

A Critical Appraisal of African Largest Economy Ravaged in Poverty & Destitution (A Case Study of Nigeria in the Light of the Recent Rebasing Nigerian GDP)

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Abstract

The recent rebasing of Nigerian's Gross Domestic Product (GDP) has brought to the fore that Nigeria is said to be the biggest economy in the Sub-Sahara Africa. However this claim could not be translated to good quality life of the citizenry. In a May Day message to the Nigeria Labour Congress May 1st, 2014, the former president Dr Goodluck Ebele Jonathan openly acknowledged the fact that Nigeria was not a poor country. According to him contrary to the International Monetary Fund (IMF) ranking of Nigeria as the 5th poorest country in the world which he posited with emphasis that the only problem is inequality and financial exclusion. He opined that money is circulating within a few hands which is capable of breeding anarchy as we have it today. This research is an assessment of the Nigerian nation as the biggest economy in the sub-region and it's implication for the level of poverty ravaging the greater majority of the citizenry. Statistical tools such as Pie charts, Bar charts, Regression Analysis, Trends, and Simple Averages will suffice. Secondary data such as text books, journals, magazines, newspapers internet document will apply. Recommendations on the best policy options to address the observed inequalities will be made in order to alleviate poverty in Nigeria the most populous country in the Sub-Sahara Africa.

Keywords: *Appraisal, Critical, Destitution and poverty, Economy and Ravaged*

INTRODUCTION

Poverty is one phenomenon that threatens the human race and which every individual or nation tries to avoid. The United Nations defines poverty as a situation whereby an individual is forced by circumstance to exist on less than one U.S dollar per a day.. This has been the case in many African countries with particular reference to Nigeria.

The definition of poverty varies in thought and reasoning by different people from different dimensions and perspectives. Poverty depicts a situation in which a given material means of sustenance, within a given society, is hardly enough for subsistence. It can also be viewed as a situation when the resources of individuals or families are inadequate to provide socially acceptable standard of living. It is lack of minimum physical requirement of a person or household for existence, and is so extreme that those affected are no longer in a position to live "a life worthy of human dignity.

According to CBN (2002), absolute poverty indicators are identified as insufficient necessities and facilities such as food, housing, medical care, education, consumer goods, etc. Poverty can either be structural or transitory depending on their causes. It can also be classified as generalized poverty (common), island poverty (exists in the midst of plenty) and case poverty (associated with affluent societies) and caused by peculiar circumstances of individuals such as ill-health or disability

In Nigeria poverty is strongly influenced by corruption, mismanagement, illiteracy, age and nature of employment. 79 percent of extreme urban poor and 95 percent of rural poor had only primary schooling or less. Participatory Poverty Assessment (PPA) indicates that poor children increasingly do not attend school as they consider quality of education weak and consider education increasing employment prospects minimal. Of all households, polygamous households experience the greatest depth of poverty, with majority of them in northern and middle zones. Majority of the poor in Nigeria are concentrated in poor communities rather than scattered around.

Currently there are very few successful safety net programs. So called safety nets are inefficiently managed and do not reach the intended beneficiaries. Also large overhead costs in administering them make them less desirable. Federally operated safety net programs have not been successful as they have failed to include the intended beneficiary communities in the design and execution of the safety net programs. Large amounts of resources have been dissipated in ineffective safety net programs in the last three decades. A country like Nigeria, endowed with a lot of natural resources like crude oil, coal, bitumen, etc. should be able to harness these resources for economic growth and development as well as for the improvement in the standard of living of her citizens. .

Poverty has thrown many Nigerians into uncertainty and penury. Ordinarily, we shouldn't have poverty eradication programs since we have resources that are enough to sustain our citizens, the level of corruption and mismanagement prompted the setting up of such programs.

LITERATURE REVIEW

According to the European Journal of Sustainable Development (2012) the problems on the (domestic) institution of government unable to meet the basic needs (absolute poverty) of the population, as the source of both conflicts and of development backwardness in Africa. (Burton, 2012) posited that aggressions and conflicts are the direct result of some institutions and social norms being incompatible with human needs. He tended to emphasis the failure of existing state systems to satisfy any of these needs, which is the primary source of modern ethno-nationalist struggles. However, he pointed out that the level of importance of any one or combination of these needs depends on the socio-economic, cultural and political development of a country. In Africa the denial or neglect of the basic material needs (that is absolute poverty) is the major source of conflicts. Just as the theory stipulates, when such non-negotiable basic needs are not met, conflict is inevitable, and as argued this in turn impedes development. He also refers to Laurie Nathan's wonderful submission while writing on South Africa's conflicts in order to recap the contention (poverty-conflict nexus) in his paper. Sporadic acts of violence may occur out of frustration and fear as in the case of Boko Haram sect presently ravaging the country. Also as demonstrated by urban riots in many African countries such as Aba market women riot in Nigeria far back 1939. When poor socio-economic conditions deteriorated rapidly and suddenly, when government is regarded as corrupt and unresponsive to the needs of citizens.

The punch newspaper report of Tuesday 10th October 2013 indicated that the World Bank report shows that about 100 million Nigerians live in destitution. According to the report, the World Bank Country Director for Nigeria, Marie-Francoise Marie-Nelly, stated this at the bank's Country Programme Portfolio Review at Enugu on Tuesday 10th October 2013. She opined that the bank's ongoing commitment to Nigeria stood at \$5.34bn. According to the World Bank boss, the number of Nigerians living in destitution makes up 8.33 per cent of the total number of people living in destitution all over the world, which the bank plans to reduce drastically by 2030. According to the World Bank, 1.2 billion people

live in destitution out of which 100 million are Nigerians. Inequality is rising in many developing nations. “For this reason, the World Bank’s corporate perspective has shifted more strategically in the past year. According to him the World Bank wants to galvanize international and national support around two goals: to end extreme poverty in this generation and to push for greater equality.” To end extreme poverty, the World Bank Group’s goal is to decrease the percentage of people living on less than \$1.25 a day from 20 per cent today to 3 per cent by 2030. The effort is aimed at promoting income growth of the bottom 40 per cent of the population in each country. In Nigeria, 63 per cent of the population lives on less than \$1.25 a day.” Marie-Nelly posited that the World Bank was the largest overseas development agency that provides assistance to Nigeria, that the contribution of the organization to the country was very small compared to the budgets of the states and the Federal Government. She posited that if the World Bank’s small assistance could produce so much result because of effective implementation and monitoring, the revenues accruable to the country could do much more if they were similarly efficiently utilized.

Giving a more graphic picture of the World Bank’s credit to Nigeria in relation to revenues accruing to the nation, Marie-Nelly said while the bank’s total commitment to Nigeria amounted to \$4.67bn by 2012, the budget of the states and Federal Government amounted to \$64.05bn in the same year. In 2013, the World Bank’s portfolio amounted to \$5.34bn as at June 2013, while the budget of the Federal Government alone for 2013 amounted to \$31.17bn.

She further stated that the bank had shifted from being Federal Government centric to a more balanced federal and state level support. She was of the opinion that the annual Country Programme Portfolio Review, which the bank undertakes with various governments, was necessary to assess the progress in achieving the development objectives as well as the quality of implementation of the projects .

According to the World Bank President Dr Jim Yong Kim, he classified Nigerians and Indians among the poorest in the world. He opined that “two-third of the world’s extreme poor are concentrated in just five countries: Indian, China, Nigeria, Bangladesh and the Democratic Republic of Congo.

While Dr Magnus Kpako the former senior special assistance to the president on poverty alleviation in his paper titled “NAPEP Programme as Enabler for Rapid Economic Development in the South-South Region” presented at the South- South Economic Summit in Calabar, the Cross River State Capital. Dr Kpako posited that 75 million Nigerians were poor as at 2007, but dropped to 74 million as at December 2008. He further stated that at the time Nigeria returned to democratic rule in 1999 there were 80 million poor people in Nigeria. However in the year ended 2013 the world bank report indicate that about 100 million Nigerians are poor, that is about 20% increase in the number of poor people in Nigeria from 80 million people in 1999, before democratization to 100 million poor people in a space of 13 years instead of expected decline based on the huge resource being budgeted annually for poverty eradication which is characterized by unprecedented corruption in Nigeria.

Where as the punch newspaper of 14th February, 2014 reported the National Bureau of Statistics to have said that 112519 million Nigerians lived in relative poverty condition, which represent about 69% of the total population, it therefore means that poverty situation in Nigeria has remain unabated with an astronomical growth by 11.13% between year 2013 and 2014.

Also at the annual microfinance conference and entrepreneurship award held at Abuja in the year 2011, the former Central Bank Governor Mallam Sanusi Lamido Sanusi informed the

august gathering that 70% (105 million people) out of which were over 12 million unemployed youths, mostly educated and potentially productive) Nigerians were living below the poverty line, that is up from 54% a year or two ago. He opined that such high incidence of poverty is a threat to national economic growth and development.

The Nigerian Voice publication of 25th May, 2012 identified three levels of poverty in Nigeria to include:

1. Those who are poor but do not believe that they are so, this group struggle by all means possible to find ways of keeping body and soul together. They are not limited to-

- Those begging on the streets

-Those unable to feed thrice a day with good meals

-Those unable to cater for their own children in terms of education, health and shelter

-Those languishing in prisons for trivial offences

2. Those who are not poor, but held the believe that they are equal to the poor, they are the group of insatiable mind who will refuse to pay a labourer his paltry reward upon the abundance they swim in. They compete to be the greatest in wealth amassment which arithmetically translate to impoverishing more Nigerians. One of such persons may be gathering the fortunes of a quarter of the entire population of Nigeria. They are not limited to-

-politicians, including political prostitutes and sycophants

-Businessmen and women

-Hardened criminals involving in bank robbery, pen robbery, 419, arms smuggling,

kidnapping and oil bunkering

3. Those who are neither rich nor poor, but they believe in what they are, they constitute an insignificant number of the Nigerian population.

With the above naked facts, the level of development of a people can only be measured by the number of the citizens who are well-off.

THEORITICAL FRAMEWORK

For Nigeria, a country that pride herself as the giant of Africa, the most populous country in Africa, the biggest economy in Africa, oil producing country and investor destination in Africa among others.

How has the country managed her economy to bring about the impoverishment of the citizens to the extent that over half of the entire population is living in penury and destitution despite the huge oil resources accruing to the country being the 6th largest oil producing country in the whole world? In a recent May Day message to the Nigeria Labour Congress May 1st, 2014, the then president of Nigeria Dr Goodluck Ebele Jonathan openly acknowledged the fact that Nigeria is not a poor country. Contrary to the International Monetary Fund (IMF) ranking of Nigeria as the 5th poorest country in the world, he posited with emphasis that the only problem is inequality and financial exclusion of the majority of the population. This study intend to use statistical tools of Bar charts, Pie charts and regression trend analysis to demonstrate Nigeria poverty, using various poverty indicators in comparism with some selected countries in Sub-Sahara Africa in relation to other parts of the world to determine the reasons for these observed inequalities and high level of poverty in Nigeria. Some of these economic indicators such as Gross National Income Per-Capital (ppp), Population, Gross Domestic Product (GDP), and Life Expectancy. Comparing five selected countries Nigeria, Ghana, S/Africa, Malaysia and Pakistan as a demonstration of the nature of Nigerian poverty.

Table 1

**1 GNI Per-Capital (PPP) US\$
COUNTRIES**

YEAR	NIGERIA	GHANA	S/AFRICA	MALAYSIA	PAKISTAN
2004	3160	2060	8620	14200	3260
2005	3250	2220	9240	15270	3560
2006	3900	2390	9930	16570	3810
2007	3990	2540	10460	17900	4020
2008	4200	2740	10920	18620	4110
2009	4350	2810	10810	18340	4200
2010	4780	2960	11160	19340	4300
2011	4950	3340	11580	20560	4450
2012	5270	3510	11930	21430	4670

Source: World Development Indicator, World Bank

Using pie chart to analyze year 2012;

$$5270 + 3510 + 11930 + 21430 + 4670 = 46810$$

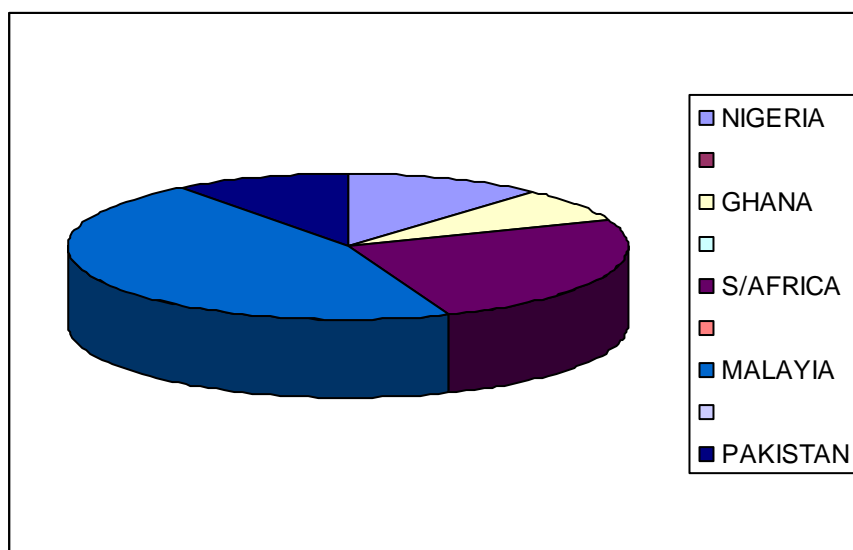
$$\text{NIGERIA} = 5270/46810 \times 360 = 40.53$$

$$\text{GHANA} = 3510/46810 \times 360 = 26.99$$

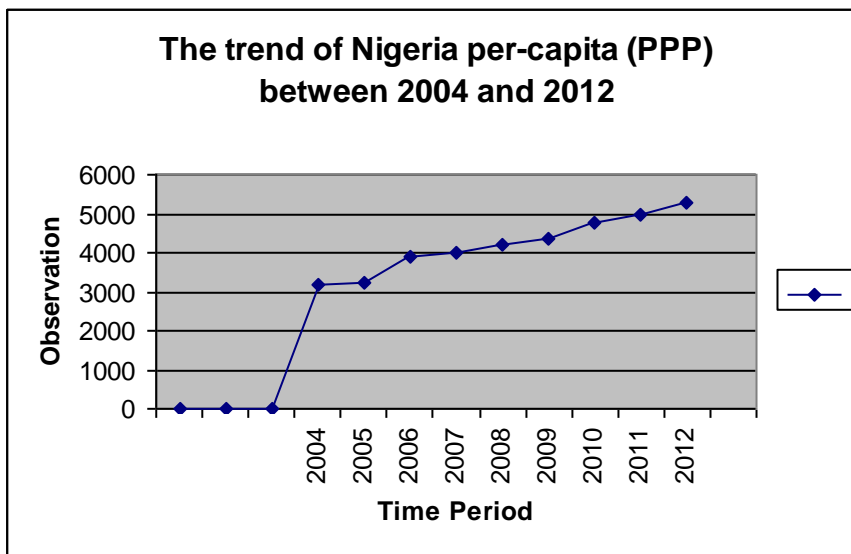
$$\text{S/AFRICA} = 11930/46810 \times 360 = 91.75$$

$$\text{MALAYIA} = 21430/46810 \times 360 = 164.81$$

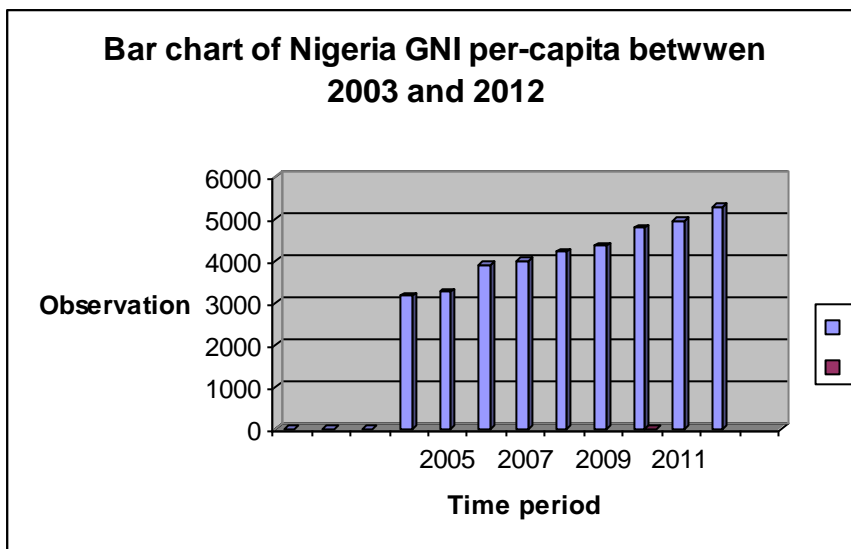
$$\text{PAKISTAN} = 4670/46810 \times 360 = 35.92$$



Demonstrating Nigeria GNI Per-capita (ppp) during the same period 2004 to 2012



The above trend demonstrate a steady growth in per-capita (PPP), despite this growth potentials, the country is garbling high level poverty and destitution.



Measuring the impact of GNI per-capita on the quality of life of average Nigerian

This research selected Pakistan from the list of countries being used for comparism, for the reason that Pakistan is the next closest to Nigeria in terms of GNI per-capita while their citizen are better off in term of standard of living with life expectancy of 66 years as against Nigeria life expectancy of 52 years in 2012.

Given;

GNI per-capita (Pakistan) = US\$4670

GNI per-capita (Nigeria) = US\$5270

Life expectancy (Pakistan) = 66 years

Life expectancy (Nigeria) = 52 years

The difference in life expectancy between Pakistan and Nigeria which is 14 years based on GNI per-capita, is attributable to efficient and effective management of resources by Pakistan while Nigeria case is the reverse. Given equal efficiency in Nigeria the country's life expectancy should be thus.

$66/4670 \times 5270 / 1 = 75$ Years

Loss to inefficiency in Nigeria = $75 - 52 = 23$ Years

TABLE 11

Population
COUNTRIES

YEAR	NIGERIA	GHANA	S/AFRICA	MALAYSIA	PAKISTAN
	(000)	(000)	(000)	(000)	(000)
2004	135999	20836	47019	25365	155151
2005	139586	21384	47640	25843	157971
2006	143315	21948	48270	26327	160906
2007	147187	22526	48910	26814	163928
2008	151208	23110	49561	27302	167008
2009	155381	23692	50223	27790	170094
2010	159708	24263	50896	28276	173149
2011	164193	24821	51580	28759	176166
2012	168834	35366	52275	29240	179160

Source: Abridge from World Development Indicator, World Bank

Using pie chart to analyze the population as the year 2012;

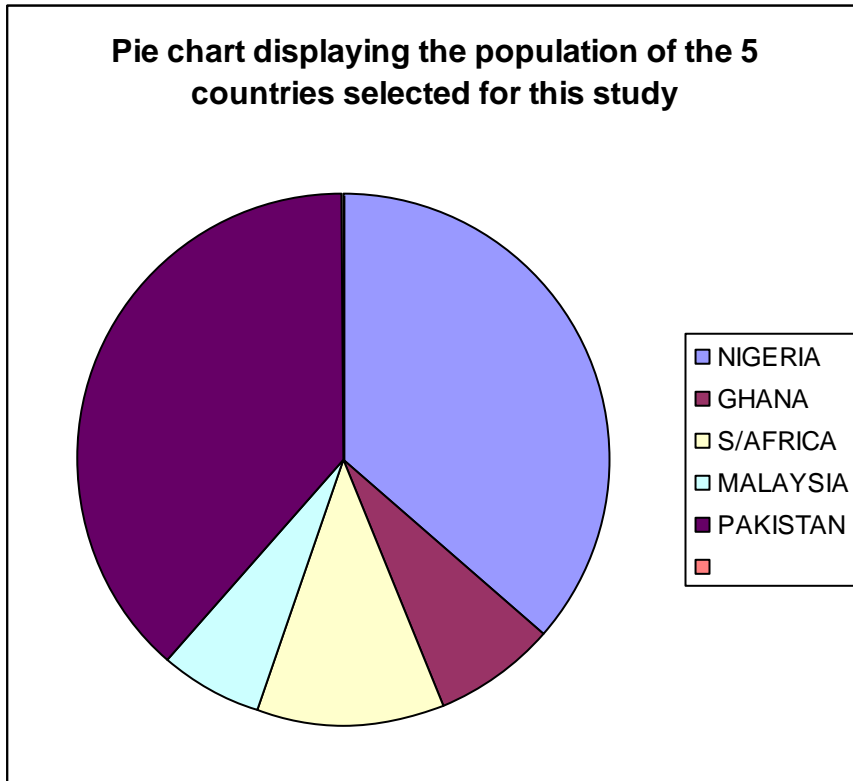
NIGERIA = $168834/464875 \times 360 = 130.75$

GHANA = $35366/464875 \times 360 = 27.39$

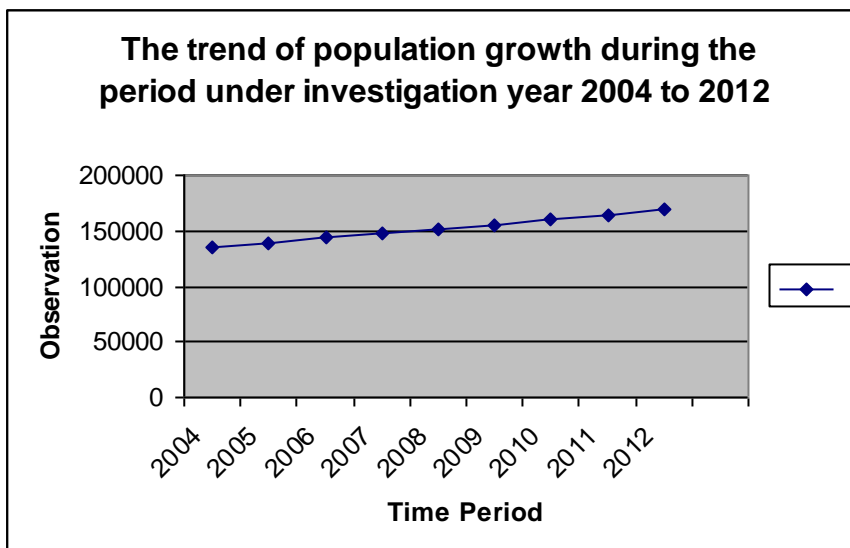
S/AFRICA = $52275/464875 \times 360 = 40.48$

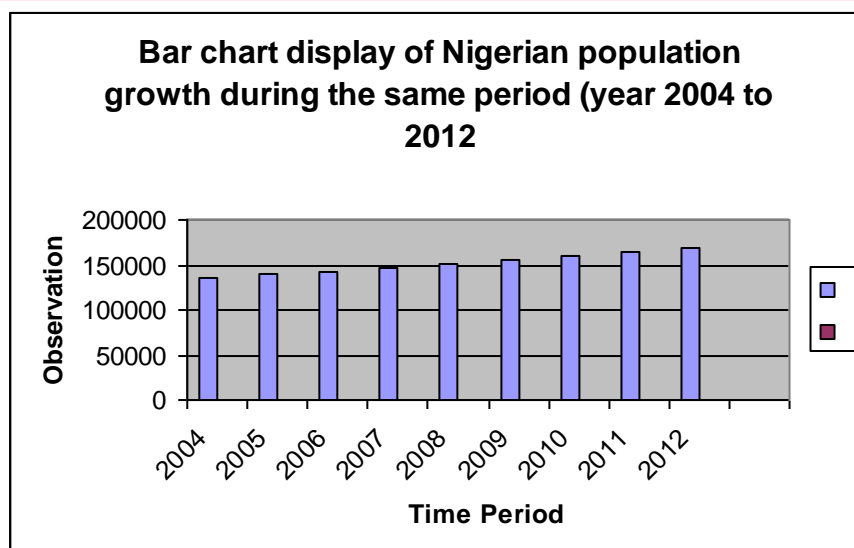
MALAYSIA = $29240/464875 \times 360 = 22.64$

PAKISTAN = $179160 / 464875 \times 360 = 138.74$



Demonstrating Nigeria population trend during the same period 2004 to 2012





Measuring the impact of population on the quality of life of average Nigerian

Using Pakistan as a bench mark, for the reason that Pakistan population is higher than that of Nigeria but closer to Nigeria among the selected countries, where as their citizen are better off in terms of standard of living with life expectancy of 66 years as against Nigeria life expectancy of 52 years in 2012.

Given;

Population (Pakistan) = 179160111

Population (Nigeria) = 168833776

Life expectancy (Pakistan) = 66 years

Life expectancy (Nigeria) = 52 years

$$179160111 - 168899776 = 10326335$$

$$66/179160111 \times 10326335/1 = 4 \text{ Years}$$

Therefore: 66years + 4years = 70 Years

Loss to inefficiency in Nigeria = 70 – 52 = 18 Years

TABLE 111

**Gross Domestic Product (GDP) US\$ (2012)
 COUNTRIES**

YEAR	Nigeria	Ghana	S/Afr	Malay	Pakistan
-	(000)	(000)	(000)	(000)	(000)
2004	87845404	8881419	219092937	124749737	97977767
2005	112248325	10731883	247051562	143533152	109502110
2006	145429803	20410239	261007039	162692468	137264061
2007	16645202	24737609	286171830	193552802	152385716
2008	208064725	28528017	273141750	230987619	170077814
2009	169481270	25978563	283985548	202251385	168152775
2010	366351330	32174211	363240729	247533526	177406855
2011	413541535	39564970	401802219	289258937	213853865
2012	459615932	40710782	384312674	305032745	225143266

Source: Abridge from World Development Indicator, World Bank

Using pie chart to analyze their Gross Domestic Product as the year 2012 in US\$

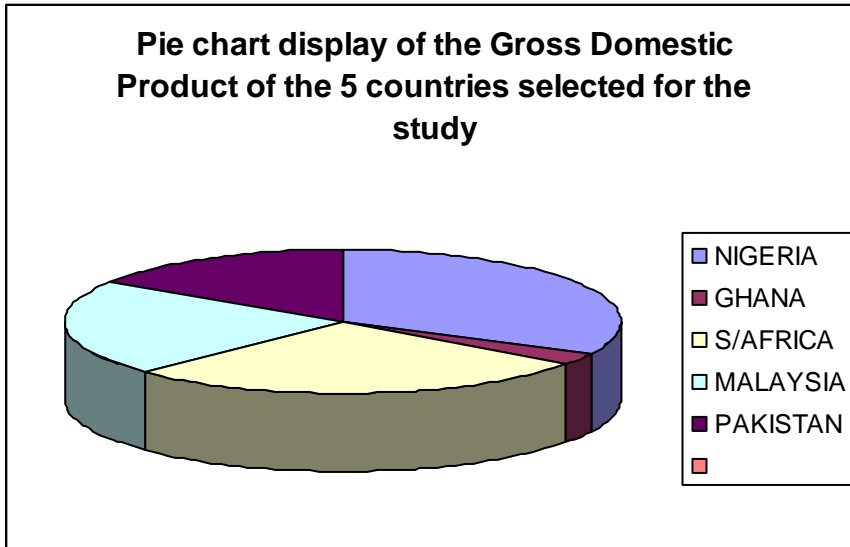
NIGERIA = $459615932 / 1414815399 \times 360 / 1 = 116.95$

GHANA = $40710782 / 1414815399 \times 360 / 1 = 10.36$

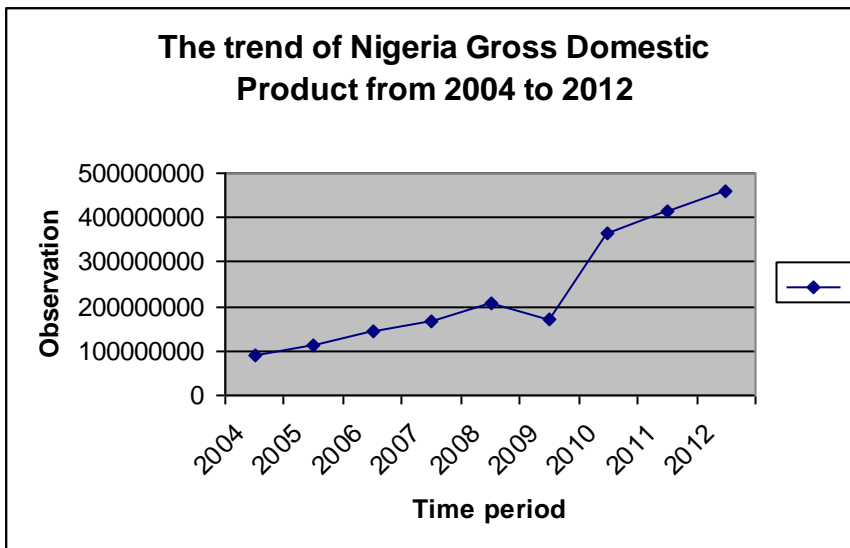
S/AFRICA = $384312674 / 1414815399 \times 360 / 1 = 97.79$

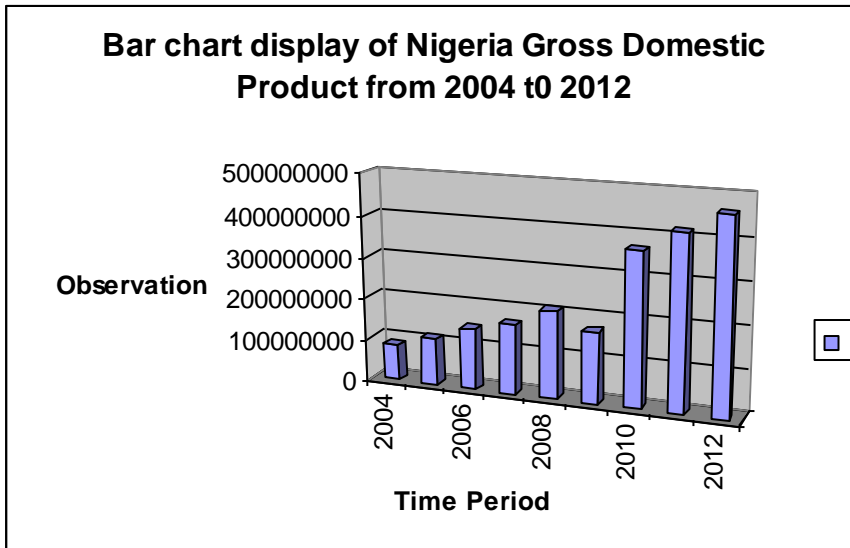
MALAYSIA = $305032745 / 1414815399 \times 360 / 1 = 77.62$

PAKISTAN = $225143266 / 1414815399 \times 360 / 1 = 57.28$



Demonstrating Nigeria Gross Domestic Product trend during the same period 2004 to 2012





The above fluctuation observed in the gross domestic product is a clear indication of period of boom resulting from excess crude which Nigeria did not take as an advantage to invest in income generation ventures, create employment and alleviate poverty.

Measuring the impact of the gross domestic product on the quality of life of average Nigerian

Also using Pakistan as a bench mark, in view closeness of population density of both countries, among the selected countries under study, where as their citizen are better off in terms of standard of living with life expectancy of 66 years as against Nigeria life expectancy of 52 years in 2012.

Given;

GDP (Pakistan) = 179160111

GDP (Nigeria) = 168833776

Life expectancy (Pakistan) = 66 years

Life expectancy (Nigeria) = 52 years

The difference in life expectancy between Pakistan and Nigeria which is 14 years is attributable to efficient and effective management of resource by Pakistan. Given equal efficiency in Nigeria the country's life expectancy should be thus.

$$66/225143266331 \times 459615931973/1 = 134.73$$

$$= 135 \text{ Years}$$

$$\text{Loss to inefficiency in Nigeria} = 135 - 52 = 83 \text{ Years}$$

Table IV:

**Life Expectancy
Countries**

	YEAR	NIGERIA	GHANA	S/AFRICA	MALAYSIA	PAKISTAN
	2004	48	58	52	74	65
	2005	49	59	52	74	65
	2006	49	59	52	74	65
	2007	50	60	52	74	66
	2008	50	60	53	74	66
	2009	51	60	53	74	66
	2010	51	61	54	74	66
	2011	52	61	55	75	66
	2012	52	61	56	75	66

Source: World Development Indicator, World Bank

Pie chart demonstration of life expectancy of the countries for the year 2012

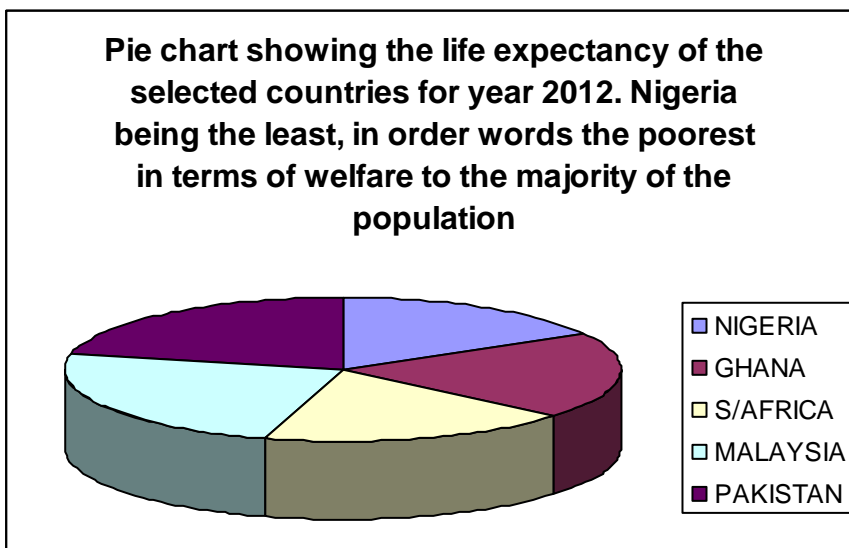
NIGERIA = $52/310 \times 360/1 = 60.39$

GHANA = $61/310 \times 360/1 = 70.84$

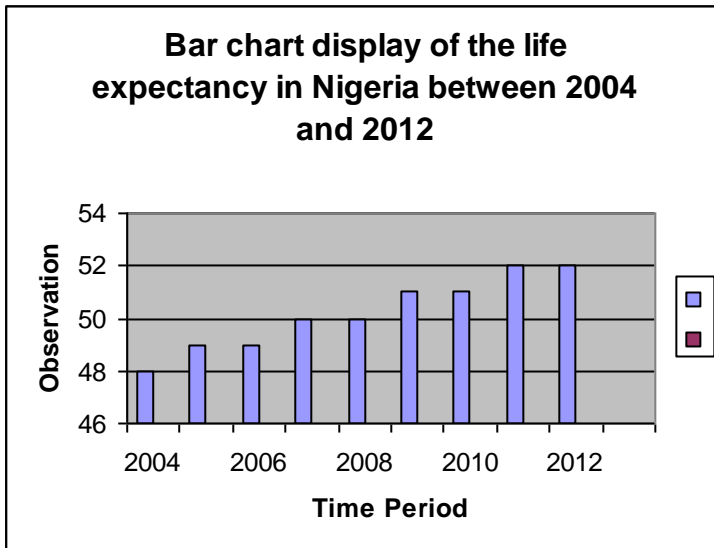
S/AFRICA = $56/310 \times 360/1 = 65.03$

MALAYSIA = $75/310 \times 360/1 = 87.09$

PAKISTAN = $66/310 \times 360/1 = 76.65$



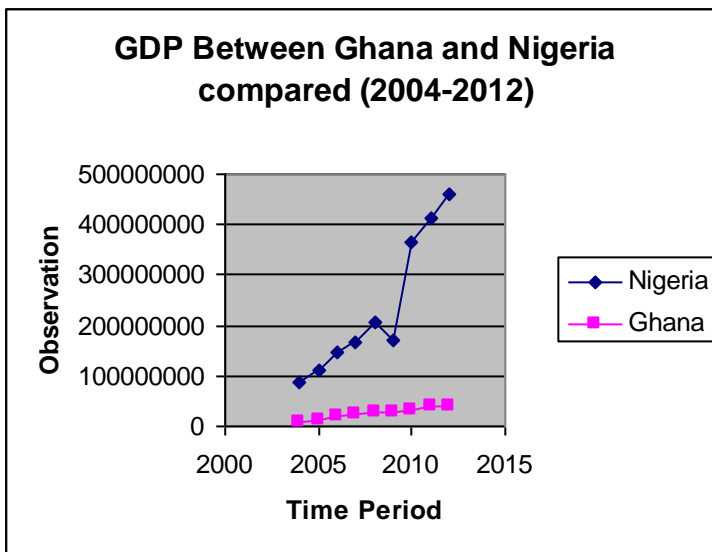
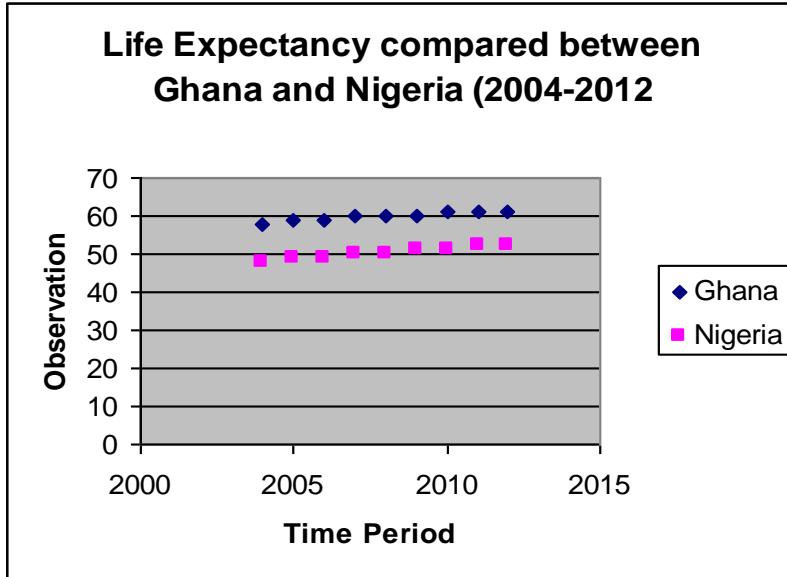
Demonstrating the trend of Life Expectancy of Nigerians during the same period 2004 to 2012



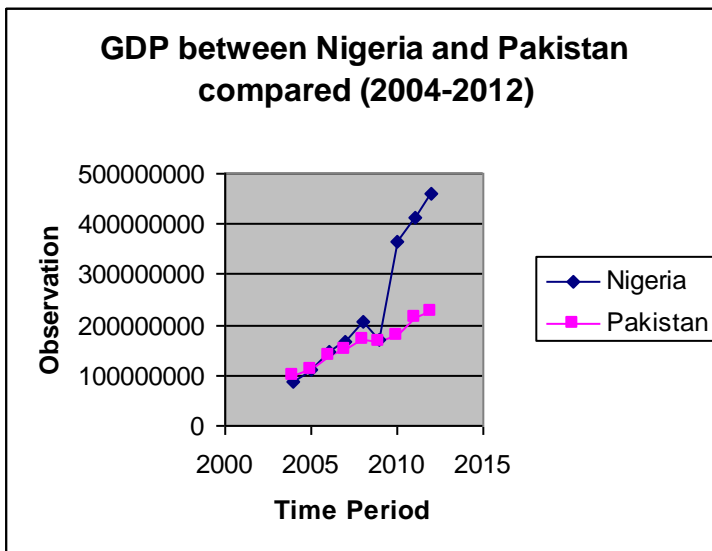
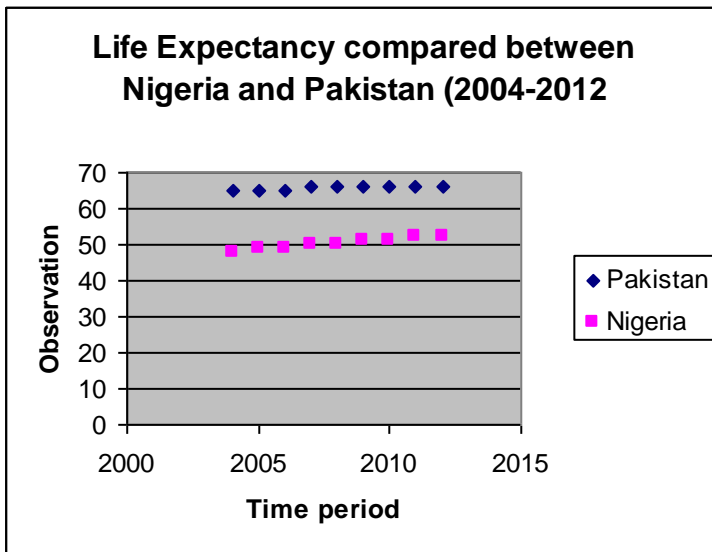
POVERTY IN THE MIXT OF PLENTY ANALYZED BELOW.

Life expectancy and gross domestic product between Nigeria and other selected countries compared for the period (2004-2012)

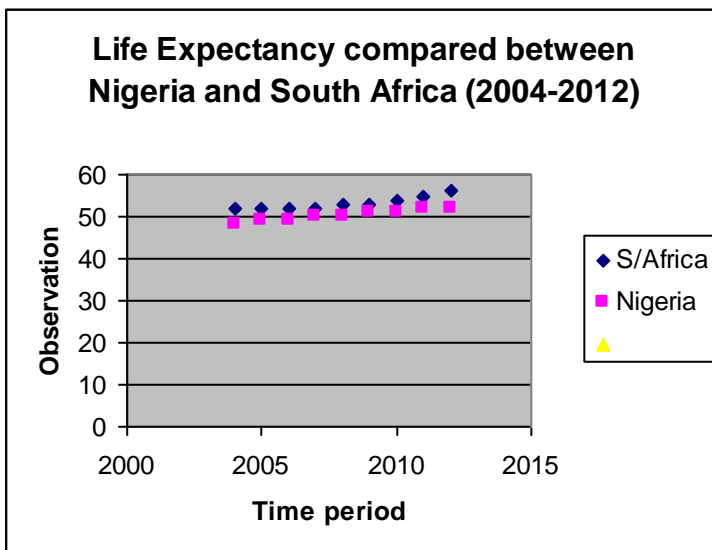
1. Nigeria and Ghana

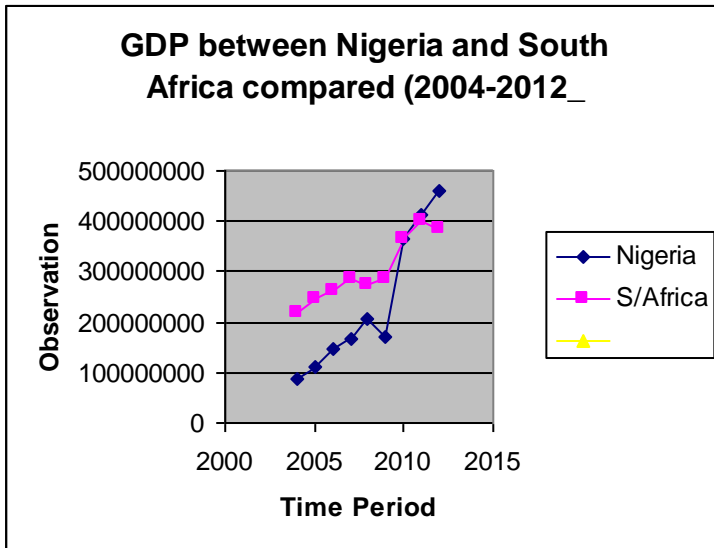


2. Nigeria and Pakistan

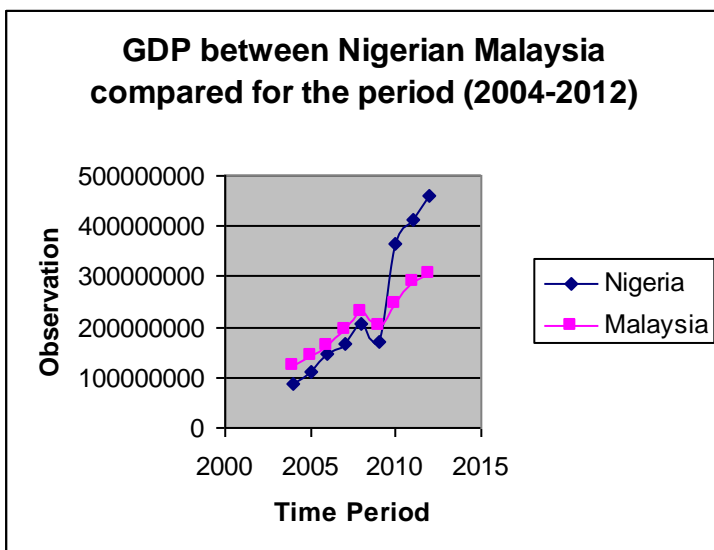
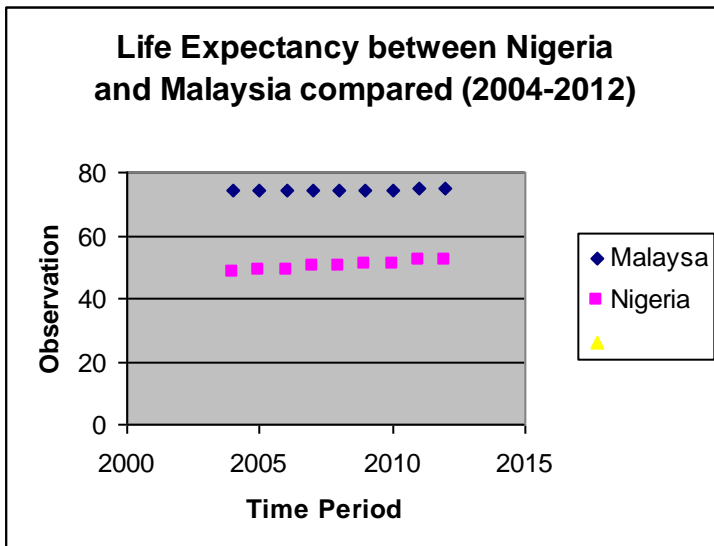


3. Nigeria and South Africa





4. Nigeria and Malaysia



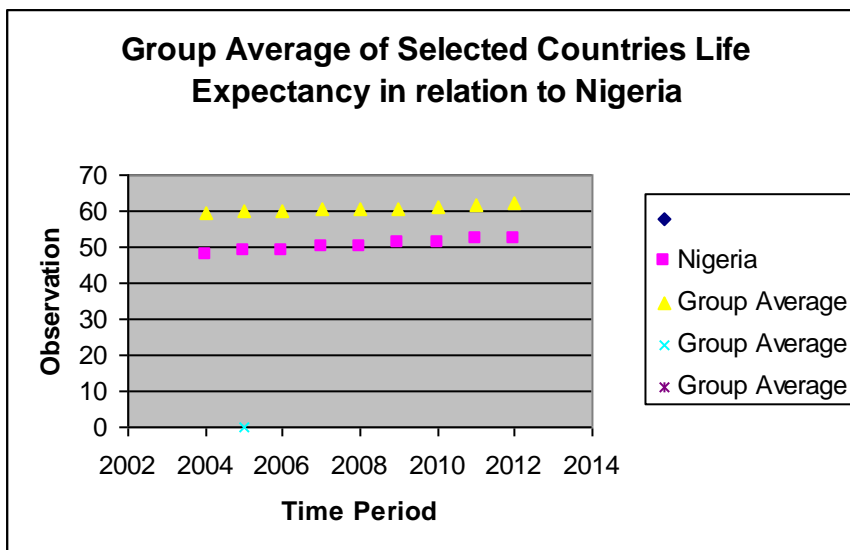
In all the countries compared, the research observed that the Nigeria Gross Domestic Product (GDP) is much higher than any other country under investigation which is evidence of

economic growth given the high level of output as depicted in the GDP growth without economic development since the country has not been able to translate this growth to uplift the majority of the population from abject poverty. The life expectancy is the lowest between and among the 5 countries considered.

Table V
SELECTED COUNTRIES GROUP AVERAGE COMPARE WITH NIGERIA LIFE EXPECTANCY

YEAR	NIGERIA	GHANA	S/AFRICA	MALAYSIA	PAKISTAN	TOTAL	AVERAGE
2004	48	58	52	74	65	297	59.4
2005	49	59	52	74	65	299	59.8
2006	49	59	52	74	65	299	59.8
2007	50	60	52	74	66	302	60.4
2008	50	60	53	74	66	303	60.6
2009	51	60	53	74	66	304	60.8
2010	51	61	54	74	66	306	61.2
2011	52	61	55	75	66	309	61.8
2012	52	61	56	75	66	310	62

Source: World Development Indicator, World Bank



The red line below the yellow line is a clear demonstration that Nigeria is strongly below average and therefore the poorest country even though Nigeria GDP is much bigger than each of the countries under investigation.

NIGERIAN POVERTY TRIANGLE



The only sin these 63% Nigerians have committed to deserve this level of poverty is to have given their mandate to the political class under a supposedly democratic dispensation in Nigeria.

CONCLUSION AND RESEARCH FINDINGS:

This research finding indicates that Nigeria poverty defied all known economic laws because of leakages in the system and those Nigeria enormous resources depicted in the size of the nation's GDP, yet poverty continued to ravage over 65% of the population.

The former Vice-President, World Bank (African Region) Mrs Oby Ezekwesili and Ex-Minister of Education in a convocation lecture at the University of Nigeria, Nsuka put it this way: The trend of Nigeria's population in poverty since 1980 suggest that the more we earned from oil the larger the population of poor citizens 17.1million in 1980, 34.5million in 1985, 39.2million in 1992, 67.1million in 1996, 68.7million in 2004 and 112.47 million in 2010" (The Lawmaker, February, 2013 Edition)

The question then is why poverty in Nigeria? There is no correlation between the size of the nation's GDP and the level of poverty when compare with other countries of the same size

and population for instance using Pakistan among the countries selected for this study. While Pakistan population in 2012 was 179,160,111, Nigeria population was 168,833,776, during the same period, Pakistan maintained GDP of US\$ 225,143,266, 331 while Nigeria's GDP stood at US\$459,615,971,973 which is about 100% above Pakistan's GDP, where as in terms of life expectancy Pakistan achieved 66 years while Nigeria achieved only 52 years during the same period 2012. The proverbial saying that when righteous men are ruling the people rejoice, the reverse becomes the case when the unrighteous men are ruling. By extension the 37% of Nigerians, majority of them in leadership position have hijacked the economic well being of the majority 63%. Consequently despite the increases in productivity of the nation, the level of poverty remained on the increase as well since the majority is financially excluded.

The reasons for this high level poverty in the land despite the favorable economic fortune bestowed on the nation by God is not farfetched as empirical evidence point to poor quality leadership and mismanagement of the nation's resources such as.

1. High level Corruption and mismanagement - It is no longer news that corruption has pervaded every facets of the leadership in Nigeria. The days of integrity are over, today elected leaders starch, concealed and transfer funds meant for the development of the citizen to their individual foreign accounts with impunity, corrupt leaders are celebrated in Nigeria and accorded recognition while the masses who gave them mandate die in penury; some have died after they lost hope of better lives while their leaders are busy starching away the fund meant to provide jobs, education and better living conditions into their foreign bank accounts. If one can wine back the hands of the clock to see the picture of an ex-governor of one of the south-south state on women attire with lip-stick on board aircraft from London to Nigeria in order to dodge the search light of London police having jump bail in a country where there is rule of law and having starched away the funds that would have provided employment, education, motor able roads and other better life to the majority of the people, he has long been granted state pardon and now a representative to the national conference as one of the wise men to fashion out the way forward for Nigeria; one wonders if he is not going their to fashion out ways to protect the funds he already starched away. This is just one case they are many more walking around unmolested in as much as they continue to play the script of their masters while the poor remain poor.

The greatest undoing of these corrupt leaders is that there lack compassion for those who voted them into office, having stolen public funds; they go extra mile to transfer the funds outside the shores of the country, thereby constraining investments potentials that would create jobs and alleviate poverty. Where then can we find integrity in Nigeria, according to Macbeth, there is no act to find the mind's construction in his face he was a gentle man on whom? I built an absolute trust, who then do we trust, is it at the local government councils or the state, is it the Aviation industry, the national assembly, the judiciary, the immigration, is it National Electric Power Authority, NNPC , Health or where

Africa Focus Quoted by Global Financial Integrity Report 2012 indicated that Nigeria is the number 8th world leading in illicit financial outflow and number 1st in Sub-Sahara Africa where 63% of the population are living in penury and destitution.

Also the Punch Newspaper of 2nd June 2014 reported that about 70% of the buildings on Edgerton Crescent, in London are owned by Nigerians. The paper opined that citizen of the

United Kingdom avoid buying houses in the area due to their expensive prices, while more than half of the Nigerian population are living in destitution back home.

2. High Level of Illiteracy Rate—According to Ojeme (2013) education is the most important tool for societal growth, in other words education is a formidable force, a reliable and indispensable instrument for national development. No nation ever attains any meaningful development, fame or height without having education as bedrock. Several literatures in Nigeria on poverty revealed that at independence and for the best part of the 1960s, poverty eradication efforts were centered on education, which was seen as the key to economic, technological and intellectual development of the nation. “Show the light and the people will find the way”, was at that time the quoted mantra by Nigerian first President, Late Dr Nnamdi Azikiwe. This phenomenon projected education programs along side agricultural extension services, which encouraged increased food production. Looking backwards to 1960 and from Federal Office of Statistics report, about 15% of the populations were poor.

Today we pay lip service to education, according to the United Nations Children Education Fund (UNICEF) Nigeria has 10.5 million children out of school – (Daily Trust Newspaper June 16, 2004) the highest in the world, followed by Pakistan, this fact was disclosed by Jean Gough, the UNICEF representative in Nigeria, on the occasion of the African Child, A child friendly quality, free and compulsory education for all children in Africa. There is no gain saying that this is as a result of corruption in a country, where elected leaders are stealing funds meant for educational development for their selfish interest, no doubt this attitude portends serious danger for the country which may eventually add to the security challenges the nation is facing today. Nigeria, the 6th oil producing nation in the whole world and the highest oil producing nation in Africa with huge GDP but continue to pay lip service to education and educational development for the self aggrandizement of corrupt leadership.

The tertiary level of education did no fare any better, Nigerian Education Report Volume 1, No 1 p24 indicates that between 1990 and 1997 while enrollment into the Nigerian Universities grew by 97% the financial allocation to the sector declined by 27%.

Ghana's GDP in 2012 was US\$ 40,710,781,539 as against Nigeria's GDP of US\$ 459,615,931,973 that is about 11.29 times of Ghana's GDP where as in ranking of world Universities carried out by Webometrics, two of Ghana's Universities have consistently beaten Nigerian Universities. According to Nigerian Education Report Volume 1, No 1 p55, of the 9760 accredited Universities Worldwide, University of Ghana, Legon and Kwame Nkrumah University of science and Technology were ranked 5702 and 6703 respectively, while Nigeria Universities of Ibadan and Benin were placed 6809 and 7318 respectively. Also within Africa, University of Ghana and Kwame Nkrumah University of science and technology were numbers 43 and 63 respectively while Nigeria Universities of Ibadan and Benin were 65 and 79 respectively.

The reason for these observed abysmal performance in the Nigeria tertiary education sub-sector can not be overemphasized, the Academic Staff Union of all the tertiary institution in Nigeria have repeatedly gone on strike after exhausting all avenue to make the government meet their demands on adequate funding of education. The re-occurring issues often canvassed by both the universities and other tertiary institutions such as the Polytechnics and Colleges of Education are: Inadequate Funding, Non Implementation of Agreement, Disparity in Salary and Non Implementation of Allowances. In all the Academic staff union of universities have gone on strike for a total of 15 times from 1981 to 2013, 1981, 1992, 1994, 1995, 1996, 1999 twice, 2000, 2001, 2002, 2003, 2007, 2008, 2009, 2011 and 2013

Source: Nigerian Education Report (2013) Volume 1, no1 in a country that is so blessed, government need to get her priorities right if the country must alleviate poverty using education as a tool.

Low Minimum Wage;

Nigeria per capita income is not low when compare with other countries in this study, using year 2012 for example the country's per-capita income is shown below.

Year	Nigeria	Ghana	S/Africa	Malaysia	Pakistan
	US\$	US\$	US\$	US\$	US\$
2012	5270	3510	11930	21430	4670

If we are to go on the basis of per-capital income and using N160 as a bench mark for the dollar exchange rate, this will translate to

$$\text{US\$}5270 \times 160 = \text{N}843,200 \text{ per annum}$$

Using this to determine average family daily expenditure of 6 persons which include father, mother and four children:

$$\text{N}843200/365 /6 = \text{N}365.02 \text{ per a person (this is above the world poverty line)}$$

Therefore, it is assumed that Nigerians are living above poverty line of US\$1 per a day.

However, in reality Nigeria national minimum wage is N18000 which translates to average family daily expenditure to:

$$\text{N}18000 \times 12/365/6 = \text{N}98.63 \text{ (majority of Nigerians are within this income bracket, living below the poverty line in penury and destitution)}$$

The issue of casualization and outsourcing of workers in both the public and private sectors of the country are another dehumanizing practice that impoverishes a greater number of Nigerians in their own country. Among 5 different bank's staffers interviewed in the cause of this study their response indicates that in order to avoid social cost payable on their pay rolls, the banks prefer to outsource and casualize more than 80% of their workforce. Therefore when one enters a typical branch of our banks and see people working, one would not believe that majority of the people working are not staffs of the bank. The worse is that these outsourcing companies are companies incorporated and managed by the spouses of the top officers of the banks. While the banks pay the worker's salaries to the outsourcing companies, the outsourcing companies give peanuts to the staff deploy to them by the outsourcing company. The allowances that would have been paid to the workers to improve their standard of living are paid to the outsourcing companies, while the staff remains in penury irrespective of the volatility of the banking environment as a profession. No wonder the former Governor of the Central Bank of Nigeria Dr Joseph Sanusi in his address to the banking and finance conference in (2012), he identified unethical practices by the banks and opined that since business men came into the industry many things went wrong. The banks are not an exception; it has also crept into the public service, government agencies institutions and parastatals among others.

Long Term Investment in Income Generating Venture:

There is no doubt that Nigeria is blessed with abundant natural and human resources which should be harnessed to alleviate poverty, attained economic growth and sustainable development. In times of boom and excess crude, when capita receipt are far above budgeted

which may be occasion by distortion in the world oil market. When such happens the nation receipts or earnings grow in nips and bands, this is the time the nation ought to take advantage and make investment that would sustain the country during recession and generate income instead of relying solely on oil revenue.

In a recent convocation lecture at the University of Nigeria, Nsuka, The former World Bank vice president Mrs. Oby Ezekwesili posited that the present cycle of boom of the 2010s is much more vexing than the other four that happened in the 70s, 80s, 90s, and 2000s. According the former World Bank vice president, this is because we were still caught up in it (corruption and mismanagement) even as I speak today and it is more egregious than the other periods in revealing that we learned absolutely nothing from the previous massive failures. Furthermore that it happened back to back with the squandering of the significant sum of \$45 billion in foreign reserve account and another \$22 Billion in the Excess Crude Account being direct savings from increased earnings from oil that the Obasanjor administration handed over to the successor government in 2007. (The Lawmaker Magazine Vol 14, No305 p38) no doubt these huge sums should have gone a long way in making investment that will better the life of the ordinary people.

RECOMMENDATIONS:

1. To fight the scotch of poverty in Nigeria there must be strong will to fight corruption. The leadership must brace up to this challenge using the instrumentality of the state such as the Law Enforcement, the Police, the Economic and Financial Crime Commission, the Independent Corrupt Practices Commission, the Code of Conduct Bureau, the Courts, the Legislative arms of government among others
2. The issues of education is very germane and critical to poverty alleviation, without education no matter the annual budgets to poverty and poverty alleviation efforts of government as well as other non-governmental organization, poverty will continue to grow in nips and bounds and continue to ravage the country. Therefore paying leap service to education and education related issues is inimical to poverty alleviation efforts.
3. The only single element that addresses the critical requirement for SMEs development which will in turn create jobs and alleviate poverty is financial inclusion and until the people finds education where ever it may be and know their rights, they will continue to be financially excluded and poverty will continue to ravage the people. Therefore, education is the only instrument that assures financial inclusion and should be embraced as our way of life in order to move away from poverty.
4. This research strongly recommend labor laws that criminalize casualization and outsourcing of labor force of the citizens of this country which is slavery in their own land, the laborer deserve his wage and should be adequately rewarded for services rendered. The country must move away from the proverbial adage “monkey de work, baboon de chop” to a regime of adequate compensation that encourage people to work hard which will also enhance national productivity and alleviate poverty in Nigeria.
5. The review of the national minimum wage is long over due, in this research, given all indexes the N18000 minimum wage is tantamount to automatically living below the poverty line for an average family considering the fact that the bread winner in most cases would get married and have average of 4 children including the wife. To alleviate the people who found themselves in this income bracket from poverty there is urgent need for up-word review of the national minimum wage and alleviate poverty.

6. It is high time the country move away from the vicious cycle of poverty and embrace long term investments of surplus funds for sustainability in the event of financial crisis. The country has witness many oil booms in the past decades without taking advantage, it is high time the country revise this trend in order to alleviate poverty.
7. Diversifications of export market, despite the nation's huge earnings from crude oil, Nigeria have remained almost a mono commodity country. The fact that the nation is blessed with enormous mineral resource is not in doubt, however, there is need for the nation to develop other resources to avoid crisis in the event of distortions in the crude oil market.
8. Industrialization of the economy, it is only through industrialization that jobs will be created which will in turn enhanced the nation's GDP for further investment, poverty alleviation, economic growth and development.
9. Infrastructural Development, the nation must take urgent steps to address issues of infrastructures that enhance business opportunities for the citizens. Such infrastructures like Access to Finance, Access to Power, Good Roads, Good Transport System among others, which will result to increase productivity opportunities, poverty alleviation, economic growth and development.
10. There is need for serious attention on the issue of assets declaration by public office holders before and after leaving the office.
11. The financial intelligence Unit of the EFCC should urgently be empowered to checkmate the issue of illicit money transfer outside the shores of the country.
12. Government should encourage those who have taken their ill gotten wealth abroad to repatriate them back home, and engage in direct investment in the Nigeria economy to create jobs and alleviate poverty.

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