Možnosti a limity dosažení Rozvojových cílů tisíciletí: Ukázkový příklad prostřednictvím teoreticky založené případové studie redukce extrémní chudoby a hladu v Nigérii

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Thesis

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Prohlašuji, že jsem diplomovou práci vypracovala samostatně a použila jsem přitom jen uvedené prameny a literaturu.

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(signature)
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INTRODUCTION

The global fight against poverty has been the inseparable part of the world politics and inevitably will remain so for the next generations. At the Millennium Summit in 2000 held in New York, all 189 Member States committed themselves to achieving eight development goals by the end of 2015, which were later drawn as a framework called the Millennium Development Goals. This strategy has been greatly discussed due to its controversial character as well as due to the different opinions which it has generated. It could be seen as a great vision representing the idea, that there is actually real possibility to reduce or even eradicate extreme poverty and thus to enhance the issues of gender equality, education, etc. On the other hand, this great vision could be perceived as an utopian big plan with no real chance to succeed.

The subject of this thesis is to consider both sides, pros and cons, opportunities and limitations offered by the idea of Millennium Development Goals in general and then with focus mainly on the first goal (and particularly the first target) concerning extreme poverty and hunger eradication. The reason is quite simple. Firstly, it is the goal that has been given the greatest attention, secondly, we assume it to be the base for the rest of the goals.

The mentioned goal will then be illustrated on the background of the case study of Nigeria. The intention of the country’s choice was led by the fact that Nigeria represents the living paradox, having great potential and capacities, at the same time it is the country with more than a half of population living in poverty.
1 MILLENNIUM DEVELOPMENT GOALS: THE BACKGROUND

The aim of this chapter is to describe briefly the Millennium Development Goals in general, with special attention on the first goal and thus the topic of poverty and its related issues, which is necessary for the introduction to the whole topic.

1.1 The concept being born
As the assistance to less-developed countries had existed after Second World War, the concept of Millennium Development Goals (MDGs) is not brand new in development policy. However, it is certainly the most challenging one that covers all the dimensions of development.

The 1960 and establishment of the Development Assistance Group (DAG) was an important step representing the aid donors forum for consultations on the development assistance. During several meetings different resolutions were adopted concerning financial assistance, technical assistance, mutual sharing of the aid actions and the ways of monitoring the funds flow to developing countries. One year later, the DAG was reconstituted as Development Assistance Committee (DAC) as such it is known today working under the Organisation for Economic Co-operation and Development (OECD). In 196 the concept of the Official Development Assistance (ODA) was adopted, being defined as “those official transactions which are made with the main objective of promoting the economic and social development of developing countries.” (Fuhrer, 1996, p.21) The ODA plays an essential role in development assistance nowadays and has been often the target of criticism for multiplying the financial flow without the desired effect.\(^1\)

The specific base for future developing of MDG is seen in a DAC document *Shaping the 21st century: The contribution of Development Co-operation* from 1996. It clearly states, that “the proportion of people living in extreme poverty in developing countries should be reduced by at least one-half by 2015,” (OECD, 1996, p.9) while mentioning the extreme poverty line as $1-per-day-income introduced by the World Bank.

The Member States, based on agreements at international forums held already in the 1990s, committed themselves to participate on poverty alleviation in developing countries by assisting them to reach a set of goals for economic and social development and environmental sustainability, known as International Development Goals (IDGs).

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\(^1\) The criticism and the financial flows will be mentioned in details in chapter 2.2.
As we can see, the MDG concept develops the previous actions on poverty reduction.

The Millennium Development Goals originates from the United Nations Millennium Declaration from September 2000, signed by all 189 United Nations Member States (UN, 2003). The greatest assembly of world’s leaders, by accepting the Declaration, committed themselves to a new partnership that should have led to the reduction of poverty, to an improvement in the livelihood in many areas for millions of people living in poverty (UN, 2005) and thus, as UN states (2001, p.7), these commitments were “aimed at improving the lot of humanity in the new century.”

The embodiment of the partnership is represented by eight Development Goals containing more specific targets within each goal as well as indicators for the progress monitoring. The detailed list of all targets and indicators is given at the end of the thesis (Annex 1). For this chapter we introduce the goals that are as follows:

Table 1 - List of Millennium Development Goals

| Goal 1: Eradicate extreme poverty and hunger |
| Goal 2: Achieve universal primary education |
| Goal 3: Promote gender equality and empower women |
| Goal 4: Reduce child mortality |
| Goal 5: Improve maternal health |
| Goal 6: Combat HIV/AIDS, malaria, and other diseases |
| Goal 7: Ensure environmental sustainability |
| Goal 8: Develop a global partnership for development |

Source: UN, 2005

To be successful, all goals should become national goals consistent with national strategies and programs and they should lead to reducing the gap between the goals themselves and their achievement (UN, 2001). Since there is an emphasis on ensuring that the poverty reduction strategy will cover mainly the poorest part of population through appropriate economic and social policies, this requires an implementation on the different levels – national and local. Thus, it is necessary to establish partnership between all stakeholders including civil society and the private sector as well (UN, 2001).

From the General Assembly resolution 55/2 (cited in UN, 2001, p.7) which says that there is a responsibility “to uphold the principles of human dignity, equality and equity at
the global level” with connection to human rights as a cross-cutting theme, we could say that the motivation originates in humanity and shared solidarity. On the other hand, there is strong political and economic motivation as well.

As the United Nations Millennium Project states (2005, p. 1): “The Millennium Development Goals are the world’s time-bound and quantified targets for addressing extreme poverty in its many dimensions”.

### 1.2 Focus on poverty

Since the way of successful dealing with poverty depends on how it is perceived, there must be clear awareness and understanding of the issue of poverty in general. That means to clarify the fundamental issues: What can we assume as poverty? Who is considered as being poor? By which indicators is it measured and monitored? What are its underlying causes? What policies must be implemented? (OECD, 2001)

#### 1.2.1 Understanding the term

Poverty can be seen from different points of view, although at the first sight its meaning seems to be pretty clear. Facing poverty means a certain kind of disability to ensure basic needs for life. According to American Psychologist Abraham Maslow, such fundamental needs are those physiological, e.g. food, access to water, sexual life, breathing etc. Choosing food as an example, here the tricky question is: how much food is enough? Moreover, we could go a little bit beyond this basic needs perceiving, saying, that facing poverty also affects the ability to live in dignity which is one of the fundamental human rights.

Having these ideas in mind, the issue is becoming more complicated. We take the first step by discussing different perspectives on how poverty can be viewed, such as from the absolute or relative, objective or subjective, and finally narrow or broad approach. (Greis et all, 2007).

The absolute term of poverty is close to the view we used at the beginning of this chapter. It occurs when people cannot meet their minimum physical needs due to lack of income. The result of this perception is setting the poverty line, which is used in the poorest countries to determine whether “the person is unable to access their minimum nutritional needs for survival and reproduction (Greis et all, 2007, p. 16)”. The most common line is 2300 calories per day for an adult. Although such poverty line is based on human needs...
logic, it is also criticized because it assumes homogeneity in societies that can be dominantly heterogeneous referring to huge differences in the minimum amount of nutrition that people need according to their age, health condition or different kinds of employment that require different level of calories consumption. The strong critique is based on people being looked at as livestock rather than part of a society. The demand for the consideration of people as social actors is considered for example in European countries, where “the poverty line is usually set at 60 per cent of a country’s median income (Lister, 2004, p. 42, cited in Greis et al, 2007, p. 18),” thus poverty line increases together with the country’s wealth. This approach refers more to the relative than absolute terms.

Another, commonly used perspective is seeing poverty as objective or subjective. While objective definitions and measures are specified by researches collecting and analyzing data and deciding who is poor or non-poor, the subjective definitions and assessments of poverty are made by people themselves. The positive fact of subjective poverty is that it is ethically more justifiable concerning the voice of people. On the other hand, the comparisons may be more difficult as people live in different areas and have various requirements.

Narrow approach has the advantage of being easily measurable, perceiving poverty as the inability to participate in society as a consequence of a lack of resources. The best example of this approach is the set income poverty line of one US dollar per day (Greis et al, 2007). Also from the historic perspective, poverty has been connected closely to income which also continues to be in the centre of the concept nowadays (UNDP, 2006a). Broader approach offers a more comprehensive view by capturing the heterogeneous nature of poverty. For such approach we can use the OECD definition (2011, p.36): “the inability of people to meet economic, social and other standards of well-being.” Similar definition is offered by the World Bank looking at poverty as “unacceptable human deprivation in terms of economic opportunity, education, health and nutrition, as well as lack of empowerment and security.” (OECD, 2001, p.36)

Other concepts have been introduced by The United Nations Development Program (2001) represented by human development and human poverty. The first mentioned is “the process that enlarges people’s choices including freedom, dignity, self-respect and social status as well as the level of their achieved well-being” (OECD, 2001, p.36, UNDP, 1990). The second one represents “deprivation of essential capabilities such as a
long and healthy life, knowledge, economic resources and community participation (OECD, 2001, p.36)"

Nevertheless all concepts mentioned above accept the **multidimensional character** of poverty where five key mutually interacting capabilities can be identified: *economic, human, political, socio-cultural, and protective*. While influencing each other, gender and environment issues are also involved in the whole process. As OECD (2001, p. 39) states, “poverty, gender and environment are mutually reinforcing, complementary and cross-cutting facts of sustainable development.” The interaction is introduced below (Figure 1).

**Figure 1** - Interactive dimensions of poverty and well-being

For general understanding, it is important to take the issues of gender and environment into consideration. Given that gender issue itself assumes a disadvantaged position of women, it represents an additional burden when talking about poverty. Female poverty is more dominant and typically more severe than the male one. Similarly, environmental deterioration affects particularly the poor people, while at the same time it is a result of poverty. Thus, its reduction must go hand in hand with sustainable development, which primarily means to ensure the integrity of natural ecosystems and the preservation of their life-supporting functions. (OECD, 2001)
1.2.2 How to measure poverty: Where it begins and ends

The multidimensional nature of poverty, to some extent, makes it more difficult to define, who is to be perceived as poor. For instance, people can be considered poor based on whether their children, including girls, attend school, while at the same time illiterate people can earn more than 1 US dollar. Therefore, this difficulty identifying the poor can be overcome with better information from different sources. For example OECD mentions (2001) social categories known for extreme poverty in different dimensions, which are indigenous, minority and socially excluded groups, refugees or displaced people, the mentally or physically disabled and HIV/AIDS affected persons. Further, a specifically vulnerable group is represented by women and children, such as widows, child-headed households and street children. These belong to the poorest of the poor (OECD, 2001, p. 40) and therefore need special attention in shaping strategies for poverty eradication.

Nevertheless, the measurement setting is crucial for monitoring to which extent the policy goals have been met or not, as well as to estimate the impact of particular policy or program. The well-known measures including all poverty dimensions have been set by UNDP in the Human Development Report (2001). It is introduced in the Figure 2.

In the base of the concept, there are dimensions that have been already mentioned. They are labelled as discrete indicators and, since they are connected to the local community level, they are useful for specific action planning and thus monitoring.

Figure 2 – Measuring poverty at different levels

Source: OECD, 2001
In the middle, there are three composite indexes:

**Human Development Index (HDI)** is a tool introduced by UNDP (1990) in the first Human Development Report combining indicators of life expectancy, educational attainment and income. The intention was to consider both social and economic development.

**Human Poverty Index (HPI)** was produced later in 1997 to develop the indicators of HDI. Instead of using income the HPI uses indicators for malnutrition and lack of access to health services and safe water. The main message was to involve measures of the lack of private income that leads to hunger as well as the public income leading to lack of health services and water supply. (UNDP, 2006b)

**Gender-related development index (GDI)** is to add the gender-sensitive dimension to the HDI. UNDP defines it (cited in Klasen, 2006, p.1) as a “distribution-sensitive measure that accounts for the human development impact of existing gender gaps in the three components of the HDI”. It was created together with the Gender Empowerment Measure (GEM) that was a more specialized tool focusing on the women empowerment.

Finally, the top represents the income expenditure measure which is useful for overall monitoring of poverty among different countries or, we can say that it is a panoramic-view measure of poverty.

The broad understanding of poverty should be considered while designing poverty reduction strategies and identifying ways for their monitoring and assessment. All used tools should be consistent with the particular country’s policy, economic situation and socio-cultural issues and should be related to the MDGs, which is often challenging.

### 1.2.3 Poverty indicators used for Millennium Development Goals

The eight Millennium Development Goals were elaborated by 18 targets while for each of them certain indicators were set up, altogether 48, to keep track of whether they are being fulfilled or not.

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2 HPI-1 for developing countries and HPI-2 for OECD and transition countries
3 There are also other poverty indexes such as Sen or Watts index etc., but their explanation is not the purpose of this work.
The MDG1, addressing extreme poverty and hunger reduction includes two targets and five indicators. As was mentioned at the beginning, we will focus on the target one and thus its’ three indicators.

*Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day.*

**INDICATOR 1: Proportion of population below $1 purchasing power parity per day**

Definition: “Proportion of population below $1 per day is the percentage of the population living on less than $1.08 a day at 1993 international prices. The one dollar a day poverty line is compared to consumption or income per person and includes consumption from own production and income in kind. This poverty line has a fixed purchasing power across countries or areas and is often called an “absolute poverty line” or measure of extreme poverty.” (UN, 2003, p. 13)

The purchasing power parity (PPP) is “the number of units of a country’s currency required to buy the same amount of goods and services in the domestic market as a U.S. dollar would buy in the United States.” (MDGs, 2014a)

The $1 per day poverty touchstone set by the World Bank is often criticized for being unreasonably low (Edward, 2006). The one dollar poverty line is basically “the median of ten of the lowest national poverty lines in the world” (Edward, 2006, p.6). Later was this poverty line redefined to $1.25 (Ravallion et al, 2009).

**INDICATOR 2: Poverty gap ratio**

Poverty gap is “the mean shortfall of the total population from the poverty line (counting the non-poor as having zero shortfall), expressed as a percentage of the poverty line (MDGs, 2014b).” It reflects both the *depth* and *incidence* of poverty.

The depth of poverty measure shows the average distance of the poor from the poverty line and it is able to notice any worsening of their conditions. Incidence of poverty is expressed as a headcount ratio and is simply an estimate of the percentage of people below poverty line.

This indicator is often described as “measuring the per capita amount of resources needed to eliminate poverty .. through perfectly targeted cash transfers (MDGs, 2014b).”
INDICATOR 3: Share of poorest quintile in national consumption
This measure is defined as “the share that accrues to the bottom fifth (quintile) of the population (MDGs, 2014c).”

In 1999, International Monetary Fund (IMF) and the World Bank (WB) initiated the Poverty Reduction Strategy Papers (PRSP) approach that resulted in a comprehensive country-based strategy for poverty reduction. It was meant to represent the importance of ownership as well as the need for a greater focus on poverty reduction. The PRSP approach aims to provide the significant link between national public actions, donor support, and the development outcomes needed to meet the MDGs.

The motivation for such approach was as follows:
“Successful plans to fight poverty require country ownership and broad based support from the public in order to succeed. A PRSP contains an assessment of poverty and describes the macroeconomic, structural, and social policies and programs that a country will pursue over several years to promote growth and reduce poverty, as well as external financing needs and the associated sources of financing. They are prepared by governments in low-income countries through a participatory process involving domestic stakeholders and external development partners, including the IMF and the World Bank.” (IMF, 2013, p.1)

1.2.4 Inequality as a related issue
“Many but not all people are poor because others are rich: poverty is not a natural state of affairs, but a function of deep inequities in the national and global system.” (Cheru and Bradford, 2005, p.11)

According to Collier and Dollar (2001), ten per cent of the world’s population represents the seventy per cent of goods and services production and receives seventy per cent of the world income, which is about $30,000 per person. When we talk about poverty and comparing wealthy countries with the poor no matter what poverty dimension we are talking about, we clearly perceive of the gap between those two groups. The economist Peter Donaldson described this gap (1973, cited in Greig et all, 2007, p. 1) as “the most pressing economic problem of our times”. It represents huge inequality between the world of rich and poor that has been the concern in development field, being perceived as one of the biggest threats in the 21st century that cannot be ignored.
From a general perspective, inequality surely signifies imbalance or disproportion of wealth distribution, but also it stands for matters like level of education, access to resources etc. Those mentioned issues could be perceived in a negative sense, because they are connected to living conditions and social life. On the other hand, we can look at inequality as a source of heterogeneity and diversity in society.

Inequality, just as poverty, has always been a part of living in the society. Long before the era of modernity, it had been looked at as a natural social condition, but later this view was questioned. For instance, already in the 18th century the Genevan philosopher Jean-Jacques Rousseau wrote about the creation and development of inequalities of wealth, power and social privilege while the society was becoming more sophisticated. As in 19th century the equal rights for all before law and in terms of political participation were achieved, at least officially in legislation, the century later was more focused on social equality, asking for the treatment of people as equals in all institutional levels that affect their life-chances, like education, work, consumption opportunities, access to social services and so on (Greig et all 2007). Moreover since 1990s there has been growing unity among academics and policy makers, that poverty and inequality should no more be regarded as soft social issues inferior to more important interest in maximizing total economic output. This opinion is attributed for instance to the dramatic increase in economic inequality within the countries over the last decades, to more visible regional disparities in the living standard conditions or to growing awareness of the negative effect of poverty on individual’s health, political participation and other life conditions. This concern manifests itself in political mobilization on different anti-poverty initiatives, thus in MDGs as well. (Grusky and Kanbur, 2006)

Based on this idea, the two different dimensions that we can reflect on were identified: equality of opportunity and equality of outcome. Equality of opportunity requires an equal possibility to achieve the good and rewards offered by society for all. It rejects privileging or disadvantaging due to social attributes. Based on these chances, the achieved outcomes – income, education, social position - will differ and depend on an individual’s efforts, capacity and decisions. Addressing this dimension, the “rights-based” approach to development has widened the concept from civil rights (political freedom, equality before law) to social rights (access to resources, social security) and

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4 in his book A discourse on inequality
economic rights (access to national and global minimum income). (Fortman, 2006, cited in Greig et al, 2007)

Equality of outcome is more stringent, being related to socialist and communist ideology. Latter was this idea seen as being beyond the bounds of possibility, because it is impossible for instance to ensure that everybody will be in the same health conditions, and either as undesirable because it would mean a homogeneous society where the people’s rights and choices would be limited.

While in development policy and practice the equality of opportunity has been prioritized, it is more difficult to be measured in comparison to the outcomes. Therefore most studies on inequality argue that equality of opportunity should remain in the focus but then it should be examined empirically using data on incomes (World Bank, 2005).

Addressing these dimensions, structuralists argue that rather than paying attention to the symptoms of inequality (opportunities and outcomes), the focus should be on the supporting processes and causes such as social structures that promote unequal power relations. From this point of view, poverty is not the result of a lack of resources, but their maldistribution; and the social structural attributes that pass on inequality include class, gender, race, ethnicity, caste, disability, age and position within household (Greig et al, 2007). These unequal social relations mediating the allotment of resources should be considered as well as the lack of resources while focusing development on issue of poverty.

1.3 Being poor, trapped and stuck

Whether we talk about any solution or way out of poverty, we look at it as a temporary condition that can be defeated. The problem is, when poverty becomes a trap, in which the poor are caught in a vicious cycle of poverty, as well their children when they grow up. A poverty trap, also called structural poverty is the reason, why some countries (or individuals) cannot overcome poverty even though they try very hard. It is not a short-term problem that people could escape through sustained efforts. (Smith, 2005)

In general we are talking about „any self-reinforcing mechanism which causes poverty to persist (Azardias and Stachurski, 2005, p. 326).“ In other words, it involves all underlying causes that strengthen the process of creating and maintaining poverty.
There are various types of models describing this issue and most of them are connected to economic growth. For instance, Kraay and Raddatz (2007) focus on two recognized mechanisms: low saving and low levels of productivity at low levels of development. The logic of interaction of these tools is that “if either saving or productivity is low at low levels of development, investment will be low, and countries will converge to an equilibrium with low capital and output per capita. If over some range of income levels saving rates and/or productivity increase sharply, then if countries can get to this point they might also be able to converge to an equilibrium with high capital and output per capita (Kraay and Raddatz, 2007, p.316)”. These mechanisms are often used as a direct motivation for foreign aid to help countries overcome the poverty traps.

Another explanation is offered by Azardias and Stachurski (2005), stating that poverty trap is caused by failure of market and also by failure of institutions. This means that first there is a “trap” within a set of institutions (such as state, legal system, social norms etc.) that rule the economic interaction. This malfunction of institutions may directly cause poverty or - in interaction with market failure - may lead to the extension of the existing inefficiency.

One of the explanations offered by economists for the unlucky growth record of the least developed countries is bad domestic policy. Healthy governance and market forces are considered “not only necessary but also sufficient to revive the poor economies, and to catalyze their convergence (Azardias and Starchusky, 2005, p.297)”.

Smith (2005) gives a list of sixteen major poverty traps addressing the range of problems connected to poverty in its complexity, covering all dimensions of life:

(1) family child labour traps; (2) illiteracy traps; (3) working capital traps; (4) uninsurable-risk traps; (5) debt bondage traps; (6) information traps; (7) undernutrition and illness traps; (8) low-skill traps; (9) high fertility traps; (10) subsistence traps; (11) farm erosion traps; (12) common property mismanagement traps; (13) collective action traps; (14) criminality traps; (15) mental health traps; (16) powerlessness traps.

Another concept of poverty traps is described by Paul Collier (2008). He labels as ‘bottom’ those countries that nowadays deal with conditions of the 14th century. While a total number of people facing poverty is about five billion, the bottom is about one billion people who are stuck in poverty traps, “falling behind, and often falling apart (Collier, 2008, p.3)”.  

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Collier then describes poverty traps from, let us say, higher perspective, offering four traps that keep the particular country trapped and stuck (and thus its people) while stressing the importance of economic growth as well. As he states (2008, p.11): “the central problem of the bottom billion is that they have not grown”. The link between economic growth and development will be mentioned in one of the following chapters (Chapter 3).

Although we will recognize that, in question of economic growth, Nigeria is specific, Collier’s concept can serve as a helpful base also for explaining its situation. He also stresses that all identified traps should represent the specific targets that need to be addressed and considered while designing any poverty reduction programs.

**TRAP ONE: The Conflict**
The conflict trap generates a pattern of repetitive violence that takes a part in economic stagnation. According to Collier, seventy-three per cent of the people of the bottom billion have recently experienced a civil war or are still in one. Conflict does not necessarily means a trap by itself, but low-come countries are in much higher risk that it will become so. Whether the conflict is prolonged, such as a civil war, or prompt in the form of a coup d’état, it represents the expenses and if repeated, the country can be caught in a trap. According to Collier, for instance, civil wars last an average of seven years, reduce growth by 2.3 percent a year and cost a country and its neighbours about $64 billion. He also identifies three main causes of violent conflict – a considerably large proportion of young and uneducated males, an imbalance between ethnic groups, and the presence of natural resources. The last one is, at the same time, another trap.

**TRAP TWO: Natural Resources**
Natural resources do not have to represent only a way to prosperity and wealth. According to Collier, about twenty-nine per cent of people in the bottom live in countries whose economies are driven by natural resources. They can become a ‘curse’ because of the so-called “Dutch disease” whereby the resource export makes the country’s currency rise in value in comparison to other currencies and thus it makes other export activities uncompetitive. The rents from these resources result in dysfunctional democracy. Governments that derive the majority of their profit from resource export do not need to provide institutions which facilitate economic exchange and growth. Collier uses the term
'politics of patronage': instead of public service, it is a base for political activity. This leads to weak political control and thus little political accountability.

**TRAP THREE: Landlocked with Bad Neighbours**
As a landlocked countries Collier describes those with rare resources and access to the coast. Such countries are made dependent on their neighbours’ transport systems to the coast. Where these transport systems are deficient or lacking, the countries have difficulties to integrate into the global market. As Collier states, those countries with no access to the coast, can hope for relying on their neighbours for growth. However, when their neighbours are in a similar trap, development is next to impossible.

**TRAP FOUR: Bad Governance in a Small Country**
Finally, the last trap is bad governance in a small country that can also contribute to sticking in poverty. Governance is especially important in those countries lacking economic opportunities, for instance resource-rich countries, because people are directly dependent on the government provision of goods and services. Unfortunately, such countries are also mostly characterised by severe government dysfunction and corruption. In small countries, the governments play a major role in guiding economic development. However, when, instead of guiding economic development, a government is corrupt or has bad policies, development has no chance and such country is really ‘trapped’.

1.4 Poor: let them be heard

„*Poverty is like heat; you cannot see it; you can only feel it; so to know poverty you have to go through it.*”

The definitions and views we described earlier were based on measurements from the researches’ and academics’ perspectives, but as Narayan-Parker (2000) says, there are 2.8 billion poverty experts – the poor themselves. To understand poverty in the deep sense and thus to be able to design appropriate strategy to reduce it, we assume as desirable to devote few lines to the perspective of these experts.

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5 This a quote of a poor man from village in Ghana taken from the *Voices of the poor*, a three-part series project undertaken for the World Development Report 2000/2001 on the topics of poverty and development based on participatory methods involving 60,000 poor people across the world to find out how they perceive living in poverty.
Conditions that are created by living in poverty, or also called *ill-being* or *bad quality of life*, are perceived by poor people on multiple interlinking dimensions that all together create and support *powerlessness, a lack of freedom of choice and action.*

**WELL-BEING: TO LIVE A GOOD LIFE**

Generally speaking, poverty alleviation’s aim, *inter alia*, is to improve well-being or welfare of people. In other words, it is about decreasing ill-being. Achieving well-being can be misunderstood as getting wealthy, which is definitely not its synonym. Rather we could say that well-being means to feel both mentally and physically *well* while this subjective perception differs with gender, age, individual characteristics, values and surely with the culture and region where people live.

While asking people how they define well-being or a good quality of life, the answers included the same dimensions and patterns while the material aspect was only one of them. Based on the expressions of people across the continents, countries and cultures, cities and rural areas, we can identify the following dimensions (Narayan-Parker, 2000):

**Material well-being** which was expressed in terms of having enough for a moderate livelihood level, including *food*, as one of the basic needs.

Second aspect of material dimension is represented by *assets*. Apart from the need for housing, the land is one of the most important measures of well-being mainly for those living in rural areas, while in urban areas it is usually a capital to start and run a business.

Finally, *work* is the last but almost universally declared part of well-being as being able to afford buying clothes, having access to health services and pay for school expenses. In rural areas it is mainly agricultural work, in urban areas it is a stable job, mainly stressed by those who are unemployed or working in the informal or even illegal sector.

**Physical well-being** is another feature in terms of *health, appearance* and *physical environment*. Access to health services and maintaining a good health condition is a key aspect for people all over the world. Good health is seen as both, the bodily well-being as well as a necessary condition for being able to work.

Appearance, as the ability to dress and look well, is considered an important part of a good quality life within different contexts and cultures, and not only among women. It is an important fact and its impact on well-being is also recognized by health and social psychology.
Physical environment is understood mainly as the soil, water and climate including fresh air, which is often described in a negative notion as the bad experience of living in “the places of the poor”.

**SOCIAL WELL-BEING** is associated with family life and with living and creating social relations within a broader community and country. More specifically, we can talk about following aspects:

**Being able to have and care for family.** With no doubts, family is in most cultures one of the most essential pillars of life, if not the most important one.

**Self-respect and dignity** described by poor people means to live “without being a burden to others (Narayan-Parker, 2000, p.27)”, to live independently, without being subordinate to others and it also involves being able to bury late family members.

**Peace, harmony and good relations.** The absence of conflicts within family and the whole community is reflected as essential and it is an expression of unity leading to social coherence.

**SECURITY** means to feel safely and have the confidence in a future perspective. This involves civil peace which is important mainly for those who have an experience with a civil conflict or war. Although peace, as the absence of any violence or disorder, has a high priority status even among those without such experience.

**Safe and secure environment** perceived as not being vulnerable towards disasters such as floods, droughts, earthquake etc., or at least as an attempt to reduce this vulnerability, which is higher in areas where poor people live. Safe environment is also linked to an issue of personal physical security which means to feel safe within the community and neighbourhood. Another level of personal security is associated with age, when especially older people need to feel secure.

Another aspect of security is represented by **lawfulness and access to justice** which means especially security from persecution by powers such as police and others.

The last dimension of well-being that we are about to mention is **Freedom of Choice and Action.** Being able to decide and act means also to be able to help others. Well-being is often linked to the moral responsibility that has its roots in shared solidarity among particular community. It is an expression of having the power to make choices on different levels, covering all the material, physical, social and security dimensions.
Based on these dimensions, UNDP (2006a, p.4) offers an interesting idea: “If we are seriously pro-poor professionals, the answer to “What is poverty?” is “This is the wrong question.” It is our question, not theirs. The question of those who are poor, marginalized and vulnerable is more likely to be, in varied forms and many languages with different nuances: “What can you do to reduce our bad experiences of life and living, and to enable us to achieve more of the good things in life to which we aspire?” Policies and actions that follow would then be designed to reduce illbeing and enhance wellbeing in their own terms. The MDGs may help, but are far from enough for this, and may at times even misdirect effort.”

2 REACHING MILLENNIUM DEVELOPMENT GOALS – REALISTIC OPTION OR ILLUSION?

As we described the issue of poverty and its related terms, now we are about to have a look at the concept of MDGs in more details. Unsurprisingly, the opinions vary on both, the MDGs in general as well as on its expected outcomes, and they vary more as we now approach the target year 2015. Therefore we will focus on different opinions arguing whether the MDGs are realistic and achievable or not with special attention to the first goal.

According to UN Millennium Development Goals report (2013), the number of people living on less than $1.25 a day in developing countries decreased from 47 per cent in 1990 to 22 per cent in 2010. In 2010 about 700 million fewer people lived in conditions of extreme poverty than in 1990. Extreme poverty rates have dropped in every developing region with China as a leading country. Although the China’s success helps to make an impression of a global achievement and even though “new poverty estimates from the World Bank have confirmed last year’s finding that the world reached the MDG target five years ahead of the 2015 deadline (UN, 2013, p.7)”, the fact is that 1.2 billion people are still stuck in extreme poverty and poverty remains widespread mainly in sub-Saharan Africa and Southern Asia.

In Southern Asia, poverty rates have decreased on average from 51 per cent in 1990 to 30 per cent in 2010. Conversely, the poverty rate in sub-Saharan Africa decreased by only about 8 percentage points during the same time. Moreover, in sub-Saharan Africa, almost
half the population live on less than $1.25 a day and it is the only region that experienced the number of people living in extreme poverty rise constantly from 290 million in 1990 to 414 million in 2010, which makes globally about a third of impoverished people. (UN, 2013)

Although there are many authors discussing, offending and criticizing the whole concept of MDGs, the most frequently mentioned names are those of two American economists - Jeffrey Sachs and William Easterly.
The first mentioned gentleman is well known on the offending side, mainly as a former Director of the UN Millennium Project’s work on the MDGs and also as an author of The end of poverty.

William Easterly is on the other hand author of the book White man’s burden: Why the West’s efforts to aid the Rest have done so much ill and so little good, where he openly criticizes opinions proposed by Sachs and in general he is skeptical towards foreign aid and “big development plans” such as MDG.

2.1 The “Big plan”: to end global poverty

“Today we can...declare that extreme poverty can be ended not in the time of our grandchildren, but in our time.” Jeffrey Sachs

Although Sachs offers a completely different idea about how the poor countries can be helped, both Sachs and Easterly agree on one thing – there must be something done and the West has the power to do so. The question is – how?

Sachs presents in his mentioned book, inter alia, the strategy for ending extreme poverty by the end of 2025. He has definitely undertaken a great challenge when declaring that our generation can actually end the global poverty. According to him, the crucial point to end the global poverty is to enable poor people “to get their foot on the ladder of development” (p.244), by helping them to gain the capital they lack – human capital, business capital, infrastructure, natural capital, public institutional capital and knowledge capital. He argues that the richest countries can help them out of the poverty traps. The action should be based on “global compact” (p.266) between rich and poor countries and as a main instrument to realize such action, he calls for “well targeted infusion of foreign
assistance” (Sachs et al., 2004). This strategy, also called Big Push action represents a massive increase of Official development assistance (ODA), as well as increasing investments in many different sectors, a package of complementary policy changes and technical interventions, and a national plan and administrative apparatus to direct the investments, technical interventions, and policy changes.

The idea is manifested very clearly in the following statement (Sachs et al., 2004, p.144):

“We are arguing not for endless flows of increased aid, and not for aid as simple charity, but rather for increased aid as an exit strategy from the poverty trap. For those who fear that aid increases dependency, our response is that aid that is ambitious enough would actually end Africa’s dependency. Moreover, we see no other likely successful strategy for ending Africa’s poverty trap.”

The big push is a favourite strategy presented by UN (2006) or also by OECD (2006).

Addressing and challenging this idea of infusion, Easterly calls it “irrelevant medicine” (2006, p.219). The request for increasing foreign aid (mostly by doubling it), Easterly (2006) argues with what he calls “the other tragedy of the world’s poor” (p.4) which is the reality that even though the West spent $2.3 trillion on foreign aid in fifty years and it did not bring the desired results to the most needed people. Easterly uses the terms Planners and Searcher to explain different approaches towards development actions. We could say that the first group represents the top-down approach while the second group represents the bottom-up approach. Planners are those introducing big visions and raising expectations without taking responsibility for the outcomes, they apply global plans without having enough information about what should be done on local level and additionally they never hear whether the planned got what it needed. On the other side, Searchers are trying to find ways that work, they accept the responsibility for their actions, they are trying to address the people’s needs and find out if those needs were met.

Easterly then contends, that if it would be so easy to end global poverty, the Planners would have done so years ago. He argues that also institutions such as United Nations, the World Bank or International Monetary Fund are working on Planner’s way of thinking.

The problem he points out is that Planners ask a question of what must be done by foreign aid to end poverty. Searchers put the question different – what can be done to
help the poor. And thus, the MDGs are other “beautiful goals” (p.11) based on big plan that will fail as well as the foreign aid of $2.3 trillion did.

2.2 Money flows...for poor left drops

“Official development assistance (ODA) plays an essential role as a complement to other sources of financing for development, especially in those countries with the least capacity to attract private direct investment...For many countries in Africa, least developed countries, small islands developing States and landlocked developing countries, ODA is still the largest source of external financing and is critical to the achievement of the development goals and targets of the Millennium Declaration and other internationally agreed development targets.” (Monterrey Consensus, cited in Sachs, 2005, p.217)"

The ODA and financial flows to developing countries are obviously emphasized quite often and they are with no doubts connected with MDGs. The Social Watch (2006) introduced a model that draws up how and where this stream actually flows.

It may seem that the financial aid that flows to poor countries is sufficient and perhaps it could be. But the problem is the actual process of financial flow; although it runs down, against its logic, it still ends up at the top again. According to Social Watch (2006) the two global intergovernmental institutions that are supposed to be in charge of world finances and regulate their flow do the opposite. Instead of directing finances towards development, the World Bank receives more from developing countries than what is actually paid to them. The International Monetary Fund, instead of ensuring global financial stability, is now “rooting for a financial crisis to erupt or it will not have enough business to pay for its own staff (SW, 2006, p.9)”. The whole process is manifested on the waterfall model (SW, 2006) that will be now described. The whole picture is presented as Annex 26.

The World Bank is in this model marked as “taking from the poor”, arguing that since 1991 the net transfers to developing countries from the International Bank for Reconstruction and Development (IBRD) have been negative. Moreover, since 2002 net expenditures have been negative as well. Actually, in general, the IBRD is not

6 Although the model was described in 2006, and some data may have change since then, the importance of mentioning it is because of the idea and manifesting how the financial flows circulate, not to present currently verified data.
contributing anyhow to development finance other than financing services of its outstanding claims. It is also argued here that the situation is the same within regional development banks. The problem is, that due to conditionality and bureaucracy, countries eligible for IBRD loans are generally unwilling to borrow as long as they have access to private markets, even though they must pay higher rates. On the other hand, many other poor countries in need for a loan are not eligible for it.

The International Monetary Fund lends a very small amount of the financing made available to developing countries. It has been also marginalized in the provision of finance and liquidity to developing countries. Social Watch points to the fact that all major emerging market economies paid off what they had owned. Thus they are no more under the control of IMF that was left only with the poorest countries as the only clientele, which is not a very strong base for an institution established to secure international economic stability. Poverty lending does not generate enough income to pay the running of the institution, and the Fund relies primarily on crisis-lending to emerging markets to meet its administrative expenses. Thus, ironically, such institution and its viability became dependent on financial instability and crisis in emerging markets.

The hidden cost of unfair trade is another part of the waterfall, contending, that trade restrictions in rich countries cost developing countries around $100 billion a year. Particularly sub-Saharan Africa, counting as the world’s poorest region, loses about $2 billion a year, which is an immediate cost. Those longer-term costs connected to lost opportunities for investment and the loss of economic dynamism are much higher.

Foreign direct investment that can contribute notably to development is labelled in the model as the investment that “flows the other way around”. It is seen as an important part of the development process. These investments have represented the largest source of inflows into developing countries, but they are concentrated only within some regions, such as China, India, Brazil and Mexico. Those countries in the biggest need of capital – in sub-Saharan Africa - got very little.

Another point is considering taxes, specifically talking about tax havens and mentioning the very rich that do not pay taxes. It is stated here, that more than 60 per cent in international trade is now intra-firm trade between various subsidiaries of multinational enterprises. A significant part of this goes through tax havens, characterized by secrecy and low or zero rates of taxation for non-domestic enterprises. It creates opportunities for

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7 Within its program Poverty Reduction and Growth Facility
firms to transfer profits out of developing countries into those low tax jurisdictions. Both domestic and international firms shift between $200 billion to $350 billion out of developing countries every year this way and through related mechanisms. Moreover, around $11.5 trillion of the private wealth of the richest people in the world is currently held in tax havens, largely undeclared and thus likely untaxed, in their country of residence, while the burden is put on the small taxpayers in poor countries.

**Capital flight.** For every dollar of aid that goes to developing countries, ten dollars come out as capital flight. The estimate is that developing countries lose more than $500 billion every year in illegal outflows which are not reported to the authorities and on which no tax is paid.

**Debt slavery** here represents the fact, that since 1984 net transfers to developing countries through the debt channel have been negative in all but three years. So debt, instead of providing a source of funding for development, has become a major source of leakage of scarce resources from developing countries.

**Remittances** have become the second largest capital inflow to developing countries behind foreign direct investment and since 1995 contribute more money than all of the official development assistance.

The role in the model is also given to the **stingy countries**, stating that in 1970 the wealthy nations agreed to a goal of spending 0.7 per cent of GNP on development assistance. In 2005 these countries spent an average of just 0.3 per cent of GDP on aid. The USA gave the smallest percentage of its wealth, 0.2 per cent to poor countries.

Quite a massive paradox is marked as **short of money...but keeping tanks filled of it.** Due to the instability of world finances, developing countries have to keep huge reserves of unused money just to defend their currencies from speculation.

Finally we are about close this chapter with the most important part of the waterfall, but unfortunately the less lucky – **the poor** that reach only drops of the whole waterfall. Real aid, the aid money that the US actually made available for funding development in the poorest countries, is running at only about $30 billion a year or less than 40 per cent of the total aid volume. Administrative costs, technical assistance, accounting for debt relief, tying aid to purchases from the donor country and aid to geo-strategically important but less needy countries are some of the reasons that more than 60 per cent of current aid volume is not available as money that can be spent on real and urgent development needs such as health and basic education.


2.3 Millennium Goals: under microscope

“If the poor are poor because they are lazy or their governments are corrupt, how could global cooperation help? Fortunately, these common beliefs are misconceptions, only a small part of the explanation, if at all, why the poor are poor...The world’s remaining challenge is not mainly to overcome laziness and corruption, but rather to take on geographic isolation, disease, vulnerability to climate shocks, and so on, with new systems of political responsibility that can get the job done,” (Sachs, 2005, p.226)

We have already indicated that there are many topics linked to the challenges of the MDGs concept, and particularly to the poverty reduction that can be discussed. First, we will pay attention to the good attributes of the MDGs and then we will focus on their limitations.

2.3.1 Their contribution

“Over the past 10 years, the MDGs have seen the good, the bad and the ugly” (Vandemoortele, 2011, p.10). Thus, to be fair, we should not forget to highlight the positives and the good perspective of the MDGs. First of all, the whole concept turned the global attention to poverty and to its related issues that are expressed in the rest seven goals. Whether connected mostly with criticism, it has generated a debate on different levels – global, national, local, within researchers, scholars, politicians etc. It has definitely stirred up the waves.

Vandemoortele (2011) adds, that a decade after they came into existence, the MDGs continue to energize people, mobilise stakeholders and thrill political leaders to action. Specifically, he argues, that the MDGs have encouraged a global momentum in the pursuit of human well-being and not only at the global level. The goals have influenced action on the ground, they have helped in setting local priorities, in shaping national budgets, in reforming domestic politics and in generating public support for foreign aid. Moreover, they have fostered better statistics about human well-being although these cannot be taken for indicators. Additionally the MDGs have also contributed to more cross-sector work. People in a particular sector are more aware of the impact of the work on other sectors. The MDGs have also stimulated an improvement in monitoring development programmes through data collection and analysis (Waage et all, 2010).
To summarize, the goals serve definitely as drivers of change and have been strong enough to influence global development discourse in practice of some countries. However, as Langford (2010, p. 89) says, “even still the MDGs often seem to be game of Forrest Gump’s box of chocolates”, when donors and governments make choice according to their own taste.

2.3.2 Their trouble points
To analyze the limitations, we can identify three groups of attributes that literature and researches focus on the most when talking about the weak points – (1) the design and content, (2) the implementation, and (3) the missing attributes of MDGs. We will have a look at each of them separately.

1/ The design and content
Easterly (2009) turns the attention on the MDGs interpretation as measures of performance. He points out the noteworthy characteristic of the whole concept as it has emphasized the failure of sub-Saharan Africa in contrast with other regions. He is giving example on specific quotes, for instance as follows:

“Africa...is the only continent not on track to meet any of the goals of the Millennium Declaration by 2015.” (UN World Summit Declaration, 2005)

“in Africa...the world is furthest behind in progress to fulfil {the MDGs}...Africa is well behind target on reaching all the goals.” (Blair Commission for Africa, 2005)

„At the midway point between their adoption in 2000 and 2015 target date for achieving the MDGs, Sub-Saharan Africa is not on track to achieve any of the Goals.“ (United Nations, Africa & the Millennium Development goals, 2007)

As Easterly (2009, p.26) sates: „the MDG are poorly and arbitrarily designed to measure progress against poverty and deprivation, and their design makes Africa look worse than it really is.” He argues that the targets set in a particular way will make some regions look better and others look worse depending on a number of choices that any target-setting exercise must make. These choices include absolute versus percentage changes, change targets versus level targets, positive versus negative indicators. Also Oya (2011) is talking
about scene set for “foregone pessimism” (p.24) because of initial conditions given including the too ambitious goals themselves.

Thus, particular regions are not only labelled as unsuccessful in achieving the goals, but even as failed, although there were important successes beside the MDGs (Easterly, 2009). If this collateral outcome is accidental, we could rather talk about the MDG failure while designing it, representing the inability to set up the goals in a way that could give a fair image of all regions.

Vandemoortele argues (2011), that this is the misinterpretation of the MDGs for one-size-fits-all targets that need to be achieved by all countries. But the UN does so itself, when talking about countries that are off track to meet them. The MDGs designers also oppose that the goals were meant to address the global level, instead of the country or regional level. To oppose this argument, MDGs were set out as international goals but then they were supposed to be translated into national and sub-national contexts. Moreover, this translation into national targets requires a commitment to common local purposes rather than to a set of standards for international manner. Gore (2010, p.70) argues that this makes it a "Faustian bargain" where "benefits of the new consensus were achieved at the cost of a major sacrifice", that is made up by subordinating national purpose to international commitments. Additionally, based on what we have pointed out earlier about poverty, poverty reduction cannot be discussed only at the global level when, at the same time, the improvement of people’s wellbeing is desired to be achieved. If it is done so, we are limited by Planners thinking, satisfied with numbers and global statistics that give no evidence about what is happening at the bottom.

Kayzer and Van Wessenbeeck (2006) name setting a list of goals as a shopping-list approach that could cause the neglecting of other important areas of development. Also Langford (2010, p.85) refers to the list of goals: “Creating a list of targets large enough to address poverty’s dimensions but short enough to avoid unwieldiness is more art than science”. He claims that the MDGs appear more driven by the availability of data than specific vision of what the global community wanted to achieve.

Furthermore, in Pogge (2004) an ethical question arises. According to the official statistics about millions of undernourished people, people lacking basic needs, children dying every day from hunger etc., and according to the plan, if all goes well, “we may then gradually reach an annual poverty death toll of 14 million in 2015, with ‘only’ 240
million deaths from poverty/related causes in the 2000-2015 period” (p.386). The question is, whether this is morally acceptable plan to be celebrated.

2/ THE IMPLEMENTATION AND OUTCOMES MEASUREMENT
This attributes are connected to the global vs national level of outcome that we have already mentioned. Oyo (2011), for instance, additionally highlights the false precision in poverty data by saying that since poverty is reduced mainly to one indicator - the poverty headcount index - we get the information only about the proportion of population that lives below an international poverty line. It causes the danger of false precision where small changes in poverty rates are taken as important events, despite the large margin of an unquantifiable error.

Implementation difficulties for some MDGs are suggestive for the institutional structure around the MDGs, and in some cases it causes the confusion around ownership between different UN and multilateral agencies. (Waage et all, 2010).

Haines and Cassels (2004) mention different development partners (particularly those providing financial resources) as the key issue. They state that each of them apply their own monitoring demands on countries that are designed to be convenient for donors’ reporting requirements, rather than to help countries make strategic decisions. As a result, the countries are overwhelmed and fragile information systems are unable to cope.

Moreover, they point out frequently mentioned nature of MDGs – they are desirable ends lacking a prescription for the means by which those ends are to be reached.

Fukuda-Parr (2010) address the alignment MDGs targets and priorities with PRSP, stating that PRSP are highly selective, consistently emphasising income poverty and social investments for education, health and water but not other targets concerned with empowerment and inclusion of the most vulnerable, such as gender violence or women’s political representation.

3/ MISSING ATTRIBUTES
Accountability can be named as the missing attribute number one. The question is who is to be accountable and for what (UNHCR, 2011). Collective long-term targets do not generate a sense of political accountability of today’s leaders and actors. Signing a set of global targets with a deadline in ten or twenty years is easy, because today’s leaders will not be held responsible for their individual actions when the time comes to assess the
outcomes. Vandemoortele (2011) calls collective responsibility and mutual accountability “vague concepts” (p.20). He says that statements such as ‘being true to our identity as an international community’ and ‘we must hold each other accountable’ are warranted but with no practical meaning given. Moreover, Pogge (2004) distinguishes between positive and negative responsibility, or in other words, “benefiting versus not harming” (p.388). This is a reaction to the belief of the governments and citizens of today’s wealthy countries towards the global poverty, as they bear no remarkable responsibility for the existence of the problem itself and their only moral reason to help alleviate it is their merely positive duty to assist innocent people caught in life-threatening conditions. He calls this belief highly questionable, arguing that the citizens of these countries have not merely a positive duty to assist those innocent people, but also a more strict negative duty to work politically and personally toward terminating or compensating for their contribution to this ongoing crisis.

Employment is another missing attribute. The only reference to employment in the MDGs appears as a target under the MDG1 as the following: “achieve full and productive employment and decent work for all, including women and young people”; and it is introduced without any specific date (Oyo, 2011). Reinert (2007, p.240, cited in Oyo, 2011, p.28) uses the terms “palliative economics”, where “instead of attacking the sources of poverty from the inside through the production system – which is what development economics used to be about – the symptoms are addressed by throwing money at them from the outside”.

According to Langford (2010) the point of a human rights approach is largely missing. He proposes a question whether the rights were sufficiently covered, and more importantly, whether the substance of the target actually reflects the legal standard. Particularly addressing the MDG1, social security, access to land rights and inequality in distribution given the role of land for most of rural poor in creating and sustaining livelihoods, were forgotten. Human rights approach could contribute in the six following ways (Langford, 2010, p.83): (1) increasing participation in target selection; (2) ensuring targets better reflect human rights; (3) aiming for equality and not just average improvements; (4) adjusting the targets for resource availability; (5) locating economic trade-offs within a human rights-based normative framework; and (6) improving the accountability infrastructure.
Fukuda-Parr (2010) in addition offers the idea of adding a ninth goal – to reduce inequality – to make MDGs aligned to the original purpose of the Millennium Declaration.

2.4 Local level matters

Regarding the argument about the global versus local MDGs achievement, it is appropriate to mention the issue of local implementation and the role of local governments and organizations – the implementers.

To meet the Goals, countries have been empowered to plan around them, most importantly in terms of pursuing integrated public investment strategies rooted in the MDGs targets and time perspective. The intervention guidelines were created by the UN Millennium Project that, when implemented appropriately, could be used to meet the Goals. The recommendations were divided into seven priority investment bodies to show the way to the national strategies. Those bodies included rural development, urban development, health systems, education, gender equality, environmental sustainability, and science and technology. (UN Millennium Project, 2005)

The specific implementation in particular countries then depended on their own development strategy. Mostly new goals, targets and related indicators have been added to address specific policy priorities, and also various mechanisms were established to localize the MDGs and engage local authorities in the achievement of national goals through the use of disaggregated data. According to the UN (2012) those countries and governments that made such steps, succeeded in achieving greater national ownership of the goals and targets as well as in integrating the MDG agenda into their national development plans. Moreover, in some countries, the MDGs provided strong incentive to tackle specific actions on human development issues.

Addressing the local implementation, one of the identified problems in many countries was that the MDGs concept was handled as a rigid agenda disconnected from the discussion about the kind of structural change that should take place in order to reach the goals. In such cases the actual development achievement was shadowed.

Satterthwaite (2005) also points out that whether or not local governments contribute to meeting the MDGs is not simply an issue of whether local governments have the resources and capacities to do so, but it is also a question of what the governments choose
to prioritize and to ignore. The classic illustration are many cities in low and middle-income countries where a fair percentage of population lives in illegal settlements under inadequate living conditions, which has much to do with local governments choices not to address this with an excuse to the lack of capacities.

As to local organizations, one of the most significant political changes over the last two decades in regard to the possibilities of meeting the MDGs on local level is the development of representative organizations of the urban and rural poor. These are important since they give poor households and communities the “voice” and they also work as the governments potential partners in reducing poverty. For example in India, Kenya, Sri Lanka or Thailand, there are urban poor federations formed by hundreds or thousands of savings groups, and comparable federations are emerging in several more regions. In all these nations, there are many examples of innovation. Taking an example of India, the alliance of the National Slum Dwellers Federation, *Mahila Milan* which is a savings cooperative formed by women slum and pavement dwellers, together with the local NGO is working in some several cities in which around 2 million slum dwellers are involved. For instance in the city of Mumbai, seven housing projects have been built, including the housing programme for families living on the pavements which was designed by the dwellers themselves. The alliance has also managed a relocation programme of several hundred households living along the railway tracks which demonstrated how community-managed relocation was a doable alternative to forced ejection. Such empowering approach helped to develop better and more productive relationship between the people and organization and also to launch the change step by step. (Satterthwaite, 2005)

### 2.5 To meet or not to meet: this is the question

As we have shown, the MDGs limit some particular countries just by the way they were designed. On the other hand, there are limitations from the perspective of each particular country. Furthermore, the discussion about achieving the goals on global level versus national level, plus mentioning countries off track to meet them, mostly those of sub-Saharan Africa, bring two points that are worth to be touched upon to close this chapter. Firstly, while considering sub-Saharan Africa as a specific region, which it certainly is, why not come up with a programme that would be designed especially for this region?
For instance Mekonen (2010) proposes, the idea of designing the next ‘2015’ agenda for and by Africa that would be seen from a human perspective, based on qualitative data considering population dynamics and child poverty more effectively. It should not be based on ‘universal’ targets but, instead, it should be focused on long-term capacity building programmes both in science and technology. Additionally, it should emphasise flexibility and provide a ‘policy space’ for African governments, with no attached strings that would weaken their legitimate power to exercise key decisions.

Secondly, while going deeper, the question is, if it would be possible even in that case to plan such agenda that would address the special needs of each country in the sub-Saharan region. Whether in regard to the case of MDGs or the idea of ‘agenda for Africa’, we should always bear in mind that we are talking about a region consisting of different countries.

To pick an example from different parts of sub-Saharan Africa, such as Nigeria – the country with the potential to become one of the richest countries in the world; South Africa – country with the most developed economy in Africa; and finally Somalia – a failed state in the horn of Africa, it is clear that we are talking about completely different countries with different needs that should be addressed in order to succeed with any poverty reduction or development initiative.

3 DEVELOPMENT: A “TWO PILLAR STRATEGY”

"Change is going to have to come from within the societies of the bottom billion, but our own policies could make these efforts more likely to succeed, and so more likely to be undertaken. “ Paul Collier

“In order to significantly reduce poverty and promote development it is essential to achieve sustained and broad-based economic growth.” (UNDP, 2006a)

The last theoretical chapter touches upon the topic that has not been mentioned in detail and that cannot be left out – the development. In addition, it will describe a link between development and economy that cannot be overlooked, since the central economic problems of all societies include traditional questions such as what, where, how, how much, and for whom goods and services should be produced (Todaro and Smith, 2011).
3.1 Key aspects of development

The development concept can be used and defined in various ways according to the perspective from which it is seen – moving from the general, economic, socio-cultural, social and political background to human and sustainability definitions. In general, Todaro and Smith (2011, p. 5) define development as “the process of improving the quality of all human lives and capabilities by raising people’s levels of living, self-esteem, and freedom”. Greig et al (2007) summarizes different views on development: (1) as growth and abundance, (2) as sustainability, (3) as security, (4) as illusion, (5) as lodestar, and (6) as a freedom.

Therefore development is both a physical reality and a state of mind of the society and can be properly evaluated only in the context of the human needs and values as perceived by the very societies undergoing change. Including ‘economic, social, political and cultural transformation’, these attributes should not be perceived as the aims, but also as means for enhancing social wellbeing and the quality of human life (Knox et al, 2008).

Underdevelopment, on the other hand, is a situation characterized by continuing “low levels of living in co-occurrence with absolute poverty, low income per capita, low rates of economic growth, low consumption levels, poor health services, high death rates, high birth rates, dependence on foreign economies, and limited freedom to choose among activities that satisfy human wants” (Todaro and Smith, 2011, p.784).

Different opinions and dimension of what better life means were discussed in the chapter about wellbeing. Whatever the specific components of this better life are, Todaro and Smith (2011) state that development in all societies must have at least the three following objectives:

(1) to increase the availability and widen the distribution of basic life-sustaining goods such as food, shelter, health and protection

(2) to raise levels of living, including, in addition to higher incomes, the provision of more jobs, better education, and greater attention to cultural and human values

(3) to expand the range of economic and social choices available to individuals and nations by freeing them from dependence not only in relation to other people and nation-states but also to the forces of ignorance and human misery
3.2 Fragility: egg or chicken?

“An answer to the question why some countries develop fast while others remain backwards is to an economist the same as the “theory of everything” to a physicist or a recipe for transforming iron into gold for an alchemist: it is almost within slight but in the very last minute it always slips through the unfortunate scholar’s fingers.” Daniel Deyl

The phenomenon of fragile, weak or failing states is the inseparable topic connected to the challenges that those countries face in terms of the welfare of humanity and socio-economic development (UN/ECA, 2012). The concept of fragility has gained notability particularly during last twenty years and, although it has been defined differently according to various development practitioners, to manifest the main message of the concept we can use the definition as it is used in OECD/DAC (2010, cited in UN/ECA, 2012, p. 14):

“A fragile state is one with weak capacity to carry out the basic functions needed for poverty reduction, development and to safeguard the security and human rights of their populations and its territory, and that lacks the ability or political will to develop mutually constructive and reinforcing relations with society.”

Bertoli and Ticci (2010) identify the fragility according to three views: (1) as a misalignment between state policies and objectives; (2) as a fragility related to social contract, whose content is determined by the interaction between the state and society; and (3) emphasising non-state actors playing a key role in shaping the institutional structure of a country and thus in determining its fragility.

Even though there is no consensus on one definition of fragility, it is clear that being fragile means the kind of processes that involve different levels and stages of a state being fragile. The broad understanding of fragility is described in the Table 2.

Fragility can be perceived as the result of various interrelated internal and external causes which are classified into four groups (UN/ECA, 2012):

1. *Structural and economic factors* such as poverty, low income and economic decline, can be drivers of fragility since poor economic performance can undermine the popularity of governments. Other structural factors are violent conflict, presence of armed insurgents, access to natural resources or lack of it, demographic stress and adjacency to fragile countries.
(2) **Political and institutional factors** such as bad economic and political governance, political repression, weak institutional capacity, institutional multiplicity and succession politics can precipitate fragility due the uncertainty these situations create.

(3) **Social factors** which include horizontal inequalities, societal fragmentation, social exclusion, gender inequality and weak civil society structures to provide balances can also instigate disturbances and lead fragility in any state. And **international factors** such as a legacy of colonialism, developments in the international political economy, climate change and global economic shocks.

<table>
<thead>
<tr>
<th>Fragility Category</th>
<th>General Characteristics</th>
</tr>
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<tbody>
<tr>
<td>Weak States</td>
<td>Exhibit low levels of administrative control across an entire territory or portions of it, significant gaps in security, performance and legitimacy</td>
</tr>
<tr>
<td>Divided States</td>
<td>Manifest substantial divisions between national, ethnic or religious groups</td>
</tr>
<tr>
<td>Post-war States</td>
<td>Have experienced violent conflict</td>
</tr>
<tr>
<td>Semi-authoritarian States</td>
<td>Impose order through coercion</td>
</tr>
<tr>
<td>Collapsed States</td>
<td>Core government institutions do not function at all, state has ceased to function completely</td>
</tr>
</tbody>
</table>

Source: United Nations/ Economic Commission for Africa

After describing the explanation of broad understanding of fragility, OECD (2010, cited in UN/ECA, 2012, p. 18) points out an interesting question: ‘Are all poor states fragile or does poverty cause fragility?’ What is to be first? It could be argued that poverty is a measure for fragility since a non-fragile state should be able to ensure sufficient wealth and distribution thereof. On the other hand, it could be stated that poverty and lack of resources cause or increase the risk of fragility. OECD also concludes by suggesting that while poverty can serve in all these relationships to fragility in different states at different times, it is generally more important as both – cause and consequence – although only as one of several. (UN/ECA, 2012)
Box 1 – Socio-economic development challenges

“One sixth of the world’s population lives in fragile States, which are also home to one out of every three people surviving on less than a dollar a day. Of all the children in the world who die before reaching their fifth birthday, half were born in these countries. Of all the women who die in childbirth, one in three dies in these countries. While other developing countries are making progress towards achieving the Millennium Development Goals these fragile nations, ranging from Haiti to Nepal, from Burundi to Uzbekistan, are falling behind.”


3.3 Civil society: an important actress

Although the term civil society has multiple meanings, in general, among some development policy-makers and policy-focused academics it has become an influential issue.

Civil society is generally seen as ‘the population of groups formed for collective purposes primarily outside of the state and marketplace’ (van Rooy, 1998, p.30, cited in Lewis, 2002, p.570). It is usually perceived as being situated beyond the household, and some writers argue that civil society is made off horizontal solidarity groups which cross-cut vertical ties of kinship and patronage.

The idea of civil society has different roots and the intension of this short chapter is not to describe an exhaustive historical background. However, to mention some, we can use De Tocqueville’s approach that stressed volunteerism, community spirit and independent associational life as protections against the domination of society by the state, and indeed as a counterbalance which helped to keep the state accountable and effective.

Since the early 1990s, the civil society concept was used within the wider activities of supporting the emergence of more competitive market economies, building better-managed states with the capacity to provide more responsive services and just laws, and improving democratic institutions to deepen political participation. This agenda, called ‘good governance’, suggests that between state, economy and civil society there can be built an ethical circle which would balance growth, equity and stability. (Lewis, 2002) Within development policy circles the notion of ‘strengthening civil society’ is centre-stage involving a focus on the role of non-governmental organizations (NGO’s) and
grassroots organizations in addressing poverty alleviation and social welfare targets. For instance, the UNDP views the strengthening of the institutions of civil society as the only appropriate policy response for increasing citizen participation. Similarly, the World Bank discusses the ‘reinforcement of civil society as a way of increasing the resilience of social institutions that may be able to keep off anarchy even if the state is very weak’. There is generally an agreement that all activities should be included within civil society, specifically in terms of political and economic associations, generally referring to voluntary organisations, community groups, trade unions, church groups, co-operatives, business, professional and philanthropic organizations, and a range of other NGOs (McIlvaine, 1998, Nováček, 2011, UNDP, 1993).

### 3.4 Economic development: broad understanding

While traditional economics approach emphasizes utility, profit maximization, market efficiency and balance determination; political economy is an attempt to join economic analysis with practical politics and thus to have a look at economic activity in its political context. Development economics operates at an even wider horizon. In addition to being involved in the efficient allocation of existing short productive resources and with their sustained growth, it must also deal with the economic, social, political and institutional mechanisms, both public and private, for affecting rapid structural and institutional transformations of entire societies in a way that will most efficiently bring the fruits of economic progress to the broadest sectors of their populations of any region. According to Todaro and Smith (2008), economics and economic systems, especially those in the developing world, must be seen in a broader perspective than that postulated by traditional economics. They must be analysed within the context of the comprehensive social system of a country and within an international context as well. Social system is meant as an interdependent relationship between economic and noneconomic factors, such as attitudes towards life, work and authority; public and private bureaucratic, legal, and administrative structure; patterns of kinship and religion; cultural traditions; systems of land tenure; the authority and integrity of government agencies; the degree of popular participation in development decisions and activities; and the flexibility or rigidity of economic and social classes.
Clearly these factors differ completely within different regions of the world, cultures and social settings as well. At the international level, the organization and rules of conduct of the global economy must be considered – their formulation, their control and also who benefits most from them. This is especially true nowadays with the spread of market economies and the rapid globalization of trade, finance, corporate boundaries, technology, intellectual property, and labour migration. (Knox et all, 2008, Todaro and Smith, 2011)

3.5 Socially oriented and ecological market economy

The reason why we are mentioning this concept is, that the term social market economy contains the clear message that the market elements are at the same level as social care. The social market economy is one in which social concerns are accorded the same importance as economic concerns. Faced with contemporary environmental challenges, the social market economy must necessarily become an ecologically oriented economy. But the ecological orientation should not weaken the traditional social market economy “brand”. The ecological ingredients of the social and ecological market economy (SEME) are as important as its market elements and social characteristics. However, if the market does not work and if economic policy is not combined with preventive and compensatory social policy, the ecological dimension cannot be effectively incorporated into a social market economy. Hence, the terms market, social, and ecological should sound with each other as equally essential elements. (Benecke, 2008, Guogis, 2011)

Benecke (2008) introduces the following economic, social, and ecological aims:

1. “WELFARE FOR ALL” AS AN ECONOMIC TARGET

The request for “welfare to all,” does not mean that all citizens are at the same level of welfare. Every country has naturally more and less fortunate people whose conditions are not always connected to their individual effort. However, the social market economy should enable the majority of people to participate in the wealth of the nation, through their own attempt or with the support of the society, and so allow for a significant level of individual dignity, such as decent standard of living, access to education and job opportunities. The main idea is that nobody should live in poverty.
A combination of several factors leads to achieving this aim, such as *investments* and *innovation*, which is also a deciding factor, because no country achieves real growth only through increased production of traditional goods and services. New products and technologies are vital to the opening of new markets. Another important factor is, of course, *employment*. The more productively employed the population, the greater the chance of achieving welfare for all. Additionally, foreign markets must be considered as well, in terms of both *exports* and *imports*. While exports increase welfare by creating more employment, imports increase welfare by bringing new, better, or cheaper products into a country, as well as creating competitive pressure on internal prices and thus raising real income.

The social market economy model obliges the state to pay attention to fair *income redistribution* and balanced *regional policy*. If economic growth is concentrated on a certain region, a “backwash effect” may be expected.

**2. Social Justice as Political and Economic Aim**

The term *social* has a double meaning here. It relates to society and on the other hand, to the concept of welfare services in terms of social security, such as health services, pension systems, etc., and the redistribution of income in favour of those in need. Social justice is also achieved through social security.

In economic terms, social justice means equal opportunities, facilitated by a sufficiently open educational system. It means also that those who make a greater effort should obtain more benefits. However, the satisfaction of basic needs like food, housing, and healthcare may be taken as a minimum standard. Social justice, in economic terms, cannot be measured exactly. In the end, it has to be judged politically by the majority of the population through the process of democratic elections. As Benecke (2008) says, the notion of social justice for all is in some way idealistic because, while human beings are of course all equal under the law, they are unequal in terms of potential, ambition, and expectations. In spite of this fact, a stable and successful society can be achieved only if it is organized as justly as possible. The best way to realize this aim is through open access to education. Also in this field not everybody has the same ability or willingness to learn

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8 Term used by G. Myrdal (1957) arguing that economic growth in one area adversely affects the prosperity of another. Wealth and labour move from poorer, peripheral areas to more central regions of economic growth and the industrial production of wealthy regions may well undercut the industrial output of the poorer regions. This draining of wealth and labour together with industrial decline is the backwash, or polarization effect, and is a feature of core-periphery relationships.
and one cannot force people to engage with a lifelong learning process. But it is highly important that the door to education and professional training is open to everybody and not restricted by economic or social background.

3. **Environmental Compatibility of Economic Policy as Ecological Aim**

The growing discussion about energy shortages and climate change has increased ecological awareness of the population and has pushed the state to include environmental elements in the social market economy. Therefore, international pressure has driven the ecological agenda in some countries.

It should be emphasized that the Great political skill and intense dialogue between the state, enterprises, trade unions, and consumer organizations, are required to harmonize economic, social, and ecological aims.

The fact is that civil society cannot achieve poverty eradication by itself. It must cooperate in partnership with governments and other institutions. But the key point is that it must be one of the involved partners. Thus, a “two pillar strategy” is meant connecting a sustainable and social oriented market economy and grass-rooted development strategy that will lead to foster civil society. In other words, within discussions about top-down or bottom-up approach, this idea is about connecting those approaches, based on assumption, that pure top-down approach without participating the *bottom* cannot work successfully as well as any initiative that comes from *bottom* cannot succeed without institutional and economic support from the *top*. 
4 TO CONCLUDE AND MOVE ON

The purpose of the first theoretical part was to introduce the main topics connected to the Millennium Development Goals, such as the poverty concept, inequality and the issue of well-being and how it is perceived by the poor.

We have introduced the idea of the whole MDGs concept as well as the motivation that stands behind it. To manifest the two sides of the coin, we have discussed the main MDGs contribution and also the difficulties connected to the way they were designed, while we got to the discussion about the global versus local MDGs implementation and achievement.

After introducing the main aspects of development and its link to the economy, we have proposed the ‘two pillar development strategy’ to foster the important role of the civil society by engaging both the top-down and the bottom-up approach.

Now we are about to enter the specific case of Nigeria to introduce her own relationship to the MDGs. We will have a look at the country from the general perspective to get step by step into her core and to her own MDGs implementation, monitoring and evaluation and the difficulties Nigeria is facing itself.

To answer the main question of why is Nigeria not able to meet the MDG 1, as being ranked among those “off track” countries, we will analyse the essential weaknesses that hinder the country’s successful development. Regarding the proposed ‘two pillar strategy’ in the first part, we will introduce the example of its effective engagement in practice.
5 CASE STUDY: NIGERIA

“Nigeria is like being on an airplane that has just been taken over by hijackers. You do not want to compromise with the gunmen, but the prime concern is to land the plane, so there is no choice but to give in.”

The following case study is about the living paradox. It is about the “giant of Africa” and at the same time about the “crippled giant”. It is about the country that belongs to the fastest growing economies but has more than 70 per cent of her population living in poverty. It is about the major African oil exporter but also about the country with massive ecological pollution and corruption throughout the entire state apparatus. It is about the most populous African country with various cultures, customs and languages, but also about a country with tribal clashes and religious conflicts. Those are all commonly mentioned and true facts about Nigeria. But what about other facts? And what lies behind them?

The aim of this case study is to explain the current situation in the country based on analysis of its background with an emphasis on its central capacities and limitations; the aim is, therefore, to answer the central question – what are the reasons that limit Nigeria in fulfilling the first Millennium Development Goal.

5.1 Basic facts about the country

One of the west African countries, officially the Federal Republic of Nigeria, is a federal constitutional republic consisting of 36 states and its Federal Capital Territory, Abuja. Thus, the country is governed by the Federal government, 36 state governments and 774 local governments.

It is a country surrounded by the Gulf of Guinea and divided into three parts by the rivers Benua and Niger. The population of more than 175.5 million people contains over 250 ethnic groups, with the major groups of Hausa and Fulani, Ibo and Yoruba, which speak,

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9 The citation from the book This house has fallen: Nigeria in crisis
10 Title of a book written by Eghosa E. Osaghae, analyzing the post-independence development of the country. The full citation is given in the list of sources.
11 The estimate from July 2013. (Index Mundi, 2013)
besides the official language English, more than 500 indigenous languages. (Central Intelligence Agency, 2014; IM, 2013)

Nigeria’s population is divided primarily between Islam (50 per cent) and Christianity (40 per cent), where Muslims form the majority in the north and Christians in the south and central parts of the country. The remaining 10 per cent of the population are attached to indigenous religions, such as animism. (Central Intelligence Agency, 2014; Library of Congress – Federal Research Division, 2008)

Nigeria, the seventh most populous country in the world, called the “Giant of Africa”, has a great influence in the region. It has been considered the Emerging market nation by the World Bank (2012). The country’s oil reservoirs have brought great income to the country and its economy is currently the second largest in Africa and 37th in the world, while it is assumed to become the largest economy in Africa and one of the world’s Top 20 economies by 2020 (Gopaldas, 2012).

5.2 Nigeria as a “Great giant”: analysis of the central capacities

The terms “Giant of Africa” or “Great Giant” surely do not regard Nigeria only for her populous character.

The purpose of this chapter is to describe the central capacities of the country through different dimensions – historic, religious, cultural, political, physical and economic – to manifest the strong points and the reason why Nigeria should not be considered a hopeless case regarding her development perspective.

5.2.1 The gift of natural resources: oil and gas as blessing

According to UN/ECA (2012), Nigeria is a country equipped with diverse capacities represented by natural, human and capital resources. If well managed, those resources have the potential to turn Nigeria from a struggling into a prosperous country.

Regarding enormous natural resources, Nigeria owns about 34 different minerals across the country including gold, iron ore, coal, and limestone. In 2012 the country proved 37.2 billion barrels of oil reserves and 187 trillion cubic feet of natural gas while there are also opportunities for fertilizer and liquefied gas production. (African Development Bank Group, 2013)
Oil had been discovered in Nigeria as early as in 1956 in the Bayelsa State and the production and export began two years later. Since that moment, the structure of Nigerian economy has totally changed. Before the oil discovery and its following boom, the central component of Nigerian economy was agriculture. For illustration, in 1962, agriculture contributed 49.8 per cent to the GDP while the share of oil was a minor 1.1 per cent. However, as oil has been rising steadily, in 2001, for instance, it contributed 42.2 per cent while agricultural contribution slowly decreased. (Ogunleye, 2008)

It is important to note that oil discovery and its exploitation have influenced the macro-economic level of the country in both positive and negative ways. Here, we will focus on the positives.

As it has been already indicated, oil sector has represented the major production in the country’s economy. There is no sector that has grown so fast and so much as was mentioned above. To illustrate it in terms of money, in 1970 oil export revenues represented N510 million\(^{12}\) while more than N6 billion in 2001. Additionally, oil has contributed positively to the country’s trade balance. As a matter of fact, the enormous oil income has more than compensated for the poor performance of non-oil exports. Oil export is also accountable for the positive account balance witnessed in Nigeria over the years. Another contribution has been made to the nation’s public finance. For about 30 years, oil has been playing a part in an average of 70 per cent of the total government revenues. Therefore, oil plays a key role that must be considered in the whole concept of development in the country. (African Development Bank Group, 2013; Ogunleye, 2008)

Gas is another important natural resource. As the country’s reserves of associated and non-associated\(^{13}\) gas have been estimated to be more than 160 trillion cubic feet, its production is estimated to last about 110 years while geologists assume that there is a lot more gas to be discovered. Currently, Nigeria has one of the top ten largest concentrations of this gas in the world. (Gabriel et al, 2012)

### 5.2.2 Agricultural potential

Nigeria has also the capacity of a strong agricultural base, although the productivity is currently low. Over 70 per cent of Nigerians are employed in agriculture, 90 per cent of

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\(^{12}\) N=Naira; the country’s currency.

\(^{13}\) Natural gas found in oil reservoir is called “associated” while gas found alone is called “non-associated”.
whom are employed at small-scale, subsistence farms (African Development Bank Group, 2013).

During the 1950s and 1960s, agriculture made between 60 and 70 per cent of total exports. At that time, Nigeria was a major exporter of cocoa, cotton, palm oil, palm kernel, groundnuts and rubber. Estimated annual growth rate between 3 and 4 per cent was achieved due to agricultural export taxes, and both the current account and fiscal balances depended to some extent on agriculture. Between 1970 and 1974, agricultural exports as a percentage of total exports fell rapidly from about 43 per cent to about 7 per cent. From the 1970s to the 1980s, the average annual growth rate of agricultural exports declined by 17 per cent. Since agricultural exports decreased, Nigeria became a net importer of some commodities that had been exported before. (Daramola et all, 2008)

According to the African Development Bank Group (2013), if agricultural productivity is improved and the sector is transformed into a profitable and climate resilient business model, with connection to agro-based industries, it will push forward economic growth, generate employment, reduce poverty and ensure the nation’s food security. Although the production has been decreasing, there is still a potential for strong manufacturing and an industrial base. A further vision for agriculture has been expressed in the National Economic Empowerment and Development Strategy (NEEDS) document. Its strategic aim is to turn the oil-focused nature of the economy into support for the private sector development with community participation. It recognizes the importance of agriculture in the Nigerian economy, despite of the dominant role of oil.

The role of the agricultural sector cannot be ignored, since the poverty reduction and further development is highly dependent on agriculture, with respect to the share of the labour force producing rural goods, on seeking food security and on the supply of industrial raw materials. (African Development Bank Group, 2013; Daramola et all, 2008)

5.2.3 Strong economic track record: fast and growing

Currently, Nigeria belongs to the group of MINT\textsuperscript{14} countries that are supposed to be the next “economic giants”.

\textsuperscript{14} neologism addressing the economies of Mexico, Indonesia, Nigeria and Turkey
Specifically Nigeria is a middle-income, mixed economy and an emerging market, with expanding financial, service, communications, and entertainment sectors. It is ranked 30th in the world in terms of GDP at PPP as of 2012, and the 2nd largest economy in Africa, just behind South Africa. It is perceived to have the potential to become one of the 20 largest economies in the world by 2020. (African Development Bank Group, 2013)

According to Central Intelligence Report (2014), there has been improvement of the non-oil sector. For instance, its manufacturing sector produces a large proportion of goods and services for the West African region. Furthermore, it is ranked 25th worldwide and 1st in Africa in the farm output; and 63rd worldwide and 5th in Africa in services output. Despite the weak business environment, the country remains one of the most preferred investment destinations in Africa.

The challenge of becoming one of the next economic giants also became a part of the country’s strategy developed by the Federal government, called Vision 20:2020. The idea of the document is to achieve a globally competitive economy that is resilient, diversified and able to fully optimize the country’s human and natural resources in order to meet the need and aspirations of the people. Moreover, its aim is to reach an industrialized economy with a globally competitive manufacturing sector that is tightly integrated with the primary resource base of the nation and contributes about 25 per cent to the GDP. (Odulukwe, 2013)

### 5.2.4 Regional power

According to Fawole (2010), Nigeria is a fascinating phenomenon with a potential to serve as the engine of regional economic integration in West Africa. Her location, size, resources and historical past have placed her in a special relationship to the region, especially in terms of national security and economic well-being. Having the economy representing about 55 per cent of the West Africa’s GDP and such a huge population providing the largest market on the continent, Nigeria symbolizes the regional power. During the 1970s, accompanied by the oil boom, Nigeria – at that time the seventh largest petroleum producer – joined the Organization of the Petroleum Exporting Countries (OPEC) and also joined other West African countries in establishing the Economic Community of West African States (ECOWAS). As its founding member state, Nigeria is
also its major financial contributor and a member of the West African Monetary Zone (WAMZ).

For Nigeria the existence of such regional integration represents several benefits. The perspective of the increased economic integration among the states can contribute to the economic growth and prosperity of all countries by expanding the range and capacities of their markets. (Fawole, 2010)

Nigeria has also improved the attitude towards the ECOWAS priority programmes such as free movement of persons, free movement of goods, monetary cooperation programme or harmonization of economic and financial policies. However, the integration of the regional markets is a major challenge because of the lack of regional infrastructure, including transport, trade facilitation measures, and regional energy production. Nigeria’s role in strengthening regional integration and its efforts of financial market integration are all important for the region’s development. (African Development Bank Group, 2013)

5.2.5 Education: access and success

The country’s policy on education has developed through many phases while the main aim has been focused on decreasing the illiteracy rate among the Nigerian society (Lawal, 2013).

Regarding the MDG 2, to achieve universal primary education, a significant improvement has been made. In the last few years Nigeria has made a great attempt to cope with the two main problems in basic education: the shortage of qualified teachers and bad quality of education served in primary schools.

Generally speaking, literacy rates among the population have gotten higher during the past two decades. Although the greater improvement is seen among adult males, there is a record of progress also among the female population. For illustration, the national literacy rate is generally 61.3 per cent, while the adult male rate grew from 57 per cent in 1991 to 72 per cent in 2010, and female rate increased from 48 per cent to 57 per cent during the same period (SPARC, 2010). Federal Government has been enhancing the policy effort towards education improvement which is visible on its spending that increased during 2004 and 2007 by almost fifty per cent.

Thanks to the adopted national norm of 35 pupils per teacher, the class overcrowding has been reduced and the teaching quality has thus improved. There has been also a wide
expansion in the university system with the number of universities rising from five in the 1960s to 45 in 2000 and over 90 in 2008, including 34 private institutions. (Lawal, 2013)

5.2.6 Back to grass-roots: The power of traditional rulers
The role of traditional leaders has been very important within the society and surely will remain so. Nigeria has had a remarkable number of traditional rulers and generally of authorities that have played an important role. Thanks to the respect they maintain within the particular communities, they are more effective for example in conflict resolution and reconciliation activities than any other ‘official tools’.

Although the country’s Constitution does not define the role of traditional rulers, which is sometimes regarded as a policy failure, and despite of having no formal role, the traditional rulers still have significant political and also economic influence. Being the closest to the people, invested with respect and trust, they play a key role in all forms of conflict within individuals and on the community level as well. (Miles, 2006)

5.3 The overview of the past
As Mbachirin (2006) says, Nigeria was created with a “faulty foundation”. The intention was not to build one nation, but to find an area for exploitation and no matter which kind of the administrative, or political, social or economic system was adopted, all were meant to open the door for this aim.

Nigeria was created by British colonialism, while diverse people and regions were joined in an artificial political entity with little sense of a common Nigerian nationality. This huge man-made unit suffered from internal struggles later often compared to a “time bomb”. (Chapin Metz, 1992; Klima, 2003)

Although many of the current problems, like in other former colonies, are being accounted to colonialism - and surely it plays I relevant part in that - colonialism cannot be blamed as the only sinner. Colonialism had both negative and positive effects. As a human and socio-political institution it brought an estimable accomplishment; on the other hand, it stood for “despicable failures and idiosyncrasies (Mbachirin, 2006, p. 27)”. The technical modernization, colonial power centralization and the concentration of production took place under direct British control. The specialization and professional qualification of staff in various economic sectors, and thus in services, were on the
increase. Although new companies and technological equipment were built, the unemployment rate was high and persisted so. Modern machines took people’s jobs, the concept of social insurance had not been introduced in the country and generally the Nigerian society lived from one day to another. (Klíma, 2003; Osaghae, 1998) Generally speaking, the colonial period had a significant impact on the institutions and the spirit of governance that would pilot Nigeria after independence.

The Federation of Nigeria became a fully independent country by an act of British parliament on October 1st, 1960 in response to Nigerian patriotism and the quest for sovereignty. In October 1963 Nigeria proclaimed itself the Federal Republic of Nigeria and the president, elected by a joint session of the parliament for the term of five years, replaced the crown as the symbol of national sovereignty. Although it seemed as a bright beginning of a new era, the nation’s governance in the several decades after independence was ruled by a coup rather than the election and by military rather than the civilian government (Klíma, 2003; Mbachirin, 2006).

During 1970s and the oil boom, the huge income made the economy richer but it also promoted inflation that, coming alongside unemployment, underlined inequalities in distribution. Furthermore, the military administration did nothing to improve the living standard of the population, or to help the small and medium businesses, or even invest in infrastructure. As oil revenues fuelled the rise of federal subventions to states, the federal government became the epicentre for political struggle and the threshold of power in the country. As oil production and revenues rose, the Nigerian government created a dangerous situation as it became increasingly dependent on oil revenues which did not help to build economic stability.

Additionally, the industrialization boom during the late 1970s and the significant growth were seen in the production of goods including vehicle assembly and various manufactures. Later, also an investment in infrastructure was extended and massive investment was planned in steel production as well. Moreover, education expanded rapidly as the number of universities increased.

February 1999 became an important moment for the country as fifteen years of military rule were over and Nigeria entered the longest period of civilian rule since independence. (Library of Congress – Federal Research Division, 2008)
5.4 The emersion and engagement of civil society
The evolution of the civil society in Nigeria dates back to colonialism. However, as Ikelegbe (2001) states, the authoritarian rule of colonialism limited political rights and left only little room for autonomous action. Thus, at that time, civil society was passive, inactive and lacking organisational forms. With the strengthening of nationalist struggle in 1940s and the growing general social and political consciousness, several associations emerged which were aimed to oppose the colonial policies. The era of decolonisation represented the beginning of the golden age of the civil society.

According to Essia and Yearoo (2009), the civil society sector belongs currently to the fastest growing sectors in Nigeria. While the civil society movements have been historically connected to human rights abuses, nowadays in democratic era, the focus of CSOs has slowly moved from defences against repression to economic management and the need for transparency and accountability in the use of public funds.

Although the sources on topic of a deeper civil society engagement in Nigeria are few, for instance AFRODAD (2005) states that civil society, including the NGOs, has been in the forefront of the efforts to establish democracy, good governance, transparency and accountability as the means of the efforts towards MDGs achievement in Nigeria. When mentioning accountability, Essia and Yearoo (2009) argue that there is a general feeling of holding the CSOs accountable rather to their funders than to the people whose needs should be served. In addition to that, Ikelegbe (2001) also notes that civil society in Nigeria has been overwhelmed by numerous problems. Civil rights groups in some cases expanded because of a great opportunism in the competition for donor funds. Such groups were a part of the NGOs industry supported by funds from the West. Human rights groups experienced frequent disputes and disruptions as a result of conflicts attributed to ‘lack of accountability, tribalism, manipulation, treachery, regionalism and squabbles’ (Ikelegbe, 2001, p.10). He also notes that many of the groups were just press statement issuing and circulating bodies without any grassroots or popular support. Many attempts to create cooperating national coalitions failed as a result of personal differences, arrogance, ethnic differences and personal ambition. Some of the groups were passive, disorganised, self-interested and lacked even a rational agenda (Liang, 1995 cited in Ikelegbe, 2001).

Nevertheless, those development orientated NGOs providing service in health, education and social wellbeing and those advocacy orientated NGOs involved in issues of
democracy, human rights, trade justice, debt cancellation and better aid management, have had various impacts. Many NGOs have been involved in the struggle for debt cancellation and advocacy for increased aid and many CSOs are engaged in the field of aid and poverty reduction as well. For example the African Network for Environment and Economic Justice (ANEEJ) is the major CSO involved in debt cancellation initiatives and also in the issues of environmental degradation in the Niger Delta region; Lift Above Poverty Organization (LAPO) is the micro finance providing CSO; and the International Centre for Solar, Environmental and Economic Development (ICSEED) is active in the area of debt relief and in promoting environmental sustainability through the use of renewable energy sources.

CSOs are to reach their goals of helping those most in need and to guarantee that their views and policies that would support the MDGs fulfilment by improving the general welfare of people are correctly adopted and implemented. Moreover, all CSOs have been committed to cooperate with the government in the efforts towards the MDGs achievement but the truth is that sometimes, as AFRODAD (2005) states, they have difficulties in getting through to high government officials and ensuring that their views are actually manifested in policy.

5.5 Dealing with poverty: the pre-MDG era

Since political independence, various governments have adopted several strategies and actions that were targeted to reduce or eliminate both urban and rural poverty in the country (Anyanwu, 2012). However, rural development in Nigeria since independence has remained paradoxical, because the more efforts the government made, the worse the level of poverty in the rural areas turned out to be (Ocheni and Nwankwo, 2012). Each strategy claimed new promises and brought hope that was never accomplished. For instance, the First National Development Plan (1962-1968) had as its priority rural development but the budget and expenditure during the plan period were by far insufficient. The Second Development Plan (1970-1974) claimed as the main target to achieve a just and egalitarian society promising to place the reduction of inequality among social groups and within rural and urban areas on high priority, but the result did not have the desired effect. During the Third National Development Plan (1975-1980) the country involved “integrated rural development” which refers to the Agricultural
Development Programmes sponsored by the World Bank. According to Ocheni and Nwankwo (2012), despite the active involvement of the World Bank from which the country has taken loans worth billions of Naira, the country remained deficient in food production and the wellbeing of the people mainly in rural areas did not change at all. The following actions included the establishment of various institutions and the adoption of various programmes. To name just few of them (Ejumondo and Ejuvwekpokpo, 2013; Ojonemi and Ogwu, 2013):

- The Directorate for Food, Road and Rural Infrastructure, 1986
- National Accelerated Food Production Programme, 1972
- Operation Feed and Nation, 1975
- People’s Bank of Nigeria, 1987
- Better Life Programme for Rural Women, 1987
- Community Bank, 1990
- National Agricultural and Land Development Authority, 1991
- National Agricultural Land Development Authority in 1993
- Family Support Programme, 1994

According to Ejumondo and Ejuvwekpokpo (2013), such anti-poverty programmes and actions, whether well intended or randomly planned, whether real and genuine or false, imagined and misleading, had preceded the signing of the MDGs in September 2000. The problem is that most of the governments in charge proved defective and improper political, economic and social policies mismanagement, corruption and neglected the poverty status of the country.

Another key measure was the establishment of the Poverty Alleviation Program in 2000 which developed into the National Poverty Eradication Program (NAPEP) a year later. NAPEP has been organized around four schemes, namely the Youth Empowerment Scheme, Rural Infrastructure Development, Social Welfare Schemes and the National Resource Development and Conservation Scheme.

One of the latest measures driven by great attention was the National Economic Empowerment and Development Strategy (NEEDS). It focused its long-term goals on poverty reduction, wealth creation, employment generation and value re-orientation, and became a national coordinated framework for action in close collaboration with the state, local governments and other stakeholders.
Though some of the measures and reforms made some positive impacts, they proved unsustainable while at the same time failed to result in sustainable poverty reduction. A number of factors have been identified as contributing to the failure of these measures to achieve sustainable poverty reduction, including poor targeting mechanisms, lack of focus on the poor, program inconsistency, apparent disconnection between the government and the poor, poor implementation, and corruption. Indeed, these earlier efforts to address poverty failed largely because they were badly implemented and had no particular focus on the poor in terms of design and implementation. As a result, Nigeria, one of the richest 50 countries in the 1970s and currently sixth largest exporter of oil, has sunk to become one of the 25 poorest countries in the present, hosting the third largest number of poor people after China and India. (Adogamhe, 2010; Anyanwu, 2012; Ejumondo and Ejuvwekpokpo, 2013)

5.6 On the journey with Millennium Goals

The story of MDGs in Nigeria begins in September 2000 with the signing of the Millennium Declaration together with other countries at the Millennium Summit. The MDGs became central to the country’s development agenda.

5.6.1 Implementation: from theory to practice

The implementation started with establishing the Office of the Senior Special Assistant to the President on MDGs (OSSAP-MDGs) and the Nigerian country reports on MDGs. The MDGs were integrated into national development strategies and also good initiatives aimed at reducing poverty have been introduced, such as the Conditional Grants Scheme\(^\text{15}\) and the Conditional Cash Transfer\(^\text{16}\). (Igbuzor, 2011)

Nigeria in those days had an overwhelming debt of about $35.9 billion with over 85 per cent owed to the Paris Club\(^\text{17}\). The country was involved in a big campaign for the debt cancellation – from the side of the House of Representatives and also from the civil society initiative. The contemporary president of that time Olusegun Obasanjo and the

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\(^{15}\) A scheme formulated by the federal government designed as the vehicle through which saving made from the debt relief will be expended on projects that support the nation’s quest for the actualization of the MDGs.

\(^{16}\) The programs aimed at reducing poverty by making welfare programs conditional upon the receiver’s actions. The government transfers the money to person who meets the certain criteria.

\(^{17}\) A group of financial officials from 19 some of the world’s biggest economies providing financial services such as debt restructuring, debt relief and debt cancellation to indebt countries.
finance minister negotiated with the Paris club that granted just before the G8 meeting in 2005 a debt relief to Nigeria by cancelling $18 billion. After this debt relief, significant funds raised for the debt repayments were reallocated directly to projects and programmes focused on achieving the MDGs. (Jones, 2012)

As the Centre for Democracy and Development (CDD) (2013) states, the huge diversity between the different regions, states, Local Government Areas (LGAs) and communities in the country with respect to their individual contexts, conditions, institutions and governance structures suggests the implementation leading to achieve the significant progress on the MDGs requests considering those unique conditions, opportunities and constraints in each of these locations.

Apart from the conditional grant schemes and conditional cash transfer, CDD (2013) mentions other interventions aimed to achieve the MDG 1 in particular. Firstly, the implementation of projects in MDGs related sectors such as micro-credit initiatives, teachers training, construction and rehabilitation of primary health centres, deployment of medical staff etc. Secondly, the Quick Wins Projects (Constituency Projects), initiated by the Federal Government in 2007 to promote the active and visible presence of government in all federal constituencies and senatorial districts to provide basic infrastructure and services for the realization of the MDGs.

All these actions have been provided keeping in mind the fact that any accomplishment is fundamentally related to the greater political space and voice for those affected by poverty and exclusion at different levels in the country (CDD, 2013).

Questioning whether the debt relief gains would be spent appropriately or not, led to the establishment of the Office of the Senior Special Assistant to the President on MDGs to guide the resources that would be freed from the debt deal to MDG-related projects and programmes and also to track, monitor and evaluate their progress. (Igbuzor, 2011)

Additionally, two Committees were established. The first one, the Standing Committee on MDGs was established by the House of Representatives and the Ad Hoc Committee on MDGs established by Senate in 2007, later re-established as the Standing Committee on MDGs in 2011. The mandate of the House Committee on the MDGs was the agreement and harmonization of MDG budgets and oversight of the implementation of MDGs projects. Later, the mandate was broadened to cover the implementation of the MDGs and oversight of the MDG activities of the Agencies responsible for the implementation. In practice it was involved mainly in the issues of agreeing and
harmonising the budget allocation to OSSAP-MDGs, providing oversight of its work and, to a more limited extent, oversight of programmes and projects implemented by relevant Ministries and State and Local Governments. (Jones, 2012)

The progress of the country on MDGs has been presented in several country reports. The challenging character of MDGs in relation to Nigeria was recognized in the first report from 2004 when it stated that: “it is unlikely that the country will be able to meet most of the goals by 2015 especially the goals related to eradicating extreme poverty and hunger, reducing child and maternal mortality and combating HIV/AIDS, malaria and other diseases.” (MDGs Report, 2004, p.iv) Then it also states that apart from goal 1, “for most of the other goals up-to-date data exists which shows that if the current trend continues, it will be difficult for the country to achieve the MDG targets by 2015.” (MDGs Report, 2004, p.v) The following report from 2005 was more optimistic, giving a conclusion of having the capacities to reach three of the goals (particularly Goals 2, 7 and 8) and also make significant progress towards Goal 1, with strong political will (AFRODAD, 2005).

5.6.2 In practice: the actions being taken and monitored

Both Committees have been focusing their activities on the specific areas and one of the key activities of both MDGs Committees has been connected to the budget process. After annual budgets are sent to Parliament by the President, the MDG Committees begin a sequence of budget defence hearings on the OSSAP-MDGs budget allocation. During this action, the representatives of the OSSAP-MDGs and of the numerous Ministries involved are invited, such as the Ministries of Health, Education, Women’s Affairs, Land and Housing, and Environmental Affairs. The budget allocation is then discussed to be implemented by particular Ministries. Also other participants that receive MDGs related share have been invited before the Committees, for instance the Nigeria Education and Planning Association and the Nigeria Research Council.

The main criteria are based on verifying whether the allotment is MDGs related and thus if it is likely to have the positive impact on progress towards achieving the MDGs. It is important to mention that the MDGs Committees only analyse the OSSAP-MDGs budget allocated to various Ministries, not all the funding within the national budget. In practice it means that the Committees cannot check for coherence between budgetary allocations.
Similarly, the MDGs Committees are not institutionally in a position to ensure alignment of MDGs resources with the national development plan.

Another activity is to provide the control over the OSSAP-MDGs funded projects and their implementation while the Senate Committee has been mostly focused on providing supervision of the implementation of Quick Wins. On the other hand, the activities of the House Committee were of broader mandate being in charge of controlling the implementation of all OSSAP-MDGs funded activities.

It is important to note that the interaction between the Committees, the public and the civil society has been limited. While the representatives of MDGs Committees, as well as the Government Ministers and Ministry representatives were present during the meetings, there has seldom been direct interaction between the Committees and CSOs.

Paradoxically, despite the clear connection between the MDGs and national development, none of the MDGs Committees have been directly involved in the national development plans monitoring. Both the House of Representatives and the Senate have separate National Planning Committees and there are no formal mechanisms that would bridge the interaction between these Committees and the MDGs Committees.

As we have already mentioned, the Senate MDGs Committee has been effectively utilised as a base for the Quick Wins projects. It considers the project proposals submitted by Senators and raises issues related to the implementation of Quick Wins projects with OSSAP-MDGs or the Government Ministry responsible for implementation.

Both MDGs Committees also play an important role in improving knowledge of the MDGs within the Parliament and in making OSSAP-MDGs and Government Ministries responsible for implementation of MDG-designated projects. Therefore the link between the Committees and executive power has been strong. However, except for the Public Hearings held in 2010 and some supervision visits that included CSOs, the linkage between the MDGs Committees and CSOs has been limited and, as has been already indicated, the formal cooperation between the Committees and International Development Partners has not been realized. (Jones, 2012)

Additionally, there have been several activities aimed at building the general capacity of Committee Members on the MDGs through information exchanges leading to an improved understanding of the MDGs concept and its global context. However, as Jones (2012) states, activities and events for the MDG Committees to improve their capacity to
provide effective budget inspection and control over the MDGs policies have been deficient.

On the federal level, monitoring and evaluation process (M&E) is based on two main touchstones. The first one is following the MDGs indicators undertaken by the National Bureau of Statistics and MDGs related ministries, departments and agencies. The second level represents monitoring and evaluation of the implemented projects and programmes which is the responsibility of the OSSAP-MDGs, the Budget Office of the Federation, the National Assembly, ministries departments and agencies, and the state governments. (SPARC, 2010)

On the top of the M&E framework is the Presidential Committee for the Assessment and Monitoring of the MDGs whose members are chaired by the President. It includes representatives of the state governors, the National Planning Commission, local and international non-governmental organisations and ministers of the implementing agencies of debt-relief-gains programmes and projects. Within the ministries themselves, there are special MDGs task teams working together with OSSAP-MDGs in project identification, implementation, monitoring and evaluation.

At the state level, monitoring is done by the state ministries, departments and agencies, with institutional arrangements set by state planning ministries and commissions. (MDGs Report 2004, 2010)

5.6.3 **Goal 1 under microscope**

According to the first country MDGs Report (2004), the proportion of poor people rose from 28.1 per cent in 1980 to 65.6 per cent in 1996, which means 17.7 million poor people in 1980 and 67.1 million people in 1996. At that time, it was estimated, that by 2015, between 30.1 million and 40.4 million people would still be living in poverty. If we look at the Table 3 below showing the estimated rate of people living in absolute poverty between 1990 and 2010, we can see that the numbers are much higher.

<table>
<thead>
<tr>
<th>Year</th>
<th>Estimated Population (in million)</th>
<th>Total Absolute Number of Poor People (in million)</th>
<th>Percentage (%) that are poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>86.6</td>
<td>38.0</td>
<td>44.0</td>
</tr>
<tr>
<td>1991</td>
<td>88.5</td>
<td>38.5</td>
<td>43.5</td>
</tr>
<tr>
<td>1992</td>
<td>91.3</td>
<td>39.0</td>
<td>42.7</td>
</tr>
<tr>
<td>1993</td>
<td>93.5</td>
<td>45.8</td>
<td>49.0</td>
</tr>
</tbody>
</table>
Poverty in Nigeria is known to be both deep and pervasive while it is more obvious in the rural areas in comparison to the urban regions. As the Structural Adjustment Programme was implemented, during the period of 1986 to 1992 the poverty rate in rural areas decreased, but after 1992 the poverty increased rapidly in both urban and rural regions.

Concerning the gender differences, both male and female headed households experienced rising poverty between 1980 and 1996. However, those headed by females were getting on relatively better. With regard to food poverty, the proportion of underweight children under five years fell from 35.7 per cent in 1990 to 28.3 per cent in 1993 before rising again to 30.7 per cent in 1999. Again, the occurrence of underweight children was higher in rural areas. (MDGs Report, 2004)

The MDGs Report (2004) also mentions a different trend in malnutrition and poverty rates over time while malnutrition rates had declined and poverty had increased. Two possible explanations are given for that. First is, that the majority of the poor are rural dwellers involved primarily in the agriculture sector. In case of subsistence farmers, they may be able to make low income and at the same time fulfil their food consumption requirements. They may then remain income poor while the gap in their dietary energy needs is being slowly bridged. The second explanation regarding the underweight children under-five years of age is that improvement in nutrition could originate in improved nutritional education rather than in household income.
The following report in 2005 addressed the eight MDGs highlighting the current status and trends of each of the MDGs, the challenges and opportunities in attaining the goal, the promising initiatives that are creating a supportive environment and priorities for development assistance. (AFRODAD, 2005)

The subsequent country report in 2010 elaborated by the Government touched upon the progress based on sustained economic growth, improvements in planning and policy, and growing government investment in the social sector (MDGs Report, 2010). Although the report states, that “for every MDG there is a positive story to be told” (p.4), concerning MDG 1 only the progress in proportion of underweight children is mentioned.

The data overview of particular indicators addressing the Target 1A – Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day, is given in following Table 4.

**Table 4 – Country data addressing the indicators of Target 1A**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Year</th>
<th>1.1 Proportion of the population living on less than $1 (PPP) per day (%)</th>
<th>1.2 Poverty gap ratio</th>
<th>1.3 Share of poorest quintile in national consumption (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1990</td>
<td>NA</td>
<td>32.1</td>
<td>5.0</td>
</tr>
<tr>
<td></td>
<td>2000</td>
<td>NA</td>
<td>NA</td>
<td>5.0</td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>NA</td>
<td>NA</td>
<td>5.0</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>NA</td>
<td>NA</td>
<td>5.0</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>NA</td>
<td>29.6</td>
<td>5.0</td>
</tr>
<tr>
<td></td>
<td>2004</td>
<td>51.55</td>
<td>29.6</td>
<td>5.1</td>
</tr>
<tr>
<td></td>
<td>2005</td>
<td>51.55</td>
<td>29.6</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>2006</td>
<td>51.55</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>2007</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>2009</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>2015 target</td>
<td>21.4</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

Source: MDGs Report 2010
The reference to the proportion of poverty rate in the country’s reports remains among the challenging points since the economic growth has not generated enough jobs and thus, Nigeria has been unlikely to meet Goal 1 of eradicating extreme poverty and hunger.

Generally speaking, Nigeria still manages poorly in all development indicators. Furthermore, the recent fast economic growth has not notably helped to reduce the gap between the rich and the poor in the country. The trend of poverty in Nigeria shows that poverty is not really being reduced, much less eradicated. For instance, during the last decades, rural poverty increased from 22 per cent to 68 per cent, while urban poverty increased from 17.2 per cent to 55.2 per cent. (Ejumondo and Ejuwwepkokpo, 2013)

The poverty situation is perilous both in terms of income as well as in terms of food. In terms of income poverty, the nation witnessed a worsening income inequality, while in terms of food poverty, the proportion of the underweight children stood at 30.7 per cent in 1999. Similarly, Nigeria’s rank in the Human Development Index remained low, being the 152 out of 175 countries. This low HDI score reflects the situation with regard to a poor access to the basic social services in the country. Using the socio-economic indicators such as per capita income, life expectancy at birth, access to health-care services, safe water, education, sanitation facilities and electricity, it just underlines the extent of poverty in Nigeria. (UNDP, 2011)

5.6.4 The trouble points

As we have pointed out the trouble points of MDGs in the first part, one of the most prevalent in case of Nigeria is the problem of implementation connected to lack of transparency. Olayiwola (2013) for example mentions the insufficient transparency in the management of public funds. He states that despite of the recent application of the government reforms concerning the information improvement of the government business, the state of the economy and general information about the development status of the country, there is still a room for improving transparency. Particularly it refers to releasing data on how much money the government actually spends for the development projects. Together with data on the amount budgeted for these projects, the monitoring and evaluation of such projects will facilitate the way to determine correctly sources of waste and inefficiency in the management of public funds for project development.
Hence it will improve their quality, service delivery to the public and it will enhance productivity of the citizens to strengthen their capacity towards poverty reduction.

Insufficient transparency and corruption in government were confirmed as the prime causes of inhibited development in the country also at the Opening Conference of the Society for Monitoring and Evaluation in October 2011 by Yemi Kale, the Statistician General of the National Bureau of Statistics. According to him, the country is not able to implement development projects correctly as corruption has eroded the capacity of the Nigerian governments to provide public goods for the benefit of its people. Additionally he described the country budgets as simple paperwork that had no relation to actual amount spent on the projects. Talking about actual amount, the alarming fact is also the unrealistic pricing of the projects which enriches private pockets instead of making considerable change among the society. (Igbuzor, 2010; Olayiwola, 2013)

Poor alignment between the country development strategy and the MDGs-based planning represents the weak points as well. It is caused mainly by the capacity limitations manifested primarily in deficient planning infrastructure of both the federal and state governments. The crucial defects of the planning system involve the lack of adequate capacity for information processing, insufficient analytical skills, poor stakeholders mobilisation, poor political attention to the whole process and also, as has been already suggested, lack of coherent links between plan and budgets. Moreover, the poor support of policies and institutions is associated to the capacity constraints. As Eboh (2010) states, although the OSSAP-MDGs has an important complementary role in the coordination, monitoring and reporting of MDGs, it is an ad hoc administrative body that exists at the instance of the President.

He also touches upon the fact that there is a “blind” system of staff transfer within MDGs Committees, National Planning Commission and individual Ministries, Departments and Agencies. Such manoeuvres question the sustainable skills location and their usage, as they cause the skills mismatch and undermine capacity retention.

Capacity insufficiency also manifests itself in the shortage of suitable, adequate and reliable statistical data for MDGs monitoring and evaluation which is the challenge also recognized by the State Partnership for Accountability, Responsiveness and Capability (SPARC). Particularly the lack of well-founded data, evident also above in Table 4, caused by the missing adequate systems to collect and analyse data makes the whole process of outcomes measurement more difficult.
Furthermore, the obvious data gaps among the MDGs indicators make a confused representation of the tangible results and thus they diminish the value of Nigeria’s MDGs reports. For instance the country report of 2004 introduces the overview of some indicators such as saving rates or GDP, but it does not mention the indicators determined for the MDGs. Regarding the MDG1, it demonstrates the change in poverty rate in rural and urban areas, comparing also the differences between the male and female headed households, but the specific data of MDG1 indicators are missing. Similarly it is done so in the next report of 2006. Although the following report in 2010 shows finally the data addressing the MDGs indicators (demonstrated in Table 4), the numerous “not available” columns speak for themselves. The final report of 2013 demonstrates the growing character of poverty incidence according to different geo-political zones, as well as general poverty level within the period of 1980 and 2010, but again, the MDGs indicators are absent.

Therefore, there is a great need for statistical capacity building at both, the federal and the sub-national levels. Since the responsibility for social and economic statistics is held by both Federal and State Governments, it is critical to develop corresponding statistical capacities consistent with the efforts of the National Bureau of Statistics. As Eboh (2010) or Igbuzor (2010) recommend, Nigerian statistical agencies need technical skills improvement, institutional resources increase and stronger coordination between national and sub-national levels.

5.6.5 To meet or not to meet: the question for Nigeria

To meet the halving poverty target by 2015, poverty rate in Nigeria would have to be reduced from 44 per cent in 1990 to 22 per cent in the target year which will obviously not happen. The huge challenges facing achieving the MDGs have been more or less clear since the beginning. However, it does not mean that we should consider Nigeria as a hopeless case.

Although the 2010 MDGs country report concluded that “no goal was certain to be achieved” (p.7), there actually had been progress towards each of the MDGs. To introduce some of those positive stories we can mention that almost 9 out of 10 children were enrolled in school in the country; youth literacy had increased from 64 per cent in
2000 to 80 per cent in 2008; and the infant mortality rate decreased from 100 per 1000 live births to 75 per 1000 live births between 2003 and 2008. (MDGs Report, 2010)

Concerning specifically MDG 1, SPARC (2010) gives a list of goal-specific challenges including the lack of management capacity and access to affordable funds among small business entrepreneurs; the low level of agricultural mechanisation; the predominance of older people unfamiliar with modern technologies in agricultural production; poor industrial processing and storage technology, resulting in high post-harvest losses and weak links with markets; poor rural infrastructure, spurring migration leading to high unemployment in urban areas; huge under-investment in poverty alleviating projects, infrastructure and agricultural production in rural areas.

Igbuzor (2011) argues that a successful way can be launched by formulating and implementing the policies that will promote transparency and accountability which will help to overcome the institutional constraints. It is also important to promote pro-poor growth, to bring about structural change, to enhance distributive equity, to engender social and cultural re-orientation, to practice inclusive urban development, to generate employment and transform power relations.

In other words, there is a lot to be done to achieve a successful way of poverty reduction and its following improvement of people’s living conditions.

It is alarming that despite of having the resources necessary for the accomplishment of human development targets, the country has not yet been able to meet them.

5.7 Nigeria as a “Crippled giant”: analysis of the limitations

We have described the capacities that Nigeria has but also, on the other hand, we have showed that she is not able to meet most of the MDGs. Naturally it raises the question of what or where is the problem?

Therefore, the aim of this part is to give a list of the main limitations and problems that hinder Nigeria in realizing a successful development way that would have the positive impact on the population.


5.7.1 Label of a fragile state

Nigeria was marked in 2004 among the 46, mostly African countries, as fragile. As UN/ECA (2012) states, Nigeria has no reason to be in the circle of fragile and failed states due to the resources and potential we have analysed earlier. Oyeyinka (2011, cited in UN/ECA, 2012) argues that the main reasons for the country’s disability to fulfil all the potential are failure of the governance, lack of the context-relevant institutional instruments, and lack of the specific framework to foster institution of private property that would encourage widespread opportunity for all citizens. Furthermore, he states that when comparing Nigeria to other countries in global socio-economic ranking, it is obviously significantly backward and even tends towards qualification of a failed state. The Legatum Prosperity Index (LPI\(^1\)) shows that despite of massive oil wealth, Nigeria ranks 106 out of 110 countries for prosperity, and occupies the 81\(^{st}\) position on in the Average Life Satisfaction Ranking of 2010. As to HDI, Nigeria stands 158\(^{th}\) out of 182 countries and as to Global Competitiveness Index, it is the 127\(^{th}\) out of 139 countries. (UN/ECA, 2012)

It is no news that colonial legacy is perceived as a pre-cursor of many problems in the former colonies, and it is so in the case of fragility as well. Manning (1990) and Alaba (2011), for instance, state that colonisation affected the pattern of post-colonial economic development in Nigeria. Moreover, the colonial political, industrial and economic management legacy led to constraints the structure of the country’s incentive to aim for a high degree of self-sufficiency and, in effect, generated an overwhelmingly subsistence oriented production. (UN/ECA, 2012)

The purpose of this thesis is not to decide to what extent it is true or not. However, the roots of some problems can be identified at the very beginning of Nigeria’s existence.

5.7.2 The birth and the problem of identity

As we introduced the beginning of the state creation, there are opinions stating that the amalgamation by which the country was created, was the beginning of many societal problems in the country, especially socio-political and religious. Generally, Nigerians call this amalgamation a “time bomb”. According to Mbachirin (2006), for instance, the

\(^{18}\) Legatum Prosperity Index, developed by the Legatum Institute, is an annual ranking of 142 countries. It is based on a variety of factors, including health, economic growth, entrepreneurship and opportunity, governance, education, safety and security and personal freedom. According to LPI in 2013, Nigeria was at the 123\(^{rd}\) place.
creation of something that was to become one nation included many mistakes some of which are affecting the Nigerian society till today.

The first problem was that various ethnic groups were brought together – groups of different traditions, backgrounds, religions and cultures. He argues that Europeans had no knowledge of the relationship between those groups while bringing them under one political unit. The estimate reaches the number of about 500 ethnic groups, each having its own language and customs and even at the time of being brought together, some of them did not have good relationship with one another. Additionally, being on a different level of economic and political development, they began to compete for political and economic power that has swallowed up the three dominant ethnic groups to such extent that the others have been overlooked or have been presumed to be nothing more than the affixes of each of the three rival groups. (Alumona, 2006; Mbachirin, 2006; Olu, 2014)

Akanji (2011) talks about the identity question that revealed as a part of the colonial history the pre-colonial traditional practice of separating ‘natives’ from ‘settlers’ which was sustained by the colonial government. Furthermore, the question of citizenship was turned into a tricky issue when the administration’s regionalization policy was adopted restructuring the country into western, eastern and northern regions based on the identities of the dominant ethnic groups – Yoruba, Ibo and Hausa-Fulani.

To summarize these factors, we can say that a suitable environment had been created for numerous threats before and after independence.

5.7.3 Unity: missing and/or misused?

As it is obvious from what has been described, the disunity was born together with Nigeria as the heterogeneous groups were brought together to create one nation. Whether Nigeria has been characterized as a geographical expression or a mistake or a British intention, the question of Nigerian unity has been an inseparable topic of its history and is often claimed to being missing. One of the missing attributes is the language. As Allan (1978) cites, ‘languages are the pedigree of nations’ (p. 397), which is often used generally by nationalist not only in Nigeria. They feel that their nation’s pedigree cannot be established until an indigenous language is chosen for the national language in place of the one inherited from the former colonial masters, which is, in Nigeria’s case, English. Normally, the individual uses his mother tongue to know the world around himself, and to learn the history, culture and tradition of his people. It also identifies him
as a member of a particular group or society. Vice versa, a group upholds its unique identity by having its own language or forms of languages; thus the jargon or slang characteristics of many institutional, occupational, recreational, and religious groups serves to build social unity among diverse groups of people. Allan (1978, p.399) manifests the meaning of having a common language in the following quote from the New Nigerian newspaper of 1971:

‘A country without a national language has nothing to be proud of as a nation. The failure of a country to adopt one of its languages as the lingua franca puts an indelible stain on that country’s dignity as an independent country. This failure is in most cases due to tribal conflicts. The speakers of the adopted language could feel that their language is superb and more important than other languages...Many innocent Nigerians will even become victims of illusion as they may regard the adoption of a language as an imposition and ipso facto domination of the people whose language is adopted on the rest of Nigerians.’

Due to the numerous Nigerian language communities with their own cultural heritage, there exists no single indigenous language that would be acceptable as the medium for cultural expression to all members of population. And so, any attempt to establish a connection among the people through an indigenous language as the national language will produce a division within the country. As long as the language should have the unifying force, the question is whether English can fulfill this function as it is not the language of any indigenous tribe and thus it is neutral in Nigeria.

Another factor that contributes to the disunity in the country is the religion, almost equally divided between Islam and Christianity. The frequent clashes between Christians and Muslims and particularly the implementation of the sharia law in some of the northern states are the clear evidence.

Last but not least factor, as a relevant factor, the issue of tribalism should be mentioned. It has been not only affecting the general unity of the nation, but more importantly, it has been hugely politicised.

The whole missing unity topic is questioned by Alumona (2006) who calls it a pseudo problem while arguing that even though the various Nigerian political elites usually stress the National unity as a sine qua non for the existence of Nigeria as a state; the truth however is, that they emphasize national unity to gain the influence for political power.
According to him it seems that the leading Nigerian nationalists were aware of the fact that whatever may come out as the Nigerian nation after independence, it would be founded on an unstable institution. Thus, the unity of the country is seen as a *rhetoric topic* – whether in wartime or in peace – for generating arguments to support leaders drive for political power. In other words, they use this call for national unity either to come to power or to preserve it and direct the country according to their own interest as individuals or as groups. He sees the massive problem of Nigeria in the unbalanced structure favouring the North that was misused by the Nigerian elites in innumerable ways in order to achieve their political and economic interests.

### 5.7.4 Social cohesion and structural imbalance

According to LPI (2013), the national security in the country is extremely low, personal safety risks are very high and social cohesion is poor. Civil freedoms are also low as LPI rank Nigeria among the 20 bottom countries on the scales of freedom of expression, belief, association, personal autonomy and freedom of choice. Socio-political situations driven by social exclusion, religion, and a dysfunctional institutional system precipitated remarkable political and religious crises, and growing armed insurgency in some parts of the country. Attempts by the political class to monopolize national economic and political structures have caused massive displeasure that resulted in various ethno-religious and political hostilities. (LPI, 2013; UN/ECA, 2012)

Nigeria is the world’s fifth largest federation, after India, United States, Brazil and Russia. According to Mbachirin (2006), the dichotomy, or regionalism, within the federation, particularly between the North and South was obvious since the 1914 when the different administrative systems were adopted. While the South, introduced to some form of democracy, was ruled by law passed by legislative council, the North, remaining authoritarian, was governed by decrees passed by the governor. Although the creation of states seemingly ended physical dichotomy, in reality it was never ceased. (Sklar, 2004) The first political parties established under the guardianship of the colonial masters that were regionally based are another example, such as the Northern Elements Progressive Union – political parties in the North; or the Action Group, which was the Southern one. Also in their political pre-independence election slogan ‘West for the westerners, east for
the easterners and north for the northerners’, the regionalism is obvious. As its result, no political party was able to form a national government by itself. Furthermore, Mbachirin (2006) adds that the dichotomy between North and South is responsible for the two different political ideologies competing within the nation – the bourgeois nationalism of the South as it was in closer relation to the west and thus under bigger influence of western civilization and education; and on the other hand conservative feudal traditionalism promoted more in the North. Robert Levine (cited in Mbachirin, 2006) clarifies it by the following words: “It is not simply Hausa versus the ethnic groups of Southern Nigeria, but conservatism versus modernism, authoritarianism versus democratic ideology and Islamic obedience versus Christian individualism.”

There have been also differences in the educational approach as the North was interested in Koran education and had embodied Arabic culture through Islam and, on the other hand, Christianity, prevalent in the South, accepted western education and civilization which was refused by the North. It is argued that the South was given greater educational opportunities by the colonial policy and because of this educational advantage, the South soon dominated the job market and particularly the Ibos took over trade. This fact helped the enmity between the North and South. The competition for jobs was the only factor that made the Northern Muslims consider western education, but the chasm in education, employment, trade and power opportunities remained.

It is also interesting to point out the income disparities while there are four different economies identified within the Nigerian economy: (1) middle/high income economy represented by Lagos State; (2) resource rich economies such as the Niger Delta States; (3) fragile state economies which are the north-eastern states; (4) low income economies represented by the rest of the states. Improving the infrastructure of the road and railway connectivity in the country, particularly between the northern and the southern states, could help address the regional economic disparities. (African Development Bank Group, 2013)

5.7.5 Civil society: the contradictory position

As we have stated earlier, the role of the CSOs in democratic consolidation in the country is an undeniable fact as democratic governance was established mostly thanks to the civil society activities. However, despite the role they have played in the past, currently there
are challenges and problems that limit the CSOs efficiency. Mercy (2012) introduces as one of them for example the *disconnection from rural organizations*. He argued that CSOs activities are usually limited to the federal level while the national expanse is missing. The greater part of the organizations is concentrated in Lagos and a few others in the Capital which makes the access difficult for the majority of people, particularly those living in rural areas.

An already mentioned problem, the *lack of unity*, creates disunity also among CSOs practitioners in terms of decision making and unity purpose. Furthermore, *lack of state support and partnership* and *government patronage* are other challenges while the relationship between CSOs and the state is characterized by lack of faith and is full of strain. The CSOs are viewed by the state officials as the contestants for power, influence and legitimacy in the public sphere rather than as the cooperating partners in society development.

**5.7.6 Trapped in conflicts**

Conflicts and clashes have been the part of Nigerian history to this day while there are different causes and levels on which the conflicts are taking place – politics, economy, leadership, class and so on (Jacobs, 2012). To mention some of the main reasons, it is *tribalism, resource control, religion, trade related motivation*, but also *poverty and unemployment or failure of the government* (Akpan et al, 2012).

It has been suggested that competition for scarce resources is one of the common contributory factors to ethnic conflicts. In a multi-ethnic society like Nigeria, ethnic groups violently compete for different things such as property, rights, jobs, education, social and good health care facilities. (Jacob, 2012) A classic current example is the Islamic militant group Boko Haram which has been operating mostly in the northern region since 2002, attacking schools, kidnapping tourists and bombing churches with the motive to establish a “pure” state based on sharia law.

The topic of religious conflicts in Nigeria is well known as a part of the history but also as the present reality, including various forms from verbal exchange, attacks through writings, tensions, demonstrations, protests, a trade of accusations, and violent conflicts. For instance, in the first half of 2006 Nigeria witnessed more than four religious conflicts.

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19 Meaning “Western education is sinful” in the Hausa language.
Although it is a prevalent problem mostly in the North, the conflicts can be found everywhere in the country; for example some of them took place in the South and in the East independently or as a reaction to the ongoing conflict in the North. (Mbachirin, 2006; Akpan et all, 2012)

In any case, the heart of most religious conflicts is in the northern states of Kaduna, Kano and Jos. The reason is the presence and influence of both Muslims and Christians while both groups are fighting for dominance in the region. Moreover, there is also struggle for power between elites who usually tend to manipulate religion and ethnicity for their selfish motives.

Religious conflicts have great impacts on the social, economic, and political life of Nigeria and its development in various dimensions. They are signs of the religious intolerance, a weak security system, political instability, selfish elite, lawlessness, the manipulation of religion, and ignorance (Mbachirin, 2006).

To pick another example of the conflict that threatens the whole Nigeria, we can use the Niger Delta example. It is the region representing the major source of oil revenues - which means about 96 per cent of state foreign earnings and about 85 per cent of state revenues. Thus, it is the most central region for the nation’s economic and political survival. (Obi, 1997) The conflict in the Niger Delta has its roots in 1990s. It resulted from the tensions between the foreign oil corporations such as Shell Petroleum Development Company (SPDC) and some of the Niger Delta minority ethnic groups who felt cheated and exploited. Such political and ethnic disrupt has persisted to the present. Rivalry for oil wealth had caused the violence between several ethnic groups as well as the militarization of nearly the whole region by ethnic militia groups and Nigerian military and police forces. Victims of crimes were afraid to seek justice for crimes committed against them. This is due to growing freedom from punishment of individuals responsible for harsh human rights abuses. And so the devastating cycle of increasing number of conflicts and violent acts has been created. (Akpan et all, 2012)

5.7.7 Manpower: the problem of brain drain and unemployment

One of the problems and obstacles in development, that is generally bothering much of the Third World, is the massive outflow of intellectual and skilled population – the brain drain. Nigeria is not an exception while it is suffering from the shortage of professionals
and skilful individuals necessary for the nation’s capital progress. They migrate – whether abroad or in terms of rural-urban migration – for both better economic and non-economic conditions. As Uma (2013) states, the unregulated internal migration in Nigeria has restructured development creating the imbalance between urban and rural development because of many rural dwellers settled currently in urban places and outside the country with their skills, entrepreneurial ability and capital.

Moreover, the people’s movement away from rural areas causes the decrease of people in agricultural production which has resulted in the increase of food importation. According to Ehirim (2012, cited in Uma, 2013), the migration has taken away scarce productive resources from the villages which hinders households in the optimal land and capital utilisation. As a result, there is a lack of labour, raising the production cost which is turned into output prices often beyond the affordability of the poor households. Rural movement has also decreased the farm labour opportunities as well as income and thus enhanced the rise of poverty.

One of the social consequences is the effect manifested through the establishment of a two class society with no middle class consisting of doctors, lawyers, engineers, professors, and other professionals. Instead, Nigeria, like many other countries affected by brain drain, has a massive underclass society that is largely unemployed and very poor. (Adefusika, 2010; Uma et all, 2013)

Additionally, Nigeria suffers from a high rate of youth unemployment and its consequences such as numerous cases of armed robbery, hostage-taking for ransom, illegal drugs trade or the mentioned Boko Haram group. The government has made a great effort to create youth employment opportunities. Despite of these efforts aimed to link education to the needs of the labour market and despite of an attempt of private-sector focusing on promoting youth employment, the huge gaps remain and youth unemployment is still on the increase. (CIR, 2014)

5.7.8 Governance and policy: in mess

Although Nigeria has all the tools of democratic institutions, it possesses significant autocratic tensions; it is largely undemocratic, ineffective, inefficient and corrupt (UN/ECA, 2012). Weak policy development and poor implementation capacity have
been one of the key problems of the governments (African Development Bank Group, 2013).

One of the problems identified in Nigerian politics is the influence of the ethnicity and the role of political elites in country’s development (Bariledum and Serebe, 2013). According to Chukwuemeka (2012) ethnicity is unquestionably a very powerful weapon for production of political leaders in Nigeria. As tension and ethnic consciousness have become high, people with political motives slowly appear and insist on the members of a particular ethnic group. Such politicians sooner or later join ethnic lines to gain cheap popularity.

For example, before the Nigerian civil war, most political parties were formed on ethnic basis, and their leaders used intensive ethnic propaganda combined with threats to win strong loyalty and support. As Bariledum and Serebe (2013) state, manipulation and exploitation of ethnicity became a real tool of political contest. And so a symbiotic relationship between politicians wishing to achieve their own positions and their ‘people’ who fear political domination and economic exploitation has been created. Furthermore they argue that with such intensive competition among Nigerian elites for control of the office, politics has been developing on a winner-take-all base.

Additionally, Ocheni and Nkwankwo (2012) state, that the performance of the rural development agencies and programmes is almost always secondary, whether introduced by agencies or governments. This is ascribed to the politicization of the programme by men in power; to the poor ‘ownership’ of the programme by over half of the population which surely affects its attitude and involvement; and finally to the statement that a large amount of the fund committed by the government has been misappropriated and deceitfully ended up in private pockets – very simply said, because of corruption.

5.7.9 I bribe therefore I am: the widespread corruption

“Keeping an average Nigerian from being corrupt is like keeping a goat from eating yam.” Nigerian Newspaper Weekly Star, May 1985

Corruption – perceived as the greatest obstacle to social and economic development nowadays. Particularly in Nigeria, it has been influencing all dimensions of the country’s everyday life. It is blamed for encouraging waste, promoting resource distribution
asymmetries, distorting markets and competition, producing revenue losses, decelerating investment opportunities, privileging non-productive rent-seeking activities, and fuelling distortions in economic policy. In the social sphere, corruption stemming from interethnic rivalry and aimed at the control of the state machinery for private or sectarian interests is said to be at the root of pervasive social conflicts. In the political environment, corruption is seen to undermine the capacity of the state and its institutions to function properly and to deliver public goods and services to its citizens. (Agbiboa, 2013; Coolidge and Rose-Ackerman, 2013) According to data of Transparency International from 2013, Nigeria was ranked at the 144th place out of the total 177 number.

Paradoxically, the former and also the current government have spent a lot of energy on the anti-corruption fight which has become a part of Nigerian policy. However, as Agbiboa (2010) says, the fight against corruption needs besides legislation also strong political will and government engagement to ensure that no offender avoids the law – regardless his position or status in the society. Moreover, the problem is in the perception of corruption within the society. Agbiboa (2013) also asserts that corruption in the country prospers because the society allows it. No Nigerian in office would feel embarrassed being accused of being corrupt and, even if stealing public property, on the contrary, the official would be perceived as a ‘smart and successful man’.

According to Agbiboa (2010), corruption has spread to all aspects of the Nigerian society and public affairs and business can hardly make progress unless it is involved in some corrupt practices. As a result, corruption has become the main engine of activities in the government, the judiciary, the universities and other educational institutions, the police and the army as well. In other words, corruption is not a part of the Nigerian government, it is its object. And so in a nation like Nigeria, where it has become institutionalized, it may take minimally a decade to weaken this solid ground of bribery and corruption.

Besides of the effect on the society, corruption has an impact also on the efforts of any nation to achieve political and economic development. It reduces investments as it represents an extra cost for investors, and it also discourages foreign aid as donor countries struggle with how to ensure that aid money does not end up in private pockets. Obviously, as a consequence, the state legitimacy has been reduced, the credibility of political leaders has been eroded, hard work has been replaced with strong and complex patron-client relations, inefficiency and ineffectiveness. Moreover, the general disorder
has been brought into the bureaucratic apparatus and led to mismanagement, waste and the current crisis. (Shaw, 1998, cited in Agbiboa, 2010)

5.7.10 Oil as a curse
Just as oil has been a blessing for Nigeria, it also represents a negative impact on the economy. One of the negative impacts is the creation of oil-dependence. The evidence is significant – 95 per cent of government revenues and 99 per cent of total exports were dependent on oil in recent years which points at the mono-product character of the economy. This pattern is risky due to the exhaustible nature of oil and its price volatility. There is a “curse effect” that oil can have on the economy. Due to the presence of oil, the expectations are increasing as well as the public spending based on unrealistic revenue projections. It also encourages rent-seeking and fans inflation; it hampers growth, which leads to a decline in non-oil sectors such as agriculture and manufacturing. It means replacing more stable and sustainable revenue streams (Ogunleye, 2008).

There also exists a link between oil and the nation’s debt stock, which was much lower before the oil boom. Further negative impacts include, of course, the environmental pollution, forest and land degradation, but also the fight over the control of oil resources and oil rent. Significant distributive inequity, neglection and unfairness in sharing of oil rent have influenced the already fragile unity of the country. (Ogunleye, 2008)

5.7.11 Causing detriment to environment
To close this chapter, we are going to mention one more limitation - the environmental degradation - that cannot be missed when discussing the problems in the country.

Nigeria has a total land of 983,213 square kilometres with a population of 175.5 million people, which means a population density of approximately 161,4 persons per square kilometre. Such interaction of these millions of people with the environment has left a memorable trace in the form of urbanization, overpopulation, deforestation, desertification and, of course, pollution (Omofonmwan and Osa-Edoh, 2008).

Urbanization in Nigeria is characterized by city slums with major environmental consequences. This issue has been described as perilous. For example the problem with waste is emergent because of the rapid rate generation of non-biodegradable materials.
Generally, the environmental conditions in cities have worsened alongside the ability of social services and infrastructure to keep pace with the rate of growth. Problems connected to the increasing growth of urban slums include overcrowding in squalid housing conditions, poor quality or unavailability of basic infrastructures and social services and even a lack of access routes. Population is another key factor. Its growth was perceived as a symbol of power, prestige and greatness and thus, there was not much attempt to reduce it significantly. However the rapid decline in environmental quality and human living conditions has become evident. Deforestation, whether for agricultural development, urban growth, industrial expansion and pressure from an increasing population has reduced the extent, diversity and stability of the Nigerian forests in the country while desertification is prevalent in the northern region. (Omofonmwan and Osa-Edoh, 2008) Pollution in Nigeria is related to goods production and their waste products but also, and most of all, to exploiting fossil fuels as has been indicated above. The massive problem represents oil spillages caused by corrosion of pipelines and tankers, oil production operation and inadequate or non-functional production equipment. For instance, between 2006 and 2010 there were more than 3,000 cases of oil spillages while almost half of them were caused by vandalism connected to Niger Delta region. (Maren et all, 2013)

5.8 To summarize the country’s perspective: the SWOT analysis
As we have introduced the strengths on Nigeria earlier and now the weak points, we illustrate this two-view perspective in the following SWOT analysis, by summarizing her main strengths, weaknesses, opportunities and threats.

Table 5 – Nigeria’s SWOT analysis

<table>
<thead>
<tr>
<th>STRENGTHS</th>
<th>WEAKNESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Natural resources</strong> particularly reserves of oil and natural gas which remains the key driver of the country’s economy.</td>
<td><strong>Poor governance</strong> manifesting in advancing the leader’s own interests.</td>
</tr>
<tr>
<td><strong>The debt relief</strong> through the Paris Club that significantly disburdened the country.</td>
<td>High evidence of <strong>corruption</strong> that has spread into all levels of the state and local administration.</td>
</tr>
</tbody>
</table>
Growing economy representing the 2nd largest economy in Africa with the potential to become one of the top 20 largest economies in the world by 2020. The power of traditional authorities useful in conflict resolution and religious reconciliation.

<table>
<thead>
<tr>
<th>OPPORTUNITIES</th>
<th>THREATS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revive the agricultural potential to strengthen a more sustainable economy driver.</td>
<td>Tribalism and thus disunity among the society which can represent a potential threat of clashes and conflicts as well as make any attempt for reform or change more difficult.</td>
</tr>
<tr>
<td>Attractive environment for foreign investments.</td>
<td>Oil in terms of exhaustible resource and the oil-dependent nature of the country’s economy.</td>
</tr>
<tr>
<td>The quality of education that has improved and is improving.</td>
<td>Socio-political situations driven by social exclusion, religion, and a dysfunctional institutional system.</td>
</tr>
<tr>
<td>Infrastructure investment that can support the business as well as improve the connection within regions.</td>
<td>Environmental degradation including urbanization, overpopulation, deforestation, desertification and of course pollution.</td>
</tr>
<tr>
<td>Enhancing the transparency and accountability to make the general environment uneasy hostile to corruption.</td>
<td>Brain drain manifested in shortages of skilled professionals for instance among medical doctors.</td>
</tr>
<tr>
<td></td>
<td>Militant group particularly in the Niger Delta region affecting the oil industry and Fragile security due to the religious conflicts mainly in the northern part due to Boko Haram activity.</td>
</tr>
</tbody>
</table>

Source – The author’s summary
5.9 Microcredit initiative: engaging the ‘two pillar strategy’

As we have stated in the theoretical part the idea of “two pillar strategy” is based on connecting a sustainable and a socially oriented market economy and grass-rooted development strategy to enhance civil society. Here, we briefly illustrate this idea on the example of the microcredit initiative. It is based on the idea that poverty can be reduced in a reasonable period of time if people are given access to capital while properly guided in implementing and managing income generating micro-enterprises (Jegede, 2011).

The effect of microfinance institutions and their activities is significant in reducing poverty by increasing income and changing the economic status of those who patronize them.

The poor are provided with small loans accompanied by a training in business skills to begin or to expand their existing businesses. These small loans are to supplement the existing resources of individuals or households in order for them to engage in various business activities including micro and small-scale production, trading activities of all kinds and provision of services such as hair-dressing, sewing and telecommunications.

The generated income is then allocated to consumption purposes, investment in key assets such as household durables, saving deposits, payment of insurance premium against future risks and vulnerability as well as education of children and payment for health services. A certain amount is also used for the repayment of the loan.

To mention a practical example of a Nigerian microfinance institution, we can use the Lift Above Poverty Organization (LAPO). It is currently the leading microfinance institution in Nigeria and grew in a period of just a few years from 48,735 clients in 2005 providing service in 40 branches to more than 518,000 clients and 268 branches in 2011 (LAPO, 2011).

Its social performance activities are carried out using two approaches: integration into the processes of LAPO Microfinance Bank and linkage approach by which social services are provided by LAPO NGO which LAPO Microfinance Bank pays for. Social empowerment programmes implemented by LAPO NGO include: HIV/AIDS prevention, care and support programme; legal aid; gender equity programme; maternal and child health activities; environment and leadership training (LAPO, 2011).
The whole process of LAPO’s work is demonstrated on the following figure.

**Figure 3 – LAPO: The process of client’s empowerment**

LAPO designs its programmes and services to achieve social and economic empowerment while it is emphasizing the individual development through training at all levels to reach those aims. All activities and programmes are held in the poor urban and rural areas of Nigeria based on a group methodology and weekly meetings. Thanks to that there is a close relationship between the organizations and the people, and thus it addresses their social needs.

As a pro-poor bank, it does not only focus on poor clients, but the proceeds of its work flow back into its social/community development which helps to realize its social mission.

The impact of the microcredit represents both social as well as an economic contribution, while beginning from the individual the impact is pervading through the households, communities and consequently affects the whole society. Since the picture is worth more...
than a thousand words, we demonstrate the impact of microfinance on the following Figure 4.

**Figure 4** – Microcredit impact scheme

Source: The author’s own illustration.
6 SUMMARY AND OUTLOOK ON REDUCING POVERTY IN NIGERIA: AN ECONOMIC AND CULTURAL CHALLENGE

After illustrating Nigeria’s relationship to MDGs while introducing her limitations that hinder a successful development way, the complex answer with some recommendations can be divided into three levels – macro, mezzo and micro.

Macro level is clearly represented by the governance of the country – in terms of the Federal Government, the State and Local Governments and their economic management of the country, but also the MDGs Committees and the implementation of all development actions and plans.

On this level, the initiated development programmes, mostly unsuccessfully implemented by various governments failed due to the following reasons: weak political base, poor activities coordination, lack of sustainability, a top-down approach to projects formulation and the connected issue of corruption, little or no cooperation with the NGOs or the other concerned parties and also the inadequate projects funding. Nigeria has introduced many development policies on the theoretical level. Unfortunately, on the practical level, Nigeria proved to be the nation with vast policy inconsistencies.

Thus, on this level, Nigeria must take specific action to reform the management of the country and the economy and to establish a conductive environment for business and the influx of foreign private investment. Generally, the number need is transparency and accountability improvement. Some may argue that the first problem is corruption. It is with no doubt a huge problem, but as we have seen, the more attention the fight against it has been given and the more action to wipe it out has been taken, the more it has flourished. It seems like this way does not work very well. Thus, instead of focusing on the problem itself, and on how Nigeria should get rid of it, there is a way of improving patterns that can actually help to do so – and that is the point where transparency and assigning specific responsibility for a specific action should take place. This step also involves improvement of government data publishing regarding the project budgets and public funds to manifest clearly how the projects are managed.

As UN/ECA (2012) states, Nigeria needs to go back to the basics and first seek a specific framework to address the lacking basic to alleviate poverty while creating a realistic framework for real sector development such as industrial and re-engineering of the agricultural sector through increased investment in science, technology and innovation.
for growth and development. There is also a need for macroeconomic, institutional and political reforms that enhance access to opportunities, improve livelihood, social protection and sense of ownership within the whole country.

All those mentioned recommendations are essential to strengthening the relative equality in access to economic resources, livelihood and wellbeing upgrade and generally to enhancing peaceful co-existence and economic progress which represents a great contribution in pushing Nigeria out of fragility.

*Mezzo level* regards the civil society and the society in general terms. The key actions should be those that will lead to an increased civil society activity and to participation in the area of advocacy to carry out needs assessments based on priorities of local communities through the dialogue with community leaders and local people as well to strengthen participatory approach and governance. Furthermore it should be involved in public enlightenment process. Those are actions necessary to be taken for the achievement of sustainable poverty alleviation.

It is also important to engage religious CSOs to cooperate together in order to enhance the unity and the gap between people of different religion.

By *micro level* are meant the local communities and individuals themselves whose well-being should be improved. It should happen in close relation with the mezzo level as well. The reason for describing it separately is to stress its importance in the whole process. The micro level represents the springboard on which the *bottom-up* direction should start, as we mentioned the decision making process above. Additionally it could also include for instance various workshops and programs aimed at financial education and other kinds of trainings for different age groups. For instance, as it is in the case of the microcredit initiative we have introduced.
CONCLUSION

The aim of the first part of this thesis was to introduce the topic of the MDGs, poverty and its related topics in general. As we have shown, the MDGs limit some particular countries just by the way they were designed. On the other hand, there are limitations emerging from the perspective of each particular country that we have focused on in the case study of Nigeria.

We have introduced the basic facts about the country and her current situation. To illustrate her relationship to the MDGs, we have described the process of MDGs implementation and result measurements in practice while pointing out the trouble points. By describing Nigeria’s capacities, we have shown the great potential the country has. On the other hand, it has been stated several times that Nigeria is not able to halve the poverty rate by 2015. To answer the question of why is it so, we have analysed the limitations that represent the obstacles in the successful development way, while the main strengths, weaknesses, opportunities and threats were summarized in the SWOT analysis.

On the example of the microcredit initiative we have demonstrated one of the possible successful ways towards development through empowering individuals and thus strengthening the community.

To sum up the case study, the complex answer including the macro, mezzo and micro level was given while suggesting some recommendations.

It is clear that Nigeria’s further journey towards development and thus poverty eradication remains full of challenges. Nonetheless, there is a way out by specifically and rightly-targeted steps that must be taken through both directions from the top as well as from the bottom, connecting all participants and parties involved, which means Federal Government, Local governments, private sector, civil society as well as community development organizations. To initiate successful development and thus to be able to reduce poverty, the whole process must be shared by all actors, from the beginning to the end – from the decision making to the implementation.

A tree that has been twisted for decades cannot be unbent in a day or a year or not even in one generation. But in the case of Nigeria, it is up to her to decide, how she will use the capacities and which way ahead she wants to continue to grow.
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(Accessed: 20 January 2014)


<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFRODAD</td>
<td>African Forum and Network on Debt Development</td>
</tr>
<tr>
<td>CIA</td>
<td>Central Intelligence Agency</td>
</tr>
<tr>
<td>CIR</td>
<td>Country Intelligence Report</td>
</tr>
<tr>
<td>CSOs</td>
<td>Civil Society Organizations</td>
</tr>
<tr>
<td>CDD</td>
<td>Centre for Democracy and Development</td>
</tr>
<tr>
<td>DAC</td>
<td>Development Assistance Committee</td>
</tr>
<tr>
<td>ECA</td>
<td>Economic Commission for Africa</td>
</tr>
<tr>
<td>ECOWAS</td>
<td>Economic Community of West African States</td>
</tr>
<tr>
<td>IM</td>
<td>Index mundi</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>MDGs</td>
<td>Millennium Development Goals</td>
</tr>
<tr>
<td>N</td>
<td>Naira</td>
</tr>
<tr>
<td>NA</td>
<td>Not available</td>
</tr>
<tr>
<td>NAPEP</td>
<td>National Poverty Eradication Program</td>
</tr>
<tr>
<td>NEEDS</td>
<td>National Economic Empowerment and Development Strategy</td>
</tr>
<tr>
<td>ODA</td>
<td>Official Development Assistance</td>
</tr>
<tr>
<td>OECD</td>
<td>Organization for Economic Co-operation and Development</td>
</tr>
<tr>
<td>OSSAP-MDGs</td>
<td>Office of the Senior Special Assistant to the President on MDGs</td>
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<tr>
<td>PPP</td>
<td>Purchasing Power Parity</td>
</tr>
<tr>
<td>PRSP</td>
<td>Poverty Reduction Strategy Papers</td>
</tr>
<tr>
<td>Acronym</td>
<td>Description</td>
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<tr>
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<tr>
<td>SPARC</td>
<td>State Partnership for Accountability, Responsiveness and Capability</td>
</tr>
<tr>
<td>SPDC</td>
<td>Shell Petroleum Development Company</td>
</tr>
<tr>
<td>SW</td>
<td>Social Watch</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UNHCR</td>
<td>United Nations Highs Commissioner for Human Rights</td>
</tr>
<tr>
<td>WB</td>
<td>World Bank</td>
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</tbody>
</table>
**ANNEX**

**Annex 1** – Official list of MDG from the Millennium Declaration, including targets and indicators

<table>
<thead>
<tr>
<th>GOALS AND TARGETS</th>
<th>INDICATORS FOR MONITORING PROGRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GOAL 1: ERADICATE EXTREME POVERTY AND HUNGER</strong></td>
<td></td>
</tr>
</tbody>
</table>
| **Target 1:** Halve, between 1990 and 2015, the proportion of people whose income is less than $1 a day | 1. Proportion of population below $1 (PPP) per day  
1a. Poverty headcount ratio (percentage of population below national poverty line)  
2. Poverty gap ratio [incidence x depth of poverty]  
3. Share of poorest quintile in national consumption |
| **Target 2** Halve, between 1990 and 2015, the proportion of people who suffer from hunger | 4. Prevalence of underweight children under 5 years of age  
5. Proportion of population below minimum level of dietary energy consumption |
| **GOAL 2: ACHIEVE UNIVERSAL PRIMARY EDUCATION** | |
| **Target 3** Ensure, that by 2015, children anywhere, boys and girls alike, will be able to complete a full course of primary schooling | 6. Net enrolment ratio in primary education  
7. Proportion of pupils starting grade 1 who reach grade 5  
8. Literacy rate of 16-24 years-old |
| **GOAL 3: PROMOTE GENDER EQUALITY AND EMPOWER WOMEN** | |
| **Target 4** Eliminate gender disparity in primary and secondary education, preferably by 2015, and in all levels of education no later than 2015 | 9. Ratio of girls to boys in primary, secondary and tertiary education  
10. Ratio of literate women to men, 15-24 years old  
11. Share of women in wage employment in the non-agricultural sector  
12. Proportion of seats held by women in national parliament |
| **GOAL 4: REDUCE CHILD MORTALITY** | |
| **Target 5** Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate | 13. Under-five mortality rate  
14. Infant mortality rate  
15. Proportion of 1 year-old children immunized against measles |
| **Target 6** Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio | 16. Maternal mortality ratio  
17. Proportion of births attended by skilled health personnel |
| **GOAL 5: IMPROVE MATERNAL HEALTH** | |
| **Target 7** Have halted by 2015 and begun to reverse the spread of HIV/AIDS | 18. HIV prevalence among pregnant women aged 15-24 years  
19. Condom use rate of the contraceptive prevalence rate  
19a. Condom use at last high-risk sex  
19b. Percentage of population aged 15-24 years with comprehensive correct knowledge of |
### Target 8
Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases

### GOAL 7: ENSURE ENVIRONMENTAL SUSTAINABILITY

<table>
<thead>
<tr>
<th>Target 9</th>
<th>Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target 10</td>
<td>Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation</td>
</tr>
<tr>
<td>Target 11</td>
<td>Have achieved by 2020 a significant improvement in the lives of at least 100 million slum dwellers</td>
</tr>
</tbody>
</table>

### Target 12
Develop further an open, rule-based, predictable, nondiscriminatory trading and financial system (includes a commitment to good governance, development, and poverty reduction – both nationally and internationally)

### GOAL 8: DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT

<table>
<thead>
<tr>
<th>Target 13</th>
<th>Address the special needs of the Least Developed Countries (includes tariff- and quota-free access for Least Developed Countries exports, enhanced program of debt relief for heavily indebted poor countries and cancellation of official bilateral debt, and more generous official development assistance for countries committed to poverty reduction)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target 14</td>
<td>33. Net ODA, total and to the least developed countries, as a percentage of OECD/DAC donor’s gross national income</td>
</tr>
<tr>
<td></td>
<td>34. Proportion of total bilateral, sector/allocable ODA of OECD/DAC donors to basic social services (basic education, primary health care, nutrition, safe water and sanitation)</td>
</tr>
<tr>
<td></td>
<td>35. Proportion of bilateral official development assistance of OECD/DAC donors that is untied</td>
</tr>
<tr>
<td></td>
<td>36. ODA received in landlocked countries as a proportion of their gross national income</td>
</tr>
<tr>
<td></td>
<td>37. ODA received in small island developing States as proportion of their gross national incomes</td>
</tr>
<tr>
<td>Market access</td>
<td>38. Proportion of total developed country imports (by value and excluding arms) from developing countries and from least developed countries</td>
</tr>
</tbody>
</table>

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107
Address the special needs of landlocked developing countries and small island developing states (through the Program of Action for the Sustainable Development of Small Island Developing States and 22nd General Assembly provisions)

**Target 15**
Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term

39. Average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries

40. Agricultural support estimate for OECD countries as a percentage of their gross domestic product

41. Proportion of ODA provided to help build trade capacity

**Debt sustainability**

42. Total number of countries that have reached their HIPC decision points and number that have reached their HIPC completion points (cumulative)

43. Debt relief committed under HIPC Initiative

44. Debt service as a percentage of exports of goods and services

**Target 16**
In cooperation with developing countries, develop and implement strategies for decent and productive work for youth

45. Unemployment rate of young people aged 15-24 years, each sex and total

**Target 17**
In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries

46. Proportion of population with access to affordable essential drugs on sustainable basis

**Target 18**
In cooperation with the private sector, make available the benefits of new technologies, especially information and communications technologies

47. Telephone lines and cellular subscriber per 100 population

48a. Personal computers in use per 100 population and internet users per 100 population

48b. Internet users per 100 population

Annex 2 – The impossible financial architecture

Source: Social Watch, 2006
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