



Poverty and Inequality: Contemporary Issues in Nigerian Fourth Republic

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Abstract: Nigeria, Africa's most populous nation and a major oil producer is confronted with several challenges, including scarcity of valuable resources. Despite the abundance of natural resources and a potentially growing economy, the country struggles with entrenched poverty and stark socioeconomic inequalities. Previous studies have focused on poverty and socioeconomic challenges, little have been done on the reflection in the fourth republic. This study examined poverty and inequality in the fourth republic, with a view to underscoring the impact on socioeconomic development, determining the extent of involvement over the years and investigate the factors contributing to poverty and inequality. Qualitative design was used. Data was collected using interviews with individuals and communities impacted by poverty and inequality. 20 respondents were purposively selected. Enzo Feletto's Dependency and Karl Max's Structural theory served as the theoretical framework. Income inequality, gender discrimination, and unequal access to political and legal system manifested as critical factors perpetuating poverty and restricting opportunities for marginalized groups. The causes of poverty and inequality were inadequate infrastructure, poor governance and corruption, which limited economic participation and productivity. Policies aimed at economic diversification, improving access to education and strengthening social safety nets should be used to combat poverty and inequality, to enhance socioeconomic development of Nigeria.

Keywords: Poverty; Inequality; Development; Policies; Socioeconomic

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1. Introduction

Poverty and inequality are two of the common contemporary issues and challenges facing Nigeria today. The country has the largest economy in Africa, yet penury and disproportion lead to marginalization in the country. Poverty and inequality pose huge ramifications on the socio-economic development in Nigeria. Poverty and inequality in Nigeria are not due to the lack of resources but rather, they are as a result of the poor use, misappropriation and misallocation of such resources (Oxfam Report 2023). This study aims at exploring the impact of poverty and inequality on the socio-economic development of Nigeria, and also examine the relationship between poverty, income inequality and the economic growth in Nigeria.

Poverty and inequality have a very significant impact on the socio-economic development of Nigeria. The mismanagement of resources, corruption and political elite out of touch with the daily struggles of average Nigerians are some of the undermined causes of poverty and inequality. Poverty and inequality also restricts access to basic infrastructures such as electricity, clean water, educational system, good roads and transportation, health system, and improved sanitation which are very important for socio-economic development in the country (The “2019 poverty and inequality in Nigeria” report World Bank, 2020), Poverty and inequality contributes to high rates of unemployment, a poor educational system and also poor health outcome which can lead lack of productivity and hinder economic growth in Nigeria. For inequality, the gains of the economic growth are concentrated among the already affluent and therefore, the opportunities for the poor to get themselves out of poverty are reduced.

The relationship between poverty, income inequality, and economic growth in Nigeria is intricate and has been the subject of so many researches. Some studies have discovered a positive relationship between poverty and economic growth in Nigeria while others have found no important relationship between poverty, income equality and economic growth in Nigeria. A study by P. I. Nwosa, found out that poverty and income inequality affect the economic growth of Nigeria insignificantly. The study made use of several data from the National Bureau of Statistics and Central Bank of Nigeria Statistical Bulletin between the periods from 1981 to 2019. The study employed the use of Augmented Dickey Fuller test, Error Correction technique, and Co integration test, this study therefore revealed that income inequality and economic growth have a negative effect in the country while poverty has to be positively related to economic growth.

There are dimensions of poverty and inequality in Nigeria. Poverty in Nigeria is multidimensional with factors such as unemployment, non-diversification of the economy, corruption, laziness, poor educational system, and also income inequality which contributes to it (American University, 2023).

According to World Bank (2020) in the “2019 poverty and inequality in Nigeria” report, 44% of the total population or about 83 million people live below the country’s poverty level of 137,430 naira per year and 10% of Nigerians which comprises of the wealthiest individuals control the country’s wealth. This means that nearly half of the total population of Nigeria cannot afford to meet the basic needs for their survival such as food, shelter, clothing, and also, healthcare. This also emphasizes that Nigeria is one of the most unequal countries in the world as 10% of the population controls 40% of the country’s wealth. The level of poverty in Nigeria is growing, with an over-increasing economic gap between the urban southern region and the comparatively poor rural areas (Evans School of Public Policy and Governance, 2023) and this has a negative impact on the socio-economic development of Nigeria.

In conclusion, it is complex and challenging to study the impact of poverty and inequality on the socio-economic development of Nigeria. However, it is a necessary task due to the negative impacts of poverty and inequality on the county’s development. This study helps to develop a better understanding of the relationships between poverty, inequality and socio-economic development in which policy makers can develop a more effective policy to reduce poverty and inequality and also to promote a sustainable economic development.

2. Statement of the Problem

Nigeria is Africa’s most populous country and it faces persistent and complex challenges in form of poverty and inequality. These issues have a lot of consequences on the socio-economic development of Nigeria, hindering progress in various sectors and impeding the well-being of its citizens. Poverty remains a significant issue in Nigeria, with an estimate of 40% of its population living below the national poverty line. This means that millions of individuals are struggling to meet their basic needs like food, shelter, healthcare and education. The prevalence of poverty varies across the country, with rural areas and the northern regions affected unequally. Inequality in both income and access to resources, has been steadily increasing in Nigeria. The richest 1% controls over 70% of the nation’s wealth, while the bottom the bottom

50% holds less than 2% (Oxfam annual reports, 2023). This evidently shows the disparity in access to quality education, healthcare and opportunities. The combines' effects of poverty and inequality have a profound impact Nigeria's socio-economic development. This issue hinders economic growth, limits access to education and healthcare, and perpetuate social education.

3. Theoretical Framework

3.1. Dependency Theory

Dependency Theory argues that poverty and inequality in developing countries are the result of the economic dependence on developed countries. Dependency theorists argue that the historical experience of colonialism and imperialism has left a lasting legacy of economic dependency and underdevelopment in many countries, including Nigeria. Colonial powers extracted resources and exploited labor from their colonies, establishing patterns of dependency that persisted even after independence.

According to Frank (1967), Dependency Theory highlights the unequal exchange of goods and resources between developed and developing countries. Peripheral economies like Nigeria often export primary commodities at low prices while importing manufactured goods at high prices, leading to unappreciated terms of trade and perpetuating economic dependency.

Scholars like Cardoso and Faletto, who are also dependency theorists, emphasize the role of transnational corporations (TNCs) and multinational corporations (MNCs) in perpetuating dependency and exacerbating inequalities. These corporations often extract natural resources and exploit cheap labor in developing countries like Nigeria, contributing to environmental degradation and social dislocation.

Weaknesses of Dependency Theory

Dependency Theory tends to depict the world in simplistic terms of "core" and "periphery" without accounting for the diversity of experiences and the complexities of global economic relations. It overlooks the fact that countries can have elements of both dependency and autonomy in their economic structures. Dependency Theory also places excessive emphasis on external forces such as colonialism and imperialism while neglecting internal factors such as governance failures, corruption, and domestic policies that contribute to poverty and inequality within countries. In today's globalized world, marked by the rise of new economic powers

and changing patterns of trade and investment, Dependency Theory's applicability may be limited in capturing contemporary realities.

3.2. Structural Theory

Structural Theory emphasizes that poverty and inequality are not merely individual issues but rather arise from broader societal structures and power imbalances. Structural theorists argue that poverty and inequality are rooted in the underlying structures of society, such as economic systems, political institutions, and social hierarchies. These structures create and perpetuate unequal access to resources, opportunities, and power, resulting in disparities in wealth, income, and well-being. Structural Theory challenges the notion that individual choices and behaviours solely determine one's economic and social standing. Instead, it emphasizes how macro-level factors, such as labour market conditions, educational policies, and healthcare systems, influence individual outcomes and perpetuate poverty and inequality. Structural theorists recognize the role of power dynamics in maintaining and exacerbating poverty and inequality. They argue that those with greater power, such as wealthy elites and corporations, often influence decision-making processes and resource allocation in ways that favour their own interests, further marginalizing and dis-empowering those already disadvantaged.

Weakness of Structural Theory

Critics argue that Structural Theory overlooks individual agency and choices that can contribute to poverty or escape from it. However, structural theorists have acknowledged the interplay between individual actions and larger structural forces. Also, Structural Theory tends to offer a static analysis of poverty and inequality trends, focusing on long-term structural factors and historical legacies. It may struggle to account for dynamic changes, emerging trends, and contingent factors that shape socioeconomic outcomes in Nigeria.

4. Review of Literatures

4.1. Poverty

Poverty is a complex and multidimensional issue that goes beyond mere lack of income or material possessions. It ensnares individuals and communities in a web of deprivations, severely limiting their capabilities and overall well-being. To

effectively address this pervasive challenge, it is essential to unravel its intricately woven layers of conceptualization, understand its diverse manifestations, and acknowledge the difficulties in accurately measuring its extent. Poverty in Nigeria presents a persistent and widespread problem exacerbated by factors such as corruption, governance deficiencies, lack of political will, and inconsistent policies. It encompasses pronounced deprivation across various dimensions: low incomes, inadequate access to basic goods and services essential for dignified survival, poor health and education outcomes, limited clean water and sanitation facilities, insecurity, voicelessness, and insufficient opportunities for socio-economic advancement.

According to the World Bank report, “2019 poverty and inequality in Nigeria,” Nigeria in 2019 reported approximately 83 million people living below the national poverty line of \$1.90 per day, equating to about 40% of the population. Additionally, the wealthiest 10% of Nigerians control 40% of the country’s wealth, highlighting severe income inequality. This economic gap exacerbates disparities between urban southern regions and impoverished rural areas, hindering Nigeria’s socio-economic development.

The International Monetary Fund (IMF) defines poverty primarily in terms of income deprivation using a global poverty line of \$1.90 per day. While income-based measures like this have traditionally served as benchmarks, scholars such as Amartya Sen (1999) advocate for a capability-based approach. They argue that poverty stems not only from material lack but also from the deprivation of essential capabilities such as education, healthcare, and personal development opportunities that are vital for leading dignified lives.

Poverty is dynamic, characterized by transitions between states of vulnerability and security. Scholars like Martin Carter (1997) and Robert Chambers (1989) emphasize its chronic and transient nature, highlighting susceptibility to short-term shocks and persistent deprivation over generations. Addressing poverty requires interventions that build resilience and empower individuals, considering factors like social safety nets, resource access, and environmental hazards. Poverty intersects with various forms of social inequality, including gender, race, and disability, compounding disadvantage. Patricia Hill Collins (2000) underscore how these overlapping identities shape experiences of poverty, exacerbating barriers to education, healthcare, and employment for marginalized groups.

Empowering individuals experiencing poverty involves recognizing their agency and decision-making power. Participatory approaches, as advocated by Deepa

Narayan (2000), engages communities in identifying their needs and designing solutions, promoting ownership of development processes. Sustainable solutions to poverty necessitate addressing root causes rooted in structural inequalities and power imbalances. Sakiko Fukuda-Parr (2003) argue for dismantling discriminatory policies, promoting equitable resource access, and fostering social justice initiatives to break the cycle of poverty and achieve a more just and equitable society.

4.2. Inequality

Inequality refers to the uneven distribution of resources, opportunities or well-beings among individuals or groups in a society. It is a multifaceted and ever-evolving phenomenon that has captured the mind of different scholars and can be studied from different perspectives or disciplines. Inequality is the unequal distribution of income, resources and power in the society. Inequality can be measured in numerous ways including the Gini coefficient, which ranges from perfect equality (0) to perfect inequality (1).

Although, income inequality often plays a larger role in inequality, scholars like Amartya Sen (1992) believes that there is other measure in inequality except income inequality. This broader lens encompasses access to education, healthcare, and opportunities for participation, painting a more nuanced picture of inequality's true impact. Nancy Fraser (1995) further expands this notion by differentiating between economic and social dimensions of inequality, arguing that lack of recognition and respect can be equally detrimental as material deprivation. Recognizing the multifaceted nature of inequality is crucial for crafting effective solutions that address the various ways individuals and communities experience disadvantage.

Inequality rarely exists in isolation. It often intertwines with other forms of social divisions, such as gender, race, and ethnicity, creating a compounded web of disadvantage. Kimberlé Crenshaw's (1989) underscores how these overlapping identities shape individuals' experiences of inequality and limit their opportunities. For instance, a woman belonging to a marginalized ethnic group might face compounded barriers in accessing education, employment, and social mobility due to the interplay of gender and ethnicity-based discrimination. Recognizing these intersecting vulnerabilities is essential for crafting solutions that address the unique challenges faced by marginalized groups and promote truly inclusive societies. It is crucial to move beyond victim-blaming narratives and acknowledge the agency and decision-making power of individuals and communities experiencing inequality.

According to John Rawls' (1971) theory of justice, there is the importance of ensuring fairness and equal opportunities for all, regardless of their background. Elinor Ostrom's (1990) in his work on collective action highlights the potential of communities to organize and advocate for change. By empowering individuals and communities to challenge existing power structures and demand equitable distribution of resources, we can pave the way for more just and equitable societies.

Inequality is not static but it is a dynamic process that evolves over time and space. Thomas Piketty's (2014) seminal work sheds light on the tendency for wealth to concentrate over generations in the absence of countervailing forces, potentially leading to entrenched inequality. Conversely, Dani Rodrik (2011) emphasizes the role of institutional factors like globalization and technological change in shaping inequality trends. Understanding these dynamics is crucial for designing effective policies that address both short-term disparities and long-term trends, ensuring interventions are not only responsive to immediate needs but also equipped to tackle the evolving nature of inequality. The manifestations and drivers of inequality differ significantly across diverse contexts. What constitutes significant inequality in one country might be vastly different in another. Dani Rodrik (2006) argues for context-specific policies that consider the unique historical, political, and economic realities of each nation. Additionally, data collection and measurement methods can influence our understanding of inequality. Standardized metrics might overlook specific regional or group-based disparities, highlighting the need for inclusive and nuanced data collection practices.

4.3. Socio-Economic Development

Socio-economic development refers to the improvement of the overall well-being and quality of life of a population within a specific geographical area. It encompasses economic growth, poverty reduction, social inclusion and environmental sustainability. It involves efforts to raise living standards, reduce poverty, increase access to education and healthcare, promote gender equality, enhance infrastructure, foster economic growth, and create opportunities for all members of society to participate in and benefit from development processes. Socio-economic development involves enhancing the economic conditions of a society. This encompasses on increasing productivity, promoting entrepreneurship, expanding job opportunities, and fostering sustainable economic growth. Economic development aims to raise the overall standard of living by improving income levels, reducing poverty, and creating a stable economic environment conducive to investment and

innovation. According to Ogboru (2007) and Ranis, Stewart, and Ramirez (2000), economic development as measured by the gross national product (GNP) can increase human development because spending by families and individuals will likely rise as income rises. This makes human development one of the bases for evaluating the effectiveness of the economic development component of national development. This growth might promote greater human development.

Amartya Sen, introduced the capability approach to development. Sen argues that development should be assessed based on the capabilities and freedoms that people have to lead the kind of lives they value. Amartya Sen sees economic growth as but “as one aspect of the process of economic development.” In his influential work “Development as Freedom” (1999), Sen emphasizes the importance of expanding individuals’ capabilities which includes the access to education, healthcare, political freedom, opportunities for personal development, ensuring economic advancements, and economic opportunities. Context-specific approaches are crucial, considering factors like history, culture, and institutional frameworks. What works in one nation may not be applicable in another. Understanding local needs and aspirations is essential for crafting relevant and effective development strategies.

The Human Development Index, developed by the United Nations Development Programme (UNDP), is a widely used measure of socio-economic development. It incorporates indicators such as life expectancy, education (measured by mean years of schooling and expected years of schooling), and gross national income per capita. The HDI provides a comprehensive snapshot of human development levels across different countries and regions.

Socio-economic development encompasses various dimensions beyond income. Inequality, as emphasized by Atkinson (1970), plays a crucial role. Social justice and equal opportunities are essential for ensuring everyone benefits from economic growth. Addressing issues like gender inequality and poverty is crucial for achieving inclusive developmental. Also, social capital, the networks and trust within communities can empower individuals and foster collective action, driving development from the grassroots.

The concept of socioeconomic development has evolved to embrace sustainability. Brundtland (1987) emphasize the need for meeting present needs without compromising the ability of future generations to meet theirs in recognizing the limitations of natural resources and the impact of development on the environment. Therefore, this necessitates balancing economic growth with environmental protection, adopting renewable energy sources, and promoting responsible resource

management. The United Nation's Sustainable Development Goals (SDG) provides a comprehensive framework for addressing various socio-economic challenges and promoting sustainable development worldwide. The SDGs encompass 17 goals and 169 targets aimed at eradicating poverty, ensuring quality education, promoting gender equality, fostering economic growth, combating climate change, and achieving other critical objectives by 2030.

Arthur W. Lewis and Paul Rosenstein-Rodan have emphasized the importance of structural transformation in the process of socio-economic development. Structural transformation involves the shift of labour and resources from low-productivity sectors such as agriculture to high-productivity sectors such as manufacturing and services. This transformation is crucial for increasing productivity, generating employment, and fostering economic growth. Lewis's model of dual-sector economy and Rosenstein-Rodan's theory of big-push development are seminal contributions to understanding this process.

Douglas North and Daron Acemoglu have stated the role of institutions in shaping socio-economic development outcomes. According to institutional economics, the quality of institutions, including property rights protection, rule of law, regulatory environment, and governance structures, significantly influences economic performance and social well-being. Achieving socioeconomic development requires the concerted efforts of various actors. Governments play a critical role in formulating policies, creating enabling environments, and investing in public goods like education and healthcare. Civil society organizations contribute by mobilizing communities, advocating for marginalized groups, and promoting participation. The private sector can be a source of investment, job creation, and innovation, but needs to operate within ethical and sustainable frameworks. Overall, individuals play a pivotal role through their choices, participation, and collective action.

5. Poverty and Inequality Trends in Nigeria

Nigeria which is popularly known as the vibrant heart of West Africa, grapples with a complex and multifaceted reality when it comes to poverty and inequality. Millions of Nigerian citizens remain trapped in poverty, while inequality continues to widen in the country. Over the past few decades, Nigeria has made progress in reducing the absolute poverty rate, but the pace of poverty reduction has been slow. According to the National Bureau of Statistics (NBS), the national poverty rate decreased from 69% in 2004 to 40% in 2010 and then rose to 46% in 2020, highlighting fluctuations

in poverty trends. While national poverty rates have shown some encouraging decline in recent years, the World Bank (2021) paints a concerning picture of regional disparities. Poverty is not evenly distributed across the country Nigeria. The northern regions, particularly the northeast and northwest, have higher poverty rates compared to the other regions of the country relatively the wealthier south. This disparity is influenced by factors such as historical development patterns, access to resources, and economic opportunities. The stark contrast between the 70% poverty rate in the northwest and the less than 30% in the south underscores the need for context interventions that addresses the unique challenges of each region. Moving beyond income-based measures, the Multidimensional Poverty Index (MPI) developed by Alkire and Foster (2011) reveals a more comprehensive picture. According to Ogwumalu et al. (2017) study by using the MPI, found that over 50% of Nigerians experience multidimensional poverty, lacking access to basic necessities like sanitation and education. This highlights the crucial need to address not just income levels, but also the various deprivations that hinder individual's capabilities and well-being.

There is a huge disparity in the level of poverty in the rural and urban areas of Nigeria. Data from the National Bureau of Statistics Nigeria (2019) reveals that rural poverty rates are consistently higher than urban rates. In 2019, the rural poverty rate stood at 53.4%, compared to 32.5% in urban areas. This signifies that over half of the population in rural areas lives below the national poverty line thereby experiencing significant deprivations in income, access to basic necessities, and other opportunities. It is important to note that rural poverty rates vary across different regions. According to Ogwumalu et al. (2017), the northwest region has the highest rural poverty rate (72.2%), while the south-south has the lowest (31.4%). The ongoing global food crisis has disproportionately impacted rural communities in Nigeria, where dependence on agriculture is high. Also, the devastating floods in 2023 displaced millions in rural areas, particularly in the north and central regions, exacerbating poverty and food insecurity. Nevertheless, poverty still resides in the urban areas. While poverty rates are lower in urban areas, the World Bank (2020) reports a growing share of the urban poor residing in slums and informal settlements. This therefore, indicates a rise in precarious employment and inadequate housing, creating new forms of urban poverty. The Gender, ethnicity, and location further exacerbate urban poverty. UNESCO (2020) reports higher illiteracy rates among urban women, especially in slums limiting access to quality education and healthcare disproportionately affects marginalized groups within cities. For example; in 2022, media reported on the challenges faced by residents of Makoko, a Lagos slum

characterized by overcrowding, poor sanitation, and limited access to basic amenities. The rapid influx of people into cities puts pressure on infrastructure and services, further straining resources and potentially increasing poverty, as argued by Tacoli (2012).

However, the Nigerian government has implemented numerous policies to address poverty and still, poverty remains a significant challenge to the country. Some of these policies includes:

- a. National Poverty Eradication Program (NAPEP), which was established in 2001, NAPEP aimed to create jobs and provide vocational training to reduce poverty. However, it faced challenges such as corruption and limited impact.
- b. National Economic Empowerment and Development Strategy (NEEDS): It was launched in 2004 and it focused on promoting economic growth, job creation, and poverty reduction. It achieved some success but was also criticized for its complexity and slow implementation.
- c. Youth Empowerment Scheme (YES): As component of NAPEP, it aimed to provide skills training and job opportunities for young people. While it had some positive outcomes, it was also criticized for its limited reach and sustainability.
- d. Conditional Cash Transfer (CCT) Programs: These programs provide cash transfers to poor households, often with conditions such as school attendance or health check-ups. The CCT programs have shown promise in reducing poverty and improving child outcomes.
- e. Rural Development Initiatives: The government has implemented various initiatives to promote rural development and reduce poverty in rural areas. These include agricultural programs, infrastructure development, and access to credit.

6. Empirical Review

Nigeria is a West African country with over 200 million people as of 2023. It is by far the most populous country in the whole of Africa. Although Nigeria's GDP per capital has been increasing through the course of time in nominal US dollar terms, many Nigerians are still living in poverty. Obviously, the average income per capital does not give the real picture due to Nigeria's high-income inequality, which will be discussed in more details in the next section. According to the World Resources Institute's environmental resource portal Earth Trends, about 71 percent of Nigerians

live on less than \$1 a day and about 92 percent live on less than \$2 a day. The National Bureau of Statistics conducts periodic household surveys to assess poverty levels and trends across Nigeria. These surveys provide detailed information on income, consumption patterns, access to basic services, and living standards. Analyses based on NBS data offer insights into the spatial distribution of poverty, rural-urban disparities, and changes in poverty rates over time (National Bureau of Statistics Nigeria, 2019).

Ogwumike (2019) examines the impacts of socioeconomic factors on access to healthcare services, maternal and child health, school enrolment rates, and educational attainment levels, highlighting the importance of addressing social determinants of health and education for sustainable development. Researchers employ multidimensional poverty indices to capture the complex and interconnected nature of poverty in Nigeria. According to Ogwumike, these indices incorporate indicators such as education, healthcare, housing conditions, access to clean water, and sanitation to provide a more comprehensive understanding of poverty beyond income measures.

There has been a resurgence of interest on the nature of relationship between growth and inequality since Simon Kuznets' seminal paper predicted an initial negative and subsequent positive relationship, the so-called "inverted U" relationship. The resurgence of interest in the issue derives from the effect of growth on poverty. The poverty-reducing effect of a growth pattern which is inequality-neutral would be different from one which is accompanied by rising inequality. It also follows that even if growth has resulted in a decline in poverty incidence, the decline would have been larger if it was accompanied by declining inequality. Inequality, as measured by the Gini coefficient, has been rising since 1985, except for slight decline in 1992. It declined from 0.43 in 1985 to 0.41 in 1992 and rose to 0.49 in 1996, and remained unchanged at 0.488 in 2004 at the national level. However, at the sectoral and regional levels, in addition to there being variations around the national average, there seems to be a more marked increase in inequality between 1996 and 2004. Thus, the national average may have concealed rising inequality across states and sectors since the mid-1990s (Aigbokhan, 2008). Aigbokhan (2017) examine the impact of economic factors such as GDP growth, employment trends, inflation rates, and access to financial services on poverty and inequality levels in Nigeria. These analyses help identify the underlying structural factors driving socioeconomic disparities and inform policy interventions aimed at inclusive growth.

7. Gaps in Knowledge

While national-level data provide important insights into poverty and inequality trends, there is a need for more granular data and sub-national analysis to understand regional disparities and localized dynamics. Sub-national studies can reveal variations in poverty rates, inequality levels, and development outcomes across states, local government areas, and communities, helping policymakers target interventions more effectively. This includes data on income distribution, access to basic necessities, and multidimensional poverty measures. While income poverty is crucial, understanding multidimensional poverty, encompassing aspects like health, education, and sanitation, is equally important. More research is needed to measure and analyze multidimensional poverty trends across different regions and demographic groups.

Without doubt, research on poverty and inequality in Nigeria often focuses on income disparities and economic indicators thereby overlooking other dimensions of inequality such as gender, ethnicity, disability, and social exclusion. Furthermore, the interplay between poverty, inequality, climate change, and environmental degradation needs further exploration, particularly in understanding their combined impacts and designing sustainable solutions.

8. Discussion of Findings

8.1. Experience with Poverty

Findings to Question 1

The first question was saddled on how has poverty changed in the community over the years. In respect, respondent 1 pointed out that she emphasized on how industrialization has primarily shifted poverty landscape, primarily affecting farmers and those in the informal sector. According to her, while rural poverty perseveres, urban poverty has become more evident, especially in slums and informal settlements. She also stated that poverty is not just about income, but also includes access to education, healthcare, and other basic amenities. Therefore, people are no longer able to afford or gain access to their basic needs due to the increase in prices.

Deininger and Squire (1996) have explored the relationship between growth, inequality, and poverty, emphasizing the potential for growth to exacerbate inequality if not carefully managed. The emphasis on the shift from rural to urban poverty mirrors findings from numerous studies. World Bank (2009) reports on the

rapid urbanization in developing countries and its implications for poverty. The concentration of poverty in slums and informal settlements is a recurring theme in urban poverty research (Davis, 2006).

The broadening of the poverty concept beyond income to encompass access to basic amenities aligns with the capabilities approach to poverty, as advocated by Sen (1999). This perspective emphasizes the importance of functioning and capabilities, not just income, in determining well-being. The statement's observation about the increasing cost of living and its impact on access to basic needs is consistent with research on poverty and inflation (e.g., Stiglitz, 2012).

According to respondent IV, poverty has become rampant as the standard of living has reduced in the community and the nation at large. He gave an instance of when he travelled abroad with the exchange rate of 67 kobo to 1 dollar but now, 1 dollar is about 1,600 naira. He gave another instance when a bag of rice was about 3,000 Naira 17 years ago when he retired from the public service, but now it is about 76,000 naira. Therefore, this has terribly affected their standard of living in the community. The respondent therefore offers a stark illustration of the economic changes experienced in the community over time. The precipitous decline in the value of the naira, as evidenced by the exchange rate shift from 67 kobo to 1 dollar to the current 1,600 naira per dollar, signifies a significant erosion of purchasing power. These observations align with broader economic trends and scholarly research on poverty and inequality. According to scholars, inflation, measured by the decline in purchasing power of a currency, is a key driver of poverty as it disproportionately affects low-income households with limited buffers against price increases. The respondent's experience reflects this pattern, as the rising cost of living has likely pushed many residents into or deeper into poverty.

Moreover, these scholars argue that income inequality tends to exacerbate during periods of economic instability and inflation. The dramatic increase in the price of essential goods, as highlighted in the respondent's account, suggests that the gap between the rich and poor has widened, as wealthier individuals may be better equipped to absorb the financial shock.

8.2. Impact on Socio-Economic Development

Findings to Question 5

Respondent I underscore the critical role of education in breaking the cycle of poverty. The inability to afford quality education, both at the primary and tertiary levels, significantly limits human capital development. This lack of access to education translates to reduced employability, lower earning potential, and a restricted range of economic opportunities. Additionally, inadequate educational funding exacerbates the problem by compromising the quality of education, further hindering skill development. These factors collectively contribute to a less productive and competitive workforce, impeding overall socio-economic progress. However, respondent II emphasizes the importance of infrastructure in supporting economic activities. Poor road networks and inadequate public transportation hinder access to markets, jobs, and essential services. These infrastructural challenges are compounded by unreliable power supply and limited access to technology, particularly in rural areas. These factors create significant barriers to economic participation, limiting business growth, and hindering the adoption of innovative technologies that could drive productivity and economic diversification.

Respondent III highlights the close relationship between poverty, health, and economic productivity. Malnutrition and limited access to healthcare contribute to poor health outcomes, reducing individuals' ability to work and earn a living. This vicious cycle reinforces poverty and inequality. Furthermore, the lack of essential services such as electricity, water, and shelter creates additional challenges for economic activities, particularly in rural areas.

8.3. Determinants Influencing Levels of Poverty and Inequality

Findings to Question 7

According to Respondent I, income inequality is a significant factor contributing to disparities within the community. The respondent highlights how differences in income levels create gaps between the wealthy and the poor, leading to unequal access to resources and opportunities. This observation underscores the role of economic disparities as a key determinant of poverty and inequality, which is consistent with previous research that links income inequality to broader social and economic inequalities (Smith, 2018).

Respondent II focuses on gender discrimination and inequality as critical factors

affecting income levels, employment opportunities, and social status. The respondent emphasizes that discrimination against women in terms of education, employment, and property ownership exacerbates inequality in the community. This perspective aligns with studies that demonstrate how gender inequality perpetuates poverty by limiting women's access to economic resources and opportunities (Johnson & Williams, 2020). The respondent's insights support the argument that addressing gender-based disparities is essential to reducing overall inequality.

Respondent III discusses the influence of wealth on political decisions as a factor contributing to inequality. The respondent points out that wealthier individuals often have more sway over policies, leading to outcomes that favor their interests over the public's. This observation is consistent with literature on the impact of political inequality on economic and social disparities (Baker & Thompson, 2019). Additionally, the respondent mentions corruption and the mismanagement of public funds, which diverts resources from the poor to the elite, further exacerbating inequality. The limited involvement of individuals in decision-making processes is also highlighted as a contributor to inequality, emphasizing the importance of inclusive governance in addressing poverty (Davis, 2021).

Finally, Respondent IV identifies unequal access to legal representation and disparities in sentencing as factors that contribute to inequality. The respondent explains that regular citizens often face harsher treatment within the criminal justice system compared to the elite, leading to higher rates of incarceration and fewer opportunities upon release. This observation aligns with research that highlights the role of the criminal justice system in perpetuating social and economic inequalities (Lopez, 2022). The respondent's emphasis on the justice system's role in inequality underscores the need for legal reforms to ensure equal treatment under the law and to reduce the cyclical nature of poverty and inequality.

8.4. Possible Ways to Reducing Poverty and Inequality

Findings to Question 8

According to respondent I, the government should reduce the country's dependence on oil and instead promote agriculture, sponsor local manufacturing companies, and support indigenous sectors. This approach addresses the structural issues within the Nigerian economy, which has long been overly reliant on oil exports. By diversifying the economy and investing in agriculture and local industries, the government can create more job opportunities and stimulate economic growth, which are crucial

steps toward reducing poverty and inequality. This strategy is consistent with economic theories that emphasize diversification as a means of achieving sustainable development (Eboh & Anyanwu, 2020).

Respondent II focuses on the immediate financial relief that could be provided by reducing fuel pump prices, addressing exchange rates, and lowering the prices of goods in the market. These measures are critical for improving the purchasing power of ordinary Nigerians, enabling them to achieve a more sustainable living standard. The respondent's emphasis on economic stability reflects the importance of macroeconomic policies in reducing poverty and ensuring that basic necessities are affordable for all citizens (Akinlo, 2019).

Respondent III emphasizes the need for the government to provide food assistance, housing assistance, and family support programs to effectively address local needs. This recommendation highlights the role of social safety nets in mitigating the effects of poverty. By offering affordable housing options and support programs for low-income families, the government can directly alleviate some of the most pressing challenges faced by the poor, such as food insecurity and inadequate housing. These measures align with global best practices for poverty reduction, which advocate for comprehensive social protection systems (UNDP, 2022).

More so, respondent IV advocates for job creation, particularly for the youth, as a key strategy for reducing poverty and inequality. The respondent also suggests that the government should organize entrepreneurship seminars, provide training workshops, and offer financial assistance to support entrepreneurial endeavors. This approach is vital for empowering individuals, especially the youth, to become self-sufficient. Employment and entrepreneurship are widely recognized as essential tools for economic empowerment, helping individuals to break the cycle of poverty and reduce dependency on government aid (Olayinka, 2021). Furthermore, providing these opportunities can lead to a reduction in crime rates, as economic stability is often linked to lower crime levels.

9. Conclusion

In conclusion, the data presented in this chapter highlights the complex and multifaceted nature of poverty and inequality in the community. Respondents from diverse backgrounds shared their experiences, shedding light on the significant socio-economic challenges that persist. The findings underscore the shift from rural to urban poverty, driven by industrialization, inflation, and inadequate infrastructure.

Furthermore, the data reveals how poverty affects access to essential services such as education, healthcare, and housing, perpetuating a cycle of disadvantage and limiting economic opportunities.

The interviews also emphasize the importance of addressing income inequality, gender discrimination, and political corruption as key determinants of poverty. The respondents' insights suggest that comprehensive policies focusing on improving education, infrastructure, and inclusive governance are essential for reducing poverty and inequality. Additionally, the community's coping mechanisms, such as engaging in informal economic activities and relying on social support networks, highlight the resilience of individuals despite the overwhelming challenges they face.

Overall, this chapter provides a critical understanding of the lived experiences of poverty, the systemic factors that contribute to it, and the urgent need for targeted interventions to create a more equitable society.

10. Recommendations

In order to effectively combat poverty and inequality, there is a need for stronger governance and accountability mechanisms. This includes addressing corruption, ensuring the proper allocation and use of resources, and implementing policies that are inclusive and equitable. Strengthening institutions and enhancing transparency in the management of public resources are crucial steps toward reducing poverty and inequality.

Quality education is also a key factor to reducing poverty and inequality in the country. By improving access to quality education and healthcare is essential for breaking the cycle of poverty. The government should prioritize investments in these sectors, ensuring that all citizens, regardless of their socio-economic background, have access to these fundamental services. This will enhance human capital development, which is critical for sustainable economic growth.

More so, economic policies should focus on promoting inclusive growth that benefits all segments of society, particularly the poor and marginalized groups. This can be achieved by supporting small and medium enterprises (SMEs), improving access to credit, and creating employment opportunities, especially in rural areas where poverty is most prevalent.

The study highlights also significant geographic disparities in poverty and inequality levels across Nigeria. To address this, targeted interventions should be implemented

in the most affected regions, particularly in the rural northern areas, to bridge the gap and ensure equitable development across the country.

The establishment of comprehensive social safety nets is necessary to protect the most vulnerable populations from the impacts of poverty. These could include cash transfer programs, food assistance, and other forms of social protection that provide a safety buffer for those in extreme poverty.

The reduction on the nation's reliance on oil and diversifying the economy is crucial for creating more stable and sustainable economic growth. The government should encourage the development of other sectors such as agriculture, manufacturing, and services to create more job opportunities and reduce poverty levels.

Therefore, by addressing these recommendations, Nigeria can make significant strides in reducing poverty and inequality, thereby fostering a more equitable and prosperous society.

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