O., "The Dal in Exodus 30:15 and Poverty Alleviation in Nigeria". *African Journal of Biblical studies* 2, (October 2010): 13-28.
- Ekikioya, P. and Ayo A. E., "The Role of NAPEP in Poverty Alleviation in Nigeria. *Ekpoma journal of Religious Studies* (EPHA) 8. 1 (June 2011): 106-121.
- Ibbih , M. J., "Analysis of Government Polices and Poverty Reduction programmes". In *Nigerian Journal of Research and Production* (NIJOREP) 17:1 (November 20011) :5-23.



Isidore, O. I., "Exchange of Charity" *The Nigerian Journal of Theology*. 16: 1 (June 20-02): 43-58

Muo , I. K., "Poverty: The Challenges, the Imperatives" *Zenith Economic quarterly* 2:12 (September 2007) 19:32.

### **Dictionaries/Online/Other Sources**

New Webster Dictionary of English Language oxford: Ouplc, 1970

Oxford advanced Learner's English Dictionary 8<sup>th</sup> edition

<http://www.Academic Excellence. com>. 25 November 2013

<http://www. Poverty in nigeria on line.com> 25 November 2013.

<http://www.poverty -Wikipedia, the free encyclopedia poverty Alleviation in>

<http://www.nigeria a perspective online downloaded> 25 November 2013.

Behind the Wall, A report on Prison Condition in Nigeria and the Nigerian prison System. Civil Liberty Organization Publication, June 1991.

Nigerian Tribune Newspaper, 14 Feb 2012:1-3