

# **Overcoming Challenges against Poverty Reduction in Nigeria for Sustainable Development**

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## **Abstract**

*Nigeria's journey to address poverty is a critical one. The primary focus is on the transformation of Nigeria from a nation with relatively low poverty rates prior to independence in 1960 to one grappling with one of the highest poverty rates globally in recent years. The study examines the underlying causes of this shift, encompassing political, economic, and societal factors, while highlighting the enduring obstacles that hinder effective poverty reduction efforts. Through an examination of relevant case studies and best practices from other countries, the article sheds light on potential strategies that Nigeria can adopt to alleviate poverty and promote sustainable development. It underscores the need for political stability, effective governance, and targeted policies to address income inequality, unemployment, and sectorial imbalances. The role of gender-responsive initiatives, data-driven approaches, and inclusive economic policies are explored as vital components of a comprehensive poverty reduction strategy. By prioritizing structural reforms, fostering economic diversification, and implementing inclusive policies, Nigeria has the potential to overcome its current poverty trajectory and pave the way for a more equitable and prosperous society.*

**Keywords:** *Poverty, Nigeria, Structural Transformation, Government, Policy Interventions*

## Introduction

The foremost Sustainable Development Goal (SDG) – No Poverty, underscores the urgency to eliminate poverty in all forms by 2030. Poverty, as a multidimensional challenge, inhibits both individual well-being and societal progress. Omobowale<sup>1</sup> aptly characterizes it as the deprivation of life's essentials and hindrance to a decent standard of living. In 2015, 767 million individuals grappled with this dire circumstance<sup>2</sup>. Billions around the world endure dehumanizing conditions marked by hunger, disease, and despair. Remarkable progress still needs to be put in place to win the war against poverty. In 2013, 766 million, including 385 million children, subsisted on less than \$1.90 a day<sup>3</sup>. The reach of poverty transcends borders, affecting even advanced nations.

Poverty is not just an economic issue; it encompasses a lack of access to education, healthcare, clean water, and basic infrastructure. Eradicating poverty requires a multifaceted approach that addresses these interconnected facets. Effective policies must be implemented to provide economic opportunities, improve healthcare and education systems, and ensure social safety nets for vulnerable populations.

In the context of Nigeria, a nation blessed with abundant natural resources, the persistence of poverty is particularly disheartening. Approximately 40 percent of the Nigerian population lives below the poverty line action<sup>4</sup>.

This statistic underscores the pressing need for robust action to uplift its citizens from this cycle of deprivation. It is essential to create and

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<sup>1</sup> Omobowale, A. O. "Livelihood, agro ecological zones and poverty in rural Nigeria. ." *Journal of Agricultural Science*, 2014: 6(2), 103–113. <https://doi.org/10.5539/jas.v6n2p103>.

<sup>2</sup> United Nations Development Programme, UNDP. "Human Development Report: Human Development for everyone. ." *New York: UNDP*, 2016: [http://hdr.undp.org/sites/default/files/2016\\_human\\_development\\_report.pdf](http://hdr.undp.org/sites/default/files/2016_human_development_report.pdf).

<sup>3</sup> World Food Programme WFP. "Hunger statistics. United Nations. Rome." 2016: Retrieved from: [www.wfp.org/hunger/stats](http://www.wfp.org/hunger/stats).

<sup>4</sup> World Bank (2020). "Nigeria Releases New Report on Poverty and Inequality in Country." *World Bank*, 2020: Retrieved from <https://www.worldbank.org/en/programs/lsm/brief/nigeria-releases-new-report-on-poverty-and-inequality-in-country>.

implement comprehensive policies and initiatives that empower individuals and communities, enabling them to escape the clutches of poverty.

Addressing gender disparities is an integral part of poverty alleviation. Adesina-Uthman and Obaka<sup>5</sup> explore the relationship between gender and human capital development in Nigerian higher education institutions, shedding light on how gender disparities in educational opportunities significantly impact human capital development. Educational inequality exacerbates poverty. It is imperative to bridge the education gap<sup>6</sup>. Quality education equips individuals with the skills and knowledge needed to break the cycle of poverty and contribute to socio-economic growth and understanding how poverty affects genders differently is crucial for tailoring poverty alleviation strategies to be more gender-sensitive and effective<sup>6</sup>.

Eradicating poverty is a formidable challenge but not insurmountable. Sustainable change requires comprehensive strategies encompassing education, healthcare, gender equality, and economic growth. With its vast potential and resources, Nigeria has the opportunity to lead this change. By implementing effective policies and initiatives and fostering inclusivity, Nigeria can pave the way to a more equitable and prosperous future for all its citizens.

### **Objective**

The objective of the study is to provide insights and recommendations on how to overcome challenges in poverty reduction in Nigeria. The study discusses various factors that contribute to poverty in Nigeria, as well as potential strategies and approaches to address them, such as gender-responsive initiatives, data-driven policies, and inclusive economic policies.

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<sup>5</sup> Adesina-Uthman, G. A. and Obaka, A. I. "Genders' Education and Economic Development in Nigeria: An Application of Autoregressive Distributed Lag (ARDL) Model." n.d.

<sup>6</sup> Ijaiya, M. A., and Adesina-Uthman, G. A. "Does Poverty Discriminate between Genders? An Examination of Household Poverty in Niger State. ." *Lapai International Journal of management And Social Sciences.* , (2019) : Vol. 11 No.2, ISSN:2006-6473.

## Materials and Methods

This study combines secondary data sources to examine the multifaceted aspects of poverty in Nigeria. The research involved an extensive review of scholarly literature, policy documents, reports and grey literature from government agencies and civil society organizations related to poverty reduction efforts. Therefore, content analysis is employed as methodology.

## Empirical Review

Adesina-Uthman and Obaka<sup>5</sup> explored the relationship between gender and human capital development within Nigerian higher education institutions. They underscored how gender disparities in educational opportunities significantly impact the development of human capital and the need for policies to address these disparities which is central to sustainable development and poverty reduction in Nigeria. Ijaiya, M. A., and Adesina-Uthman<sup>6</sup> investigated household poverty in Niger State, focusing on whether poverty affects genders differently. They gave a nuanced examination of poverty dynamics, considering gender-specific factors, how poverty manifests within households and its varying impacts on genders and offered insights into tailoring poverty alleviation strategies to be more gender-sensitive. Adesina-Uthman<sup>7</sup> investigated corruption in Nigeria and its adverse effects on sustainable economic development. It delves into the "Sanders" and "Greasers" hypotheses, shedding light on corruption dynamics within the Nigerian context.

## Results

Table 1.0 provides a comprehensive view of the percentage of the population living below the poverty line of US \$5.50 per day in various countries. This poverty threshold represents extreme poverty, signifying the proportion of the population struggling to satisfy fundamental needs and maintain an acceptable quality of life.

Nigeria stands out with the highest percentage of its population living under this poverty line, an alarming 90.80%. This paints a stark picture of Nigeria's economic situation, illustrating substantial challenges in meeting the basic needs of a significant portion of its people. Following closely,

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<sup>7</sup> Adesina-Uthman, Ganiyat. "“SANDERS” AND “GREASERS” HYPOTHESES: CORRUPTION IN NIGERIA AND SUSTAINABLE ECONOMIC DEVELOPMENT. ." *NOUN Journal of Management and International Development*. , (2014). : vol. 2. 53-70. .

Pakistan and India have 84.50% and 82.60% of their populations below the US \$5.50 per day poverty line. These figures underscore the gravity of the poverty issue in these densely populated countries and emphasize the urgent requirement for effective poverty alleviation measures.

Angola, Lao PDR, and Kyrgyz Republic also grapple with a considerable portion of their populations residing in extreme poverty, with percentages ranging from 66.10% to 78.00%. These numbers highlight a pressing need for targeted efforts to improve their citizens' socio-economic conditions. Conversely, Vietnam and Bolivia exhibit a significant but comparatively lower percentage of their populations facing economic hardship. This suggests potential success in poverty reduction efforts attributed to various factors such as economic policies, social programs, or other poverty alleviation initiatives. Nonetheless, continuous efforts are essential to diminish these percentages further and enhance their populations' overall living standard.

On the flip side, Ukraine portrays the lowest percentage of its population below this poverty line, at 9.40%. While this is the lowest among the listed countries, it still represents a notable portion of the population struggling to make ends meet. Table 1.0 strongly underscores the pervasive issue of poverty across multiple countries, especially in regions like South Asia and Africa. It emphasizes the critical necessity for targeted interventions, policy reforms, and international cooperation to combat poverty and enhance the living standards of millions of people. Achieving sustainable development goals, particularly concerning poverty eradication, mandates collaborative efforts from governments, organizations, and societies.

Table 2.0 presents the historical data on Nigeria's poverty rate, specifically the percentage of the population living below the poverty line of US \$5.50 per day, revealing a persistently challenging socio-economic situation. In 2022, the poverty rate surged to 93.10%, indicating a concerning 3.70% increase from 2018. This significant rise highlights a notable deterioration in the economic conditions of a substantial Nigerian population. Over the years, Nigeria has struggled with consistently high poverty rates, exceeding 90%, underscoring the entrenched challenge of poverty and the pressing need for effective and sustained poverty alleviation measures.

Examining the long-term trends, the data exposes fluctuations in the poverty rate, demonstrating a decrease of 3.20% from 2003 to 2010, followed by an upward trajectory in poverty levels. Noteworthy is the minor decrease in poverty in 2015 and 1992; however, these reductions were marginal and failed to impact Nigeria's enduring issue of high poverty rates substantially.

These insights emphasize the necessity for a comprehensive and enduring approach, encompassing targeted policies, economic reforms, and social interventions to tackle poverty effectively, reduce poverty rates, and sustain those reductions over time. The data illuminates the critical imperative to prioritize poverty eradication as a fundamental component of Nigeria's development agenda.

Nigeria is blessed with a lot of natural resources, a vast pool of human resources and other endowment. In terms of population, Nigeria is the most populous country in Africa and the seventh-most populous globally with a population that surpassed 200 million in 2020<sup>8</sup>. Nigeria as at 2018 ranks low on human development index, 158th out of 189th countries and 39.1% of her population living below income poverty line of US\$1.90 a day.<sup>2</sup>

It's unfortunate that Nigeria has been classified as one of the world's poorest countries, with poverty rates surpassing even India, according to the Brookings Institution's<sup>9</sup> annual report. It's quite intriguing that before achieving independence in 1960, Nigeria encountered comparably lower instances of poverty. Nevertheless, in the subsequent six decades, there has been a notable surge in poverty rates, leading to Nigeria's transition from a nation with minimal poverty to a place now grappling with one of the world's most elevated poverty rates. It's disheartening to note the persistent nature of poverty in Nigeria and the adverse impact it has on the country's socio-economic development<sup>10</sup>.

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<sup>8</sup> Population Reference Bureau (PRB). "World population data sheet. ." *Population Reference Bureau* , 2017: Population Reference Bureau.

<sup>9</sup> Brookings. *Annual Report. Joint Comprehensive Plan of Action*. Retrieved from: <https://www.scribd.com/document/480585777/2018-annual-report-pdf>: Brookings Institution, 2018.

<sup>10</sup> Danaan, V. V. "Analyzing poverty in Nigeria through theoretical lenses. ." *Journal of Sustainable Development*, 2018: 11(1), 20–31. <https://doi.org/10.5539/jsd.v11n1p20>.

The root causes of poverty in Nigeria are multifaceted and involve various factors. Here are some key factors that contribute to poverty in Nigeria such as poor governance, sluggish economic growth, low human capital; limited access to quality education, healthcare, and skills development opportunities hinders human capital development in Nigeria; weak labour market including a high level of informal and low-wage employment; limited access to basic infrastructure such as electricity, safe drinking water, and improved sanitation, is limited in Nigeria, particularly in rural areas, exposure to shocks including climate change, conflict, and economic downturns. These shocks disproportionately affect the poor and can push them further into poverty; inadequate social protection; spatial inequality as certain regions and states facing higher poverty rates than others<sup>7</sup>.

## **Discussion**

### *The Root Cause of Poverty in Nigeria*

Despite significant policy support, the poverty alleviation sector in Nigeria has persistently underperformed, with poverty rates remaining high<sup>11</sup>.

Several factors have hindered the fight against poverty in Nigeria, including political instability, insecurity, and competitive clientelist politics.

Political instability has been a significant barrier to poverty reduction in Nigeria. The country has experienced several political crises, including military coups, ethnic and religious conflicts, and political violence<sup>12</sup>. These crises have disrupted economic activities, displaced communities, and hampered access to essential services, exacerbating poverty. Political instability has also led to a lack of continuity in poverty reduction programs, with each subsequent administration introducing different ideas or lacking a coherent approach<sup>10</sup>.

Insecurity is another factor that has hindered poverty reduction efforts in Nigeria. The country has experienced various forms of insecurity, including insurgency, farmer-herder conflicts, and communal violence. Insecurity disrupts economic activities, displaces communities, and hampers access to

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<sup>11</sup> National Bureau of Statistics, NBS. *Poverty and Inequality in Nigeria: Executive Summary*. National Bureau of Statistics Report: National Bureau of Statistics (2019).

<sup>12</sup> Joshua, Segun. "Politics, Poverty and Violent Conflicts: Exploring Their Complex Nexus in Nigeria." *Developing Country Studies*, 2013: 3: 102-108. .

essential services, exacerbating poverty. As of the end of 2021, the number of IDP camps in Nigeria stands at 143,110<sup>13</sup>.

Competitive clientelist politics is another factor that has hindered poverty reduction efforts in Nigeria. The political system in Nigeria is characterized by patronage, clientelism, and corruption<sup>14</sup>. Politicians often use poverty alleviation programs as a means of securing political support, rather than addressing the root causes of poverty. This has led to the politicization of poverty reduction programs, with resources being diverted to political allies rather than the most vulnerable populations<sup>15</sup>.

Addressing these factors is crucial for promoting sustainable development and improving the well-being of the population. A comprehensive and multidimensional approach is needed that considers regional disparities, the vulnerabilities of specific groups, and tailoring interventions based on accurate data. By adopting targeted strategies and leveraging resources effectively, Nigeria can make significant progress towards achieving SDG 1: No Poverty and improving the well-being of its population.

**Table 1.0. Nigeria Poverty Rate<sup>16</sup>**

<b>Country Name</b>	<b>% Under US \$5.50 Per Day</b>
<u>Nigeria</u>	<b>90.80%</b>
<u>Pakistan</u>	84.50%
<u>India</u>	82.60%
<u>Angola</u>	78.00%
<u>Lao PDR</u>	70.50%

<sup>13</sup> Kareem, K. "Chart of the Day: In 2021, Number of Displaced Persons in Nigeria Reach 2.18 Million." 2022: Dataphyte. Retrieved from: [www.dataphyte.com/latest-reports/security/chartoftheday-in-2021-number-of-displaced-persons-in-nigeria-reach-2-18-mi](http://www.dataphyte.com/latest-reports/security/chartoftheday-in-2021-number-of-displaced-persons-in-nigeria-reach-2-18-mi).

<sup>14</sup> Transparency International. "Corruption Perceptions Index 2020." *Transparency International*, 2021: Retrieved from <https://www.transparency.org/en/cpi/2020/index/nga>.

<sup>15</sup> Oyeranti, O., and Olayiwola, S. "Poverty Reduction in Nigeria: The Way Forward." *African Economic Research Consortium*, 2005.

<sup>16</sup> Macrotrends. "Nigeria Poverty Rate 1985-2020." (2023): <https://www.macrotrends.net/countries/NGA/nigeria/poverty-rate>.



<u>Kyrgyz Republic</u>	66.10%
<u>Indonesia</u>	62.80%
<u>Georgia</u>	53.90%
<u>Philippines</u>	53.40%
<u>Honduras</u>	51.30%
<u>Mongolia</u>	38.30%
<u>El Salvador</u>	33.00%
<u>Vietnam</u>	22.20%
<u>Bolivia</u>	19.10%
<u>Moldova</u>	14.60%
<u>Ukraine</u>	9.40%

**Table 2.0. Nigeria Poverty Rate – Historical Data<sup>65, 17</sup>**

<b>Nigeria Poverty Rate - Historical Data</b>		
<b>Year</b>	<b>% Under US \$5.50 Per Day</b>	<b>Change</b>
2022	93.10%	3.70%
2018	90.80%	1.30%
2015	89.50%	-1.00%
2012	90.50%	-0.30%
2010	90.80%	-3.20%
2003	94.00%	1.30%
1996	92.70%	0.30%
1992	92.40%	-1.00%
1985	93.40%	-1.00%

<sup>65</sup>Macrotrends."Nigeria Poverty Rate 1985-2020." (2023): <https://www.macrotrends.net/countries/NGA/nigeria/poverty-rate.->

<sup>17</sup> World Bank (2020). "Nigeria Authorities and World Bank." *Key conditions and challenges.*, 2020: Available at: <https://pubdocs.worldbank.org/en/848651492188167743/mpo-nga.pdf>.

### ***Gender-Related Challenges in Poverty Alleviation***

Gender-related challenges in poverty alleviation are crucial to address as poverty affects men and women differently due to deeply entrenched social norms and inequalities. To promote gender equality in poverty alleviation, it is essential to recognize and tackle these challenges.

Women often earn less than men for similar work, leading to economic disparities and perpetuating poverty among women. This wage gap is a result of various factors, including occupational segregation, discrimination, and limited access to higher-paying jobs. Girls and women in many societies have limited access to education, hindering their economic potential and perpetuating intergenerational poverty. Gender-based violence undermines women's economic empowerment and can push them into poverty or prevent them from escaping it<sup>18</sup>.

Implementing and enforcing policies that ensure equal pay for equal work, prioritizing investments in girls' education to empower them economically and break the cycle of intergenerational poverty. It is important to implement comprehensive measures to prevent and respond to gender-based violence, supporting survivors and creating safe environments for women. There is need to implement targeted programs that empower women economically, providing training, mentorship, and support for women-led businesses<sup>14</sup>.

By addressing these gender-related challenges and implementing strategies that promote gender equality in poverty alleviation, societies can create more inclusive and sustainable pathways out of poverty for all individuals, regardless of their gender. Empowering women economically and socially is not only a matter of social justice but also a critical step towards achieving sustainable development and poverty eradication.

### ***Overcoming Political Patronage***

Competitive clientelist politics refers to a political system in which politicians use poverty alleviation programs as a means of securing political support, rather than addressing the root causes of poverty. In this system, politicians compete for the loyalty of their constituents by providing them

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<sup>18</sup> Onyejekwe, Chineze J.. "A Review of Development Approaches to Poverty Reduction : A Gender Perspective." 2003.

with resources, such as jobs, contracts, and social services. This creates a system of patronage and clientelism, where politicians use public resources to reward their political allies and supporters<sup>19</sup>

Competitive clientelist politics can hinder poverty reduction efforts in several ways. First, it can lead to the politicization of poverty alleviation programs, with resources being diverted to political allies rather than the most vulnerable populations. This can result in the exclusion of the poorest and most vulnerable populations from poverty alleviation programs, exacerbating poverty. Second, it can lead to the misallocation of resources, with funds being directed towards projects that are politically expedient rather than those that are most effective in reducing poverty. This can result in the inefficient use of resources and limited impact on poverty reduction<sup>20</sup>.

Addressing competitive clientelist politics requires political will and institutional reforms. Political leaders must prioritize poverty reduction and commit to addressing the root causes of poverty, rather than using poverty alleviation programs as a means of securing political support. Institutional reforms, such as strengthening anti-corruption measures, promoting transparency and accountability, and depoliticizing poverty alleviation programs, can also help address competitive clientelist politics and promote effective poverty reduction.

This system can hinder poverty reduction efforts by politicizing poverty alleviation programs and misallocating resources. Addressing competitive clientelist politics requires political will and institutional reforms that prioritize poverty reduction and promote transparency and accountability.

### **Case Studies**

Highlighting successful case studies or best practices from other countries in poverty alleviation can offer valuable insights and inspiration for Nigeria. Here are some noteworthy initiatives from other countries that could serve as potential solutions for Nigeria's poverty reduction efforts:

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<sup>19</sup> Anthony Chinedu Ugwu, and Dr. Al Chukwuma Okoli. "Alleviation or Politicization of Poverty in Africa? A Critique of Nigeria's Social Investments Programs under Buhari-Led Administration, 2015-2020." *PanAfrican Journal of Governance and Development*, 2021.

<sup>20</sup> Hussaini, Mustapha. "Poverty Alleviation Programs in Nigeria: Issues and Challenges. ." *International Journal of Development Research*. , 2014: Vol 4, Issue, 3, pp. 717-720.

### ***Deep Structural Reforms in Macroeconomics and Productivity Enhancement:***

Countries like Rwanda have shown success in implementing such reforms. Rwanda's strategic macroeconomic policies, investment in human capital, and focus on innovation have contributed to significant poverty reduction. Nigeria could learn from these examples and prioritize evidence-based macroeconomic reforms and productivity enhancement measures to stimulate economic growth and reduce poverty<sup>21</sup>.

### ***Pro-Poor Initiatives and Fiscal Space:***

Successful poverty alleviation initiatives in countries like Brazil have involved targeted pro-poor programs, such as conditional cash transfers and social assistance schemes. These initiatives provide direct support to vulnerable populations, helping them access education, healthcare, and other essential services. By creating fiscal space through targeted reforms to expensive subsidies and tax policies, Nigeria can invest in pro-poor initiatives and better support those living in poverty<sup>22</sup>.

### ***Conditional Cash Transfer Program in Brazil:***

Brazil's Bolsa Família program is a widely recognized conditional cash transfer initiative that has successfully lifted millions of people out of poverty. The program provides cash transfers to low-income families, conditional on their children attending school regularly and receiving necessary vaccinations. By linking social assistance with human capital development, the program has improved educational outcomes and health indicators while reducing poverty and income inequality. Nigeria could learn from this approach and implement a similar conditional cash transfer program to target the most vulnerable populations and address barriers to education and healthcare access<sup>18</sup>.

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<sup>21</sup> Bernatzki, Talea, Matthias Busse, and Ruth Hoekstra. "Promoting Rwanda's Business Environment: Drivers of Change and Factuality of Reforms." *SSRN Electronic Journal*, 2020: <https://doi.org/10.2139/ssrn.3686211>.

<sup>22</sup> Kiggundu, M.N. "Anti-poverty and progressive social change in Brazil: lessons for other emerging economies." *International Review of Administrative Sciences*, 2012: 78(4), pp.733–756.

### ***Data-Driven Policies for Poverty Reduction:***

Data collection and analysis are vital for effective poverty reduction strategies. Countries like India have successfully implemented data-driven policies to address poverty. For example, India's Aadhaar system, a biometric-based unique identification program, has helped improve the efficiency and targeting of social welfare programs. By investing in data collection and analysis, Nigeria can develop evidence-based policies tailored to the specific needs of its vulnerable population, ensuring that resources are allocated effectively to reduce poverty<sup>23</sup>.

### ***Emphasis on Education and Basic Services:***

Finland has made significant strides in poverty reduction by prioritizing education and ensuring access to basic services. Finland's strong focus on education and social welfare has contributed to high social mobility and low poverty rates. Nigeria can learn from these examples and invest in improving access to quality education and basic services to empower its population and break the cycle of poverty<sup>24</sup>.

### ***Women's Empowerment in Rwanda:***

Rwanda has made significant strides in women's empowerment and gender equality, which has had a positive impact on poverty alleviation. The country has implemented various policies to increase women's participation in politics, business, and decision-making processes. As a result, Rwanda has one of the highest percentages of female representation in parliament globally. Additionally, programs promoting women's economic inclusion and land rights have contributed to poverty reduction. Nigeria could learn from Rwanda's experiences and prioritize gender-responsive policies and initiatives that empower women economically and politically<sup>25</sup>.

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<sup>23</sup> Masiero, Silvia, and Soumyo Das. "Datafying Anti-Poverty Programmes: Implications for Data Justice." *Information, Communication & Society* , 2019: 22 (7): 916–33.  
<https://doi.org/10.1080/1369118x.2019.1575448>.

<sup>24</sup> Morgan, Hani. "'Review of Research: The Education System in Finland: A Success Story Other Countries Can Emulate.'" *Childhood Education* , 2014: 90 (6): 453–57.  
<https://doi.org/10.1080/00094056.2014.983013>.

<sup>25</sup> Burnet, Jennie E. "'Women Have Found Respect: Gender Quotas, Symbolic Representation, and Female Empowerment in Rwanda.'" *Politics & Gender* , 2011: 7 (03): 303–34.  
<https://doi.org/10.1017/s1743923x11000250>.

By studying and adapting these successful case studies and best practices from other countries, Nigeria can develop comprehensive and effective poverty alleviation initiatives that address the specific needs and challenges faced by its population. Combining lessons from successful programs with context-specific approaches will be crucial to achieving sustainable and inclusive poverty reduction in Nigeria.

### ***Navigating Obstacles***

To address these issues, Nigeria must prioritize political stability, security, and good governance. Reforms are needed to combat corruption, improve public service delivery, and promote transparency and accountability. Additionally, increased funding, enhanced institutional capacity, and program continuity are crucial for making substantial strides in reducing poverty rates. By tackling income inequality, addressing unemployment, improving access to education, promoting the agricultural sector, implementing social protection programs, and adopting a comprehensive approach, Nigeria can make significant strides in reducing poverty and fostering sustainable development for its population. By addressing these challenges head-on and implementing sustainable measures, Nigeria can create an environment conducive to effective poverty alleviation and foster meaningful change in the lives of its citizens.

### **Conclusion and Recommendations**

It is evident that Nigeria has faced significant economic challenges in recent years, including low GDP growth, recession, and rising unemployment from 2015 to 2021. During this period, the agriculture sector expanded, but the manufacturing sector declined, leading to foreign exchange shortages and limited job opportunities. The concentration of the workforce in low-productivity sectors has hindered income growth and posed obstacles to poverty reduction in the country. As Nigeria moves forward, particularly with the new government, there is a pressing need for political leaders to implement inclusive and competitive economic policies that prioritize the well-being of Nigerian citizens and address the structural issues in the economy. To achieve sustainable economic growth and poverty alleviation, the new administration should focus on several key areas.

Structural transformation of the economy is paramount, involving diversification away from heavy dependence on oil and promoting other sectors such as manufacturing and tradable services to create a more

resilient economic base. Reviving the manufacturing sector is crucial for boosting local production, generating employment opportunities, and reducing reliance on imports. This can be achieved through the provision of incentives and creating an enabling business environment. Additionally, investing in human capital through national skills programs and education initiatives will enhance workforce productivity and contribute to economic growth. Supporting small and medium-sized enterprises (SMEs) is essential, as it drives innovation, job creation, and fosters economic resilience. Providing SMEs with access to finance, technology, and markets can significantly contribute to poverty reduction. Furthermore, improving infrastructure, including roads, energy, water, and digital facilities, is crucial for creating an enabling environment for economic activities and attracting investments. Encouraging exports and managing foreign exchange effectively will improve Nigeria's trade balance and address foreign exchange shortages. Collaborating with the private sector through public-private partnerships (PPPs) can accelerate economic development and facilitate the implementation of critical projects.

Addressing corruption is also paramount for creating a transparent and accountable business environment that attracts investments and promotes economic growth.

By adopting these measures and aligning economic policies with the insights from research on structural change and manufacturing-focused industrial policies, Nigeria can foster economic growth, create employment opportunities, and lift millions of its citizens out of poverty. It is essential for the government to take a proactive role in promoting these strategies and addressing constraints to achieve desired growth, drawing inspiration from successful poverty alleviation initiatives and best practices from other countries. With concerted efforts, Nigeria can embark on a sustainable path towards inclusive economic development and poverty eradication.

By focusing on these areas and implementing well-targeted policies, Nigeria can bridge the productivity gap, build economic resilience, and make significant progress in reducing poverty and improving the standard of living for its citizens. It is essential for the new administration to prioritize these strategies and work collaboratively with various stakeholders to achieve lasting and inclusive economic growth.

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