

# **A Historical Analysis of National Economic Empowerment and Development Strategy (Needs) and its Contribution to Poverty Alleviation in Nigeria**

**Audu Jamiu Kolawole,**

Department of History and Diplomatic Studies,  
Tai Solarin University of Education, Ijagun, Ogun State.

**Boge Faruq PhD,**

Department of History and International Relations,  
Lagos State University, Ojo Lagos

**Jokogbola Taibat Adedamola,**

Department of Educational Management,  
Tai Solarin Univeristy of Education, Ijagun, Ogun State.

**&**

**Akinade Bidemi Edith PhD,**

Department of Education, National Teachers' Institutes Kaduna,  
Laspotech Ikorodu Study Centre.

## **Abstract**

Evaluating the present Government policy via its achievement of NEEDS' core objective seems to portrait the government not different from the previous ones in ways and manner of pursuing and realizing the ideals of her development plan. However, this paper is designed to understand the imperative path to be followed by the federal government at achieving it desired goals, and dissert the way it does things. Also it intends to tackle the shortcomings of NEEDs from completely realizing its core goals and the efforts on Nigerians, since the welfare of the population is the ultimate evidence of development. For the purpose of this paper, it will cut-across those vital aspects of NEEDs policies, programs and implantation and make it profoundly improve on its key objectives of poverty eradication, wealth creation, employment generation and value re-orientation. Thus, it is also part of the task of NEEDs to provide a standard educational system to resolve the aforementioned limitations. However, this study examined: the National Economic Empowerment and Development Strategy (NEEDS) and the Challenges of Poverty Alleviation in Nigeria. Also, it focused on the content and substance of NEEDS, the contextual analysis of NEEDS and poverty reduction in Nigeria. Finally, for a sound and objective analysis of the study, Data was collected from primary sources and secondary sources like books, journals, government and other official publications, seminar papers, internet materials, newspapers and magazines as well as other related materials.

### **Introduction**

National Economic Empowerment Development strategy (NEEDS) is described as a Nigeria's plan for prosperity, popularly christened a "Home grown programme" by the former president of Nigeria Chief Aremu Olusegun Obasanjo, it is a four years medium term plan for the period of 2003 to 2007. NEEDS is a Federal Government plan, which also expects the state and local governments to have their counterpart plan i.e State Economic Empowerment and Development Strategy (SEEDS) and the Local Government Empowerment & Development Strategy (LEED) respectively. Since according to Nwachukwu development planning must be controlled and directed toward the desired goals. It is imperative for the federal government to include not all levels of government towards moving to the same direction but also insist that: the private sector, the non-governmental organizations (NGOs) and the general public in cooperative activities in pursuit of developmental goals. (Ibeanu, O. 2004)

However, like the previous development plan's especially from the first attempt in 1946 and in the opinion of scholars like Rodney Obikeze and Obi, NEEDS as a plan contains all the envisaged policies and programme of the federal government. It is not only a macro-economic plan document, but also a comprehensive vision, goals and principles of a "New Nigeria" through re-enacting core Nigeria values like respect for the elders, honesty, accountability, corporation, industry, discipline, self confidence and moral courage. As established in the NEEDS document, "NEED" significantly wants to eradicate poverty and promote self-reliance, entrepreneurship innovation, and rewards hard work. As rightly observed by the National Planning Commission and Central Bank of Nigeria. Thus, development plans are not understood in terms of economic development alone and so to scholars like Todaro and Rodney it is multi-dimensional.

### **Content and Substance of the National Economic Empowerment and Development Strategy (NEEDS)**

The National Economic Empowerment and Development Strategy is a federal government poverty reduction strategy. It builds on the earlier two-year efforts at producing the interim poverty reduction strategy (PRSP), and the wide consultative participatory process associated with it. It is a medium term strategy (2003-07), which derives from the country's long term goals of poverty reduction, wealth creation, employment generation and value re-orientation. NEEDS is a nationally co-ordinated framework of action in collaboration with state and local governments (with their State Economic Empowerment and Development Strategy (SEEDS)), as well as other stakeholders to consolidate on the earlier achievements of the democratic dispensation as well as building a solid formation for the attainment of Nigeria's long term vision of becoming the largest and strongest Africa economy and a key player in the world economy. (NEEDS Document 2005)

NEEDS is essentially a federal government programme. The president and his cabinet fully endorse the programme. Participation is also required of the civil society groups, labour unions, non-governmental organizations and the general public. This ensures a full participatory approach to the NEEDS design. NEEDS

builds on the progress made during the transitional phase of the new democratic dispensation.

The fundamental values upon which National Economic Empowerment and Development Strategy (NEEDS) rests upon are:

Respect for elders, honesty, accountability, co-operation, industry, discipline, self confidence and moral courage (NEEDS. document 2005). More specifically, the strategy hopes to lay a solid foundation for a national rediscovery and strong values on the following principles:

- Enterprise, competition and efficiency at all level
- Equity and care for the weak and vulnerable
- Moral rectitude, respect for traditional values, and pride in Nigeria's culture.
- A value system for public service that results in efficient and effective service delivery to the citizen.
- Discipline at all levels of leadership. According to the 2001 Kuru declaration; all public officials, elected and appointed, swear to abide by certain codes of values embodying Nigeria's development objectives and human capital needs. NEEDS recognizes that values cannot take root and be sustained unless conscious efforts are made to mobilize the Nigerian people around them. Without paradigm shifts, fundamental changes in mindset, and acknowledgement that business as usual is not acceptable, especially by the elite, the change that NEEDS seeks to bring about will be difficult to attain and sustain (NEEDS document 2005:4)

### **Empowering People**

Meeting the needs of our people and nation is the primary aim of the plan for prosperity. NEEDS insists that every Nigeria has the right to adequate water and sanitation, nutrition, clothing, shelter, basic education, and health care, as well as physical security and the means of making a living. NEEDS proposes a contract between the Nigerian people and their government in the form of a social charter, or bargain. This charter recognizes the people's rights to government services that provide basic needs for life. In return, the people agree to work hard and honestly to make NEEDS a success. In formalizing the contract between the people and the government, NEEDS empowers the people to challenge the government if it does not keep its side of the bargain. (NEEDS 2004)

NEEDS recognizes that poverty has many strands and must therefore be tackled from several different directions at once. It recognizes that the government must work not only to improve incomes but to tackle the many other social and political factors that contribute to poverty. These are very difficult to separate and are therefore often thought of as a bundle of factors that result in social exclusion. A poorly educated farmer is less likely to know how to keep his family healthy and less able to find alternative employment. As a result, he is more vulnerable to external shocks, such as drought or falling market prices, NEEDS empowers the poor by tackling social exclusion head on, paying particular attention to generating

jobs to improve incomes, housing, health care, education, political power, and physical security. (NEEDS 2004)

To improve the lives of the Nigerian people, NEEDS includes plans for creating jobs, creating affordable housing, improving health care services, strengthening the skill base, protecting the vulnerable, and promoting peace and security.

### **Value Re-Orientation**

NEEDS envisages the re-orientation of values in government and society. These goals of NEEDS seek to change the perception of people to government and is directed at involving Nigerians in the art of governance. In effect, NEEDS seeks to the key message that it is not business as usual; the privatization programme is designed to shrink the domain of the state and hence the pie of distributable rents which have been the haven of public sector corruption and inefficiency. The act of privatization will release a few thousands of appointed board members of government parastatals to go into productive engagements. Public sector reforms would also aim to emphasize professionalism, selfless service, and efficiency. The anti corruption measures fight against advance free fraudsters, the strive towards greater transparency in public and private sector financial transactions will help ensure accountability. (NEEDS 2004)

NEEDS intend to mobilize the people to re-emphasize the virtues of honesty, hard work, selfless service, moral rectitude, and patriotism. The National Orientation Agency (NOA) and their state counterpart will be strengthened to actively lead the campaign. Encouragement will also be given to civil society organizations, community based religious and socio-cultural-traditional organizations etc to provide leadership in the campaign for a new value system. . (NEEDS 2004)

### **Poverty Reduction**

Poverty reduction is the most difficult challenge facing Nigeria and its people and the greatest obstacle to pursuit of sustainable socioeconomic growth. The poverty rate in Nigeria increased from 27 percent in 1980 to 66 percent in 1996, by 1999 it was estimated that more than 70 percent of Nigerians lived in poverty. Life expectancy is a mere 54 years, and infant mortality (77 per 1000) and maternal mortality (704 per 100,000 live births) are among the highest in the world. (Abdu Ja'afaru; B.2011)

### **Other Social Indicators are also:**

- Only about 10 percent of the population had access to essential drugs.
- There were fewer than 30 physicians per 100,000 people.
- More than 5 million adults were estimated to be living with HIV/AIDS.
- Among children under five, almost 30 percent were underweight.
- Only 17 percent of children were fully immunized-down from 30 percent in 1990- and almost 40 percent had never been vaccinated.
- Only about half the population had access to safe drinking water (40 percent in rural areas, 80 percent in urban areas).
- Some 29 percent of the total population lived as risk from annual floods.

- More than 90 percent of the rural population depended on forests for livelihood and domestic energy sources.
- Rural households spend an average of 1.5 hours a day collection water and fuel wood, with household members walking an average of one kilometer a day to collect water and fuel wood. (Abdu Ja'afaru; B.2011)

Quantitatively, poverty in Nigeria has many manifestations and dimensions, including joblessness, over-indebtedness, economic dependence, lack of freedom, inability to provide the basic needs of life for self and family, lack of access to land and credit, and inability to save own assets. Poor people tend to live in dirty localities that put significance pressure on the physical environment, contributing to environmental degradation. The poor, especially farmers, perceive their economic circumstances to be fraught with uncertainty, affected by events over which they have no control, such as primary commodity prices, the volume of rainfall, pest attacks, fire outbreaks, changes in soil conditions, and social conflicts. Lack of food is the most critical dimension of poverty, reflected in the popular saying that when hunger is excised from poverty, the poverty is light. (Abdu Ja'afaru; B.2011)

### **Employment Generation**

The rate of urbanization in Nigeria-about 5.3 percent a year – is one of the fastest in the world. Urban unemployment is estimated at about 10.8 percent. If manufacturing and services sectors do not grow sufficiently to absorb the surge of labour to urban areas and if rural areas are not transformed to stem the growth in migration to urban area, the rate urban unemployment could become unmanageable. The implications for poverty – and crime, conflict, and the maintenance of democracy-are grave. (Abdu Ja'afaru; B.2011)

NEEDS recognizes the urgency of the unemployment situation, but it understands that there will be a lag in the expected job-creation effects of the reform programme. It also recognizes the need for specific steps to facilitate individual empowerment, particularly among young people and other vulnerable groups, through the creation of new jobs.

The private sector is expected to generate most of the new jobs in Nigeria. The role of the government will be to:

- Create an enabling environment by adopting specific sectoral programmes that permit the private sector to prosper.
- Empower people by providing for the acquisition of relevant skills to prepare them for the world of work.
- Promote integrated rural development, in collaboration with the states. Coordinated implementation of NEEDS at the federal level and State Economic Empowerment and Development Strategies (SEEDS) at the state level is expected to lead to about 7 million new jobs. (NEEDS 2004)

### **Reforming Government and Institutions**

The goal is to restructure, right-size, re-professionalized and strengthen government and public institutions to deliver effective services to the people. It

aims to eliminate waste and inefficiency, and free up resources for investment in infrastructure and social services by the government. A key aspect of the institutional reforms is to fight corruption, ensure greater transparency, and promote rule of law and strict enforcement of contracts. An explicit service delivery programme to re-orientate government agencies towards effective delivery of services to the people is to be introduced by the government.

In summary, the goal is to make government and public institutions serve the people, to make the government play a developmental role rather than being a haven for corruption and rent-seeking. Part of the reforms at this level is to ensure a predictable and sustainable macro-economic framework especially through a sustainable fiscal policy framework. (Ajadike, J. C. 2005)

### **Growing the Private Sector**

NEEDS is a development strategy which rests on the private sector as the engine of growth, for wealth creation, employment generation and poverty reduction. The government will be enabler, the facilitator, and the regulator. The private sector will be the executor, the direct investor and manager of businesses. The key elements of this strategy include the renewed privation, de-regulation and liberalization programme (to shrink the domain of the public sector and buy up the private sector), infrastructure development especially electricity and transport, explicit sectoral strategies for agriculture, industry small and medium scale enterprises, services especially tourism, art and culture and information communication technology, oil and gas, solid minerals. Other elements of this agenda are the mobilization of long-term capital for investment, appropriate regulatory framework, a coherent and consistent trade policy and regional/global integration regime, and specific innovations and interventions to encourage the development of some sector. For instance, in order to enhance rapid industrial growth and efficient exploitation of the resources, government shall encourage strong linkage between science and technology parks, industry, paper and development institutions. In addition, there will be deliberate efforts made to promote technology acquisition from within as well as across national boundaries. (Ajadike, J. C. 2005).

In collaboration with the stakes, a key strategy is to promote the emergence and the flourishing of industrial clusters. In a global economy characterize by increasing agglomeration of industries, promotion of clusters to ensure economies of scale is an importance element of the strategy. The small and medium enterprises (SMES) are critical special attention under NEEDS.

In addition, NEEDS seeks to promote the emergence of medium and large commercial farms, plantations and industrial conglomerates that would harness the economies of scale and effectively compete in today's global market. (Ajadike, J. C. 2005)

### **Implementing a Social Charter**

For the first time, it appears government has realized that is owes the Nigerian people a sacred duty to provide them with security, happiness and a guarantee for

the future. NEEDS seems to recognize the constitutional injection that the security and welfare of the people shall be the primary purpose of government (section 14(2) (b) of the 1999 constitution). (C.B.N. 1999)

NEEDS proposes a social charter which seeks to guarantee the basic needs of the citizens. This is expressed in social welfare, education, health, employment, poverty reduction, empowerment, security and participation. In effect, NEEDS seek to implement the provisions of chapter 2 of the 1999 constitution which consists of a social charter or contract between the government and the people. The chapter contains political, social, economic, educational, and environmental and foreign policy objectives. This chapter also provides for government principles, national ethnics and citizens responsibilities. (C.B.N. 1999)

This aim of the NEEDS agenda will be supported by the states under the State's Economic Empowerment Strategy (SEEDS) to provide integrated rural development. There will be concerted effort and policies aimed at women employment, youth employment and skills acquisition, scheme among others. This is aimed at reducing the rural-urban drift that is currently plaguing our society. (Chamber Lain, S.P 2003).

NEEDS intends to tackle the HIV/AIDS epidemic, which it sees as not just a social problem, but also a major threat to productivity and the economy. Effective health care delivery system, especially aspects directed at combating the HIV/AIDS scourge as well as other preventable diseases such as malaria and tuberculosis is the key strategy. Under NEEDS also, there will be reforms to promote the emergence of a vibrant mortgage and housing development system that will be led by the private sector. Investments are to be made in the agricultural sector especially to improve the productivity of peasant farmers. This is a key element of this strategy since over 50% of the poor engage in agriculture. Another key strategy in the social charter is inclusiveness and empowerment. Deliberate programme to give voice to the weak and the vulnerable groups through increased participation in decision-making and implementation, laws and programmes to empower women, children, the handicapped and the elderly will also be arranged. (Chamber Lain, S.P 2003).

### **Tackling Corruption and Promoting Transparency and Accountability**

A strong and effective anti-corruption policy is a priority of the government, which hopes to create a transparent and accountable Nigeria in which the incidence of corruption is low. NEEDS envisions a prosperous country that is not only developed economically but infused with strong moral and ethical values. Without these values it would be difficult, if not impossible, to achieve the desired level of growth and development.

Moreover, even if Nigeria were able to break out of the vicious cycle of poverty and underdevelopment, it would be a developed society without moral character. Federal Office of Statistics (FOS. 2010)

Some of the values on which attention must be focused include the following:

- Integrity and good citizenship at the individual and corporate level
- Discipline and a strong work ethic

- Excellence, competitiveness, creativity, and innovation in service delivery
- Perseverance and longer term thinking as opposed to short-term expediency
- Enterprise, thrift and savings, and curbing of waste
- Thirst for knowledge, information, and know-how
- Commitment to the welfare of vulnerable groups
- Pride in the spirit of Nigeria. Federal Office of Statistics (FOS. 1999)

### **Financing Needs**

To finance the programme, the government will increase the efficiency of resource use by:

- Reducing or Eliminating Wasteful spending
- Selling assets or privatization
- Reforming the tax system
- Mobilizing domestic savings
- Attracting foreign direct investment (FDI)
- Obtaining debt relief etc.

### **Reducing or Eliminating Wasteful Spending**

According to the NEEDS Document (2005). The federal government share of the federation account has decreased from about 60 percent to 46 percent, but the change does not yet reflect the devolution of responsibilities to state and local governments. The rationalization envisaged in this strategy will involve clear delineation of roles among the federal, state, and local governments in line with the changes in the revenue allocation formula. The federal government will withdraw from programmes and projects best left to state and local governments, not only to avoid duplication but also to enhance efficiency in implementing and monitoring programmes and projects.

### **Selling Assets**

Substantial revenue is expected to be generated by privatization of refineries and steel mills, the sale of shares in the automotive industries, the unbundling of the National Electric Power Authority, and the expected initial public offering of shares of Nigerian Telecommunications, Ltd. Proceeds of these sales can be used to finance infrastructure development under NEEDS. The law setting up the National council on privatization stipulates that all proceeds from privatization be placed in the privatization proceeds accounts which is automatically transferable into the consolidated revenue fund. The privatization programme is expected to attract private capital to increase working capital, replace equipment, and rehabilitate plants. With the monetization of fringe benefits, the government will dispose some of its assets, especially buildings and cars. Proceeds from these sales will augment the budget. (NEEDS 2004).

### **Reforming the Tax System**

There is scope to increase revenue yield by aggressively pursuing tax collection in all sectors of the economy. Target areas include the oil and gas sector,



personal and property taxes and indirect taxes. The practice whereby most revenue-generating state enterprises spend revenues collected on behalf of the central government, in breach of financial regulation will be checked.

- NEEDS will generally move in the direction of a low, stable, simplified tax and tariff regime. But a few new taxes may be imposed and some existing ones increased slightly to raise revenue. To increase revenues, the government will also:
- Return to the use of market-based development stocks, with appropriate tenures, to meet medium- to long-term financing needs, The change will check the current trend of crowding out of the real sector by borrowing from the banking system.
- Review and strengthen the enabling laws to ensure that institutions such as the Nigerian Social Insurance Trust Fund, pension fund, and life insurance companies adhere to guidelines that require them to use most of their funds to finance real sector activities.
- Support programmes, such as the comprehensive review of public sector pension schemes that mobilize and effectively manage long-term fund.
- Adopt appropriate regulatory and enforcement machinery to ensure that development finance institutions are well funded and that their funds reach intended beneficiaries, especially those operating in the priority sectors.
- Mainstream micro, small, medium size enterprises, especially those operating in the priority sectors, to broaden the real sector and enhance their access to funds available in the banking industry. (UNDP 2009)

#### **Attracting Foreign Direct Investment**

With better management of the economy and restoration of investor confidence, a higher level of investment inflow is expected, especially in view of the high returns that investment in Nigeria offers. About \$1.5 billion a year is expected to be attracted into manufacturing, steel, construction, solid minerals, and large-scale farming over the period. Efforts will be made to attract investment from wealthy Nigerians at home and abroad, and strategies will be developed for inducing other Africans in the Diaspora to invest in Nigeria.

Consequently, it is expected that donor agencies will significantly increase their aid budget to Nigeria. Better co-ordination of aid and an emphasis on value for money should amplify the impact of assistance to Nigeria. Nigeria may also be able to access international credit on concessional terms (IDA terms or better) provided that the projects for which loans are sought are bankable projects that will generate sufficient returns to pay back the credit. (UNDP 2009)

#### **Obtaining Debt Relief**

Nigeria's debt service is high and unsustainable. Annual debt service due averages more than \$2.5 billion a year. Including arrears of about \$3.47 billion incurred as of the end of 2003, annual debt service is about \$3 billion a year. Beyond the direct cash flow impact, debt relief would facilitate the restoration of

insurance cover, on exports to Nigeria (including foreign direct investment), by helping clear arrears and making current the country's debt status. Debt relief could thus create substantial resource inflows, which would form part of the financing required over the programme period. Debt service payments have come at great opportunity cost in terms of social services. External debt service payments made between 2001 and 2003 were five times as high as the recurrent federal government budgetary allocation to education and about six times as high as the recurrent budgetary allocation to health. Only substantial debt relief will allow Nigeria to pursue a meaningful development programme. This condition is corroborated by a 2002 study by the International Monetary Fund that revealed that even with a good policy environment, resolving Nigeria's debt problem would require a 67 percent of the net present value of the debt. (UNDP 2010)

**Other Sources of Revenues Includes:**

- Payment of interest on delayed payments.
- Recovery of looted and misappropriated funds.
- Partnership with the private sector.
- Private sector investment in infrastructure

**Needs Poverty Alleviation and Social Welfare**

NEEDS declares affirmatively that the resulting challenge of development is not only the need to reform the economy for enhanced economic growth, but also how to empower the citizenry as a means of revitalizing the weakened social pillar. This calls for the human rights approach to development planning which places human beings at the center of development effort. (Olayemi, J. K. 2005).

There are two ways to consider poverty alleviation and social welfare within the program. First, we have to access the content of the program to know how much poverty alleviation is a central part of the reform. Second, we can also examine what alternative plans we set up in order to deal with the adversities following privatization. The document articulates the NEEDS program as focused on meeting the challenges of the UN millennium Development Goals, which prescribes that poverty be reduced to halve by the year 2015. The government itself has acknowledged that about 70 percent of Nigerians live below poverty level, that is, spends less than one dollar a day. The document contains revealing data on poverty and deprivation in Nigeria. Samples: 50% of Nigerians have no access to good drinking water; only about 15% of children in Nigeria are immunized; only about 10% Nigerians has access to essential drugs (Amadi, 2004).

Dealing with poverty in such a society requires a well articulated and ambitious program that increases both the income of ordinary Nigerians and their access to social goods. The document does not contain any such plans. Instead, it impliedly stipulates for the dwindling of the incomes of poor households and consumption will further drag economic growth. The document states as a matter of fact that NEEDS is about the people: it is about their welfare, their health, education, employment, poverty-reduction, empowerment, employment, poverty reduction,

empowerment, security and participation. This is the over arching ultimate goals of NEEDS. What are we to make of this statement in view of the absence of poverty reduction programs or approaches in the proposal? We can give the architect of the program the benefit of the doubt that they truly consider poverty as a real threat to economic growth and its drastic reduction a big boost to development. But why fail to provide a programmatic process of reducing poverty? It seems that the architects had in mind the notion of poverty reduction that depends on the overall growth of the economy. (Segun, O. 2011)

The logic therefore, is that once we grow the economy in a sustainable manner, poverty will be reduced and human welfare enhanced. This is the pro-growth theory. And the logic is that the private sector will drive the growth process and also the trickling down of social welfare. On the issue of housing (many Nigerians are no house-owners and are not secured tenants), under NEEDS, reforms are ongoing to promote the emergency of a vibrant mortgage and housing development system that is led by private sector. The dependence on the private sector to provide the housing needs of Nigerians is not realistic in view of the failure of market in this respect. Housing for the poor is not what the private sector will have enough profit incentive to invest. Therefore, there will be an incomplete market for housing. It is in recognition that private market will not provide sufficient housing for the poor, that the government of the United States established the federal mortgage Association, known as the Framy Mac, to provide funds for home mortgage (Ayoola, G.B. 2001)

Experience with federal Housing Authority in Nigeria shows that controlling for corruption and abuse of power, government investment in housing remains the realistic way for the working poor to meet their housing needs. This investment does not need to take the form of direct government provisioning. Government may simply offer financial assistance. So that workers can obtain housing at the private markets or subsidize the private market for the poor workers. The problem with NEEDS private sector led development is not necessarily the preference for the private and public goods as much as the removal of government's direct investment either in producing or purchasing these goods. In the face of market failures, incomplete markets and externalities, government engagement with the economy may take many different forms: government may produce directly, government may purchase products for the people, or government may pay its citizens to purchase in the deregulated market. Even government in advanced capitalist states spend much, not only on infrastructure, but on pay-outs to citizens in order to enable them thrive in the private market. In the US for example, government intervenes in private production through policy instruments like subsidies and taxes, transfer payments like cash and in-kind benefits, tax returns, social insurance, food stamp, and Medicaid (Olusoji .M.O. and Oloba .O. 2004). The NEEDS Document fails to address government direct investment in social good provisioning either through public or private market. Looking beyond the document to government practices, the impression is sustained that government does not intend to focus on poverty alleviation even as it divests from the commanding heights of the economy. Since coming to power in 1999, The Obasanjo

government has increased the prices of petroleum more than three times. These increases have been justified on the ground that the liberalization of the downstream oil sector (a prime policy thrust of NEEDS) leads to price volatility. The government has failed to perceive the domino effect of such price swing on the disposal income of most Nigerians and how it leads to dwindling welfare. (Ibeanu, O. 2004). As part of its social charter, NEEDS promises to focus on eradication of poverty, universal basic primary education, and also increase funding for paper in tertiary education. In furtherance of this policy thrust the government has proposed a universal basic education Bill to criminalize parental failure or refusal to send their wards to school. So far government investment in education over the years has remained insignificant.

### **Conclusion**

An analysis of National Economic Empowerment and Development Strategy (NEEDS) with its key target of poverty reduction in Nigeria shows a disjunction between policy pronouncement and achievement. So far the reforms have not radically steered the economy towards economic growth. All the interventions of the government in the economy-privatization, deregulation of the downstream sector of the oil industry have only benefited the developed economies and rent-seeking elites within and outside the corridors of power.

The proposition raised in the curse of the work was that NEEDS, seem not to be adequate enough as a poverty reduction programme for Nigeria as it worsen poverty incidence instead of ameliorating them. This confirmed the fact that poverty appeared to be increasing after the implementation of NEEDS because it is another World Bank programme in Nigeria.

First, it was argued that NEEDS articulate neo-liberal ideology which is based on free markets price 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. Another reason is that the architects of the programme are in one way or the other affiliated with the World Bank. (World Bank 2011)

It was contested that private sector driven economy might not be in the best interest of the economy. We maintained that Nigerian state must retain the capacity to allocate resources preferentially according to an overall plan of development that answers to national priority. Also argued was the lack of political will on the part of government to carry out the goals which NEEDS target since the government focuses on lopsided implementation of annual budgets.

In conclusion, NEEDS can be likened to a new wine in an old wineskin or the proverbial resurrection of the phoenix from its ashes.

### Recommendations

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

1. 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. The programmes should be sustainable and thoughtfully articulated rather than episodic and stopgap as seems to be the current vogue.
2. Strict legal and spiritual oath of office should be encouraged. Automatic death sentence for any embezzlement of public fund in order to improve sanity.
3. The targets of the programmes, the poor themselves should be active participants in the formulation and execution of anti-poverty programmes meant to benefit them. The notion that officialdom can think and act for the poor is fundamentally wrong and an insult on the afflicted. A man living in affluence can hardly understand the real problems of the poor.
4. A development strategy to generate employment in both rural and urban areas is also of great essence. New Jobs directed at the poor not at the middle or upper class would go a long way to check poverty.
5. Effort should be made to address the problem of neo-capitalist formation of the Nigeria state which is the bane of development.

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