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NATIONAL POVERTY ERADICATION PROGRAMME: A TRI-CAUSAL EXPLANATION OF WHY IT FAILED

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Abstract

National Poverty Eradication Programme (NAPEP), the flagship of Nigeria's efforts to realize the UN's millennium development goal on extreme poverty and hunger, coordinated federal funded poverty reduction projects from 2001 to 2014. It replaced the Poverty Alleviation Programme (PAP)a, which had been created in 2000. The appellative shift from "poverty alleviation" to "poverty eradication" must have created an illusion of renewed determination to reduce the country's hunger and poverty statistics. NAPEP was generously funded; still it failed to be recognizably different from its predecessors. In fact, the number of Nigerians who slipped into poverty during its years increased rather than decreased. The paper discusses the three main reasons for the failure, namely broad-based approach (universalism), state capture (corruption) and beneficiary exclusion. Its goal is to problematize poverty reduction efforts in developing countries.

Key words: National Poverty Eradication Programme (NAPEP), Nigeria, Poverty Alleviation Programme (PAP), broad-based approach (universalism), state capture (corruption), beneficiary exclusion.

Introduction

Poverty is one of the challenges humanity has been grappling with since his creation. Mankind has turned deserts into luxuriant farmlands, contracted distance, surpassed the ingenuities of ancient civilizations, bridged and tunneled seas and mountains, cloned living things, increased life expectancy, and turned oceans, outer space and the Polar Regions into research fields, among others. He, however, has failed to eradicate poverty. According to the former UN Secretary-General Kofi Annan (1997), "Despite the unprecedented prosperity that technological advances and the globalization of production and finance have brought to many countries, neither Governments, nor the United Nations, nor the private sectors have found the key to eradicating the persistent poverty that grips a majority of humankind." Extreme poverty, the condition of daily existence on less than $1.25, is one of the socioeconomic peculiarities of developing countries. Developed countries only have relative poverty.

Poverty is one of the fundamental challenges of contemporary world. Stories about its havoc in Africa, Latin America and Asia saturate information channels. According to Lerman (2015), "Today, we live with more awareness and concern about global poverty than at any time in our world's history. More than ever, people can see or read about swollen stomachs of hungry African children, 11 year-old Asian children working in sweatshops, and Haitian families living in mud huts without medical care, electricity, or clean water. At the same time, many of the richest people are global celebrities. Poverty can no longer be kept secret and neither can prodigious wealth." It is a recurrent theme in development discourse. It is also a trigger for street protest, a priority on legislative agenda, a motivation for philanthropy, a subject of exhortation and denunciation in a diversity of religions, etc.

The United Nations entered the twenty-first century, brandishing a two-phase agenda to eradicate poverty and hunger during the first thirty years of the century. The first stage, launched in 2000, sought to halve both the number of people living on less than $1.25 a day and the number of people suffering from hunger by 2015. The second stage, launched in 2015, seeks to end poverty and hunger by 2030. Despite all the resources it sank into NAPEP, the flagship of its poverty reduction efforts during the fifteen years of the UN's Millennium Development Goals, Nigeria was among the African and Asian countries that were unable to halve their poverty statistics by 2015. The UN has given such countries a second chance with the Sustainable Development Goals. The paper discusses three of the factors that thwarted NAPEP, namely broad-based approach, state capture (corruption), and the marginalization of intended beneficiaries in the formulation and implementation of projects.

Poverty in Nigeria has been on expansion mode since the country became independent of British rule in 1960. The statistical increase is due to a diversity of factors. One of the factors is the failure of the founding leaders to change the orientation of the economy they inherited from the British. As noted by Ake (1996, p. 48), "At independence, Nigeria, like most African countries, followed the line of least resistance and largely continued colonies policies. In agriculture this meant the promotion of selected export crops such as cocoa, groundnuts, and palm produce." The retention of the bias towards cash crops further peasantized of the rural populace.

Nigeria is an interesting case study in "the paradox of plenty". Its landscape is one vast ocean of poverty dotted with islets of affluence. Because the mass of its citizenry lives below breadline despite the generosity of its natural resources, it has been described as "a prime example of the curse that natural resources can bring" (Mahler, 2010, p. 5). Its alarmingly high poverty rate mocks its ranking as Africa's largest economy and a major oil producer. 70% of its citizenry live on less than $1.25

a day (The World Bank, 2014, pp. 2-3). There are three obvious facts about its poverty. Firstly, as the following tables indicate, the proportion of the citizenry sliding into poverty has been increasing rather than decreasing.

Table 1: Nigeria's poverty, 1980-2010

Year	Total national population (millions)	% of poverty
1980	65.0	28.1
1985	75.0	46.3
1992	91.5	42.7
1996	102.5	65.6
2004	126.3	54.4
2010	163.0	69.0

Source: Extracted from The World Bank's "Project Performance Assessment Form. Federal Government of Nigeria Community Based Poverty Reduction Project (Cr. 3447, Cr. 3447-1)," June 30, 2014, 2.

Table 2: Nigeria's urban and rural poverty rates, 1980-2010

Year	Urban	Rural
1980	17.2	28.3
1985	37.8	51.4
1992	37.5	46.0
1996	58.2	69.8
2004	43.2	63.3
2010	61.8	73.2

Source: Extracted from The World Bank's "Project Performance Assessment Form. Federal Government of Nigeria Community Based Poverty Reduction Project (Cr. 3447, Cr. 3447-1)," June 30, 2014, 2.

Secondly, its poverty geography indicates that 66% of the poor live in the northern part of the country (The World Bank, 2014, p. 18). It is ironic that decades of Northern domination of national politics have failed to reduce poverty in the north.

Thirdly, there are more poor people in the rural areas than there are in the cities (The World Bank, 2014, p. 20).

Poverty reduction programmes

The following are Nigeria's major poverty reduction programmes since its independence in 1960: River Basin Development Authorities (RBDAs), National Accelerated Food Production Programme (NAFPP), Agricultural Development Programmes (ADPs), Operation Feed the Nation (OFN), Green Revolution, Directorate for Food, Roads and Rural Infrastructure (DFRRI), National Directorate of Employment (NDE), People's Bank of Nigeria (PBN), Better Life for Rural Women Programme (BL), Family Support Programme/Family Economic Advancement Programme (FSP/FEAP), Poverty Alleviation Programme/National Poverty Eradication Programme (PAP/NAPEP) and National Economic Empowerment and Development Strategy (NEEDS). Maryam Babangida and Maryam Abacha pioneered the feminization of poverty reduction in the country, founding BL and FSP/FEAP which, being gender-biased, pursued affirmative action for the womenfolk. The fact that the country's poverty rate has been increasing rather than decreasing indicates that the programmes all failed (Obadan, 2002, p. 2). Former minister Nasir el-Rufai attributed the failure to non-inclusive economic growth (xxx).

National Poverty Eradication Programme (NAPEP)

National Poverty Eradication Program (NAPEP) emerged in 2001 from the reorganization of Poverty Alleviation Programme (PAP), which had been established in 1999. It had a mandate to inject a minimum of 200,000 jobs into the labour market annually. Fourteen ministries, namely agriculture/ rural development, education, water resources, industry, power/steel, employment/labour/productivity, women affairs/youth development, health, works/housing, environment, solid minerals development, science/technology, finance and national planning commission participated in the implementation of its mandate. It focused on four core areas, namely youth empowerment, rural infrastructure development, social welfare and natural resources development and conservation. The need to align the country's anti-poverty efforts with the UN's proclamation against extreme poverty and hunger might have induced the appellative switch from "poverty alleviation" to "poverty eradication".

Olusegun Obasanjo became Nigeria's President at the time the UN was finalizing the launch of the MDGs. Poverty was on his hit list and he had begun his assault on it with this declaration in his maiden budget speech:

> *[Poverty] must be seen, by every one of us, as a major source of embarrassment that over 70 per cent of our population live below the poverty line. This is in spite of the abundant natural and human resources that has been bestowed on our great nation. One of the major issues that this administration has undertaken to resolve is this lingering poverty that has stricken our people along the length and breadth of the nation. The extent of poverty has reached frightening proportions primarily due to the neglect of past governments* (1999).

He was a farmer. His *Ota* Farms at Abeokuta was a testament to his commitment to poverty eradication through food security. Operation Feed the Nation (OFN) which his military regime launched in 1976 sought to imbue the country with the autogenic capacity to feed itself. During his civilian Presidency (1999-2007), he collaborated with Thabo Mbeki of South Africa, Abdelazeez Bouteflika of Algeria and Abdoulaye Wade of Senegal to found the New Partnership for Africa's Development (NEPAD). He underscored his commitment to poverty eradication by personally chairing the National Poverty

Eradication Council (NAPEC), which formulated and coordinated NAPEP's activities, and whose membership included top government officials such as the Vice-President, Secretary to Government of the Federation and ministers. In effect, NAPEP was directly supervised by the President. Presidential supervision ensured that it received privileged attention and budgetary allocations. It, however, could not make it remarkably different from its predecessor, namely PAP. As the above tables indicated, the country's poverty statistics did not improve during the thirteen years the programme was in operation. Public awareness of the programme's existence was almost limited to the visual ubiquity of Indian-made tricycles popularly known in local parlance as *Keke NAPEP*. el-Rufai (xxx) stated that the programme abandoned its mandate and became "a sales agent for Indian-made Bajaj tricycles." *Keke NAPEP* has played a major role in expanding India's economic footprint in Nigeria. Those Nigerians, who used its importation and sale to enrich themselves, instigated the ban on commercial motorcycle transport (*Okada*) in many parts of the country. The ban worsened unemployment and crime statistics in the country (Ojo, 2011). Most *Okada* transporters could not afford the tricycle because of prohibitive price.

Why did NAPEP fail?

Many factors thwarted NAPEP, but only three of them are considered in the present paper. Firstly, NAPEP pursued a patently impracticable ambition by adopting the broad-based approach, loosely targeting its beneficiaries and operating an unsegmented timescale. For any anti-poverty programme to succeed, it must target specific groups and regions. It also must operate within time segments. The anti-poverty programmes of those countries that were able to halve their poverty statistics by 2015 did those two things. Poverty is a phenomenon that displays group and geographical differentials. In ethnically diverse countries, it generally is a minority phenomenon. For example, in 2010 Vietnam's ethnic minorities who constituted less than 15% of the total national population accounted for 47% of the poor and 68% of the extreme poor (World Bank, 2012, xxx). In geographically vast countries, it generally is a topographic phenomenon. For example, in China it is concentrated in mountainous areas. Since distance from the poverty line varies among groups and geographies, targeting groups and geographies is strongly recommended. Universal (broad-based) approach which NAPEP adopted could only impact a small segment of the country's vast poverty spectrum.

Targeting (the narrow-based approach), which espouses affirmative action for certain groups, regions, began to displace the universal approach as a development tool during the 1980s (Mkandawire, 2005, p. 1). Its virtues include efficiency in the deployment of exhaustible resources in poverty eradication (Besley, & Kanbur, 1990, p. 2; Coady, Grosh, & Hoddinnot, 2004, p. 1; Mkandawire, 2005, p. 1). According to Madavo, and Sarbib (2000, pp. xi-xii), "For poverty reduction programs to be successful, it is necessary to explore creative solutions that will allow the governments of these countries to target their limited resources to the most needy, and to use these resources in the most effective way. Programs that cover a country's entire population…are no longer sustainable…[T]he need for effective targeted programs that provide significant support to the poor within the tightening budget constraints has become more apparent than ever." Similarly, since most successful poverty reduction programmes have been implemented piecemeal, time segmentation is strongly recommended. Unsegment timescale can encumber impact assessment.

State capture (corruption) was the other factor that thwarted NAPEP. Anti-poverty programmes in many developing countries are "distorted by long-entrenched patronclient relations or "clientelism," in party politics" (Diaz-Cayeros, Estevez, & Magaloni, 2012, p. 9). Government has a tendency to use them to lubricate the machinery of party politics. State capture of NAPEP had three important dimensions. Firstly, most of the programme's strategic departments were manned by members of the ruling party, People's Democratic Party (PDP). For example, while its career officers were federal civil servants, state coordinators were political appointees (Oladimeji, & Saidu, 2012, p. 99). The director-general and state coordinators were members of the People's Democratic Party (PDP), the party that ruled the country from 1999 to 2015. Expectedly, those appointees were beholden to their benefactors (Ugoh, & Ukpere, 2009, p. 853). Political appointment starved the programme of technocratic efficiency. Secondly, the beneficiary registers were rigged and stuffed with phantom and false beneficiaries.

Phantom beneficiaries were the front used by the state captors to corruptly benefit from the programme, while false beneficiaries were those who were not actually poor but who still benefitted from the programme on account of close ties with the captors. (Certain beneficiaries of the programme's conditional cash transfer from the author's village were civil servants). Most of the poverty loans were not repaid since the beneficiaries regarded them as "a gift" (Danjuma, 2013). Thirdly, the programme was instrumentalized against political opponents. State coordinators committed enormously to the federal government's efforts to dislodge Opposition governors like Bola Tinubu and Peter Obi. In short, the programme was weaponized and used to curb the Opposition. Politicization is a common plague of discretionary programmes. As noted by Diaz-Cayeros, Estevez, and Magaloni (2012, p. 43), "discretionary programs give politicians the ability to withdraw benefits on the basis of electoral criteria or for political motivation, such as when a beneficiary fails to vote for the incumbent or an election cycle is over." The appointment of

Tony Anenih as the pioneer head of the programme must have set the stage for its politicization. The third factor was the marginalization of intended beneficiaries in the formulation and implementation of projects. Beneficiary participation has many virtues. For example, involving people in the design, management, and evaluation of projects that would benefit them enhances results (The World Bank, 2000, p. xx). Also, it saves beneficiaries the indignities of objectification and treatment as passive recipients of relief programmes (International Institute for Environment and Development 2010). Beneficiary participation is of such importance that disregard for it is considered a dimension of poverty (The World Bank, World Development Report 2000/2001 1). Some beneficiaries of *Keke NAPEP* were graduates who would have preferred to borrow to start their own business, but who were constrained by a lack of collateral to patronize the exploitative hire-purchase arrangement. Many people forfeited their tricycles when they fell into arrears with the arrangement.

Conclusion

NAPEP was an ambitious effort by the Obasanjo administration to trigger a paradigm shift in poverty reduction efforts in Nigeria. One of the most ambitious poverty reduction programmes in Nigeria, it lasted twelve years, straddled three administrations and was indulged by the Presidency.

Despite the amplitude of budgetary and bureaucratic attention it received from the government, it "failed to deliver on its mandate." The fact that the country missed the UN's deadline on halving extreme poverty and hunger by 2015 was evidence of the failure. The present paper considers broad-based approach, state capture (corruption) and beneficiary exclusion as the three major reasons why it failed.

Discussion: Lessons from China

Poverty in Nigeria, like in China, is still concentrated in the rural area, hence the need for Nigeria to learn the following lessons in poverty reduction from China.

Firstly, loan is no longer a major component of China's rural poverty reduction efforts. Instead of loan, government may give villagers, particularly those in mountainous regions, fowls, goats or cows so that they could set up in animal husbandry. According to *China Daily* (2017, p. 5), "Though the money value of a goat or a cow may seem just like a drop in the ocean when compared with the hefty central budget on poverty relief, it could make or break a family. In some extreme case, free access to animal husbandry would be the only lifeline for the poor villagers to climb out of poverty." This strategy seeks to empower beneficiaries through economic systems they are familiar with. Rural economy is so rudimentary that villagers may find it difficult to handle loans and conditional cash transfers. Where loans are provided, they mostly go to cooperatives and measures are taken to: (1) ensure they are used for production, not consumption (2) prevent leakages and capture by non-poor (3) minimize risk of delinquency.

Secondly, it involves embedment, whereby government station work teams in the rural areas to administer rural administration and monitor poverty reduction programmes. Work teams may help villagers to form cooperatives. For example, in 2015, the work team in Shibadong in Hunan province "persuaded villagers to pool the relief funds provided by the government---about 6,000 yuan per person---and some of their own money to form partnership with an agricultural company to start kiwi plantation" (*China Daily,* 2017, p. 5). Cooperatives engage in many ventures such as farming scorpions, cockroaches or bamboo rats which are sold to pharmaceutical companies or are eaten as delicacies. Nigeria had a similar arrangement whereby, until the mid-1980s, agricultural extension officers were stationed in the villages.

Thirdly, it gives infrastructure development high priority (ADB, 2004, p. 62). For example, the country plans to spend $120 billion on rural road construction during the 13th Five-Year Plan (2016-2020). The Food-for-Work programme (FFW), which provides funding for rural infrastructure construction (The World Bank, 2001, p. 50), utilizes surplus farm labour to develop infrastructure in poverty-stricken areas (Wang, Zhou, & Yanshun, xxx 23). Under FFW, villagers are compelled to participate in building infrastructure projects such as roads and irrigation in their villages. Most rural areas operate "work day contribution system" whereby each villager is "obligated to work a certain number of days annually" (The World Bank, 2001, p. 50). Under certain circumstances, money, instead of labour, might be acceptable. One of the major problems with this metaphor for labour conscription is that villagers might lack the requisite technical skills.

Fourthly, it uses short-term approach. Target periods are usually divided into short time periods. For example, there were three time periods during the fifteen years of MDGs, which tagged three five-year development plans---2001-2005, 2006-2010 and 2011-2015. Before the MDGs, there were the 1986-1993 period, the 8-7 Plan (1993-2000) which targeted the 80 million poor people left behind during the 1986-1993 period, the Outline for Poverty Reduction and Development of China's Rural Areas (2001-2010) which targeted 50,000 villages most of which are located in those non-poor counties that were excluded from the 8-7 Plan and the Outline for Development-oriented Poverty Reduction for China's Rural Areas (2011-2020). Nigeria does not have such a practicable time arrangement, hence its attempt to eradicate poverty in one fell swoop. Fifthly, it prioritizes the participatory approach. Beneficiary interest in a project is almost assured if the beneficiaries are involved in its formulation and implementation. Village committees participate in the selection, formulation and implementation of rural projects in their villages (The World Bank, 2001, p. 49). In contrast, many poverty reduction programmes in Nigeria are imposed upon the intended beneficiaries. For example, the government may decide to build a bridge, even when what the village needs urgently is a borehole.

Sixthly, it encourages reverse migration. County governments offer incentives such as loan and tax rebate to urban dwellers who voluntarily quit the city in order to invest in the rural economy. This strategy focuses on graduates since they have the expertise to create jobs for unskilled or semi-skilled villagers. Returnees engage in ventures such as cockroach, scorpion or fungus farming and e-business. They also help villagers form cooperatives to produce and sell farm produce (Chen, 2017). E-business is enhancing the logistics of making farm produce available to city dwellers. Urban-rural migration of graduates is a trend that has been growing since 2005, when China began encouraging graduates to work in rural administration as village chiefs, party chiefs, entrepreneurs, teachers, etc.

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