Self-Inflicted Poverty: A Big Problem for Urbanization and Development Process in Nigeria

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Abstract

Several writers have pointed out how poverty have pegged urbanization and Development in many developing to expose both Governments strategy and that of other Non-Governmental organizations around the world only to alleviate poverty such as the introduction of NEPAD, World trade Organization (WTO) and others like Millennium Development, there is reduction in unemployment, there will be invitation for urbanization and Development follows gradually. Apart from all these government on its own strategic plans to overcome all these problems introduced liberalization and indigenization policy which in a way counters poverty at least to a reasonable extent.

Introduction

Development is a dicey concept which has in recent times been reduced to a series of indices such as existence of infrastructure, provision of adequate services such as healthcare, water, sound education, electricity etc. National development policies, laws and programmes are intended to enable the country to move towards an ideal position which is usually enunciated in the development plans of the nation. This is backed up by the financial muscle of the yearly budget for performance. In Nigeria,

development is complicated by an expanding urban population with corresponding high levels of poverty. This is in accordance with the noted feature in developing countries of urban slums as the location of increased population growth. Urbanization in Nigeria has therefore impacted on national development through increasing pressure on already inadequate infrastructure and services. This pressure is felt especially in the urban slums. This is concretized in the largely unproductive nature of the urban slum residents, due to widespread unemployment which impacts negatively on national development and security (Rufin, 2011).

Nigeria as an oil dependent, economy is affected negatively by the strange pattern of the global primary resource market. Its underdevelopment has also been traced to national and international issues, synonymous with an oil dependent economy (NBS 2010. In addition, like her compatriots in the economically designated 'South,' Nigerian development lags behind that of the developed industrialized nations. This inequality in development is partly traceable to the /act that the benefits of international wealth/development do not accrue equally to all segments of the international society.

Development however is not an end in itself but is the provision of requisite infrastructure for human capital development in the State. It is about having structures in place for joint progression of both macro and micro aspects of the economy. In this case then, the ideal national development strategy will be focused on improving the livelihood of all citizens. Despite implementation of development strategies and plans, it is difficult for any State to acknowledge that it has had enough development. This is due to the fact that the benchmarks of development in the prevailing concepts, theories, technology and so on, however change constantly. However although it is possible to identify 'development' progress by tracking the indices as is done by development agencies, this may sometimes be misleading. Within this illusionary landscape therefore, the ability of the State to determine its development requirements and objectives is essential. The objectives can be set out in a plan and achieved

through application of a strategic approach including both national development and poverty reduction programmes. The development agenda will also include the municipal programmes for both infrastructural and human capital development; and the international aspect, which include the conceptual basis of development and the process towards globalization. This international-development aspect comprises of programmes especially, the Millennium Development Goals (MDGs). To ensure implementation, these national plans are reviewed periodically and in the case of the MDGs, the development goals have been made measurable to ensure that they are complied with.

Strategizing Initiatives for Development

As many developing nations which had experienced colonialism, postcolonial development strategy was based on restrictive importation policies coupled with strict economic planning, which was meant to stimulate the growth of the indigenous economy. The result of this planned economic strategy which did not allow for competition was an economy based on monopolistic State owned enterprises with high tariffs even with subsidy by the government. In the case of Nigeria, although the nation had initially implemented a liberal development approach with open markets and liberal trade policies subsequently veered towards a planned and restrictive economy, such as that practiced in the nations of the Eastern bloc. Subsequent nationalization and indigenization policies of government however did not result in the expected development. Other options to the State oriented development strategy included liberalization of the economy; from State controlled to a private sector led. These newer options were mainly international development strategies which had their basis in the international community's ideas of development and were focused on getting the developing nations into the main sphere or mainstream of the world economy.

The Structural Adjustment Programme (SAP) was one of such programmes, it was however criticized as focusing on structural economic

issues to the detriment of the people. The alienation of development from the people became one of the issues at stake for imported development programmes. The unsustainable nature of such development and its failure to become internalized by the people it was intended for, instigated many other scholars to propound strategies to engender development. This includes development policy concepts such as The Lagos Plan of Action and the Copenhagen Social Summit Framework. A new paradigm to development theory was also propounded by the Economic Commission of Africa (ECA), (Africa's Priority Programme For Economic Recovery. 1985-1990). It was however clear that a new approach to the development issue had to address the issue of development alienation. Since alienation was thought to be as a result of the lack of ownership of the development projects by the grassroots; the remedy was the *bottom-up* development approach, which targeted the people as the direct beneficiaries of development.

As a progression of this idea, the new model of development encompassed implementation of a development strategy which would originate from the States themselves and involve all the strata of the society for the concept to have local ownership. Development plans and strategies in this would include the New Partnership for African Development (NEPAD) among others. Most relevant to Nigeria are the Vision 2010 and recently the Vision 20:2020.This inward looking development approach at first light seems to be in contradiction with the erstwhile externally initiated and enforced development strategy. The truth however is that the externally originated programmes, are based on the development paradigm of external initiators such as the World Bank group and various donor agencies. The most important of these being the presently operational MDG's, which is an important development rights oriented document (MDGs, 2000).

Development and Poverty

The conjunction between development and poverty is the fact that development pertains to the economic-and social growth of the society and the ability of the government of a country to eliminate or minimize poverty among its citizens (The Brandt Report, 1980). The stimulus is to engage in activities which are aimed at poverty reduction and engendering development. However, development programmes in developing States have always emphasized the macroeconomic aspect of development, which favours the State directly through infrastructural development. This however tends to ignore the micro aspect of development pertaining to the issues that impinge on the people (MDGs, 2000). An inclusive development can however be achieved with a holistic approach in the sense of both macro and micro aspects of growth, which combines infrastructural as well as human capital-development and merges the infrastructural and individual ability towards a collective-productivity of the State.

Development has been elevated to the position of a right recognized by the international society **(Hadiprayitno, 2004)**. Thus the World Bank and its sister Institutions such as the International Monetary Fund (IMF) have internalized the provisions of the international community in its Poverty Reduction Strategy Papers (PRSP's). In accordance with these principles they have implemented various development programmes in client States. In Article 22, the African Charter on Human and Peoples Rights (ACHPR) has also acknowledged the right to development (African Charter on Human and Peoples' Rights (Ratification and Enforcement), CAP A9 LFN (2004). The 1999 Nigerian Constitution (as amended) in Chapter II details rights under the 'Fundamental Objectives and Directive Principles of State Policy.' This Chapter set out the state policy in respect of development of the nation. Unfortunately these rights cannot be directly enforced by Nigerians as they are unjustifiable. All these documents advocate that the State should ensure the creation of an environment of freedom from poverty for their citizens. Although traditionally the global disparities in development have meant that the more developed States have provided

assistance to the poorer States. It is however clear that such assistance cannot be the only mode of developing the State.

Espousing an Objective for National Development

An ideology is the blueprint as it were for the implementation of national development. The ideology entails the way by which the State intends to prosecute its development. This could be a people oriented or a market oriented development. Previously there were ideological differences in development, such as capitalist, communist or socialist oriented development. However, after the collapse of the Soviet Union, and with the advent of Globalization, the choice of ideology is limited to different versions of capitalism, with aspects of economic reform towards capitalism for those countries that had not previously implemented it, especially newly emergent socialist/communist States and developing nations. Problems of development for the developing country necessitating reform programmes include financial incapacity and political issues, such as lack of accountability and corruption in government. In terms of a local ideology for development in Nigeria, the 'Role of Government' noted that:

> Some of Nigeria's political leaders have advocated African socialism, an ideology that does not necessarily coincide with the Western socialist concept of the ownership of most capital and land by the state. Instead, the African variety usually has included the following: a substantial level of state ownership in modern industry, transportation, and commerce; a penchant for public control of resource allocation in key sectors; a priority on production for domestic consumption; and an emphasis on the rapid Africanization of high-level jobs. Despite the socialist rhetoric of some politicians, in practice Nigeria worked toward a mixed economy, with the directly productive sector dominated by private enterprise, the state investing in infrastructure as a foundation for private activity, and

> government .providing programs and policies to stimulate private (especially indigenous) enterprise (http://countrystudies.iis/nigeria/54.htm. (10/03/09).

It is however doubtful if that perception of the economy by the leaders of many developing nations have changed today even with the ongoing economic reform, which is contrary to the above State centred point of view.

Policy Initiatives for Poverty Reduction in Nigeria

Nigeria is dependent on the importation of food, technology and infrastructure. This is reflected in its industrial incapacity and consequently its employment and poverty level. To facilitate development therefore it is important to empower all segments of the nation's population educationally and technologically. This requires genuine implementation of a development policy which combines technology capacity development through science education with human capital development and increased electricity supply, and access. This can assist in reducing unemployment thereby enhancing the nation's economy **(IBRD (2003).** The prevailing national development policy under the PRSP is economic reform which is being implemented in the State through the national development plans and NEEDS. The ongoing reform has however been criticized as being contrary to the provisions in the Constitution (the Nigerian Constitutional999). Black *et al* however state that PRSP are only statements with contribution from all participants in the economy i.e. a generally participatory development policy (Black, R and Sward, J. (2009:6). They are however different from the older SAP regimen which was criticized as focused on macroeconomic indicators at the expense of the people.

Development is all-involving in Nigeria, all the Ministries, Departments and Agencies (MDA's) are involved in national development. In addition the Senior Special Assistant (SSA) to the President on the MDG's is also part of the government implementing strategy for implementing pro-poor policies. In recent times there was the inauguration of an

economic team to manage the economy, with the members coming from both the public and private sector.

Internally, the Nigerian Government has local policies for development and poverty reduction focused on the need for infrastructure, social amenities and the ability of the populace to utilize the same in a productive manner. For Nigeria, the basic development policy is contained in the development plans. According to Olojede, plan objectives "…include increasing productivity and poverty alleviation, rural development, environmental protection, promotion of small scale industries, improvement in social services and infrastructure provision and maintenance, good governance, women empowerment and capacity building(Olojede, A. A and Lawal, K..M, 2001)". In general however, plans only contain specific development objectives without the financial backing with which to implement them. They can only be implemented when they are backed by the annual or subsidiary budget as passed by the legislative bodies and implemented through the government bodies such as the policy arm of government such as Ministries, Departments and Agencies (MDA's) and implemented through both the legal system and other local and international bodies.

To encourage development in all sectors of the economy, the government has implemented many policies for reducing poverty. They include (but are not limited to) the following programmes which were formulated to enhance developmental objectives and reduce poverty (ANEEJ, December 2003:27).

The following are pre-reform poverty reduction programmes:

- The Peoples Bank of Nigeria, (1989).
- The Better Life (for the rural woman) Programme, (1987).
- *Family Economic Advancement Programme* (FEAP), (1993).
- The *National Accelerated Food Production Programme* and the Nigerian Agricultural and Co-operative Bank. (1972).
- The *Operation Feed theNation, (OFN)* (1976).

- The Directorate of Food, Roads and Rural Infrastructure (DFRRI), (1986).
- *The Back to the Land Programme,*
- The *Green Revolution Programme (1979).*
- Community Banks (1990).
- The *family Support Programme* (1994).

These are the pre-reform programmes and most of them were targeted at returning people the rural areas. The focus as seen from their nomenclature was the rural poor and encouraging a drift back to agriculture and rural life[1] which was exemplified by the Green Revolution and Back to Land programmes. Pre-democratic reform programmes which impacted the urban poor were; the Peoples Bank of Nigeria, the Community Bank of Nigeria, *the Family Support Programme* and *Family Economic Advancement Programme* (FEAP) (Ogwumike, F.(n/d),. These however were avenues for enrichment of the officials involved and did not impact seriously on the poor. Although the Community and Peoples banks did in fact assist some poor. However criticisms, trailing the programmes were connected with allegations of nepotism and corruption. The following are post-reform poverty reduction programmes,:

- The Poverty Alleviation Programme (PAP) in 1999
- National Poverty Eradication Programme (NAPEP), (2001).
- The Small and Medium Scale Development Agency (SMEDAN), (2003), which is now operated together with the Small and Medium Scale Enterprises Equity Investment Scheme (SMEEIS), (2001).
- The **Poverty Reduction Programs (PRP) of the democratic government of** Chief Olusegun Obasanjo;
- The Microfinance Banks (**Draft *National Policy on Poverty Eradication***, ABUJA: (2000).
- The Draft National Policy on Poverty Eradication, under the auspices of the IBRD sponsored Poverty Reduction Strategy Paper (PRSP).

On a cursory observation they are a reproduction of previous poverty reduction programmes. The newer programmes are however of a general nature as they are not focused on the rural poor, contrary to the earlier programmes which were aimed at returning the urban poor to the rural setting. The post reform programmes have concentrated strictly on poverty reduction. Presumably the operators of the new previous pro-poor policy implementations should also have learnt from the previous programmes. However the same issues of nepotism, corruption and political patronage have continued to be the problem in the functioning of the newer poverty reduction programmes.

As before the directing force of reform has been hinged on the programmes of the development partners, which advocate the implementation of international development policies, which focus on the rural poor. In addition, urban issues have been focused mainly on the planning **and infrastructural development of the cities.** Clearly there has not been any particular attempt to tackle urban poverty specifically as a socio-economic issue, nor has the issue of electricity as an urban development and poverty reduction strategy been addressed in any comprehensive way.

National Development Planning and Poverty Reduction

National Development Planning addresses the direction future development should take with respect to redressing any existing imbalance in the system to achieve a comprehensive national development. It can be formulated at both international and national levels. It addresses issues of, importance in the nation's development such as capital, financial, technological, economic or environmental aspect of the State. In addition it also focuses on social and economic infrastructural needs such as energy, transport and other facilities as well as solving other socio-economic and productivity issues, such as "... the declining standard of. living of the people, the high level of poverty, rising level of unemployment, high crime

rate, low per capital income, weak industrial base, low level of agricultural production and low capacity utilization in the real sector. (Olojede, A.AandLawal,K..M,2001)

The present reform of the Nigerian economy in keeping with the previous development efforts has directed the development emphasis on foreign investment, industrialization and trade. This is, manifested in the fact that at present, the nation's industrial production consists mainly of substitution industries with a high import inputs. However problems connected with this substitution production economy is the high cost of production from imported inputs due to high exchange rates as well as local infrastructural deficiencies, especially electricity and exploration of available natural resources more so that Nigeria economy is presently unimpressive. The government should therefore be mindful that its development strategy has to ensure that the nation gains from the foreign investment inflow. In addition, there should not be over-dependence on imported capital, technology and inputs for development. It is also apposite to add that the shortage of local private sector funding for the economy should be addressed. Competent local investors both individual and institutional should be encouraged to become more involvement in the economy to reduce the negative effect of extensive utilization of imported funds for development. This is in view of the fact that the nation is just recovering from a heavy foreign debt profile. Although these debts were forgiven as recently as 2007, care should be taken for the nation not to become burdened with foreign debt again (Muktar, 2010).

In respect of time frame, the development plan could be a short, medium or long term one. It could be termed rolling, framework, perspective or structural adjustment plans. The first Nigerian development plan was commenced in 1945 under the colonial government. The colonialists subsequently made the ten year. Development and Welfare plan of 1946-1955, which was revised for the next five years, 1951-1955. The 1955-1960 Plan which was to have ended in the independence year was however extended to 1962. The post-independence plans were four fixed -

term plans which commenced in 1962 and terminated in 1985. The First indigenous National Development Plan was the 1962-1968 Plan. The 1970-1974 Second National development Plan addressed the reconstruction after the civil war, as sought to also encourage national productiveness through self-reliance. The Third National Development Plan covered the period 1975-1980, -and addressed economic sectors such as industry, agriculture and rural electrification. The Fourth plan covered the period 1981-1985, The Fifth National Development Plan had a plan period of 1985 to 1990 but could not be commenced immediately due to a change in government; it was eventually implementedfrom1988-1992. The oil shock and the consequent negative financial state of the nation was reflected[1] in the 1981 -19 85 National Plan which had a negative growth rate.

This necessitated the implementation of the Structural Adjustment programme (SAP) in 1986. SAP was of the genre of the old liberalization/adjustment type favoured by the IBRD/IMF. It consisted of 'conditionalities' that were perceived to be difficult on the populace. In fact the Second National Plan was based on the IFI's Structural Adjustment Programme (SAP) of 1986 to 1990(Olojede, A. A. and Lawal, K.iM 2001.). The objective was liberalization of the economy, naira devaluation and privatization among other things. Subsequent to this in 1990, the five year fixed medium term plan came into being and the Nigerian development plan strategy became a three-tier planning structure which had a long term perspective plan combined with a shorter rolling plan and backed by the annual budget (Adeyemi, (2008: 12) In 1997, the Vision 2010 of Late General Sani Abacha/General Abudulsalami Abubakar regimes, was proposed as a long-term framework for the period of 1997-2010 (Olojede, A.AandLawal, K..M2001) The plan was comprehensive and covered every aspect of the economy. The vision plan was to be executed in yearly budgets and short-term adjustable rolling plans. It however died with the institution of Democracy in 1999.

After the return of democracy in 1999, the three-year rolling plans were converted to another three year plan, the Medium-Term Expenditure

Framework (MTEF) initiated by the IFI's and operated under the Ministry of Finance. Black *et al* note that, "PRSPs are also linked to Medium Term Expenditure Frameworks (MTEFs), meaning that they should be medium to long term in perspective and have an impact on developing countries' budget priorities(Black, R and Sward, J., :5-6). Perhaps to correct the criticism that the SAP's/Poverty Reduction Strategy Paper's (PRSP) of the IBRD are not people friendly, the PRSP which is internalized as the medium-term, four-year rolling plan NEEDS (ADB 2010) declares that it intends to address 'people' issues and therefore notes in Chapter 4 that, *"Boosting economic growth and empowering people calls for a human rights approach to development planning that places people at the centre of development efforts. To ensure that development percolates to the grassroots* (NEEDS (2005), *it also incorporates versions for the states and local governments. These are called SEEDS and LEEDS respectively.*

"The Seven Point Agenda" a short term plan of the erstwhile President Yar'adua addressed (i) Critical Infrastructure: power, energy and transportation; (ii) Niger Delta regional development; (iii) Food security; (iv)Human capital development ((health, education and training); (v) Land tenure changes and home ownership; (vi) National security; and, (vii) Wealth creation.

It was in fact connected to the Vision 2020 since it highlights aspects of the longtermplan(http://www.photius.com/countries/nigeria/economy/nigeria ecoomy_planning.html). The President Goodluck Jonathan also pledged his 'Transformation' plan, which is basically to ensure the completion of reform programmes to turn around the economy. These short and medium term plans run concurrently with the PRSP/NEEDS which also incorporate the MDG's. At present the Vision 20-2020 is the, newest long term perspective plan. All these plans are the basis on which the MDA's to implement their sectoral programmes (Vision20:2020).

The plan/programme will require both flexibility in prioritizing programs and: coordination across ministries of finance, economic management, energy, industry, health, education, agriculture (or rural development), water and sanitation, and transport (Modi, V, *et al, ibid.).* Finally in terms of the success of the development plans, it is interesting to note that despite all the plans since independence development in Nigeria is still short of the expected targets. The research therefore agrees with Aderemi that "…the persistence of the country's development challenges (are) largely attributed to lack of will to cultivate the discipline to implement the provisions of the various development plans rather than the shortcomings of the plans.

Stages of development in Nigeria

From the foregoing, the nation's present internal development process reflects the new international economic development strategy, which advocates human development and poverty alleviation as opposed to only infrastructural development which was the *raison d'etre* of the notorious Structural Adjustment Programmes (SAP) of the eighties. The development structure of Nigeria is related to her political structure. Politically, Nigeria is a federation made up of the Federal, State and Local governments. As a federation each component unit is supposed to be responsible for its development, but this is mitigated by the existential realities of national life. Thus the governing structure of the State under the 1999 Constitution allocates different responsibilities to the three tiers of government. Each operates areas of exclusive responsibility and others in which there is shared responsibility (Section 2(2) the Nigerian Constitution 1999). However the years of military rule and concentration of power at the centre means that the federal government has assumed responsibility for overall development; this is commensurate to the fact that it collects the bulk of the nation's revenues.

Thus although the role of the government as far as development is concerned should be restricted to a merely supervisory role, this is contrary to the policies of interventionist governments of the Third World such as

Nigeria (Knieper, 2002)). Moreover, the complicated issues of sectional and oil driven politics in Nigeria, means that government cannot be totally divorced from the development process. It must make policies as well as law, and direct the infrastructural as well as the human dimension of development such as education and the allocation of the national patrimony in a balanced way for all sections on the State. The nation also still finds it necessary to introduce elements of regulation in some cases, as a means of protecting her local producers or instituting some previously enunciated policies. However the aim of the new Nigerian development orientation seems to be enabling the nation put its regulated past behind it and join the rest of the world in globalised economic prosperity.

Policy laws and Nigerian Development

Although legal provisions per se however may not be the sole factor in development, Law has always been perceived as an ally to socio-economic development. This is due to the fact that legal regulations are what the government uses to direct citizens towards a new course of behaviour. The initial aspect of any serious development reform is therefore the legislative aspect. The legal aspect of development consists of the laws, policies and programmes, which underpin development within the country. The relevant legal rules and regulations can be found in the international or national sphere. The international are in the nature of the activities of International or Regional institutions or their municipal branches. Patently internal development issues will be addressed by municipal legislation, while those of external dimensions will be properly addressed by international instruments. The conceptual distinction however between the two systems of law has however become blurred since the advent of Globalisation (WTO…). Since development is a global concept supported by the UN and its subsidiary organizations the IDP's, it stands to reason that development policies, laws and programmes will be interconnected at both international and local levels. This results in an interconnection of both systems of law and joinder of legal and economic

issues, leading to a situation where there is no longer a clear distinction between the municipal or international issues and issues of international law and the international economy.

Pontificating on the relationship between international law and the municipal economy according to *Mistelis*

> ...this is an era of globalization of law that will inevitably accompany the globalization of economy. Globalization is foremost an economic process. It is also a political event, as evidenced by the spread of democratic principles and human rights among nations; many human rights violations are no longer treated as domestic affairs. 'Globalization is causing, and being reinforced by, a worldwide convergence of economic and political values that portend a possible, though distant, future world in which human beings will look upon themselves as part of a single humane civilization comprised of a single human race, [1996] 9NWLR(pt.475)996)'...

These rules may be in the nature of general or country specific interventions or treaties and conventions. Examples of these include the various economic partnership agreements either bilateral or multilateral, Conventions and regulations on trade and development such as the World Trade Organisation (WTO). Convention and the various economic unions like the NEPAD, the Economic Community of West African States (ECOWAS) as well as the Millennium Development Goals (MDG's). The national rules comprise the laws that impinge directly on development such as the general sector legislation and subsidiary regulations.

Within the context of ongoing economic reform, the law plays an important role through privatization regulation, which is the vehicle for the reform. In Nigeria, the Privatisation Act is the major implementing legislation for the reform in all sectors of the economy. In the electricity

sector the reform is directed by the EPSRA. In the general economy, development principles are reflected in laws relating, to specific sectors. The laws are supported by the national budget and implementation is connected to the availability of revenue. The law is therefore a veritable development tool when combined with development objectives backed by the budget. The government is the implementing body and is represented by the various Ministerial sectors such as the MDA's. The State also continues to be directly involved in the economy as a provider of infrastructure.

The development of Nigerian Economy was poorly financed

Nigeria is still mainly underdeveloped sixty years after independence; meaning that the many development plans, legislation and programmes have not achieved their aim. Since development is all about spending money, funding is therefore an important aspect of development. The policies on national growth and poverty eradication must be adequately funded to achieve economic development in the nation. Without funding, the nation's development aspirations cannot be actualized, In Nigeria, poor finances, have consistently affected the nation's development negatively, as the government has to prioritize in allocating funds to the various economic sectors based on the overall interest at the particular time. This is illustrated in the following table, where the budget allocations demonstrate the importance of the sectors.

Table 1.1 Nigeria 2020 Budget Allocation

S/N	Top 12 recurrent expenditure	N bn
1	Federal Ministry of Science and Technology	49.80
2	Federal Ministry of Agriculture & Rural Department	48.67
3	Office of the Secretary to the Government	59.60
4	Federal Ministry of Foreign affairs	67.56
5	Federal Ministry of Petroleum Resources	75.60
6	Office of the National Security Advisers	114.91
7	Federal Ministry of Youth & Sport Development	168.33

8	Federal Ministry of Interior	219.46
9	Federal Ministry of Health	336.32
10	Federal Ministry of Police Affairs	395.83
11	Federal Ministry of Education	490.20
12	Federal Ministry of Defense	778.59

Table 1.2 Top 12 Capital Allocation on Capital Expenditure

S/N	Top 12 recurrent expenditure	N bn
1	Federal Ministry of Science and Technology	37.55
2	Federal Ministry of Industry, Trade and Development	41.34
3	Federal Ministry of Aviation	53.85
4	Federal Ministry of Humanitarian affairs & Disaster	54.45
5	Federal Ministry of Water Resources	78.34
6	Federal Ministry of Agriculture & Rural Development	79.79
7	Federal Ministry of Health (Includes BHCPF)	90.98
8	Federal Ministry of Defense	99.87
9	Federal Ministry of Transportation	123.07
10	Federal Ministry of Power (includes PRP transfer to NBET)	127.67
11	Federal Ministry of Education (include UBEC)	162.74
12	Federal Ministry of Works and Housing	259.20

Sources: 2020 Budget

The progressive reduction in revenue available to the country for development is traceable to the collapse of the economy in the eighties due to the fall in the international price of oil. The situation affected the nation's revenue negatively, such that the loss of the anticipated revenue and consequent external borrowing by the State increased the foreign debt and availability of finance for development. As Okonjo-Iweala once observed that:

> The overall fiscal deficit rose from '/2 percent of GDP in 1980 to 9'/2 percent in 1981, and the external current account balance shifted from a surplus of 4/a percent to a deficit of *7½* percent in the same period. The severe weakening of the external position was reflected in a reduction of international reserves. Stepped up foreign borrowing by federal and state governments and public enterprises increased external debt, while the growing scarcity of foreign exchange affected output in the import intensive manufacturing sector with capacity utilization falling. The steady appreciation of the real effective exchange rate also depressed agricultural output, which remained at levels below those achieved in the 1970s. Mid as a result, annual GDP growth decelerated sharply and turned negative in 1981….the governments' financial position deteriorated as fiscal oil revenue dropped (Okonjo-Iweala, N and Osafo-Kwaako, P. 2007).

The resultant introduction of various restructuring programmes with their focus on managing the nation's economy through tight fiscal and monetary policies did not improve the lot of the poor, as overall conditions of existence continued to deteriorate, especially as a great percentage of national income was utilized for debt servicing. Debts, declining revenue and the insufficiency of funds and misapplication of available funding led to collapse of national infrastructure due to lack of maintenance. The resultant developmental problems were further worsened by the fluctuations in international oil prices. This worsened the national economic volatility due to the nation's connection to the international economy arising from reliance on foreign exchange income from her oil export earnings. Again Okonjo-Iweala observed that:

> Public expenditures also closely followed current revenues, implying that fluctuations in oil earnings were transferred directly into the domestic economy. Fluctuations in public expenditure reflected both the over-reliance on oil earnings and weak fiscal discipline by previous governments (http://countrystudics.us/iiigeria/_54.htm.accessed10/03/10..)

To achieve its development plans the government requires financial capacity. For instance me NEEDS programme is investment intensive and requires funding for its pro-poor and poverty-reducing objectives. Since the federal and state governments budgetary funding is however not sufficient, the international community and the local private sector must be co-opted into funding some of the projects. Thus there has been established a standing committee on Funds Mobilization to source more finance. There has also been established a Virtual Poverty Fund in 2005 in recognition of the fact that the poor need specific intervention to address their developmental challenge. This Poverty Fund was established after the Paris Club debt forgiveness, to ensure that monies released from the debt relief would be channeled towards initiatives to reduce poverty. Microfinance has also been- advanced as a means of alleviating poverty under the MDG's. The idea is based on providing finance to the poor to establish small scale businesses. A problem involved in microfinance however is the likelihood of financial inexperience of the recipient which results in the failure of the assistance or the, effect of the negative business environment as represented by lack of electricity on the business. For successful self-help in alleviating poverty, there must be finance in conjunction with professional assistance in respect of business expertise as well as electricity to run the business.

Okonjo Iweala observes again with respect to the nation's development plan strategy in respect of the poor that:

> Particular attention was also given to pro-poor expenditures within the budget that were needed to improve Nigeria's MPG indicators. Annual savings from debt servicing totaling about US$1 billion are being channeled to various poverty reduction programs. The federal government's share of about US$750 million in 2006 was spent for various MDG programs and monitored with a Virtual Poverty Fund Mechanism called OPEN (Oversight of Public Expenditure in NEEDS). The sum of US$750 million (N98.9 billion) was allocated for various MDG-based programs in the following sectors: health (US$161.5 million), education (US$135.0 million)^ water (US$145.6 million), power/rural electrification (US$128.9 billion), public works (US$75.1 million)(Nigeria Energy Issues http://www.geni.org/glob3lenergy/Iibrary/cnergyis5iiesnigeria/index.shtml), agriculture (US$66.0 million) and other programs such as gender, youth and the environment (US$37.9 million). In each of these sectors, allocations from the debt relief savings were .additional to the statutory allocations which MDG-related sectors obtained from the regular federal government budget. The additional financing supported a variety of programs, such as scaling-^ of the national immunization program, training of an additional 150,000 school teachers, construction of small earth dams, and the extension of various rural electrification projects (Okonjo-Iwcala, N. and Osafo-Kwaako, P., *ibid.* p. 12).

In summary the views of Lean are pertinent: "The Third World has had 40 years of development and things are not getting better time after time development seems simply to modernise poverty at huge environmental cost...(Lean, G., et al*, 1990) The Third World expatiates on the issue thus:*

> Despite some important advances since World War II, the state of Third World development is extremely unsatisfactory. Around 1billion people live in extreme poverty. More than 800 million do not get adequate food. Third World debt is huge – and can never be repaid. About 3 billion people have an annual income of less than $2 per day. Development has mostly benefited the small third World upper classes and the rich countries and their corporations. The gap between rich and poor countries is widening. Very little has "trickled down" to the poor majority. The conventional approach to development theory and practice, which focuses on promoting economic growth, investment, trade, and free markets, is the basic cause of the Third World problem. This is especially because it allows the market to allocate scarce resources to the rich and to generate inappropriate development; i.e., development that only benefits the rich (Third World Development, http:// socialwork.arts.unsw.edu.au/tsw/08b-Lng.html. (12/10/09).

It may be argued that the interest served in such an arrangement is that of the global elite class. Patently the problem seems not to be in the lack of programmes but in the implementation of development policies and programmes, as well as in factors, which are based on a lack of perception about the real needs of the poor by the IDP's.

Conclusion

This paper has addressed the issue of Nigerian development, urbanization and poverty. It noted that development has been elevated, giving it the status of a right and therefore, the subject of internationally Enforced policies and programmes which are translated to the local environment. It was perceived that there is an inverse link between development 'and poverty. It was also noted that the rise in urbanisation can exacerbate poverty. In addition the lack of adequate infrastructure impacts negatively on the productive abilities of the urban poor, elevating existing poverty levels. It notes that despite development plans, the poverty situation has not changed. The institution of the MDG's was an intervention by the international community which seeks to reduce the social and political causes of poverty in the developing nations by co-opting the relevant State into the poverty reduction process. It will however have to be properly prosecuted to enable it impact on the poor. It was also observed that development is reflected in the legal aspect of the national and international community In addition, law continues to be an important aspect in the growing integration of the economic and political aspects of international society, vis globalization. This is contrary to expectations that law may suffer a setback if there is a worldwide acceptance of 'issues between States. It is however part of the development strategy to close the boarder against importation of what can easily be produced at home and the financial backup empowerment by the government to the willing citizens.

Although Nigeria has addressed the issue of development and poverty internally by instituting pro-growth, poverty reduction policies as well as financial empowerment programmes for the poor; however, the focus of development is still infrastructural development and neglect of human capital development. In addition, Nigeria continues to combine pre-reform development planning with reform oriented development, via liberalization of the economy. This is evident in the continuing operation of the pre-reform Laws and policy. It is incongruous to combine planning with the ideology of reform in the form of privatization/liberalization. In

addition, the government is still keeping control of the economy through the centralization of funding, regulatory institutions and aspects of central planning, such as the various "Visions" of development (Okonjo-Iweala, N and Osafo-Kwaako, P. (2007), Finally the paper notes that the focus of reform has been on the macroeconomic factors which ultimately benefit the local ruling class and their foreign cohorts. This seems to be the explanation for a situation of increase in national growth which is not reflected in the reduction of national poverty indices. Addressing this inequality is the key to national development and poverty reduction especially in the urban slums.

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