

HOUSEHOLDS' PERCEIVED CAUSES OF POVERTY IN SOUTHWEST NIGERIA

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Abstract

The Southwest geo-political zone of Nigeria is a blend of both educational advancement and abundant natural resource endowment. The region is rich in petroleum, bitumen, agricultural and forest resources. Despite the revenues from oil and other resources, poverty is very common among the citizens. The study was conducted to evaluate households' perception of the causes of poverty in southwest Nigeria. The study made use of a multi-stage sampling technique to select two hundred and forty (240) respondents, who were household heads across two (2) southwest States of Ekiti and Ondo. Data for the study were collected with the aid of well-structured questionnaires administered on the household heads. Data collected were analysed using descriptive statistics. The analysis of households' perception of the causes of poverty in southwest Nigeria indicated that corruption, weak institutions and poor governance was perceived "very high" cause of poverty in the study area with 51% of responses.

Key words: cause of poverty, households, perception, Southwest Nigeria

INTRODUCTION

Nigeria has unjustifiable increasing rate of poverty [5]. The economy is still characterised by high unemployment rate, high inequitable distribution of wealth, low quality human resources and high out migration. [5]. Poverty strives very well in Nigeria even in the face of several billions of dollars in revenue from oil, plenty of natural resources and a dynamically growing population estimated at 178.52 million people in 2014 [5, 31] which ordinarily should have engendered vast human capital development and market for indigenous industrial production. Similarly, the World Bank in 2011 opined that Nigeria retains a high level of poverty, with 63% living on below \$1 daily [31]. Records have shown that poverty in Nigeria has evolved over time most spectacularly the years after the oil windfall. The lowest poverty rate of about 27.2% was recorded in 1980; and since then, the Nigeria has witnessed persistent rising poverty; from about 46.3% in 1985 to 42.8% and 65.6% in 1992 and 1996 respectively. Although poverty level dropped sharply in 2004 to about 54.4%, but rose

significantly again in 2010 and 2011 [22]; [24]. The National Bureau of Statistics (NBS) report shows that about 112 million Nigerians out of the estimated population of 163 million lived in relative poverty during this period, and also 69% which is 15% higher than 54.4% estimated in 2004 [22, 24].

Although poverty in Nigeria has been thought to be a rural phenomenon, however the current poverty report revealed the pervasive nature of poverty cutting across urban and rural areas. However, that rural poverty increased to 73.2% in 2010, 9.1% higher than 2004 estimate; while urban poverty increased from 35.4% in 2004 to about 61.8% in 2010 [22].

Government efforts at reducing poverty have not been spiritedly carried out owing to a number of factors which include corruption, policy summersaults, long years of abandonment and lack of political will to implement formulated policies. Consequently, the significant economic growth the country experienced in recent years has not served to substantially reduce poverty. The resultant effect of this anomaly is an average growth in the economy as measured by the GDP at a rate a little above 7% in the last 10 years

without substantially closing the gap between the few rich and massive poor population.

Problem Statement

The report of harmonised Nigeria Living Standard survey by the National Bureau of Statistics [22] showed that 69% of Nigerians (112 million persons) in the estimated population of 163 million Nigerians lived in poverty in 2010 [22].

The data confirmed that poverty was on the rise in Nigeria. That was even amidst MDGs efforts aimed at halving the number of the poor by the year 2015 [6]. Meanwhile, according to the harmonised Nigeria Living Standard survey report for 2004, about half the population (54.4%) representing 68 million in the estimated population of 123 million Nigerians were living in poverty. However, studies on poverty in Nigeria had rarely focused on household perception of the causes of poverty. For instance, most previous poverty-based research studies in Nigeria [1, 4, 8, 9, 12, 13, 14, 15, 25, 28, 29], and various studies by National Bureau of Statistics had rarely involved household perception. It is in the light of the above, that this study on household perception of the causes of poverty in southwest Nigeria is apt at this time.

This study will enrich various literature on poverty in Nigeria by specifically adding the household content which is a major stakeholder at the receiving end. This study will also provide a better understanding on household perception of poverty causes in southwest Nigeria. This study therefore seeks to gain a thorough understanding of the southwest Nigerian households, their perception of poverty causes, their characteristics and constraints which are crucial to formulating an effective strategy for reducing poverty and for designing social protection programmes in Nigeria. It is in the view of the above that the study on households' perception of the causes of poverty in southwest Nigeria was conducted.

MATERIALS AND METHODS

The study area

The study was carried out in the southwest geo-political zone of Nigeria. The zone falls

on latitude 6° to the North and latitude 4° to the south. It is marked by longitude 4° to the West and 6° to the East. It is bounded in the North by Kogi and Kwara states, in the East by Edo and Delta states, in the South by Atlantic Ocean and in the West by Republic of Benin. The zone comprises of six states namely Oyo, Osun, Ondo, Ogun, Ekiti and Lagos and is characterised by a typically equatorial climate with distinct dry and wet seasons. The mean annual rainfall is 1480mm with a mean monthly temperature range of 18° - 24°C during the rainy season and 30° - 35°C during the dry season. The geographical location of southwest Nigeria covers about 114, 271 kilometre square, that is approximately 12% of Nigeria's total land mass and the vegetation is typically rainforest. The total population is 27,581,992 and predominantly agrarian. Notable food crops cultivated include cassava, maize, yam, cowpea and cash crops such as cocoa, kolanut, coffee and oil palm [2, 23]. According to the Nigeria Poverty Profile for 2010 by [22], 25.4%, 49.8%, 59.1% and 50.1% were food poor, absolute poor, relative poor and poor by dollar per day measurement respectively in southwest Nigeria.

Sampling technique, size and data collection

A multistage sampling technique was used for this study. In the first stage two states of Ekiti and Ondo were purposively selected from the six (6) states that make up southwest Nigeria. The rationale for selecting the two states was based on proximity and convenience. In the second stage, six (6) communities were randomly selected from each state giving a total of twelve (12) communities. In the third stage, from each of the selected communities, two (2) block was randomly selected for study. This gave a total of twenty four (24) blocks. Initially, residents from the selected blocks were invited to a community forum at which a preliminary identification of different categories of households was carried out. At the community forum, ten (10) household heads from each block were randomly selected. This resulted in a total of two hundred forty (240) respondents for the study.

Data analysis

Descriptive statistics was used in the data analysis. These included means, percentages, frequencies, charts, graphs and tables. The household's perception of poverty in the study area was analysed on a five-point Likert-type scale of "strongly agree" (5), "agree" (4), "undecided" (3), "disagree" (2) and "strongly disagree". Poverty causes with mean scores of ≥ 4.5 were regarded "very high", causes with mean responses from 3.5 to 4.49 were regarded "high", those causes with mean responses from 2.5 to 3.49 were considered "moderate" while those between 1.5 and 2.49 were regarded as "low". Finally poverty causes with responses less than 1.5 were considered "very low".

RESULTS AND DISCUSSIONS

Households' responses to causes of poverty

The respondents' perceived major cause of poverty in the study area as shown in figure 1 indicates that majority of the respondents' perceived corruption, weak institutions and poor governance as the major cause of poverty in the study among the thirteen (13) identified causes investigated. About half (51%) of the respondents perceived corruption, weak institutions and poor governance alone as a major cause. This cause score was even higher than the remaining 49% which the twelve (12) other causes shared. Capital inadequacy, inflation and underdevelopment had the lowest responses with 1%, 2% and 3% respectively. The very high percentage of corruption, weak institutions and poor governance affirmed the fact that the citizenry were aware that corruption had eaten deep into the fabrics of governance in Nigeria. It further asserts why revenue from petroleum-Nigeria's highest foreign exchange earner and the huge amount allotted to annual budgets end up in private

pockets. The result of this finding corroborates the report of the Transparency International which ranked Nigeria 144th among 177 countries rated in Corruption Perceptions Index for 2013 [30].

Respondents' perception of causes of poverty

Table 1 shows the result of analysis of the respondents' perception on the thirteen (13) investigated causes of poverty in the study area using a 5-point Likert scale. Capital inadequacy, Inadequate growth rate, inflation and underdevelopment with only mean scores of 1.61, 2.00, 2.15, 2.20, and 2.40 respectively were described as "low" cause of poverty since their mean scores fell between 1.5 and 2.49. Moreover, social factors and low technological capacity were considered "moderate" causes of poverty while inequality (3.63), negligence and lack of political will (3.96), low human capital development (3.98), unemployment (4.2) and inadequacy or non-existence of social and welfare Programmes were perceived "high" causes of poverty given their mean scores of between 3.5 and 4.49. Corruption, weak institutions and poor governance was the only perceived "very high" cause of poverty in the study area.

The very high level of corruption, coupled with weak institutions and poor governance in the public sector had hampered the promotion of private participation in poverty eradication programmes as against the observation of [16, 17, 19], who observed that promotion of direct interaction private participation between service users and elected officials in budgetary policy could affect both how local resources are spent and living standard outcomes as well as lower child mortality rate with effects on the quality of life of the people [18, 20]

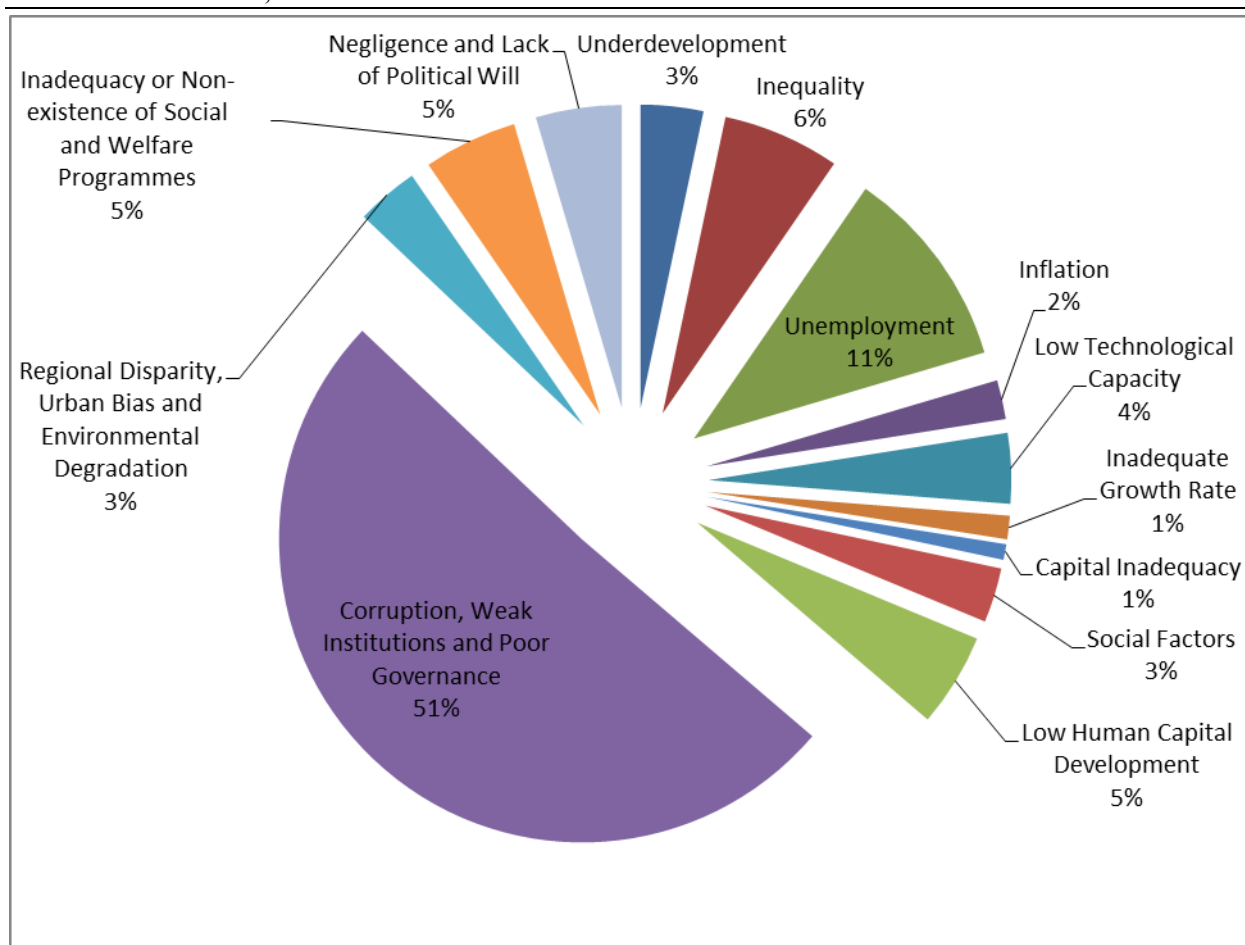


Fig. 1. Households' responses to causes of poverty
Computed from field survey, 2013

Table 1. Respondents' perception of causes of poverty

S/N	Causes of poverty	Frequency (percentage)					Mean
		Strongly agree	Agree	Undecided	Disagree	Strongly disagree	
1	Underdevelopment	-	06 (2.5)	131 (54.6)	56 (23.3)	47 (19.6)	2.40
2	Inequality	03 (1.3)	55 (22.9)	51 (21.3)	48 (20.0)	83 (34.6)	3.63
3	Unemployment	96 (40.0)	96 (40.0)	48 (20.0)	-	-	4.20
4	Inflation	02 (0.8)	03 (1.3)	89 (37.1)	94 (39.2)	52 (21.7)	2.20
5	Low Technological Capacity	01 (0.4)	40 (16.7)	97 (40.4)	98 (40.8)	04 (1.7)	2.73
6	Inadequate Growth Rate	-	-	96 (40.0)	48 (20.0)	96 (40.0)	2.00
7	Capital Inadequacy	-	-	04 (1.7)	139 (57.9)	97 (40.4)	1.61
8	Social Factors	-	-	144 (60.0)	96 (40.0)	-	2.60
9	Low Human Capital Development	45 (18.8)	144 (60.0)	51 (21.3)	-	-	3.98
10	Corruption, Weak Institutions and Poor Governance	188 (78.3)	49 (20.4)	03 (1.3)	-	-	4.77
11	Inadequate Growth Rate	02 (0.8)	-	86 (35.8)	95 (39.6)	57 (23.8)	2.15
12	Inadequacy or Non-existence of Social and Welfare Programmes	95 (39.6)	141 (58.8)	03 (1.3)	01 (0.4)	-	4.38
13	Negligence and Lack of Political Will	45 (18.8)	143 (59.6)	49 (20.4)	03 (1.3)	-	3.96
Total						40.61	

Computed from field survey, 2013

CONCLUSIONS

The study was conducted to evaluate households' perception of the causes of poverty in southwest Nigeria. Based on the findings of this study and since corruption, weak institutions and poor governance was perceived a 'very high' cause of poverty, a renewed and committed fight against it may just be the needed social and corporate responsibility by southwest geo-political region and the entire nation to salvage the citizenry from poverty.

Government and stakeholders should be more focused on the implementation of poverty eradication programmes with very strong political will.

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