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POVERTY REDUCTION IN NIGERIA: PROGRESS, CHALLENGES AND THE WAY FORWARD UNDER THE NEEDS POLICY

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Abstract
This article examines the effectiveness of the National Economic Empowerment and Development Strategy (NEEDS) policy implemented by the Nigerian government as a means of poverty alleviation. It argues that NEEDS is merely an extension of the Structural Adjustment Program (SAP), which has further deepened the country's economic and social crises instead of ameliorating it. The article reviews past poverty eradication efforts in Nigeria and highlights the complexity and multidimensionality of poverty. The study concludes that NEEDS as a reform program is insufficient in addressing the root causes of poverty in Nigeria and recommends a new approach to poverty alleviation that involves the removal of structural bottlenecks and an overhaul of the country's political, social, and economic architecture. Moreover, the article suggests that Nigeria's economic growth and development can be achieved by addressing poverty, illiteracy, high unemployment rates, and malnutrition, among others.

Keywords: National Economic Empowerment and Development Strategy, poverty, Structural Adjustment Program

1. INTRODUCTION

Poverty is multidimensional and its causes are complex. Not only do the poor have little money, few material possessions, they are often deprived of basic needs such as food, shelter and clothing. It is an age old disease afflicting many nations and that is why governments and international institutions have devised various measures to curb the menace. Presently poverty is one of the problems facing Nigeria. Despite the country's rich endowment with abundant natural, physical and human resources, the incidence of poverty is high. The social and economic pedigrees of Nigeria are replete with strange ironies. Despite the abundant natural and human resources, the country continuously wallows in pitiable penury and hopeless underdevelopment. For example, in terms of human endowment, Nigeria is respected to have a population of over 220 million people, thus making it the 19th largest country in the universe. The workforce of Nigeria is put at about 80 million people. The country can boast of about 170 universities, of which about 43 are publicly owned (that is owned by state or federal governments) while about 127 are owned by private individuals and corporate institutions (United Nation, 2023).

Nwankwo (1991:123) geographically described the characteristics of living conditions and psychological make-up of the poor in Nigeria in the following words: "they look dejected, skeletal and rejected. They drink from infected springs and feed like pigs, torn to shreds by poverty, ignorance and disease. Their faces are permanently wrinkled by cyclical existence at the brink of between minimum life and maximum death. The protein, iron, calcium and calorie content of the food they consume are extra low. Inevitably they drifted in physical appearance by malnutrition" Obadan (2003:243) contended that "the description of Nigeria as a paradox by the World Bank (1996) over decades ago has continued to be confirmed by events and official statistics in the country. The paradox is that the poverty level in Nigeria contradicts the country's immense wealth. Among other things, the country is enormously endowed with human, agricultural, petroleum, gas and large untapped solid mineral resources. It is particularly awesome that the country earned over $300 billion from one resource, petroleum, during the last three decades of the twentieth century. But rather than record remarkable

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Progress in national socio-economic development, Nigeria retrogressed to becoming one of the 25 poorest countries at the thresh hold of the twenty-first century, where as she was among the richest 50 in the early 1970s." Corroborating the above position, Ezekwesili (2013:5) takes a concise view of the country's poverty and states that:

The trend of Nigeria's population in Poverty since 1980 to 2010 for example suggest that the more we earned from oil, the larger the population of poor Citizens:17:1 million in 1980, 34.5 million in 1985, 39.2 million in 1992, 67.1 million in 1996, 68.7 million in 2004 and 112.47 Million in 2010!

Okolie (2005:132-133) maintained that "the Nigerian State pursues unrealistic development strategies which in themselves reproduce underdevelopment, deepens dependency and vitiates efforts at sustainable human development in Nigeria. As a corollary to the above, development has remained largely illusive as illiteracy, poverty level, unemployment, malnutrition and inflationary rate have persisted". The development activities of the World Bank are noticeable throughout the world, especially in the rural sectors of the less developed countries. Typical examples include the World Bank assisted agricultural development projects, water and sanitation projects, market development, education development, health facilities, etc that dot the Nigerian landscape at every nook and cranny. However, the growing incidence of poverty among developing states across the globe especially sub-

Saharan Africa compelled the World Bank to focus more on poverty reduction strategies through the Poverty Reduction and Economic Management (PREM) Network established in 2002 and especially International Development Association (IDA) established in 1960, which aims to reduce poverty by providing loans (called 'credits') and grants for programmes with low interest rate of 0.75 per cent to boost economic growth, reduce inequalities, and improve people's living conditions. The implication of all these analyses is that we have failed woefully in the areas of living a long and healthy life, provision of qualitative education and having a decent standard of living.

In March 2004, the Federal Government launched a reform programme with moderate celebration. The program enchantingly termed the National Economic Empowerment and Development Strategy (NEEDS) The then chief Economic Adviser to the president and the chief salesmen of the reform, Professor Charles Soludo, advertized it as the brainchild of the Presidential Economic Team made up of himself, Dr. Ngozi Okonjo-Iwuala, the finance minister, Oby Ezekwesili, the special assistant on Budget and due Process, Mallam El- Rufai, the minister of the FCT, and a Sundry of Abuja technocrats.

NEEDS document (2004). The NEEDS document unequivocally articulates this 'market forces' philosophy. According to the document, "the era of government assuming the commanding heights of the economy and pursuing a public sector-led growth and development strategy is being replaced by a market driven sector-led growth and development strategy. The government is the enabler, the facilitator, and the regulator. The private sector is the executor, the direct investor and manager of businesses. The key elements of this strategy include the renewed privatization, de-regulation and liberalization programme (to shrink the domain of the public sector and buy up the private sector" (NEEDS, 2004: 114). The document further emphasizes the point: "An extension of the project 'Nigeria Incorporated' will be the involvement of the private sector in the provision of services reserved for the public domain, particularly in the areas of delivery of infrastructure and social services" (NEEDS, 2004: 115). NEEDS among other things will catalyze a process of economic growth, poverty reduction and value re-orientation in Nigeria?

There is no gain saying the fact that Nigerian's effort for poverty eradication started with the National Development plan in 1960s, followed by General Yakubu Gowon's National Acceleration Food Production and Nigerian Agricultural and Co-operative Bank, Operation Feed the Nation (OFN) of Gen. Olusegun Obasanjo in 1976. The Shagari administration came to power and introduced the Green Revolution in 1980. In 1986, General Babangida set up the Directorate for Food, Road and Rural Infrastructure (DFRRI). He also came up with Peoples Bank and Community Banking System (CBS), Better Life for Rural Women (BLP). Maryam Abacha in 1993 introduced the Family Economic

Advancement Programme (FEAP) and the Family Support Programme (FSP). Poverty Alleviation Programme (PAP) and the National Poverty Eradication programme (NAPEP) were established in 2001 and later the National Economic Empowerment and Development strategy (NEEDS). All these initiatives were several attempts at reducing the incidence of poverty in Nigeria.

In spite of the myriads of poverty alleviation Programmes in Nigeria, existential realities buttress that the citizen's poverty situation has keep on worsening hence this study is aimed at taking deep rooted and scholarly analysis of NEEDS so as to be able to proffer solutions. To what extent has ending poverty been attained in Nigeria? Therefore, this study reviews the NEEDS programme implemented by the federal government of Nigeria (FGN) to eradicate poverty in Nigeria.

2. CONCEPTUAL AND DEFINITIONAL CHALLENGE

The study requires a review of some concepts that are significant to this study. Such a rigorous intellectual exercise may help in spotlighting the views and conclusions arrived at by some reputable scholars.

Poverty, their cause, solutions and effects means different things to different people. For example, while there exists an overwhelming opinion that corruption is a major cause of poverty, several opinion leaders could sight corruption only within public offices, while a few others believe very strongly that corruption is not all-evil but an opportunity for poorly remunerated officials to boost their incomes. Unable to differentiate between need and want, several financially comfortable persons have even voluntarily rated themselves as poor simply because they could not afford all their personal material desires (Olatunji 2006:13). Poverty is a relative concept. It is both complex and multi-dimensional. According to the Draft National Policy on Poverty Eradication (2000), poverty include conditions of

- Not having enough to eat
- Poor drinking water
- Poor nutrition
- Unfit housing
- A high rate of infant mortality
- Low life expectancy
- Low educational opportunities
- Inadequate health care
- Lack of productive assets
- Lack of economic infrastructure
- Inability to actually participate in decision making process. The consequence of which are;

-Helplessness
-State of powerlessness
-Despair and thus inability to protect oneself against economic, social, cultural and political discrimination and marginalization

-Defenselessness and lack of rights
-Defenselessness and insecurity, vulnerability and exposure to risk, shocks and stress.
Aluko (1975) conceptualized poverty as absence or lack of basic consumption need such as food, clothing, shelter etc. The Central Bank of Nigeria (CBN), (1999) News, regard poverty as a state where an individual is not able to cater adequately for his or her basic needs of food, clothing and shelter, is not able to meet the social and economic obligation, lacks gainful employment, skills, assets and selfesteem, limited chances of advancing his or her welfare to the limit of his or her capabilities. Narayam et al (2000) see poverty as humiliations, in the sense of being dependent and being forced to accept rudeness, insults and indifference by poor people. For Onuoha (as quoted in Ifediba 2006), you notice a poor man from the size of his neck, shape of his shoe, the type of cloth he puts on and his belt. From the foregoing, we can simply define poverty as a situation of incapability in provision of basic needs like food, clothing, shelter, education etc. to eke out a decent living.

Poverty is a denial of choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to; not having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living on marginal or fragile environments, without access to clean water or sanitation. United Nations Statement of June (1998). In Nigeria, widespread and severe poverty is a reality. It is a reality that depicts a lack of food, clothes, education and other basic amenities. Severely poor people lack the most basic necessities of life to a degree that it can be wondered how they manage to survive. There are several effects and deficiencies associated with poverty in Nigeria. One of the main effects of poverty is poor health, as is reflected in Nigeria's high infant mortality and low life expectancy. Poor people in Nigeria face several health issues as they lack basic health amenities and competent medical practitioners. Most children do not have the opportunity of being immunized and this leads to certain physical defects in some of the children. Their health has become low priority and as they have little or no choices, they live with whatever they are provided with, whether healthy or not (Chimaobi, 2010).

According to Garcia, Kohl, Ruengsorn and Zislin (2006), Nigeria's main challenges include, reducing poverty, diversifying its economy from the oil and gas sector towards more labor intensive sectors, and improving health and education. The oil has increased economic volatility and inflation while those living in poverty being most vulnerable to volatility and inflation. To add to it, instability of government revenues and a crowding out of agriculture (which provides the source of income to the poor) have made the situation worsen. The oil industry does not employ a sizeable number of unskilled workers, thereby contributes little to reducing poverty. Ford (2007) discusses the oil crisis in the oil producing region of Nigeria. He states that poverty has been linked to high crime rates, especially in the Niger Delta region where there is a sharp contrast between the rich and the poor. The masses cause social unrest because the wealth gotten from their territory does not get to them. In the Nigerian society, the best way to acquire wealth is to enter the political sphere. Most of the time political success is tied to criminal activities. He ends the article by stating that the link between economic and political power must be broken for progress to be made.

According to Poverty Reduction and the World Bank Report (1991), there is no successful poverty alleviation programme in Nigeria. The so- called poverty alleviation schemes or programmes were inefficiently managed and the benefits did not reach the intending beneficiaries and large overhead cost makes them less desirable. Federal sponsored programmes in this connection have not been successful because they have failed to include the intended beneficiaries in the design and execution of poverty alleviation programme. There had been initiatives over the years to eradicate poverty but they have not shown substantial improvement in the overall economic development situation in Nigeria. The off shoot of all these have been the fact that Nigeria is caught in the vicious cycle of poverty.

Another source of poverty according to the NEEDS Document (2005) is the lack of basic services, such as clean water, education, land, health care. Another is lack of assets, such as credit, and supportive networks of friends and family. Also, there is lack of income including food, shelter, clothing and empowerment (political power, confidence dignity). Others contribute indirectly by producing inequality- by stifling the political power of certain sectors of the population, for example, or denying them their dignity or human rights. Discrimination on the grounds of gender, disability, age, or ill health increase vulnerability to poverty. So do national or human-caused shocks, market collapses, conflicts, droughts or floods. All these, coupled with economic mismanagement help in accelerating the state of poverty.

Commenting on the NEEDS Programme, Onuoha (2008) opines that it is a new wine in an old wine skin. The demand is the same: namely that the state should withdraw from the economy. The only new thing about the programme is the political will the Obasanjo regime exhibited. He was able to implement a programme the Babangida's regime could not do under military regime due to pressure from the masses. Obasanjo saw the reform programme as inevitable and was determined to implement the programme no matter how painful economic adjustment appeared. According to Nonli (2004), the long term goals of NEEDS are crafted to reverse the structural weaknesses and imbalance in the economy, provide strategic focus and direction; and inculcate the right ethics, discipline, patriotism, virtues of handwork, honesty, respect for traditional values, entrepreneurial spirit and excellence as well as provide incentive structures that rewards and celebrates private enterprise among the citizenry. However, Aniche (2007) stresses that the implementation of the economic reform programme is all about implementation of World Bank loan conditionalities. It encompasses both the public and private sectors.

Axel (2004) observed that NEEDS was fundamentally influenced by the analysis of Nigeria as a rentbased state, which status is a major stumbling block to development. He expressed optimism that the Extractive Industries Transparency Initiative (EITI) will address the problems posed by Nigeria's rentier status. To Soludo (in Amadi 2004), NEEDS provided the missing link in all previous development plans i.e workability. He further argued that NEEDS was different from previous plans in four key ways, namely, the participatory nature of the planning process, the collaborative planning framework, sharp focus and workable content as well as ability to implement it. He concluded that NEEDS was anchored on the fact that Nigeria has all it takes to be one of the leading economies in the world.

To Ayo (2004) NEEDS document was lacking in data, timelines, and implementation milestones, and deliverables. He questioned the desirability of seeking external funding for a wholly Nigerian project, and government's emphasis on economic reform, advising that growing the private sector was key to revitalizing the economy. He posited that insecurity was responsible for the seemingly uncontrollable emigration of Nigerians to other countries and urged the government to demonstrate its capacity to make investment safe in Nigeria to arrest the drift. From the above one can deduce that poverty alleviation has continued to be a mirage in Nigeria.

3. THEORETICAL FRAMEWORK

This study adopts the theory of post/neo-colonial state. This theory belongs to Marxist persuasion of political analysis. This is anchored on the fact that the theory with its analytical, illuminating and emancipator capabilities will explain the persistent poverty situation of Nigeria, upon which we shall plan how to escape from it. Ake, (1976) being bogged by the fact that the state in Africa has not lived up to expectation when compared with their Western counterpart decided to make an intellectual exposition that can particularly address the nature and character of the state in Africa. According to him: ''The state is a specific modality of class domination, one in which class domination is mediated by commodity exchange so that the system of institutional mechanisms of domination is differentiated and dissociated from the ruling class and even the society and appears as an objective force standing alongside society''. The state form of domination is the modality in which the system of mechanism of class domination is autotomized-that is the institutional apparatus of class domination is largely independent of social classes, including the hegemonic social class.

The unique feature of the socio-economic formation of Nigeria and indeed in contemporary periphery social formations generally is that the state has limited autonomy, dispense a great deal of force, and used as an instrument for primitive accumulation. These characteristics are said to be the creation of the colonial masters. After the attainment of independence in Nigeria, the local bourgeoisies who took political powers from the colonial ones lack the commensurate economic power base to pull the levers of power. Because of the pervasive state involvement in the economy coupled with the vast resources to the state for control, state officials encouraged by the fortunes of the emerging oil economy, saw state positions as the most viable and rapid avenues for acquisition of private capital in order to beef up their economic status.

According to Ake (1976), the control of the state, therefore, offers the opportunity of a life time, to rise above general poverty, a rare opportunity to acquire wealth and prestige. To be in a position to redistribute jobs, contracts, scholarships and gifts to relatives and political allies. Hence, the propensity among political elites to invest in the goal of controlling the state. The implication of the above is that the resources of physical coercion become the tools of particular groups especially the hegemonic factions of the ruling class and the affinity between the coercive institutions and these hegemonic fractions has inevitably become particularly visible.

This theory could be sufficiently used to explain the politics of poverty reduction in Nigeria, particularly why NEEDS has failed to alleviate poverty despite the claims that it was home grown. Theoretically, it becomes obvious that the nature and character of the post/ neo-colonial state created the opportunity for the hegemonic faction of the ruling class in Nigeria to craft poverty alleviation programmes in such a way that it will help to perpetrate and perpetuate dominance and subjugation against the masses of the Nigerian society. This had led to the politicization of poverty alleviation programmes since independence to the present day. As a corollary to the above, we understood that SAP stifled rather than reduced poverty among the masses. When Better Life for Rural Women was introduced during Babangida regime, we observed that itwas the wives of state governors, local government chairmen and other notable politicians that constituted its membership, women were not included. Rather, it became an avenue to show off wealth and brainstorm on how to maintain the widening gap between the rich and the poor.

During the era of industrialization, when the Nigerian economy boomed, it witnessed the emergence of foreign capital which reinforced external economic dependence and the existing class structure which changed to capitalists versus workers. This can be located in the country as the beginning of awareness creation by the World Bank to African Countries to restructure their economies in line with the loan conditionalities and assistance for poverty reduction. This led to the creation of poverty eradication schemes. The NEEDS, even though claimed to be home grown, did not mobilize or enhance the participation of civil society in the process of its formation. Rather, it was foisted on them with all form of persuasion to rationalize it hence the civil society contested the values of the NEEDS document. The government which is constituted by hegemonic class takes anti-people stance and cannot pretend to be in favour of those it is against.

4. THE IDEOLOGY BEHIND NEEDS

It is essentially imperative to explicate the ideology that is behind the reforms articulated in the NEEDS document. The primary question should be does ideology matter? Yes, I think it does since determining the ideology behind the economic reform helps to understand the nature of the economic actors driving the reform and the interest they promote. It enables us also to develop effective political and communicational strategies to protect and promote the interests of underrepresented interest groups.

The NEEDS document does not explicitly and positively articulate any ideology. NEEDS is described as a "Nigeria's home-grown poverty reduction strategy and purportedly builds from the earlier "twoyear effort to produce the interim PRSP (1-PRSP)" strategy. Further in the executive summary, the document describes the NEEDS as a response to the challenges of underdevelopment. At this stage one can naively assume that NEEDS does not espouse a particular ideology of economic development. This will be a gross misapprehension. It does articulate such ideology by default. The description of underdevelopment is highly ideological. "Why are some nations poor and other rich? Is not a question that is answered without imputing value judgment of what is desirable in society. It will require to knowing what poverty means and how it is constituted. For instance, throughout the history of economic development, especially as it relates to Third World countries, the battle has been between dependency theories of various types and liberalist theories. The central theme has been that underdevelopment is largely a function of external constraint caused by structural character of world economy or failure to realign domestic economic development to the realities of institutional idealism. (Andrew, 2021).

The field of economic development is a contested intellectual terrain as various conceptions of society and human nature compete for legitimacy. To describe underdevelopment one way implies a particular set of policy interventions required to move out of underdevelopment. This is clearly seen in the history of development. In the early 60, underdevelopment was conceived largely in terms of lack of modernity. It was believed that history is moving towards an end: the triumph of free market and liberal democracy. Post-colonial and backward societies are faced with one unavoidable challenge; modernization. Modernization requires remolding of political and economic instructions to look like the liberal institutions in the advanced and modernized societies of the west. This doctrine followed after the formation and legalism of Weberian sociology. It was championed by the Nobel laureate in Economics in 1979, Sir Arthur Devis. This view culminated in the law and development movement championed by legal theorists like Galanter and Trubeck. This movement emphasized legal transplants in developing countries. (Gwynne, 2009).

Later, in articulating the four key strategies of NEEDS as a reform policy, the document defines NEEDS under the rubric of "growing the private sector" as a "development strategy anchored on the private sector as the engine of growth for wealth creation, employment generation and poverty reduction. The government is the enabler, the facilitator, and the regulator. The private sector is the executor, the director, investor and manager of business", under the rubric of "implementing a social charter" the document describes NEEDS as focusing on people. It is about their welfare, their health, education, employment, poverty reduction, empowerment, security and participation (NEEDs document 2004). The genius of NEEDs, and ironically, its failure, is the confusion of ideological biases. By combining a policy thrust on private sector with a focus on people, their welfare and empowerment and the strengthening and reform of the public sector, NEEDS seems to provide for everyone and nothing significant for some (Gwynne, 2009).

Charitable assessment of the policy thrust of NEEDS as a policy document will conclude that it balances a concern for market-oriented private sector led economic development with a people oriented social charter. But a critical reading of the entire document shows that it still keeps faith

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with the broad framework of neo- liberal market-oriented reform which the World Bank and the International Monetary Fund strongly endorse. The ideology that comes out from a critical reading of the document is neolibralism, which can be described as "based on an unwavering belief in 'free markets. The promotion of competitive market capitalism, private ownership, free trade, export led growth, strict controls on balance of payments and deficits, and drastic reduction in government social spending (see Association of Women in development. "Ten principles for challenging Neoliberal globalization" Women rights and economic Change No. 1, December 2003).

5. NEEDS AND MASKED WORLD BANK PROGRAMME IN NIGERIA

NEEDS could pass as a World Bank reform programme for two reason. First the content and language suggest it drew inspiration, mainly or substantially, from World Bank's development policies, especially as they relate to the market and the role of the state. Second, the actors who worked out the programme are affiliated with the World Bank and are professionally trained within the discursive paradigm of the bank. None of these reasons completely disposes the controversy on the ownership of the programme. Over the years, the critique against the World Bank is that it has maintained a fundamentalist position on the solemnity and regulative determinism of the market in defiance, or insufficient attention to the implications of the notorious fact that markets are social constructions and do often fail to meet the ideal conditions required for the working of Adam Smith's invisible hands Joseph stiglitz's pioneering work on information asymmetry has further dented the faith of free marketers. The response of the World Bank to these revelations of the distorted social world in which markets work and the demystification of the ideological presupposition of the notion of free market is to appropriate the language and imageries of its cities without fundamentally revising the premise and framework of its reform program for developing countries (Agu, 2004).
The World Bank has incorporated the rhetoric of social welfare and participation without articulating clear policy frameworks to realize such social goods in its pro-growth reform program. The World Bank still maintains her faith in the market but it no longer talks as if markets are talisman for optimal distribution in every circumstance. The Bank recognizes that complete reliance on the market for distribution may result in grievous injustice and inequity which may trigger social conflicts that undermine the prospects of long term growth. Therefore, it encourages the role of the state. Yet, this role is still significantly limited. The Bank has moved from the idea of a 'minimal, state to that of an effective state. An effective state is a state that is able to enforce law and order and the rule of law that is conceived primarily as protection of property regimes and easy adjudication of contractual claims. Recently, the language has moved to a 'capable' state. A capable state is one that has strong instructions. In its 2002 World Development Report, the World Bank argues that "Wealth institutions tangled laws, corrupt courts, deeply biased credit systems, and elaborate business registration requirement hurt poor people and hinder development...countries that systematically deal with such problems and create new institutions suited to local needs can dramatically increase incomes and reduce poverty. These institutions range from unwritten customs and traditions to complex legal codes that regulate international commerce (Amadi, 2003).
The World Bank has also recognized the importance of equity and human rights in development, especially with regards to poverty reduction, which has remained its advertised goal. This recognition is not robust. The idea of democratic participation in the World Bank paradigm does not go far to encourage real democratization in terms of popular democracy. As Claude Ake, (1996), Africa's foremost political scientist puts it, the World Bank "is more comfortable with politicism than the political pursuit of democracy. They enforce political conditionality reluctantly and only after reducing democracy to governance and governance to the political correlates of structural adjustment, particularly the rule of law, transparency and accountability."

This discursive paradigm flows from the dominant neo-liberal agenda, namely, the insights of the New Institutional Economics on the relationship between institutions and economic development. There is a bi buzz today in development discourse on reform of institutions. The relevance of Institutions was Classically Discussed by Douglas North in his 1990 book: institutions, institutional change and economic performance. He defines institutions "as the humanly devised constraints that shape human interactions." The Seidmans, through coming from a more radical perspective have defined institutions as "repetitive patterns of social behaviours". But in championing institution reform the bank and a host of other neo-liberal institutions and reform have focused on institutions and rules of economic exchange. They have focused more on enabling the free market rather than transforming institutions that population real democracy can be entrenched What the World Bank has succeeded in doing is signing up to some of the sound bites of its critics without significantly revising the script NEEDS tries to include social welfare as an add- on to market oriented private sector-based reform. The basic idea behind the NEEDS is "systematic reduction of the role of government in direct production of goods and strengthen its facilitating and regulatory functions". NEEDS is conceived as a "development strategy anchored on the private sectors as an engine of growth... for wealth creation, employment generation and poverty reduction. In this strategy, the government is reduced to a facilitator and regulator whilst the private sector is the executor, direct investor and manager of business".

This may found particularly okay for someone feted on the neo- liberal interpretation of the failure of government versus market failure. From this perspective, nothing can be worse than government imperfection. Even when markets fail although, such market enthusiast will still prefer the private sector to lead the economy both in investment and management. The conception of the state under this framework tallies with the World Bank's present notion of an effective state. The difference between the liberals and develop mentalist conceptions of the role of the state in economic development is not necessarily on the question of efficiency. It is rather on what the state should be efficient about providing general policy supervision to private business or actual involvement in producing and distributing goods and services. Fair enough, the document focuses on government and government. It outlines a vision for reform of governance and political institutions. Here, it sets out to restructure, right-size, professionalize and strengthen government and public institutions" to effectively deliver social services. To ensure this, it aims at eliminating waste, inefficiency and "free up resource for investment in infrastructure and social services by government". Interestingly, this sounds like the World Bank notions of reform of rule of law institutions in order, as Claude Ake notes, to achieve functionality rather than empowerment. It is arguable if these functions are not inherently contradictory or undercut each other within the context of a poverty-ridden country like Nigeria. But if we admit that these two functions can be harmonized, it seems that the World Bank's tongue-in-check is in play here (Ajadike, 2005).

So, this is not about whining about how evil the World Bank is. Without the input of suggestions from the World Bank, it is very likely the economic reform programme of the government would still have taken the path of neo-liberal free market. The fundamentals of the so-called "Washington consensus' would still be the premises of the reform. This is because of the ideological persuasion and academic orientation of those who design and formulate these policies. Here again, I quote Marilee Griddle (in Amadi 2004) in support: "Atimes, the impositions of new policies and institutions occurs because international technocrats invade domestic policy making arenas-directly or through domestic acolytes who share their world view and language and introduce powerful ideologies and conditional ties in support of change. Similarly, international actors also find domestic allies among internationallyoriented economic elites who seek to take advantage of new opportunities in international trade, financial intermediation and technological innovation". (Nnamani, 2003).

Sadly, public discourse on economic reform has not focused on the implication of having certain kind of scholars and technocrats behind economic reform in Nigeria. The former minister of Finance was a Vice President of the bank before she was appointed. In her previous postings in the bank, she supervised economic reform programme in the Middle. East on behalf of the bank. The chief economic adviser to the president was the Executive Director of the African institute of Applied Economic& research center that consults for the World Bank. Then, the institute was co-coordinating an ambitious reform programme in Nigeria supported by the Bank. The program called "Better Business Initiative" started as a comprehensive institutional reform programme after which it ended up as a project for private sector competitiveness. Added to the duo as the master minds of the NEEDS reform program are the minister for federal capital territory, Mallam El-Rufai, former chief of the Bureau for public Enterprise an enthusiast of unbridled privatization who has attended short courses at Harvard Business School, and the special assistant to the president on Budget and Due process, Mrs. Oby Ezekwesili, a graduate of Kennedy School of Government, Harvard university. The former minister of finance herself is a Harvard trained economist (Federal office of Statistic, 2003).

The Harvard connection replays memories of the IMF- inspired structural adjustment programme (SAP) religiously implemented under Babangida military dictatorship. The finance minister then was Dr. Kalu. I. Kalu, who holds a Ph.D in Economics from Harvard. The SAP reform policies were introduced after the Nigerian people disapproved the government taking of IMF loan with SAP conditions. Already, it has come to light that the Minister of finance is paid in dollars from an international development funds. The scandal of the dollar salary shook confidence in the government and its reform programme. This loss of confidence is fueled by the precipitate endorsement of the reform by both IMF and World Bank officials. At the civil society dialogue organized by the Centre for Public Policy and Research (CPPR) and the Human Rights Law Services (HURILAWS), the then Chief Economic adviser to the president argued against the idea of World Bank ownership of the reform The World Bank endorsement of NEEDS is incidental and not an expression of ownership. According to him, none of the bank's staff had seen the document until its official release to Nigerians (Njoku, 2003).

But, this disavowal is not sufficient to disabuse the mind of suspicion of World Bank control of influence over the process of conception of the reform programme. In the era of global capitalism and failed economics in the third World, the power of the World Bank and its more dangerous sister, the IMF, to influence domestic policies in developing countries is enormous. They do so through liaison with local elites and foreign trained experts who share similar world views or pecuniary interest advanced by these policies. They do so through motley of international financial diplomatic tools and lending powers. Even insiders like Joseph stiglitz have pointed out how the Bank and IMF have brazenly exploited such power to set poor countries on disastrous reform courses. Although nations still have policy space in the constraint of globalization to determine what policies to adopt, this space is further narrowed where the governing technocrats are professionally or academically trained in the discourse of development from the World Bank perspective (Murulewa, 2000). The professional affiliations of the minister for finance and the chief economic advisor to the President with the World Bank deepen the concern that NEEDS may not be indigenous enough as to be a Nigerian programme.

6. PRIVATE SECTOR DRIVEN ECONOMY AND POVERTY REDUCTION IN NIGERIA

NEEDS anchors the development of the economy on the private sector. It reduces government to the role of a regulator and an enabler. There is nothing unusual about giving the private sector the prominent role in economic development. Since the collapse of Third World Economies by reason of crisis in the world of oil prices, the failure of import substitution programme and the rise of balance of trade deficits. There is a strong global disfavor for government dominant role in economic activities. This roll-back the state tendency has taken the form of privatization and deregulation. There is now a growing argument on the merit of rolling back the state. Issue are joined on the interpretation of the history of economic development and the role of the state, especially, in some of the western capitalist states. The importance of the state both in capitalist accumulation and equitable distribution to create an articulated economy is being emphasized (Dietrich and Peter, 1985). The state is needed for capital accumulation, savings and public expenditures that is needed to grow the economy. The state is also needed to maintain the right mix of industrial policies and co-ordination required for growth in key industrial sector. As Robert Wade (2004) of London school of Economics put it with regard to Taiwan economic miracle, "the developmental state has to be judged not only in its role of influencing the allocation of resources between different sectors (rice, ship building hard disc drives, and different function (infrastructure, small enterprise), but also in its role of mobilizing resources within the public.

Surely, the developmental state is necessary. But, even as the Nigerian government has followed the tract of withdrawing from mainstream activities, yet, it could still firm up its regulatory role. There are many ways to create a market. And there are many forms which privatization and liberalization of the economy can take. Evidence and insights from the field suggest strongly that even when the state intends a greater role for the private sector, the state must be able and willing to make enormous pubic investment in social services apart from investment in infrastructure if real and sustained economic growth is to be possible. I quote intensively the views of renowned development economists, Paul Straiten (in Amadi 2004), on the political economy of fighting poverty. Financing a service must be distinguished from its provision and its productive Social services may be wholly privately or wholly publicly, produced, provided and financed. But these services may also be financed by the state and provided privately or they may be proved by the state, but through sever charge, privately financed." The real problem with NEEDs is that there is no clear framework for the provision of these essential public goods. Again, the policy of private sector driven economy negates the provision of these goods and services for the poor. Nothing in the framework gives hope that government is fully aware of its duty towards vulnerable groups - the poor women, aged, etc. in terms of protecting and/or expanding their access to basic social and infrastructural services." The regulatory capacity of the state is very low and incapable of effectively protecting consumers.

The case of telecommunication illustrates this fact. Although the telephone density has drastically improved, quality and cost of phone calls remain big problems. Nigeria has the highest number of dropcalls and pays the highest tariff for cell-phone calls. The National communication commission (NCC) has proved incapable of monitoring the running cost of cell-phone companies as to determine fair charges. MTN the leading phone company in Nigeria made 26 billion in six months. Revenue from Nigeria constitutes about two-third of its enormous revenue in Africa. So far, the regulatory practice has not protected customer interest and has not ensured equity and quality service (Ikpezie, 2004).

There is no doubt that the economy needs to be freed from corrupt and inefficient bureaucracy in order to lead to meaningful growth. Any meaningful economic reform policy must reform government involvement in economic activities in order to deal with corruption, inefficiency and non-strategies interventions. But, a private sector-driven economy is not necessarily the answer. Evidence across the globe shows that public companies can be more efficient and competitive than private companies. The French electricity company pushed prices down below these in America because of its innovation. The less postal service shows how a public company can effectively compete with private companies in quality services. In Canada, study shows that there is no difference in the efficiency of private and public rail systems (Amadi, 2004).

As much as government should move out of those areas where the private sector can do better and focus on creating enabling environment for articulated and integrated economic development, this shift should not amount to handing the private sector the captain's bond to "manage" the economy. The balance of evidence and analysis of the economic miracle in East Asian countries prove definitely that the state must always wear the captain's band. Whether we opt for hard or soft state, the Nigerian state must retain the capacity to choose "winners" and allocate resources preferentially according to an overall plan of development that answers to national priority. And in our situation such a priority is drastic reduction of general poverty and class, gender, and region-specific poverty (Achunike, 2006). It is ironic but that NEEDS in articulating its mission latched on the directive principles of state policy in the constitution. But these exhortatory statements rather require a developmental state. The constitution, amongst other require the control of the national economy in such a manner as to secure the maximum welfare, freedom and happiness of every citizen on the basis of social justice and equality of status and opportunity (Chapter two of constitution of the federal republic of Nigeria, 1999)

Part of the hindrance to mobilizing human resources for development is poor leadership and cynicism. There is a widespread loss of faith on political leadership. Because of the grip corruption holds on the nation's psyche, the leader who can effectively mobilize for economic transformation must be one who consistently and transparently eschews the personal rent-seeking that is now ubiquitous. He has to recognize that the example set by a corrupt chief executive permeates all branches and layers of government from top to bottom in the executive, legislature and judiciary and undermines growth by engendering... capricious interference with private activity (Clive Gray and Malcom McPherson 1999). The presidents went to power on a strong sentiment of patriotism and commitment to anti-corruption. But has own down on his credibility banks with certain opportunistic behaviours, especially the electoral bill fraud that presented him as a leader who was prepared to sacrifice national interest for personal political advantage. Many Nigerians no longer believe that the president meant well. If he had meant to engender a new value orientation and entrench efficiency and accountability across sectors of national life, then he needs to have begun to consistently and transparently model credibility.

7. CONCLUSION

This study was carried out to properly examine the politics of poverty reduction in Nigeria, with special attention on the NEEDS. The proposition raised in the course of the study was that NEEDS seems not to be adequate enough as a poverty reduction programme for Nigeria. Also, it was raised that poverty appeared to be increasing after many years of implementation of NEEDS because of the inherent politics masked in the World Bank Programme in Nigeria.

First, it was argued that NEEDS articulate neo-liberal ideology which is based on free markets private ownership, free trade, export led growth, drastic reduction in government social spending among others. This form of ideology, it was contested, do not augur well in Nigeria since it left wealth on few hands while the masses continued to reel under the heavy yoke of abject poverty. Secondly, it was argued that poverty appeared to be on the increase since NEEDS is nothing but another World Bank document in Nigeria. For one, its content and language suggest it draws inspiration, mainly or substantially, from World Bank development policies. Another reason is that the architects of the programme are in one way or the other affiliated with the World Bank.

In conclusion, NEEDS can be likened to a new wine in an old wineskin or the proverbial resurrection of the phoenix from its ashes: for it is merely SAP by other names. The IMF and World Bank have always dictated and superintended over all the reforms that have been attempted in Nigeria and elsewhere in the Third World. Because the authors of the NEEDS framework ensured a painstaking navigation of the traditional policy prescriptions of the Bretton Wood institutions of IMF/World Bank had no problem in approving it. This is exemplified in the favorable disposition of the former World Bank president, James Woltenshon, who pledged US$1 billion in support of the programme and hence the failure of NEEDS to achieve its objectives.

If Nigeria is to achieve any significant measure of success in her proclaimed effort to combat poverty, the following should be carried out;

- Anti-poverty programmes should be enshrined in the law and their execution made mandatory for every administration. This implies that the programmes shall transcend the whims and caprices of individual administration.
- More direct anti-poverty policies designed for the productive capabilities of the poor are essential. This means improving the human capital potential by way of education, skill, training, health and nutrition.
- A development strategy to generate employment in both rural and urban areas is also of great essence. New jobs directed at the poorest not at the middle or upper-class would go a long way to check poverty encroachment.

Finally, and most importantly of all is accountable to the ruled. To achieve this is an arduous task indeed, for Political leaders must be made Nigerian politicians and administrators are among the most privileged elite. Their privileges and interest are therefore at discord with any serious effort to evolve meaningful redistributive policies and programmes.

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