# Full Length Research Paper

# Neglected and underutilized species (NUS): A panacea for community focused development to poverty alleviation/poverty reduction in Nigeria

J. A. O. Magbagbeola<sup>1\*</sup>, J. A. Adetoso<sup>2</sup> and O. A. Owolabi<sup>1</sup>

<sup>1</sup>Department of Actuarial Science and Insurance, JABU, Ikeji-Arakeji, Osun State, Nigeria. <sup>2</sup>Department of Accounting JABU, Ikeji-Arakeji, Osun State, Nigeria.

Accepted 5 October, 2010

The boom in the financial system and economy, and challenges of "leaving no one behind". Poverty becoming dynastic that is, the "poor cannot sleep because they are hungry, and the rich cannot sleep because the poor are awake" in everybody's interest to have an INCLUSIVE society. Using the World Bank's estimates (based on 1993 Purchasing Power Parity) about 2.6 billion or 40% of the world's population (2005) live in poverty with over 1 billion people in extreme poverty. Sub-Saharan Africa has the highest incidence of extreme poverty. Sub-Saharan Africa is the most likely region to miss the Millennium Development Goals of reducing poverty in half by year 2015. Less than 20% of African households own bank accounts or have access to financial services. Poverty lives with the various communities. Moreso, in this time of global warming which has taking its toll on human activities. It is a problem that must be given adequate attention. There are many questions to be asked and there are even more answers to give in poverty alleviation, reduction and control. The study provide answers that can help in achieving the objective(s) set for it. Hence, such approaches like proper education about Neglected and underutilized species (NUS), skills acquisition, orientation and practical demonstration can be a means to justifying an end as panacea for poverty alleviation/reduction in Nigeria.

**Key words:** Poverty, management, geographical information systems, community development, neglected, underutilized species.

#### INTRODUCTION

Rural communities prepare food from underutilised crops; use them for health care, shelter, forage and fuel. Many products are produced at the household and small-scale level offering opportunities for income generation and employment. These crops include cereals, pseudo cereals, fruits and nuts, pulses, vegetables, root and tubers, oilseeds and other industrial forage and fodder species. Traditionally, underutilised crops make a significant contribution to the diet of rural households, particularly during periods of drought and famine and during dry seasons (Campbell, 1987). According to 2004 surveys, 54% of Nigerians still live in poverty although,

down from about 70% less than a decade ago in spite of significant growth in gross domestic product (GDP) over the past five years. Banking services are available to about 40% of the population. More than 70% of the poor do not have access to formal finance. Total bank credit is about 30% of GDP. Nigeria has a highly unequal income distribution profile: about 8% of those that have access to financial services own about 90% of the available deposits. Also, poverty - an holocoust that had its root in most sub-african countries has led into crisis situation going by the various statistics available to ascertain this. According to Soludo, C.C. (2006), Nigeria's per capita income is barely \$1,000; USA about \$32,000; South Africa over \$5,300. At current population growth rate, and if GDP grows at 13% per annum, it will be in 2033 that Nigeria achieves today's per capita income of South Africa. At current 6% growth, it will be in 2065. It was

<sup>\*</sup>Corresponding author. E-mail: kunle\_magbagbeola@yahoo.com.

even adduced that 1 out of 2 Nigerians lives in poverty. Poverty becoming dynastic—children of the poor likely to become poor due to widening gap in access to quality education and size of family. Poverty is also noticeable in the Urbanization rate 5.3% as one of fastest in world, with urban youth unemployment at about 20%. This on its own is a TIME BOMB waiting to explode! [Poverty as a Crisis: Nigeria's Poverty Levels by Zones 1980-2004 (Latest available surveys)].

Poverty has become an endemic problem especially in developing countries. What quickly comes to mind as a question is whether the resources for a good living are lacking?, know- how is absent?, the political will is weak or the macro-economic base is efficient? or all of the above. There is no doubting the fact that poverty is one of the most phenomenal, yet real and contentious issues that have confronted both the theory of economics and its practitioners from the classical to the new Keynesian period. National poverty level starts from the grassroots. the communities and the rural areas. According to Dare et al. (1998) we cannot continue to agree that we are poor without finding solution towards alleviating the poverty. In fighting it, illness, humiliation, shame, ignorance, overdependence on others, was illiteracy and other aspects of life degradation are fought. Without meaningful achievement, life will continue to be at a level at which the realization of ones potentials and attainment of human dignity will be elusive. Unless urgent action is taken, the situation may get worse and worse instead of getting better. Various guestions need answers include but not limited to the followings:

- (a) Why is poverty in the local communities getting more difficult to alleviate inspite of abundant opportunities to do so?
- (b) What causes the difficulty in poverty alleviation in the communities?
- (c) What extra initiatives are possible to fight poverty in the local communities?
- (d) What are the possible impacts of poverty reduction in the local communities on poverty alleviation in the larger society?

### Objectives of the study

The main objective of this study is to tackle poverty from the grassroots with a view to making an effective in-road into a realistic approach to national poverty reduction. Other specific objectives include:

- (a) Identifying the major causes of poverty at local communities' inspite of living in the midst of plenty.
- (b) Introducing new initiatives in combating poverty within communities.
- (c) Making the findings available in the pursuit of poverty reduction at grassroots (community) level.
- (d) Identifying entrepreneurial opportunities in the local

communities capable of generating employment and reducing rural-urban drift.

#### **MATERIALS AND METHODS**

According to Global Poverty Report, 2002 on Achieving the Millenium Development Goals in Africa. "The MDG call for reducing the proportion of people living on less than \$1 day to half the 1990 level by 2015 - from 29% of all people in low-and middle economies to 14.5%. If achieved, this would reduce the number of the living in extreme poverty to 890 million. The proportion of the people living in extrem or abject poverty fell to 23% in 1999, but progress was uneven and poverty remains deep and widespread. Large gains were made in China and in other part of Asia, but elsewhere the number of people living on less than \$1 a day increased. At the end of the decade there were almost 500 million people in South Asia and 300 million people in Sub-Saharan Africa living in extreme poverty. Malnutrition and undernourishment are closely linked to income poverty. Most regions have made dramatic progress in reducing the proportion of underweight children, one measure of malnutrition, during the past three decades but progress has slowed. In 2002, as estimated 150 million children under five in developing countries are malnourished. At current rates of improvement there will still be 140 million underweight children in 2020".

The pace of poverty reduction accelerated in the 1990s compared to the 1980s, the United Nations Development Programme study said "The population living below poverty line dropped from 52% in 1983 - 1984 to about 50% in 1991 - 1992, but then fell relatively sharply to about 40% by 2000, it explained. Poverty reduction has been an important goal of development policy since the inspection of planning in Nigeria, especially as one of this administration's seven point agenda. "Wealth creation - By virtue of its reliance on revenue from non-renewal oil, Nigeria has yet to develop industrially. The reform is focused on wealth creation through diversity production especially in the agricultural and solid mineral sector. This regiures Nigerians to choose to work, as hard work by all is required to achieve this reform". Vatious antipoverty, employment generation and basic services programmes have been in operation for decades in Nigeria. According to World Development Report (2010) launched in Abuja, Nigeria adduced that one-guarter of the children from developing countries live below \$1.25 per day hinging this phenomenon on the current climate change which needs be addressed before its adverse effect left the continent with no option for survival. Going by the fact that the level of education and training is relatively low, the exercise requires personal contacts. Poverty in the midst of abundance is a popular paradox characterizing the Nigeria economy.

Nigeria is a nation blessed with abundant human and natural resources. Accoring to UNESCO, Nigeria is ranked as the sixth largest exporter of petroleum in the world. Nigeria is the largest black nation on earth thus having great potentials for human resources. Foreign exchange inflow and outflow through the Central bank of Nigeria (CBN) in July, 2006, amounted to U.S \$ 3.25 billion and US \$ 1.16 billion, respectively, resulting in a net inflow of US \$ 2.16 billion., cumulative inflows and outflows through Nigeria economy in the first seven months of 2006 stood at US \$ 34.98 billion and US \$ 12.50 billion, respectively, compared with US \$ 26.42 billion and US \$ 9.98 billion in the corresponding period of 2005 (CBN Monthly Report July, 2006). The recent amnesty deal offered by the federal government also is another pointer to the fact that the country is blessed as it was said to make N18 billion per day on crude oil alone(www.nairaland.com dated 13th October, 2009). Despite all these, Nigeria citizens suffer from wide spread poverty, the economic outfit is low in both the private and public sectors due to corruption, inefficiency, erratic power supply, poor

infrastructure facilities and unrealistic policies. Several attempts have been made to reverse this trend but to no avail. The austerity measures of the early 1980s, the structural. Adjustment programme introduced in 1986 and even the current economic reforms, have yielded unsatisfactory results as far as the conditions of the common man are concerned, in fact, the conditions are becoming worse by the day. This explains the need to seek for way out of this menace that have captured developing countries and eventually slowed down developmental programmes and almost put a stop to economic activities. The population for this study was four communities having similar characteristics, which are: Ikeji-Arakeji, Owena, Igbara-oke and Ilara-mokin town. The data for the study was both secondary and primary data from field survey, while the secondary data was obtained from diverse sources including the statistical bulletins, annual statements of accounts and financial reports of CBN, publications of federal office of statistics (FOS), related Journals and previous studies. Based on the review of literatures the basic specification of the model for the study was as follows in Equation 1:

Where.

GDP<sub>t</sub> /POP = Growth rate of per capital income, EDU= Level of education and training, HTH = Health status of the people, POP=Population growth rate, UMP=Level of employment, CRB=cultural / religious belief, ACF=Access to credit facilities, MKT = Market size, CPI=Composite consumer price index, NRG=Growth rate of resources,  $U_{t=}$  Stochastic error term.

Assuming linear relationships, the general form of the above model is expressed as:

RGDP = 
$$\propto_0 + \propto_1 \text{EDU} + \propto_2 \text{INV} + \propto_3 \text{HTM} + \propto_4 \text{UMP} + \propto_5 \text{POP} + \propto_6 \text{CRB} + \propto_7 \text{CPI} + \propto_8 \text{ACF} + \propto_9 \text{MKT} + \propto_8 \text{CPI} + \propto_9 \text{NRG} + \text{U}_1$$

## **RESULTS AND DISCUSSION**

Descriptive and empirical analysis was employed for the purpose of this study. This shows a correlation type of descriptive research that indicated the generation of relationship between community development and poverty alleviation programmes. Economic build-up models act as a way of simplifying the complexities of real life. For the models, the dependent variable was the growth rate of per capital income in the four communities of study. The independent variables used included growth level of Education and training which did had a positive sign. It was observerd that the more educated the people, the higher their per capital income. Other independent variables as earlier defined above according to Equation (1) are:

- 1. Health status
- 2. Population growth rate
- 3. Unemployment rate
- 4. Cultural belief and religions myths
- 5. Access to credit facilities
- 6. Market size
- 7. Composite consumer price index and growth the rate

of natural resources.

Every of the above mentioned variables are expected to have positive signs in relationship with the dependent variables except for population growth rate, unemployment level and composite consumer price index which are negatively related to the per capita income. The study revealed that with the utilization of the abundant natural resources available, the use of approaches like proper education about the benefits of using (NUS), skill acquisition, orientation and practical demonstration which will assist greatly in poverty reduction/alleviation the communities will be opened to entrepreneurship initiatives.

#### **Conclusion and Recommendations**

That economic power in these four selected local communities are relatively low and that educational stance is at the lowest ebb, but that they are endowed with the greatest of all human and natural resources. Basically, peasant farming was the order of the day as non preservative approach to farm produce was evident. An initial attempt at poverty reduction and alleviation saw its implementation insolvent. Information as provided by geographical information system (GIS) and its attending indices on the demography of the selected areas revealed that the terrain favours agricultural produce but heavily underutilized due to engagement in peasant farming. It will be suggested that strong commitment to policy implementation by the policy makers, banking sector, NGO (non governmental organisation), and government at grassroot level would be of immense benefits to the various communities sited in this study. Also, a further research studies need be commissioned on the need to raise the level of awareness of the NUS and their advantages to these communities in order to achieve the goal of revuick attainment of poverty free society.

#### REFERENCES

African Development Bank (2001). Progress Report on Poverty Reduction 1998-2000. Environment and Sustainable Development Unit (OESU).

African Development Bank (2002). African Development Report 2002: Rural Development and Poverty Reduction in Africa. Oxford: Oxford University Press.

African Development Bank (in collaboration with the World Bank) (2002). Global Poverty Report: Achieving the Millennium Developments Goals in Africa.

Campbell ,John Y (1987). Does Saving Anticipate Declining Labor Income? An Alternative Test of the Permanent Income Hypothesis, Econometrica, Econometric Society, 55(6): 1249-1273.

CBN Monthly Report, July (2006)

CBN Monthly Report, July (2005)

Soludo CC (2006) "Potential Impacts of the New Global Financial Architecture on Poor Countries", Edited by Charles Soludo, Musunuru Rao, ISBN 9782869781580, 80 pages, 2006,

#### CODESRIA, Senegal, Paperback

Dare OO, Kareem O, Lecky MM, Lucas AO, Ogundeji MO, Ransome-Kuti O (1998). Strategic Alliance for Sector Wide Reform and Community Development. CHESTRAD International, Ibadan, Nigeria. Global Poverty Report (2002). Achieving the Millenium Development Goals in Africa. World Bank (2002). "The Last Straw: Integrating Natural Disaster Mitigation with Environmental Management", prepared by Maarten van Aalst and Ian Burton, Disaster Management Facility, Working Paper Series No. 5.

www.nairaland.com dated 13th October, 2009