

**POVERTY IN AFRICA REMAINS THE EFFECT OF CORRUPTION: A CASE STUDY OF
PAUPERISM RATE IN NIGERIA**

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Abstract

The aim of this research paper is to critically assess corruption as the cause of high rate of pauperism in Nigeria. Nigerians have seen a number of corrupt leaders who set up several conduit pipes for looting and embezzling of their state treasuries, thus the bringing misery of poverty on their people. This paper forward x-rayed the corrupt leaders' programs and policies as relates to poverty in Nigeria using documentary method of data collection and content analysis. It also anchored on Urban-Bias theory propounded by Michael Lipton in the late 1970's. However, it discovered that the policies and programs failed to achieve the desired results due to the high level of corruption and politicization of poverty alleviation schemes, as well as inconsistency in policies/programs. It therefore recommended that Anti-corruption agencies should be streamlined together with de-politicization of empowerment schemes as well as consistency and commitment for effective policies/programs.

Keywords: Poverty, Policies, Programs, Corruption, Urban-Bias.

Introduction

The genesis of Poverty in Africa can be traced down to Colonialism which has higher impact on the present situation even though some countries of the third world had found their path to development, others, mainly in Africa have not (Kehinde 2017). During Colonialism in Nigeria, no development foundation was laid for the post-colonial state, instead it received weak structures where the leaders were preoccupied with local politics as well as struggle for power as against seeking for solid development foundation that will aid eradicate poverty and as a result Ajulor (2018) opines that it is now time to join forces in search of solutions to the multifaceted challenges of high poverty rate in Nigeria.

Collaborating with the above, the National Bureau of Statistics stated that about 112.519 million Nigerians live in relative poverty conditions while the absolute measure puts the country's poverty rate at 99.284 million or 60.9 percent. This is staggering when compared to the country's estimated 163 million population. According to the same report, the North-West and North-East recorded the highest poverty rates in the country in 2010 with 77.7 percent and 76.3 percent respectively. On the other hand, the South-West geo-political zone, recorded the lowest at 59.1 percent. Among the 36 states of the federation, the report stated that Sokoto had the highest poverty rate (86.4%), while Niger had the lowest at 43.6% (Onuba, 2012). The above statistics shows that poverty walks on four legs in Nigeria. "It remains a paradox however, that despite the fact that the Nigerian economy is growing, the proportion of Nigerians living in poverty is increasing every year". According to Francis *et al* (quoted in Aghedo, 2013), "GDP per capita is 2,400 USD, and poverty is widespread – about 50% live on less than \$1.25 per day." But why so much poverty despite the abundant material resources of the country and recent economic growth? Yusuf (2010) answers: "Nigerians have seen a number of corrupt governments with various leaders betraying the trust of the people via embezzlements of public fund meant for developmental projects." The above statement implies that there is a strong relationship between bad governance, corruption and poverty in Nigeria and to support that assertion Ojameruaye (2012) opined that "without a significant improvement in governance, much of the resources devoted to foundational development and poverty reduction will be captured by politicians, contractors, and bureaucrats." The

department for International Development concurs to that when it identified good governance as the panacea for tackling the high rate of poverty in the African nation such as Nigeria (Aboderin, 2013).

In spite of the above, in the year 2016 Nigeria found herself in economic recession with the decline estimated government revenues at 33 percent, which has further resulted in the contraction of the Gross Domestic Product, GDP, by 0.36 percent in the first three months of 2016. The vulnerable macroeconomic environment in Nigeria also affected investors' confidence in the domestic economy (NBS, 2016). Over 80 million poor Nigerian are affected in humanitarian crisis with available reports also indicating that there are over 3.3 million Internally Displaced Persons, IDPs, which is the largest in Africa ranking behind Syria and Columbia on a global scale (UN, 2016). However, it is in consonance with this fact that government must set goal for eradicating the recurring problems (Dahida & Maidoki, 2013). There is a need for government to make policy that will positively affect the generality of the people, especially policy that will eradicate poverty in the country (Dialoke, Ukah & Maduagwuna, 2017).

Poverty Alleviation and Leadership in Nigeria

Transparency International defines corruption "as the misuse of entrusted power for private gain." Altas considers corruption as "a symptom of dysfunctionality of the relationship between the state and the people, characterized by bribery, extortion, and nepotism." Akcay notes that corruption "increases income inequality and poverty" (all quoted in Igwe, 2010:89). Corruption bears heavily on economic development and contributes to the affluence of a few, which leads to a situation of a few affluent amidst a sea of people who live in acute squalor. It fosters unaccountable governance, as the leadership crew strives to prevent the masses from getting to know exactly how much funds are acquired and how they are put to use. Corruption is both a cause of poverty, and a barrier to overcoming it. Noteworthy is the observation that one of the biggest challenges facing Africa (particularly Nigeria) is the need for better governance in terms of less corruption (Igwe, 2010). "In retrospect, corruption crept into the Nigerian system immediately after independence in 1960. Even if the magnitude was nothing compared to the level it has now assumed, it was still prevalent, *particularly among government officials and politicians*" (Idowu and Oyinlola, 2006:488; italics ours). With regards to the depth of corruption in Nigeria, Professor Adeyeye (quoted in Yusuf, 2009:425) said that "what we have in Nigeria is ... a corruptocracy; a government of the corrupt by the corrupt and for the corrupt. And in that kind of government, there are no rules because anything goes." He has "often maintained that government in Nigeria is a cesspool of corruption, an oasis of immorality ... which has occasioned the endemic poverty ravaging the land" (Yusuf, 2009:423-24). One of the devastating effects of corruption on the Nigerian society according to Idowu and Oyinlola (2006:492) is the "pauperization of the citizenry." In the same vein, Buba (2011) notes that "instead of focusing on delivering essential public services, some government officials choose to enrich themselves and their immediate family members through looting. Corruption, favouritism, and nepotism now thrive in the country without regard for the needs of the common man." The military era was the most unprecedented in corruption by leaders in Nigeria. In October 2006, the then president of the World Bank, Paul Wolfowitz disclosed that Nigerian officials had stolen more than \$300 billion of their nation's wealth over the last forty years (Igwe, 2010:102). One can only imagine how much this amount of money would have contributed in lifting millions of Nigerians out of their situation of deprivation! It is important to consider the terribly bad example of late Gen. Sani Abacha whose family was "accused of stealing \$4 billion property of the federal republic of Nigeria" (Olorunfewa, 2000:117). With regards to the mephistophelian acts of Abacha himself who was described "as the Commander-in-Thief of the most venal and corrupt regime Nigeria has ever had" (quoted in Igbinoia, 2003:36),

Idowu and Oyinlola (2006:489) puts it succinctly: With regards to the corruption of Nigerian leaders as a whole during the military epoch, Randall Robinson notes: "It is well known that the Nigeria generals have siphoned off and deposited in dedicated accounts across the world, billions of dollars. So Nigeria that should be great has been brought to the verge of destruction by these rapacious, greedy and corrupt generals" (quoted in Igbinoia, 2003:32).

Civilian leaders or administrators are not left out as they have often been accused of setting up several conduit pipes for looting their state treasuries, thus bringing misery to their people (Igbinovia, 2003). For example, the following former civilian governors were on trial two years ago for corruption related offences:

1. Abdullahi Adamu of Nasarawa state for alleged misappropriation and embezzlement of about #15 billion.
2. Joshua Dariye of plateau state for corruption and money laundering involving #1.2 billion, \$110,000 and 20,000 pounds.
3. Chimaroke Nnamani of Enugu state for illegal diversion and embezzlement of #5.2 billion from allocations of local government councils.
4. Saminu Turaki of Jigawa state for illegally diverting over #33 billion and \$20 million public funds.
5. Peter Odili of Rivers state for alleged misappropriation of #89 billion, both in local and foreign currencies. (Source: Agbo, 2011:46)

Corrupt leadership is still running at full throttle in Nigeria. The consequence has been the uneasy co-existence of corrupt leaders who live in opulence and masses that live in indigence. In fact, Gallup Poll (2013) just revealed “that most Nigerians rate their country’s leadership as the second most corrupt in the world.” This view according to the poll was held by 94 percent of Nigerians who believed that there is widespread corruption in government. No doubt, corruption has pushed millions of Nigerians against the wall; and like the proverbial dog who when chased to the wall has no choice but to turn back and fight, something has to be done. Poverty is a recurring decimal in Nigeria despite enormous programmes put in place to tackle poverty level. It is imperative to note that many of these programmes suffer duly implementation due to ill policy making process in the country (Ajulor, 2015). Policy formulation play a crucial role in policy making process; once there is a missing gap from this stage then the implementation of such policy will be in doubt. Government formulates policies without considering the finances to run the programme which led many policies not to be implemented in Nigeria. Take for instance; the ministry of women affairs and poverty alleviation (WAPA) specifically created to reduce poverty in the country (Dede & Ayo, 2012). WAPA was established in 1999 under the former President Olusegun Obasanjo led administration for the purpose of elevating living standards and advancing economic empowerment through self-sustainability programmes. The merger of women and poverty alleviation under the WAPA portfolio is not a curious one. For one thing, extensive literature confirms that women in Nigeria are more economically disadvantaged compared to their men counterparts (OECD’s, 2012). Therefore, this gingered direct policy on poverty interventions by the Lagos State government (LASG) under WAPA’s canopy interfaces programmes with women, youth and children beneficiaries (Dede & Ayo, 2012).

Policy Making in Nigeria and Poverty Eradication

One important issue that is pertinent in the policy making of Poverty alleviation programmes is the issue of transparency. Government makes policies on poverty alleviation, but not visible to the generality of the people, these have made many policy alleviation programmes under WAPA portfolio to be abandoned (Dele & Ayo, 2012). Another factor was that proper data analysis were not considered to know the population of the poor and rich in Lagos, the targeted areas where poverty is well pronouncing was not visited. Many of the poor people were not carried along when making the policy to know the measure of poverty within them (Ajulor, 2013). Again, before the policy on poverty Alleviation was made, performance standard was not set which could have helped to focus on the purpose in which the policy is made. Policy was processed to reduce abject poverty in Lagos, but failed to anticipate performance standard setting. For instance, if poverty alleviation programme is implemented, it must have a vision that before a particular year the rate of poverty would have reduced drastically, and action will be taken to achieve the stated objective. However, it is worrisome that most of the policies processed have not been considered in many ways which led policies on poverty to be in doubt. When formulating poverty alleviation policy, change in government was not anticipated. There suppose to be provision for a successive government so as to continue with the programme from where the predecessor stopped. This is one of the reasons for the abandonment of many policies that are

relevant to the lives of the poor at the grassroots. Also, the future of the country in terms of the depreciation of currency was not put into consideration. Nigeria is currently in recession where the price of materials have gone up outrageously, the budget provided for alleviation programmes can no longer be sustainable, as a result many of these programmes were sidelined. It is in consonance with this fact that maximum commitment on poverty eradication programmes must hit the ground running in Nigeria and the government must focus on some relevant matters to be formulated, instead of paying attention on what does not affect the citizens.

Many scholars in this field have tirelessly put efforts together to find solution to the recurring problems through recommendations in articles, conference and reforms, many of these authors and scholars argue that in developing countries, good policy formulations have been made, but the problem is the implementation of the policies. Authors like: Ajulor, (2013, 2015); Dialoke, Ukah&Maduagwuna, (2017); Ashaver, (2013); Bolaji (2014); Bolaji, Gray and Campbell-Evans, (2015), etc. these scholars failed to realize the fact that policy failure does not limit to implementation alone, it starts from the initiation stage where performance standard setting needs to be anticipated. However, the gap in knowledge of this study concentrated on the fact that in Nigeria, the challenges of policy does not limit to implementation alone, it starts from the initiation of policy where the problem begins from to the evaluation stages. This study tends to discuss the effectiveness of policy making process; how it affects poverty eradication programme is the gap which this study is poised to fill. Poverty in Nigeria presents a very complex and difficult challenge to the citizens and policy makers. The manifestations of poverty across the states and communities have been identified as lack of food, money, shelter, and indebtedness. The poor in Nigeria live in unhygienic and insecure environments with limited access to medical facilities, electricity, water and other basic services (National Report, 2015). Nigeria is considered to be one of the poorest countries in the world, because it has some of the poorest human development indicators.

Theoretical Framework

This study employed Urban-Bias theory propounded by Michael Lipton in the late 1970s. Its assumptions place particular emphasis on the advantages that the urban centers in the world enjoy, by cashing on most of the development aids and exploiting the surrounding rural regions. Lipton believes that the main reason why development is held back in the Third World and ‘why poor people stay poor’ is because of the existence of parasitical and corrupt urban elites. In defending his thesis, Lipton presents massive evidence that shows how little the real investment capital that is available, goes to the agricultural sectors, and how it does not intend to go to the more prosperous farmers. While poor farmers are very less efficient, it is the richer ones that receive the cheap loans and subsidized fertilizer. Lipton’s theory applies significantly to the Nigerian situation. People in rural areas are said to be most affected by poverty for many reasons including “marginalization from government” (Joe, 2012). “Governments insensitivity to the needs of the poor, poor policy implementation and inability to evenly develop the urban and rural areas, contribute to poor standards of living in the rural areas” Ibid. Ebirim (2011) also admits that “rural dwellers are underserved in terms of social and economic activities like welfare and other forms of reforms such as trade and industry; electricity and pipe-borne water. Absence of these makes them more prone to poverty.” Lipton’s theory goes on to posit that when urban elites advocate for the development of the rural sector, it is not geared towards improving the lot of the rural poor, but to increase revenue for cash crops, most of which will go to support the urban centres. With regards to the above position, Ebirim (2011) reveals:

Rural poverty can be traced back to the British colonial administration from 1900-1960. Rural areas were neglected as a matter of deliberate policy. Community development both in theory and practice were not a priority of the colonial authorities. The extension of basic infrastructural facilities to the rural areas (if any) was only undertaken when it served their exploitative interests and long term goals. When Nigerian leaders took over, they preferred the sustenance of the status quo and the enhancement of the dichotomy and social inequalities to the disadvantage of the rural poor.

The emergent Nigerian elites saw themselves as constituting a class ... and failed to embark on even progressive development of both areas.”

The rural areas are probably seen by the government as only a home for farmers (Joe, 2012). According to Lipton, the inability of Third World countries to develop the entire society through profit oriented industrial growth brings about a massive imbalance between the city and the country. That is why Ojameruaye (2012) is of the view that “the vast oil wealth of the country; the beautiful and opulent buildings in Lagos, Abuja and the various GRAs in our cities are not a measure of how well we have tackled poverty but how badly we have failed to address the issue.” Rural development has long been neglected in Nigeria,” because according to Joe (2012), “investments in health, education, roads, water supply and other social amenities have largely been concentrated in the cities. As a result, the rural population has limited access to safe drinking water, good roads, good health system, and quality education among others.” In the same vein, Fagbenro-Byron attributes the increasing rate of poverty, especially in the rural areas to reasons including over concentration of basic amenities in the urban centres (Aboderin, 2013).

Lipton believes that the only way in which genuine mass development can occur is through a dramatic change in policy, favouring a shift of resources to the rural poor. Hon. Rotimi Amaechi, the then Governor of Rivers state submits to Lipton’s recommendation when he said that “government must not be for one section of the society. It must be for the rich and the poor, emphasizing the upliftment of the poor.” Correspondingly, Dr. Babangida Aliyu gave his fellow governors the following exhortation: “let us not as Governors concentrate on cities and go about bragging that we have worked. The people in the rural areas need more attention than those in the cities.

Conclusion

It is glaring from the foregoing analysis that corrupt leadership and bad governance have led to poverty among the majority of Nigerians. The inadequacy of government to utilize petroleum resources wisely and the gross corruption that has been and is still being perpetrated by virtually all governmental officials and other stakeholders keeps rubbing salt into the wounds of poverty stricken Nigerians.

Finding/Recommendation

This study discovered that the policies/program failed to achieve the desired results due to high level of corruption and politicization of poverty alleviation schemes as well as inconsistency in policies/programs. It therefore recommends that Anti-Corruption Agencies should be streamlined together with de-politicization of empowerment scheme, as well as consistency and commitment for effective policies and programs.

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