

**AN EVALUATION OF THE IMPACT OF NAPEP ON
ENTREPRENEURSHIP DEVELOPMENT IN NIGERIA
(A CASE STUDY OF IMO STATE)**

BY

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EC/2009/765**

**DEPARTMENT OF ECONOMICS,
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AUGUST, 2013

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**A PROJECT SUBMITTED TO THE DEPARTMENT OF
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**IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
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CERTIFICATION

This research work has been read and certified as meeting part of the requirement for the award of Bachelor of Science (B.Sc.) degree in the department of Economics, Faculty of Management and Social Science, Caritas University, Amorji – Nike Emene, Enugu State Nigeria.

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DEDICATION

This work is dedicated to God Almighty, who is the author and finisher of my education, who made it possible for me to reach this end line, may your name be praised.

To my parents, Mr. and Mrs. Innocent Uwaleme, who gave me a sound education and made sure that I become some one in life, am grateful to you.

ACKNOWLEDGEMENT

In this short space, it is impossible to acknowledge everyone who directly and indirectly contributed to the completion of this study, nevertheless let me singles out a few.

My endless thanks goes to my parents Mr. and Mrs. Uwaleme, for their financial, spiritual and moral support. I also want to appreciate my brothers and sisters: Okechukwu Uwaleme, Ugonna Uwaleme, Ikechukwu Uwaleme, Adanna Uwaleme & Chiebere Uwaleme, Solomon Uwaleme, for their words of encouragement. I would also want to appreciate Jotham Omogbai, for his great assistance in my research.

I here by express my gratitude to my supervisor, Mr. Ezekiel O. Uche for his guidance and understanding and all his efforts to ensure the best of this work. Thank you sir.

I would also want to appreciate all my lecturers who increased my knowledge and also Caritas University, for giving me a chance to proof my intelligence.

ABSTRACT

The focus of this research “An Evaluation of the Impact of NAPEP on Entrepreneurship development in Nigeria” was to access the impact of entrepreneurship activities in Nigeria, a case study of Imo State. The programme was designed by the government to cater for unemployed youth and jobless person all over the country. To arrive at my conclusion, I administered a questionnaire with some primary and secondary data on different categories to know the percentage of the response to my analysis. There were 33 questions altogether which were split into different categories. Appendix I, Section A, the questionnaire was administered to both male and female which the response was low (25) in Section B, those that were aware were just 18 and majority were aware through friends or relations, a few benefited in kind, a few in cash. In section C, assessing the impact, out of 25 people, 21 saw it effective while 4 saw it ineffective. In conclusion here it was discovered that there is no enough money to meet their challenges which causes poverty / laziness. Under policy implementation majority agreed that the policy does not address multidimensional problems. 66.7% agreed that government and NGOs are needed, while 33.3% disagreed and 5.6% agree that there are sufficient fund available. From my Chi-square table, the chi-square (χ^2_c calculated is (2.4994) and the chi-square (χ^2_t) tabulated is (15.5): if the $\chi^2_c < \chi^2_t$, we conclude that there is no positive relationship between NAPEP and Entrepreneurship development which is accepting the null hypothesis (H_0). In enhancing entrepreneurship development in Imo State, we finally recommended that government should monitor funds being allocated to different sectors of the economy for improved activities of NEPEP so that they further assist the beneficiaries for greater and effective participation in the programme for the interest of the Nigerian economy.

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CHAPTER ONE

INTRODUCTION

Background of the Study

Poverty and unemployment represent the biggest challenges to government in Nigeria. Unemployment rate continue to rise alarmingly, poverty has economic, social and political ramifications. Basically, Poverty has been conceptualized in the following ways;

1. Lack of access to basic needs/goods.
2. Lack of or impaired access to productive resources
3. Lack of job opportunities e.t.c.

The level of poverty since the implementation of SAP in the 1980s has tremendously increased [UNDP Nigeria, 1998; FOS, 1999; World Bank,1999].The poverty profile has shown that poverty increased from 28.1% in 1980 to 43.6% in 1985 but declined to 42.7% in 1992 and rose again to 65.6% in 1996.since 1990,the country has been classified as a poor nation.

In recent years, there has been a semblance of continuity of liberal tradition in Nigeria; attitudes towards the system of welfare that supports the poor are rooted in our different cultural settings. The normative tradition approach to liberalism in the Nigerian society

function to promote social cohesion, solidarity and citizenship. The duty to share among Nigerians in our diversity is intuitive. This duty rests on the consideration of human worth. In this context, we reason that others have human souls as we do and so we always choose to be indifferent to the needs of others (FEAP, 2001). Apparently, Nigerians always choose to care for others. This duty comes from a sympathetic concern that others be able to make life. In mitigation, however, it has, over time, introduced several macro-economic measures and initiations to address unemployment questions and also promoting entrepreneurship in the country. There was a structural adjustment programme (SAP) in 1986, which preached the liberalized economic approach, Directorate of food, roads and rural infrastructure (DFFRI), which was devoted to rural infrastructural projects and more recently, the national poverty eradication program (NAPEP) but of more relevance to the youth were such initiatives as the national Directorate of employment (NDE) programs, which targeted skills development and job creation among the youths.

Thus the difference between NAPEP and poverty reduction agencies is that it is not a sector project implementation agency but a co-ordination facility that ensures that core poverty eradication

ministries are effective. It would only intervene when necessary, under its secondary mandate which gives it the right to provide complementary assistance to the implementing ministries and Parastatals nationwide. The importance of both small and large enterprise growth and, more broadly, of sustainable private sector development and expansion as principal sources of economic growth and employment cannot be overstated. Economic growth is fueled, first and foremost, by the creativity and hard work of entrepreneurs and workers. Driven by the quest for profit, private sector enterprises innovate, invest and generate employment and wage income. They typically represent not only a majority of the total stock of enterprises but also a significant proportion of the national production system. They also are largely responsible for the vitality of local markets and make a major contribution to the improvement of living standard. The promotion of sustainable entrepreneur activity both large and small and of the national private sectors that contain them, is “ a broad and wide ranging subject, because entrepreneur takes many forms, not just in terms of size, sector and spatial dimension but also in terms of how an entrepreneur is managed and governed and its legal status and operational objectives”. (Google).

A careful study of the entire poverty alleviation program already put in place in Nigeria shows that there is a drive in the direction of making more people to work by encouraging entrepreneurship and small and medium scale business.

1.2 Statement Of The Problem

It has been known in Nigeria that every government embarks on one form of poverty reduction strategy or the other in promoting entrepreneur activities. However, what has remained unanswered is the extent to which these programme have impacted on business or the entrepreneurs. Today, poverty has been addressed as a global problem, especially in places like Africa, Asia, and Latin America. On the average 45-50 percent of sub-Saharan Americans live below the poverty line. In Nigeria, about 43% of the population was living below the poverty line of N305 a year in 1985 prices. To this effect, the United Nations declared 1996 the international year of eradication of poverty and 1997-2006 a decade of poverty eradication. So many times on assumption of office in 1999, president Obasanjo indicated that the poverty situation in which over 60% of Nigerians live below the poverty line, requires more effort to prevent it

from getting worse. All these resulted to the introduction of NAPEP in Nigeria in the year 2001. Recently, studied in (OECD;2000) on poverty alleviation and its agencies as well as programs indicate that considerable gap exist between the target objectives and achievements. Despite all the efforts being made, poverty has still been in an increasing rate in the country, efforts of various government policies are ineffective and therefore not much has been done to actualize the benefits. Thus, the alleviation of poverty in Nigeria is not an intractable problem. This problem is first and foremost a political and ideological challenge requiring a recruitment effort for entrepreneur sustainability (ALIYU; 2001). Also, the lack of continuity in the programs from one administration to the other in one of the problems in the development of entrepreneurship. This study thus, attempts to answer the following questions;

1. In which way can NAPEP promote entrepreneurship activities in Imo state?
2. Are there any relationship between NAPEP and entrepreneurship development?
3. Is poverty eradication program appropriate for Nigeria?
4. How has government concept of NAPEP affected its success?

5. How has NAPEP activities impacted on poverty reduction as a boost to economic development?

1.3 Objectives of the Study

The overall objectives of the study are to assess the various strategies of policies for the development of entrepreneurship.

Generally the objectives are;

To assess the relevance of NAPEP as poverty alleviation policy.

To examine the effectiveness of NAPEP on entrepreneurship development in the country.

To identify and analyze challenges of the program.

To proffer some policy recommendations based on the findings of the study.

1.4 Significance of the Study

It is a well known fact that the present administration had attached much emphasis on poverty alleviation program amongst its people basically in the area of entrepreneurship, job creation and economic empowerment. It therefore requires concerted efforts by all to contribute to the success of all important but elusive goals.

It is hoped that the relevance of this study serves as a ready made tool for government to apply strategic ways in promoting entrepreneur activities and also to check the youth involvement in anti-social vices such as fraud, prostitution, armed robbery etc. which could be minimized.

This study also provides an opportunity for others of government, to accept the reality that entrepreneurship development stimulates economic growth.

The study would also provide information on the role of poverty alleviation program in sustaining entrepreneurship activities.

Nonetheless, this research will be of benefit to the government research and social scientist around at projecting or developing means to enhance the living standard of the entire society.

1.5 Scope and Limitation Of The Study

The study of poverty alleviation program in the performance of entrepreneurship development is a broad project to embark on due to the lack of the continuity of some policies that have been implemented earlier on in fighting the problem of unemployment and the creation of jobs and also in the promotion of some

enterprises such as the small and medium and also for other social entrepreneurs. Therefore, the research wishes to limit the scope of this study to “an evaluation on the impact of NAPEP on entrepreneurship development”. A case study of Imo state. The period of study cover from 2001-2009. Perhaps, the most debilitating limitation of this study is the inadequacy of data. The most available data was not sufficient enough and some of the data available in the NAPEP office in Imo state were outdated.

There was also a limitation in terms of library facilities as it is only the World Bank, British council, United Nations and Central bank of Nigeria libraries that have materials related to the study. The researcher being a full time student had no enough time to make extensive research. However, the above limitations could not hinder effective and meaningful research work. Rather they motivated the research to try to summon them all.

1.6 Hypothesis

This attempt shall test two hypotheses; hypothesis could be alternative or null hypothesis. Null hypothesis (H_0) is a negative declaration, while alternative hypothesis (H_1) is a positive declaration.

The study will test the hypothesis below;

Ho: NAPEP has no profound effect on the development of entrepreneurship.

Hi: NAPEP has a profound effect on the development of entrepreneurship.

1.7 Organization of the Study

The entire research project consist of these chapters. Chapter one consist of a brief introduction on the background of the study, statement of the problem, research questions, objectives of the study, significance of the study, scopes and limitations of the study, hypothesis, outline of the study and the definition of terms. Chapter 2 would cover the literature review, comprises of conceptual ,theoretical framework and the empirical literature, case study review, entrepreneurship challenge in Nigeria, economic perspective on entrepreneurship, Nigerian poverty alleviation in enhancing entrepreneurship, brief history of NAPEP, constraint, on NAPEP in enhancing entrepreneurship, and summary of the chapter.

Chapter 3 deals with research methodology; such as research design, sample size and sample technique, data collection and

methods, data analysis techniques, presentation of data, justification of the method used and the summary of the chapter. While chapter 4 will cover data presentation and analysis, test of hypothesis, finding of the research and summary of the chapter.

Finally chapter five will contain the summary of the whole study, conclusion and recommendation and bibliography.

1.8 Definition Of Terms

Poverty: Poverty is the state of one who lacks a certain amount of material possessions or money. It could also be the deprivation of basic human needs such as; food, water, sanitation, clothing, shelter, health care and education.

Entrepreneur: An entrepreneur is a person who develops a new idea and takes the risk of setting up an enterprise to produce a product or service, which satisfies customer's needs.

NAPEP: National poverty eradication program responsible for alleviating poverty in the country.

SAP: State poverty alleviation program responsible for eradicating poverty within the state.

YES: Youth empowerment scheme, which deals with capacity acquisition, productivity, technology development and enterprise promotion.

UNDP: United Nations development program. This is the United Nations organ for development purposes.

HDI: Human development index. This is a criterion used by United Nations in making and positioning a country in terms of standard of living.

CHAPTER TWO

LITERATURE REVIEW

Introduction

A review of earlier work done in the area of poverty in promoting and sustaining entrepreneurship development is made in this chapter. Quite a lot has been and is being documented on poverty, entrepreneurship development and strategies for achieving this goal. One of the fastest Means of reducing and achieving these goals is to create productive asset through gainful employment, especially in the agriculture and micro-business sector investment in human capital through capacity building and physical infrastructure are also vital for empowering entrepreneurship.

2.1 Conceptual Literatures

The concept of entrepreneurship development refers to the creation of a wide pool of personal business initiative designed to provide a variety of services of goods as the demand may be. All entrepreneurs are business personal, but all business persons are entrepreneurs. Let us think of why all business people are not entrepreneurs. Think of a woman, who sits by the road side and who

has been selling the same type of food, from the same size of source pan or pot, from the same table top, and may not have been able to change her standard of living to any appreciable extent. Such a woman may be a business person but not an entrepreneur. The entrepreneurs on the other hand is the business person who is not satisfied with his/her performance and therefore always find a way to improve and grow.

Entrepreneurship forces “creative destruction” across market, and industries, simultaneously creating new product and business models. In this way, creative destruction is largely responsible for the dynamism of industries and long-run economic growth.

The acts of entrepreneurship are often associated with the uncertainty, particularly when it involves bringing something new to the world, where market never exists. Before internet, nobody knew the market for internet related business, such as Amazon. Google, YouTube, yahoo etc. Only after the internet emerged did people begin to see opportunities and market in the technology.

The attempt made at defining poverty as captured above could be referred to a more outline of the features or characteristics of poverty. In buttressing the difficulties encountered in arriving at a

common and general accepted definition of poverty, *Aboyade* (1997) posits that there seems to be a general agreement that poverty is a difficult concept to handle, and that is more easily recognized than defined. Even attempts made to categorize some specific areas at which poverty could be viewed are fought with lack of agreement. For instance, the organization of Economic Co-operation and Development (OECD 2003), *Guideline on Poverty Reduction*, stressed that; “an adequate concept of poverty should involve all the most important core as which people of either gender are deprived and perceived an incapacitated in different societies and local context. It should encompass the casual links between the core dimension of poverty and the central importance of gender and environmentally sustainable development.

It failed to define poverty, rather it listed. The core dimensions’ a definition of poverty should cover to include; economic, political, socio-cultural and productive capability.

Poverty is humiliation, the sense of being dependent and being forced to accept ruddiness, insults, and indifference when we seek help”. Another of such views of the poor is that expressed by a poor man in Kenya in 1997 as reported by Narayan et al (2000:3) thus,

“Don’t ask me what poverty is because you have met it outside my house. Look at the house and count the number of holes. Look at everything and write what you see. What you see is poverty”. This means that poverty is when one lacks the resources to live a desired life. Hence, the above reflect description of a few of the various perception of poverty at least from the poor. Poverty could denote a state of deprivation as was captured by Nigeria’s Federal Ministry of Economic Co-operation and Development (1992) as “not having enough to eat, a high rate of infant mortality, a low life expectancy, low educational opportunities, poor water, inadequate health care and lack of active participation in decision making process”. It could also denote “absence or lack of command over basic consumption needs such as food, clothing and shelter”, “glaring defects in the economy etc. as stated by Aluko (1975)”.

Poverty can be categorized as either relative or absolute on the one hand, while on the other hand it can be classified as permanent or transient. Aliyu (2003:2) explained absolute poverty to “the condition where an individual or group of people is unable to satisfy their basic requirements for human survival in terms of education, health, housing, feeding etc.” Relative poverty, according to Aliyu

(2003:3) “is a situation where an individual or group of people can be said to have access to his/her basic needs but is comparatively poor as compare to other persons or the generality of the society”.

Poverty may be viewed from the dimension of permanency or transience. This dimension differentiated poverty based on time or duration on one hand and distribution as to widespread, individual or concentrated on the other hand. Nevertheless, a more general conceptual conceptualization of poverty is viewed from its condition or situation of inadequate income to obtain basic goods and services. Most economic definition of poverty is simple as a situation of low income or low consumption.

Therefore, development of entrepreneur cannot be achieved without putting in place, well focused programmes to reduce poverty by empowering people through increased access to factors of production, especially credit. The intent capacity of the poor for entrepreneurship would be significantly enhanced through the provision of micro finance service to enable them engage in economic activities, be more self-reliant, intense employment opportunities, enhanced household income, and even wealth.

2.2 Theoretical Literature

According to Garba (2004), an important theoretical basics for the analysis of entrepreneurship (economic development) and poverty that suits the topic under discussion is the permanent income hypothesis. Friedman (1953), develops this hypothesis, see Meghan (2004) Lillard and Dreze (1978). The permanent income hypothesis states that any change in current income that is considered as temporary will have only a small effect on permanent income and hence on actual consumption Lipsey, (1983). Thus, the hypothesis states that consumers plan their consumption expenditure on the basis of their life time and not on the basis of transient income, Serlenga (2001); and Pistaferri (2000). The hypothesis however, considers permanent consumption as a function of permanent income. On this note, consumption is smoothened out over one's life time, leading to the possibility for current income to be unrealistic to consumption. As a result, we can safely deduce that a national individual will save any transient or unexpected income that comes his or her way, and make better use of it in the near future, especially when this permanent income may begin to fall as a result of retirement or old age Garba, (2004). Thus, the main assumption here

is that the hypothesis assumes at any time, the consumer has full knowledge of the future real disposable income and can device a way of protecting smooth consumption patterns against future income shocks, GARBA (2004).

In an extended analysis, Keynes in his transmission mechanism states that when income of an individual increases, his demand will also rise. And to meet the high demand, industries will have to increase their production, which implies that they will have to hire more workers or to ask the existing ones to work overtime. These workers will ask for more wages for the additional time they have to put to work, while the newly hired workers receive high wages as the case may be. This in turn explains that workers receive high wages, they will save more for raining day, and this savings will be channeled to investment. So, as more and more investment take place, more people will be employed and this will address the poverty situation of individuals.

Thus, the relationship between poverty and entrepreneurship development is negatively related. That is an increase in entrepreneurship activities will lead to a decline in the poverty level.

This connection is graphically represented in figure 2.2.1 below;

DIAGRAM ILLUSTRATING THE RELATIONSHIP BETWEEN POVERTY AND ENTREPRENEURSHIP

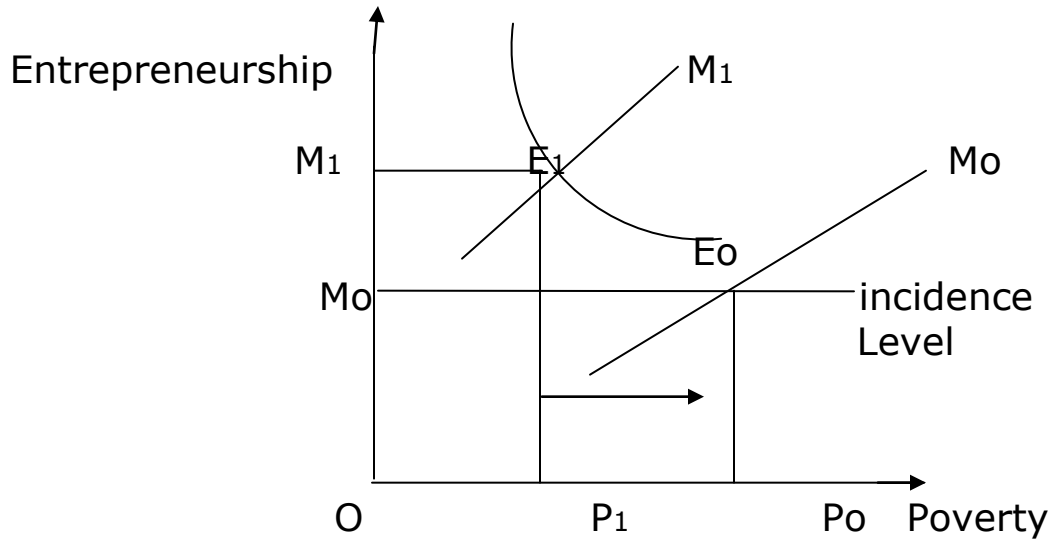


Figure 2.2.1 shows the relationship between entrepreneurship and poverty.

From the figure above, the level of entrepreneurship is represented on the vertical axis, while the poverty level is measured on the horizontal axis. Both curves intersect at point E initially. When the level of entrepreneurship was OM_0 and level of poverty was OP_0 . At this point however, it was assumed that the poverty level was too high and it affects the development of entrepreneurship. So when government (NAPEP) decided to reduce poverty through financing of entrepreneur activities, poverty level will decline from OP_0 to OP_1 and the growth of entrepreneurship activities in the country will rise from

OM₀ to Omi and the economy grows by the gap denoted by the arrow in the figure.

In conclusion, National poverty Eradication programme (NAPEP) can help in the development of the economy and also in the growth of Gross Domestic Product (GDP) through financing of entrepreneurship activities, which will reduce the poverty level in the country.

2.3 Empirical Literature Review

Despite the growing awareness among economist and policy makers, that entrepreneurship is a critically scarce resources in many part of the world, particularly in developing countries and that it is not economic opportunity done that calls it forth, little attention has been given to the social and cultural factors that influence it.

In the theory of distribution, put forward by Say (1824, a neoclassical economist, the entrepreneur plays a crucial role, though he/she is not a production factor. Unlike the capitalist, the entrepreneur directs the application of acquired knowledge of production of goods for human consumption. Says postulates that to be successful, the entrepreneur should be able to estimate future

demand, to determine the appropriate quality and timing of inputs, calculate probable production costs and selling prices and have the art of superintending and administrations.

Since independence in 1960, efforts to evaluate poverty in Nigeria control more on education, something that was viewed as the door –opener to economic, technology and social development. As the late Doctor, Nnamdi Azikiwe, Nigerian’s first president at the time said “show the light and the people will find the way”. Then enter the oil boom on the 1970’s rising global oil price boosted exports from four billion naira (N4, billion) in 1974 to twenty six billion naira (N26,billion) in 1980. GDP per capital also arose from \$360 to more than \$1000. But as oil price began their downward descent, so did the nation’s export revenue, growth turned negative and GNP per capital fell to \$370 in the 1980s.

According to the Nigerian Federal Office of statistics, in 1960 about 15% of the population was poor, but by 1980, this percentage had risen to 28%. By 1996, the incidence of poverty in Nigeria was 66% or 76.6 million people. This has a multiplier effect on the economic growth which recorded negative as the GDP fall drastically. The United Nation (UN) human poverty index in 1999 placed Nigeria

amongst the twenty fifth (25th) poorest countries in the world. Presently, it is estimated that two third of the over 140 million people that calls themselves Nigerians are said to be poor.

The issue of poverty reduction and economic development has been the top priority of the reform agenda of the present administration. This does not entail (that poverty reduction and entrepreneur empowerment was low in previous agenda. Rather, it has meant that a more critical appraised of methods has been applied to poverty problem and economic development especially since the adoption of NEED, NAPEP. The objectives of economic policy should be pro-poor empowerment. One of the fastest means of achieving this goal is to create productive assets through gainful employment, investment in human capital through capacity building, creating conducive environment for individual potential to thrive are also vital for any poverty and economic strategy to be successful. Olaitan M.A (2005).

2.4 Case Study Review

It is a well known fact that the present administration had attached much emphasis on poverty alleviation programmes among

its people basically in the area of job creation and economic empowerment both in urban and rural areas, Imo State. This concern is germane because poverty as a debilitating socio-economic problem expresses the inability of one providing for sustenance of those basic necessities of life. Such problems include under – nutrition, poor health, little or no literacy, in sanitary condition, little political voice, ethnic crises, porous capital base and acute indebtedness. All these, made the Nigerian government in particular to adopt policy measures for the total eradication of this problem. This is done to x-ray the efficiency of the federal government poverty eradication programme as a policy option for poverty elimination in Imo State.

As a result of this, contacts and visits were made to various agricultural farms and workshops where beneficiaries were trained. Finally, it was discovered that although federal government injected huge sum of money into poverty eradication programmes through National Poverty Eradication Programme (NAPEP), ever increasing corruption, insincerity of the officers, non-participation of the poor rural people in the planning and execution of poverty eradication programmes, mismanagement of resources, lack of maintenance of

materials etc have led to the unprecedented failure of the National Poverty Eradication Programme in Imo state. There was a recommendation that government should show a reasonable degree of commitment and honest in their conduct towards eradication of poverty in Imo State. The Federal Government objective of poverty eradication in Imo State through the instrumentality of National Poverty Eradication Programme (NAPEP) will only be achieved if the Federal government is committed towards achieving the goal of poverty eradication, check on corrupt practices, proper planning, effective and efficient implementation of the programmes, getting the target group, monitoring of implementation, finally adequate funding of the programmes.

2.5 Poverty and Economic Development

It's apparent that poverty is an outcome or economic social political processes that interacts with, and reinforces each other in ways that can worsen or ease the deprivation of poor people for everyday. Increasing rate of poverty will decline the economic development process, and is vital to effective poverty reduction, poverty is an outcome of more than economic process.

Paradoxically, Nigerian level of revenue and endowment are in opposite direction with her poverty level. While revenue profile of Nigeria rose from four billion Naira (N4b) in 1975 to twenty six billion naira (N26b) in 1980, and GNP per capital rose from \$360 to more than \$1000 in the same period, the percentage of the population that was poor, grew from 15% in 1960 to about its present over 70%. Furthermore, according to World Bank and UNDP (2001) statistics, Nigeria was impressively ranked the 6th and 7th in petroleum production respectively, is ranked 194th in the GNP per capital and is unenviable classified as the 25th poorest nation in the world.

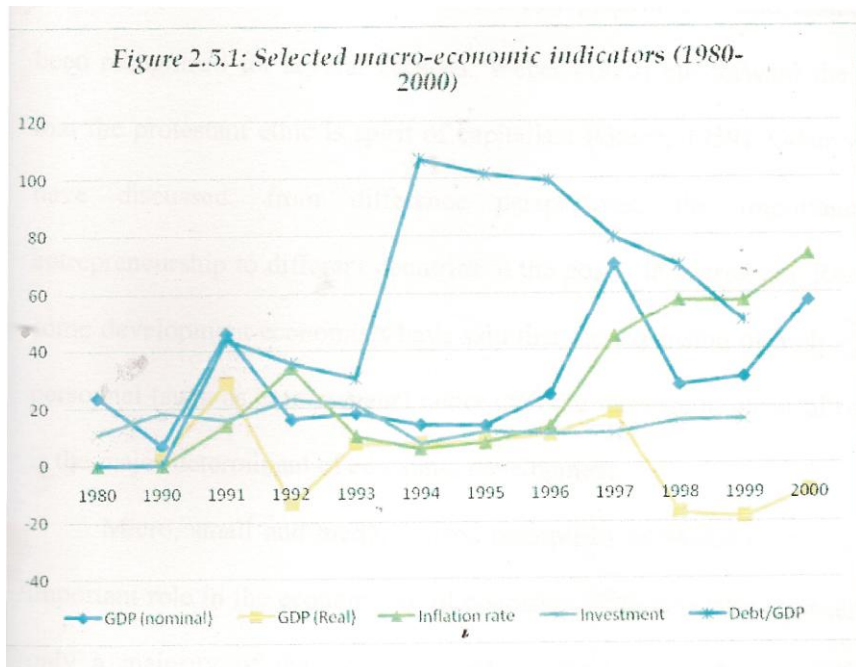
Table2.5.1: Selected Micro-Economic Indicators (1980-2000)

Year	GDP(Nominal)	GDP (Real)	Inflation Rate	Investment	Debt (GDP)
1980	23.70	-	N.A	10.75	N.A
1990	6.70	2.62	N.A	18.30	N.A
1991	45.96	28.84	13.8	15.70	43.62
1992	15.77	-13.60	33.9	23.05	35.42
1993	17.84	7.08	9.9	21.32	30.25
1994	13.75	7.22	5.5	7.35	106.5
1995	13.36	7.97	7.5	11.25	101.2
1996	24.31	10.08	13.0	10.33	98.9
1997	69.69	17.38	44.50	10.71	79.0
1998	27.59	-17.0	57.2	14.93	69.2
1999	30.33	-18.58	57.0	15.22	50.0
2000	57.13	-9.08	72.8		

Sources: Field Survey, 2013

Table 2.5.1 reveals that in the year 1980, the nominal GDP rate was 23.70% and 6.7% in the year 1990. It then reaches 57.13% at 2000. While the real GDP was 2.6 in 1990 and in the year 2000, it was negative, that is, - 9.08%. The inflation ratio is escalating from 1991, it was 13.8% and starts increasing to 72.8% in 2000. Under this scenario, it will be extremely difficult to have meaningful poverty reduction and economic growth in Nigeria.

Graphically, the table, 2.5.1 (a and b) “selected macro-economic indicators (1980 – 2000)” can be shown in the bar chart below;



The economic development of the nation and poverty could be viewed as two different sides of the coin. An improvement in the economy, no doubt, will reduce the rate of poverty. On the other

hand, the higher incident of poverty translate to denial of the much required contribution to move the economy forward. Collapsing and uncompetitive industrial activities, rapid growth in unemployment, under employment unstable interest rate, high inflation rate, are just the few features of the Nigerian environment that ought to be solved before the poverty alleviation strategies effectively work.

2.6 Economic Perspective On Entrepreneurship

The economic importance of the entrepreneur in world history has been recognized for several decades. Weber (1930) put forward the thesis that the protestant ethnic is spirit of capitalism (Green, 1959). Other writers have discussed, from different perspectives, the importance of entrepreneurship to different countries in the post – industrial era. Recently, some development economists have said that the expansion of high – grade personnel (such as entrepreneur) rather than the increase in physical capital, is the major determinant of economic development.

Micro, Small and Medium Sized Enterprises (MSMEs) occupy a very important role in the economy of all countries. They typically

represent not only a majority of the total stock of enterprise but also a significant proportion of national production system. They also are largely responsible for the vitality of local markets and make a major contribution to the improvement of living standard. The promotion of sustainable enterprises both large and small and of the national private sectors that contain them is “a broad and wide – ranging subject, not least because it takes many forms, not just in terms of size. Sector and spatial dimension but also in terms or how an enterprise is managed and governed and its legal status and operational objectives. All enterprises are part of the society, they shaped by the communities in which they operate.

In most third world countries, governments are criticized for paying no more than lip service to the need for accelerated growth and for not harnessing the abilities of their own citizens for technological innovation and entrepreneurship. Critics also lamented that these countries depend too much on exogenous and often exploitable choice of technology made by many developing countries.

2.7 Nigeria Poverty Alleviation in Enhancing Entrepreneurship

In recent years, there have been a semblance of continuity of liberal tradition in Nigeria. Attitudes towards the system of welfare that supports the poor are rooted in our different cultural settings in Nigeria. Apparently, Nigerians always choose to care for others which form the moral basis of sharing with others. The government's strategy to strengthen this liberalism, we insinuate derived from the Nigerian normative tradition.

The history of foreign aid is another important force of influence on the Nigerian government's policies on poverty alleviation programme. For example, the development doctrine of donor nations in the 1970s and 1990s imposed on aid recipient nations, the establishment of poverty alleviation programme is a criterion for benefiting from foreign aid.

Understanding that this is the case that enables us to gasp immediately on a mere focused programme which was named "Better Life". The aim and objectives of Better Life programme were designed to raise social consciousness of women about their right as well as their social, political and economic responsibilities to mobilize, motivate, and educate women in the empowerment profile.

There is always a cacophony arising from self proclaimed analyst who declared that no claim of success, however, qualified in the antipoverty effort has any real merit, confronted with the reality of poverty, there were a few other programmes put in place in Nigeria, not only to show concern but also to direct programmes and project leading to redistribution with growth and basic needs fulfillment. It was this key focus that found the basis for the establishment of the Family Economic Advancement Programme (FEAP). The liberal springboard of FEAPs objective share on emphasis on the domestic structure (family groups) and on economic local cultural.

The current on-going programme share considerably with FEAPs principle of development doctrine namely maximization of role of development in form of intervention of role of government in terms of intervention in distribution liberalism.

The NAPEP represents an important programme that share identify with FEAP even though there is no claim of continuity.

It can be said that despite those projects or programmes of poverty alleviation in enhancing entrepreneurship, the experience through a spotlight on the following;

- i. The welfare principles of these programmes were and were not reaching the poor.
- ii. Realistic understanding by government and community leaders of the problem faced by the poor is unfortunately limited.
- iii. Each programme is characteristically structured and rooted in differing opinions of leaders not on legitimization.

2.8 Overview: The Entrepreneurship Challenge in Nigeria

Former Nigerian President Olusegun Obasanjo has set an ambitious goal: He wants the country to become one of the world's top 20 economies during the next two decades. In order to hit that target by 2020, Nigeria will need to increasingly globalize education in two key areas: information and communication technology, and entrepreneurship. In fact, president Obasanjo, has mandated that all university students in Nigeria, regardless of their major, will need to study entrepreneurship.

One of the major challenges in ensuring entrepreneurship activities in Nigeria is "Corruption", corruption is something that is

relative and it exists in virtually all economics, not necessarily developing economies or indeed Africa Although, based on the structures in the more advanced countries, they are able to control or to curb these kinds of practices. In the last few years in Nigeria, the EFCC, which is the Economic crime and financial institution up by the government has been able to actually deal largely with corruption in Nigeria.

A major one, again is “infrastructure”. This is basically “tree” in all developing countries, but more so in Nigeria. Thirty percent (30%) of over not being competitive is based on infrastructure. Power----- Just power, public supply and power. Interestingly enough, there has been a study which the world Bank has carried out in the last ten years or so, if they are able to remove power as a bottleneck, Nigeria will at least gain 30% competitiveness in production by Peter Bankole.

One of the constraint is “Finance”. Capital is a major challenge in Nigeria, the government about five years ago, tried to do something, they have been having one form of intervention or the other in the last twenty years, but the one that was done about 5 years ago was actually done by the Banker’s committee. So the

bankers themselves came together and said they need to do something for the small business. They arrived at a conclusion where by 10% of their profit would be set aside as equity investment in small business and that was good and the rate at which that was growing was incredible because the banks were making huge profit, and it means that 10% of it was growing a very good rate. Unfortunately, the rate at which the money was being disposed was lower than the rate at which money was being stocked up. By (Peter Bankole).

2.9 Brief History of NAPEP

As a rider to all poverty alleviation programme eradicated over the years in the country, it must be recalled that spouses of head of state joined in Fray with novel programme that not only elevated the status of these first Ladies but also focused on the issues of poverty, using state funds. Most noticeable were the “Better life for Rural Women” heralded by Mrs. Maryam Babangida and Mrs. Maryam Sani Abacha. “Family support programme” (FSP). These programmes also tried to introduce a gender element that women needed special treatment, in the light of their immense contribution to

the national economy both as small scale entrepreneurs and home keepers.

Taking cognizance of this, the Obasanjo administration which was had at inception in May 1999 set out poverty as one of its areas of focus approved the blueprint for the establishment of the NAPEP, a central co-ordination point for all anti-poverty efforts from the local government level to the national level by which schemes would be executed with sole suppose of eradicating absolute poverty, such scheme are:

- i. Youth Empowerment Schemes (YES)
- ii. Rural Infrastructural Development Schemes (RIDS)
- iii. Social Welfare Service Schemes (SOWESS)
- iv. National Resources Development and Conservation Schemes (NRDCS)

With a take-off grant of ~~N~~6.billion approved for it in 2006, NAPEP has established structures at all level nationwide. Under its capacity Acquisition Programme (CAP), it trained 100,000 unemployed youths, just as 5,000 others who received training as tailors and fashion designers. A total of 50,000 unemployed graduates have also benefit from NAPEP mandatory attachment

programme. The difference between NAPEP and past poverty reduction agencies is that it is not a sector project implementation agency but a coordination facility that ensures that the core poverty eradication ministries were effective. It would only intervene when necessary, under its secondary mandate which gives it right to provide complementary assistance to the implementer ministries and parastatals nationwide. (Goggle)

2.10 Constraints of NAPEP in Enhancing Entrepreneurship

Each of the poverty alleviation strategies in Nigeria look ideal, such existence has been done by several studies and they seems to agree substantially of the reasons for the failure of numerous poverty introduction measures. Problems associated with the successive poverty reduction programme which I wholly agree with;

- (a) Policy inconsistency and poor governance.
- (b) Unwieldy scope of the programme resulting in resources being thinly spread among projects.
- (c) Lack of involvement of social partners and other stakeholders in planning implementations and evaluations.

(d) Poor human capital development and inadequate funding.

2.11 Summary

One of the universally accepted mechanisms for alleviating poverty is through the growth of entrepreneurship activities. Entrepreneur is an innovator one who carries a combination of the following; the introduction of new product, opening of a new market conquest of new industry. Poverty is a general phenomenon and it's the cause of the slow to take off of Nigerian's economy. It affects the physical, moral and psychological condition of man.

So therefore, ensuring entrepreneurship activities will lead to the reduction of poverty level, and promote the standard of living which will result to the economic growth.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

In carrying out a study a lot of information has to be put together and analyzed. Hence, research method is concerned with the process used in collection and analysis of data for the research. Since data is the life wire of an empirical study, this chapter presents the structural framework, which deals with generation of data.

3.1 Research Design

The research design is the framework that guides the researcher in the process of collecting analyzing and interpreting our observations. In reality, it shows interferences concerning causal vocations and defines the domain of generalization. It's research design that necessitates the fundamental question; how would the study subject be brought into the scope of the research?

Hence, it was the framework that stated the type of information to be collected, data collection procedure and sources of data. There are two basic approaches open to this study.

- a. The survey approach

b. The case study approach

The case study approach entails the study of a specific growth at a time and drawing conclusion based on prevailing circumstance of the group studied. In the words of Ezejule and Ogwo (1990:72), a survey sample consist of collecting data or information about a large number or people by interviewing or contacting a representative sample of them.

3.2 Sample Size And Sample Technique

Essentially, this study sought to access the impact and effectiveness of NAPEP as well as polices adopted in poverty reduction and entrepreneurship development in Nigeria with referent to the area of study (Imo State). Although, the result of this study was to be generalized, it was not designed that all habitants or all STAFF OF NAPEP agencies would participate in the study, given the nature of the topic. The target population was there fore limited to;

1. Selected beneficiates of NAPEP credit schemes for poverty reduction and entrepreneurship empowerment.
2. Selected management staff of NAPEP agencies simple random sampling technique was used to select samples for the study.

Thirty respondents were randomly sampled through the use of table and random numbers, twenty to the beneficiaries and ten to the agencies which invaded the following sequence; first, the beneficiaries were serially numbered from one; secondly, since we are using the two-digit random table. Starting point was arbitrary picked and position of eleventh row and second column was pointed.

This approval facilitated the selection of the following;

- a. Beneficiaries
- b. Agency / co-coordinators

These are people truly capable of providing all the responses to be able to prove or disprove the researchers hypothesis and or measure the effectiveness or otherwise the scheme.

3.3 Data Collection

From any research work to be carried out, data must be collected. Hence, this aspect of the study deals with the procedure of gathering data, which are streamlined to meet the information requirement of this study. The data comprises of (primary and secondary sources).

3.3.1 Primary Sources

Primary sources of information are of first hand information or the original information gathered from direct sources specifically for the research study. Hence, the researcher's; primary source of data was a field survey, using questionnaire as the main instrument, informal but structural interviews were also conducted to augment and authenticate the information gathered from the questionnaire.

3.32 Secondary Sources

Secondary sources of information are the information already gathered by other research and compiled for onwards. An intensive review of literatures in libraries reports, CBN journals, publications, newspaper, bulletin, material from the internet are the researcher main secondary source of gathering information which was used to supplement raw data that was generated in this research work.

3.4 Method of Data Collection

There are various ways of collecting data needed in a research project and the appropriate method depends on the type of project being undertaken.

- i. Questionnaire
- ii. Interview
- iii. Observation
- iv. Internet system
- v. Literature review
- vi. Documentation.

Questionnaire:- There are many definitions of questionnaire but all the definitions, however, point to the same direction. Ngozi (1984) defined questionnaire as “a device used in getting answers to question” (relating to the aims and objective of the study)”, by himself.

Interview:- Ngozi (1984), saw interview as “A conversation directed to definite purpose other than satisfaction in the conversation it self”. It is referred to as “survey validity of what the respondent was saying”.

Observation:- Is where the researcher cannot use the questionnaire or the interview method, data will be collected by mere observation.

Internet System:- This is the electronic latest form of data collection for research work. This is a system that links up a network of computer systems with vast amount of information.

Literature Review:- data can be gathered especially concerning past occurrence by making use of published and unpublished books and article.

Documentary: This forms the basic method of collecting data for this study. Most of the facts and information here was gathered from books, annual reports, journal etc.

3.5 Data Analysis Technique

The purpose of this technique is to reduce a mass of data into a more compact form that shows general trends and relationship between viewable. The data collected from the questionnaires were analyzed using the following techniques:

- a. The chi-square (x^2) of test of independence
- b. Analysis by percentages.

3.6 Justification of Method Used

The chi-square, as non-parametric test can be used to see how the assumed theoretical distribution fits to the observed data. Chi-square as a test of independence enables us to explain whether or not two variables are associated.

Percentages are often used in data presentation, for they simplify number reducing all form of them to a range of zero to hundred (0-100). In this study, percentages are regarded as more appropriate in determining the number of respondents that were in agreement or disagreement with the question being asked.

3.7 Presentations of Data

The data collected in the course of this study, especially the logarithm and retrieval of questionnaires, those responses from questionnaire were presented in tables by percentages. The tables were structured in line with the particular items or group of items relevant to the issue being tested towards the proving or disproving of the hypothesis.

CHAPTER FOUR

4.0 PRESENTATION AND ANALYSIS OF DATA

This chapter deals with the presentation and analysis of data collected during the course of the study. The response from the questionnaires is analyzed based on percentages and are subjected to a statistical tool to enable the hypothesis to be tested. There are two sectors in this chapter. The first section consists of presenting and analyzing data that relates specifically to hypothesis testing based on the response from the beneficiaries and agencies, while the second section presents and analyses the responses from the agencies.

QUESTIONNAIRE

This pattern of lodgment retrieval in accordance with differences in response by the beneficiates and agencies provide a very useful insight into the effect of NAPEP on entrepreneurship development in Imo State.

The distribution of lodgment and retrieval is presented on the table 4.1 below;

TABLE 4.1.....DISTRIBUTION OF QUESTIONNAIRES TO BENEFICIARIES AND AGENCIES

No	Category	Lodgment	Retrieval	Percentage of Response
1	Beneficiaries	30	25	83.3%
2	Agencies	20	18	90.0%
TOTAL		50	45	86.0%

SECTION A

TABLE 4.2 ANALYSIS OF THE RESPONSES NO THE QUESTIONNAIRE ADMINISTERED TO BENEFICIARIES

Sex			Age			Mantel status		
Category	No of response	%	Category	No of response	%	Category	No of response	%
Male	18	72.0	15-25	7	28.0	Single	15	60.0
Female	7	28.0	26-35	10	40.0	Married	7	28.0
			36-45	5	20.0	Divorced	1	4.0
			46 & above	3	12.0	Widow	2	8.0
Total	25	100	Total	25	100	Total	25	100

Source: Response to Question No.1-3 on Questionnaire A:

Beneficiaries.

The table above indicates that 72.0% were male while 28.0% were female in gender destitution. The table also reveals that on the

age brackets 28% belong to 15-25, 40% are between the ages of 26-35, 20.0% are between the ages of 36-45, 12.0% belongs to 46 and above.

While on the marital statuses, the average age of respondent who are single were 60.0%, married 28.0 divorced is 40%, widow 8.0%.

TABLE 4.2.2 DISTRIBUTION OF BIO DATA

Level Of Education			What is Your Occupation and Line of Business?			Income Level		
Category	No of respondents	%	Category	No of response	%	Category	No of response	%
Primary	9	60.0	Trade	7	16.0	N1000-N4,900	4	16.0
Secondary	8	28.0	Farming	5	28.0	N5,000-N8,999	7	4.0
Tertiary	2	4.0	Craft	8	40.0	N9,000-N12,999	10	28.0
None	6	8.0	Other	5	16.0	N13 000 & above	4	16.0
Total	25	100	Total	25	100	Total	25	100

Source: Response to question No.4-6 on questionnaire to beneficiaries.

The table above indicates that 60.0% of the respondents attended primary education, 28.0% of the respondent attended

secondary education, 4.0% go as far tertiary education. While 8.0% did not attend any school.

Also in the second column, the rate of respondents that are traders is 16.0%, farming is 28.0% craft is 40.0%, and other business is 16.0% their level of income from those earning between N1,000-N4,999 is 16%, N50,000-N8,999 is 28.0% N9,000-N12,999 is 4.0%, while N13,000 and above is 16.0% .

SECTION B

TABLE 4.2.3 NAPEP AWARENESS AND BENEFITS

AWARE OF NAPEP			MEDIUM OF AWARENESS			HAVE YOU EVER BENEHTED		
Category	No of response	%	Category	No of response	%	Category	No of response	%
Yes	18	72.0	Radio	6	24.0	Yes	19	76
No	7	28.0	Television	3	12.0	No	6	24
			Newspaper	2	8.0			
			Friends or relations	14	56.0			
Total	25	100	Total	25	100	Total	25	100

Source: Questionnaire Administered to Beneficences no 7-9

The table above shows that the rate of respondents that are aware of the existence of NAPEP is 72.0% these that are not aware is 28.0% also, the medium of awareness through radio is 24.0% television is 12.0% newspaper is 8.0%, through friends or relation is 56.0%.

Also, in the table above, the rate of respondents that benefited from NAPEP is 76.0%, while those that have not benefited is 24.0%.

TABLE 4.2.4 WHAT DID YOU BENEFIT? NUMBER OF TIME

What did you benefit			No of time benefited			What do you use benefits for?		
Category	No of response	%	Category	No of response	%	Category	No of response	%
Cash	13	52.0	Once	8	32.0	Investment	11	44.0
Kind	5	20.0	Twice	7	28.0	Savings	4	16.0
Others	7	28.0	More than twice	4	16.0	Family purpose	4	16.0
			None	6	24.0	Others	6	24.0
Total	25	100	Total	25	100	Total	25	100

Source: Questionnaire Administered to Beneficiaries no 10-12.

Table 4.24 indicates that 52.0% receives each as benefits, while 20.0%, that is 5 respondents received kind benefit, seven (7) out of 25 representing 28.0% received other kind of benefits. Also, in

the table 32.0% benefited only once, 28.0% benefited twice, 16.0% benefited more than twice, 24.0% represent none.

In the third column, out of what they benefited, 44% use it for investment 16.0% for savings 16.0% use it for farming purpose, 24.0% for other reasons.

SECTION C

TABLE 4.2.5 ACCESSING THE IMPACTS OF NAPEP

Accessing NAPEP			Is NAPEP Actually Reducing Poverty			Any Difficulties		
Category	No of response	%	Category	No of response	%	Category	No of response	%
Highly effective	7	28.0	Yes	15	60.0	Yes	17	68.0
Highly ineffective	1	4.0	No	6	24.0	No	8	32.0
Effective	14	12.0	Not sure	4	16.0			
Ineffective	3	56.0						
Total	25	100	Total	25	100	Total	25	100

Source: Question No.13-15 Administered to Beneficiaries.

Table 4.2.5 indicates that 28.0% believes that NAPEP is highly effective, 4.0% believe that NAPEP is highly ineffective, 56.0% believe that NAPEP is highly effective, 4.0% believe that NAPEP is

highly ineffective, 65.0% believe that NAPEP is effective, 12,0% believes that NAPEP is ineffective.

The second column shows that 60% of the respondents believe that NAPEP is a actually redacting poverty, while 24.0% opposes that assertion, 16.0% are not sure. The table also revealed that 68.0% balefires that there are difficulties in collecting loan ,32.0% disagree the assertion.

TABLE 4.2.6 IS THE CREDIT ENOUGH TO MEET YOUR CHALLENGES AND FACTORS THAT CAUSE POVERTY IN YOUR AREA.

IS THE CREDIT ENOUGH TO MEET YOUR CHALLENGES			FACTORS THAT CAUSES POVERTY IN YOUR AREA		
Category	No of response	%	Category	No of response	%
Yes	7	28.0	Illiteracy	5	20
No	18	72.0	Laziness	3	10
			Lack of Govt policies	9	36.0
			All of the above	8	32.0
TOTAL	25	100	TOTAL	25	100

Source: Questionnaire Administered on Beneficiaries no 16-17

The table above indicates that 28.0% responded “Yes” that the credit is not enough for them to meet their challenges.

Also, in the table above, 20.0% are of the opinion that poverty is caused by illiteracy, 12.0% that poverty is caused by laziness, 36.0% agreed that lack of government policies is what courses poverty.

Table 4.3 analysis of the questionnaires administered to agencies.

SECTION A:

TABLE 4.3.1 ORGANIZATION AND RESPONSIBILITY

Category	No. of Respondents	%
Loan disbursement for development purpose	18	100

Source: Response to Question No: 1 on Questionnaire to agencies.

The table shows that total number of the respondents (18) is responsible for the provision of credit for development purpose, with the rate of 100%

Table 4.3.1 Impact of NAPEP on Entrepreneurship Development and Poverty Reduction in the Country.

How can you Access the Impact of NAPEP on Entrepreneurship			NAPEP is Via to Poverty Reduction in the Country		
Category	No of response	%	Category	No of response	%
Highly efficient	9	50.0	Strongly agreed	10	55.6
Highly inefficient	1	5.6	Agreed	7	38.9
Efficient	7	38.9	Disagreed	1	5.6
Inefficient	1	5.6	Strongly		
TOTAL	25	100	TOTAL	25	100

Source: Question 2&3, Questionnaire Administered to Agencies.

From the table above, in the first column, 50.0% stated that the impact of NAPEP on entrepreneurship development is highly efficient, one (1) out of eighteen (18) that is 5.6% stated that it is highly inefficient, seven (7) which represents 38.9% stated that it is efficient, while 5.6% stated that it is inefficient.

In the second column, ten (10) which represents 55.6% strongly agreed that NAPEP is via to poverty reduction: one (1) respondent of the organization disagreed with the assertion.

Table 4.3.2 Is Collateral Demanded, What Kind and Any Difficulties in Loan Recovery.

Is Collateral Demand Before the Loan			If yes, What Kind of Collateral			Any Difficulties Before Loan Recovery		
Category	No of response	%	Category	No of response	%	Category	No of response	%
Yes	16	88.9	Clattered (fixed or current asset)	15	83.3	Strongly	2	11.1
No	2	11.1				Agreed	7	38.9
			Guarantor	1	5.7	Disagreed	9	50.0
			No Response	2	11.1	Strongly Disagreed	-	
Total	18	100	Total	18	100	Total	18	100

Source: Questionnaire Administered to Agencies, Questionnaire

The table above indicates that, 88.9% of the respondents are of the opinion “Yes” that collateral is demanded before the loan, two (2) which represents 11.1% are of the option “No”. The table also reveals that 83.3% of those that indicated yes in question “4” stated that land, property and cash and also one (1) respondent

which represents 5.7% stated that guarantor are being demanded before given out loan.

Also, when asked whether they undergo any difficulties before reconvening the loans, two (2) serve (7) and nine (9), which represents 11.1%, 38.9% % 50.0% of the respondent, strongly agreed, agreed and disagreed respectably.

SECTION B

TABLE 4.3.3 POLICY IMPLANTATION

Poverty Reduction Don't Address Multidimensional problems			How Representative is Stakehold in the Scheme			Any Broad Strategy to Reduce Poverty		
Category	No of response	%	Category	No of response	%	Category	No of response	%
Strongly agreed	7	38.9	Adequate	3	16.7	Yes	12	11.1
Agreed	8	44.4	Fairly	11	61.1	No	6	38.9
Disagreed	2	11.1	Inadequate	3	16.7			
Strongly disagreed	1	5.6	None	1	5.6			
Total	18	100	Total	18	100	Total	18	100

Source: Questionnaire Administered to Agencies.

The table 4.3.3 above indicates that 38.9% strongly agreed that poverty alleviation don't address multidimensional problems, eight (8)

out of eighteen (18) which represents 44.4% agreed, 11.1% disagreed, while 5.6% strongly disagreed.

The table reveals that three (3) accounting for 16.7%, eleven (ii) accounting for 61.1% and three (3) accounting for 16.7% were indicated respectively and again, only one (1) indicated that one which represents 5.6%.

The table also agreed that the rate of respondents that stated “Yes” for any broad strategy to reduce poverty is 66.7% those that stated “No” is 33.3%.

Table 4.3.4 Involvement of Government and NGOs, Sufficient Funds Available and Adequate Budgetary

If yes, Does it Involve Government and NGOs'			Are There Sufficient Funds Available to reduce Poverty			Adequate Budgetary Provisions are not Made for the Organization (NAPEP)		
Category	No of response	%	Category	No of response	%	Category	No of response	%
Yes	12	66.7	Strongly agreed	2	11.1	Strongly agreed	2	11.1
No	6	33.3	Agreed	5	27.8	Agreed	8	44.4
			Disagreed	10	55.6	Disagreed	6	33.3
			Strongly disagreed	1	5.6	Strongly disagreed	2	11.1
Total	18	100	Total	18	100	Total	18	100

Source: Question 10-12, Questionnaire Administered to Agencies.

Table 4.3.4 reveals that “yes” in question (9) that is broadly strategy in reduction of poverty also agree that it involves government and NGOs are 66.7%, those that stated “No” is 33.3% also, those that strongly agreed that there are sufficient funds available is 5.6%.

Also, those that strongly agreed that adequate budgetary provision are not meant for the organization (NAPEP) represents two (2) out of eighteen (18) which 11.1% and those that agreed is 44.4% disagreed is 33.3% while those that strongly disagreed were two (2) respondents which is 11.1%.

Table 4.3.5 Poverty Reduction not Consistence and Positive Relationship Between Entrepreneurship and NAPEP

Poverty Reduction not Consistence in Nigeria			Positive Relationship Between Entrepreneurship and NAPEP		
Category	No of response	%	Category	No of response	%
Strongly	5	27.8	Strongly agreed	6	33.3
Agreed	10`	55.6	Agreed	9	50.3
Disagreed	1	5.6	Disagreed	3	16.7
Strongly disagreed	2	11.1	Strongly disagreed	-	-
TOTAL	18	100	TOTAL	18	100

Source: Questionnaire Administered to Agencies, Question

13&14.

Table 4.3.5 reveals that 27.8% strongly agreed that poverty reduction is not consistency in Nigeria, 55.6% agreed on the opinion, 5.6% disagreed, while 11.1% disagreed on the assertion.

On the other said, 33.3% strongly agreed on the positive relationship between entrepreneurship.

Table 4.3.6: NAPEP is Better than other Poverty Alleviation Programme in the Country.

CATEGORY	NO OF RESPONSE	%
Strongly agreed	5	27.8
Agreed	9	50.0
Disagreed	1	5.6
Strongly disagreed	3	16.7
TOTAL	18	100

Source: Question 15, Questionnaire Administered to Agencies

The table above states that 27.8% strongly agreed that NAPEP is better than other poverty alleviation programme. 50.0% of the respondent agreed, 5.6 strongly disagreed. Three (3) which represents 16.7% disagreed on the assertion.

4.4 TEST OF HYPOTHESIS

The hypothesis to be tested is stated earlier in the chapter one using chi-square (χ^2) as a statistical tool. A table of absorbed frequency is constituted first to enable the computation of the expected frequency.

The hypotheses being tested are:

Ho: There is no positive relationship between NAPEP and entrepreneurship development.

Hi: There is positive relationship between NAPEP and entrepreneurship development.

Test would be carried out at 5% (0.05) level of significance for testing the hypothesis.

Reject Ho if chi-square (χ^2) calculated is greeter than chi-square (χ^2) tabulated, otherwise fail to reject (i.e accept) test statistics: $X^2 = \sum \frac{(o-e)^2}{E}$

E

Question No.13, section C on the questionnaire administered to beneficences and question No.2 section A on the questionnaire administered to agencies would be used to test the hypothesis.

Table 4.4.1 observed frequency table (beneficences and agencies)

In your own view, how can you access NAPEP / how can you access the impact of NAPEP on entrepreneurship development?

In your own view, how can you access NAPEP			How can you access the impact of NAPEP on entrepreneurship	
Category	No of response	Category	No of response	%
Highly effective	7	Highly efficient	9	16
Highly ineffective	1	Highly inefficient	1	2
Effective	14	Efficient	7	21
Ineffective	3	Inefficient	1	4
TOTAL	25		18	43

Source: Response to Question No.13 and 2 on Questionnaire Administered to Beneficiaries and Agencies Respectively (2013).

The expected values of observed table above are calculated this;

$$\Sigma f = \frac{R \times C}{N}$$

N

Highly effective/highly effecting:

$$\text{Beneficiaries} \quad \frac{16 \times 25}{43} = 9.30$$

$$\text{Agencies:} \quad \frac{16 \times 18}{43} = 6.70$$

$$\text{Highly inefficient beneficiaries:} \quad \frac{2 \times 25}{43} = 1.16$$

$$\text{Agencies:} \quad \frac{2 \times 18}{43} = 0.84$$

$$\text{Effective / efficient beneficiaries:} \quad \frac{21 \times 25}{43} = 12.21$$

$$\text{Agencies:} \quad \frac{21 \times 18}{43} = 8.76$$

$$\text{Ineffective/ inefficient:} \quad \frac{4 \times 24}{43} = 2.33$$

$$\text{Agencies} \quad \frac{4 \times 18}{43} = 1.67$$

TABLE 4.4.2 EXPECTED FREQUENCY TABLE

Category	Beneficiaries	Agencies	Total
Highly effective/highly efficient	9.30	6.70	16
Highly ineffective/highly inefficient	1.16	0.84	2
Effective/ efficient	12.21	8.97	21
Infective/inefficient	2.33	1.67	4
GRAND TOTAL	25	18	43

Source: Compiled from Expected Value of Observed Table

TABLE 4.4.3 CHI-SQUARE COMPUTATION FOR HYPOTHESIS

Category	O	E	o-E	(o-E) ²	(o-E) ² /E
Highly effective	7	9.30	-2.3	5.29	0.5688
Highly effective	9	6.70	2.3	5.29	0.7896
Highly ineffective	1	1.16	-0.16	0.0256	0.0221
Highly ineffective	1	0.84	0.16	0.0256	0.0305
Effective	14	12.21	1.79	3.2041	0.2624
Effective	7	8.79	-1.79	3.2041	0.3645
Ineffective	3	2.33	0.67	0.4489	0.1927
Ineffective	1	1.67	-0.67	0.4489	0.2688
GRAND TOTAL	43	43			2.4994

Source: Computed From Table 4.4.1 and 4.4.2

The formular for degree of freedom is $y = (R-1) (C-1)$

Where R = The number of row

C = The number of column

Thus; in the case R = 8

C = 2

Therefore, $y = (R-1) (C-1)$

= (8-1) (2-1)

= (7) (1)

Y =7

The chi-square (2) calculated is 2.4994

The critical value of chi-square (χ^2) from the table at 3 degree of freedom on 0.05 level of significance is 15.5.

Conclusion

In conclusion, the chi-square (χ^2) calculated (2.4994) is less than chi-square (χ^2) tabulated (7.81) i.e $\chi^2 < X^2_t$, we Accept the null hypothesis and safely deduced that “there is no positive relationship between NAPEP entrepreneurship development” with reference to area of study.

4.5 FINDINGS OF THE RESEARCH

From the data presented and analyzed, the following findings were finally deduced.

It was discovered that the highest number of beneficiaries that responded were males, this is because the males counterpart. It was also revealed that the highest number of beneficiaries that responded to the question fall between the ages 26-35. It was also indicated that those who are faced with effect of poverty and sourcing for credit to elevate their standard of living is more prevalent among single, representing 60% of the mantel status.

Based on the effectiveness of NAPEP on entrepreneurship development in the country, from the absented table, we entice that the captivity of highly effective/highly efficient result to 16.00 while that of ineffective/inefficient result to 4.00. Therefore we conclude that NAPEP is really effective on entrepreneurship development because more people are benefiting from the NAPEP programme. From most of the tables we find out that NAPEP is a very strong poverty alleviation programme, though some people would claim not to benefit, but from my findings some people benefited while some others did not benefit.

From my findings also, lack of government polices has also contributed to the increased rate of poverty, this has to do with the lack of allocation of adequate funds. I also discovered that illiteracy has also contributed to the increased rate of poverty, as a result of lack of education on family planning.

Finally it was also noticed that laziness contributed to incensed poverty level due to lack of entrepreneurial skills or laziness to go into small scale business that would benefit ones life.

CHAPTER FIVE

5.0 SUMMARY, CONCLUSION AND RECOMMENDATION 5.1

Summary

It is noticeable from the above data presentation and analysis that Nigeria now faces enormous development challenges that are key to both welfare improvement for the general population and to poverty reduction in particular.

This research work is an attempt to examine the effect of NAPEP on entrepreneurship development. A case study is to provide additional evidence on entrepreneurship activities in Imo State and in tackling the problem of poverty in the area.

In order to have an understanding of the issue at stake attempt was made in the first chapter to a background, the research question, problem statement and method of resolving the problem was present in the review of literature. In chapter two, it was disclosed to the explanation and definition of entrepreneur and poverty. Also, in this chapter we looked at the overview of entrepreneurship, entrepreneur and economic perspective, poverty and economic development case study review, poverty alleviation in enhancing entrepreneurship

development, brief history of NAPEP and problem of NAPEP toward reducing poverty.

In Chapter three and four of this research work data collection method were discussed. Data was generated, interpreted and analyzed to confirm the validity of whether to accept or reject that hypothesis tested and the result of the interpretation shows that there is no positive relationship between NAPEP and entrepreneurship development in Imo State (1 + 0) therefore we reject the hypothesis

While chapter five, comprise summary of the project, conclusion and recommendation.

5.2 Conclusion

The traditional approach to poverty alleviation places emphasis on the promotion of economic growth. Today, however, the feasibility of the increase of free market growth for poverty reduction is a subject of considerable controversy in the economic literature.

Imperatively the government of Nigeria has to develop strategies towards reducing poverty and promoting entrepreneurship activities. NAPEP as one of the strategies comprises of Youth Empowerment SCHEME (YES), Rural Infrastructural Development

Scheme (RIDS), Social Welfare Scheme (SOWESS) and National Resources Development and Conversation Scheme (NRDCS). These are to spearhead government ambitions programme of eradicating poverty and enhancing entrepreneurship development.

Due to the poverty level in Imo State, which is as a result of high level of literacy, lack of infrastructural facilities and Government consented programme, NAPEP Plan to eradicate absolute poverty is not yielding a positive result.

5.3 Recommendations

- From the findings in chapter four (4) these recommendations are needed (necessary) and they include:-

- 1. Government Policy:** Government should try and monitor all allocation when it is been allocated to a region, community or state to avoid diversion because when government allocate funds, the people in power tend to keep the funds for their self interest, making it insufficient for the people.
- 2. Illiteracy:** Most of the poor people that I came across were lacking basic education on family planning which resulted to them having more than the number of children their income can

cater for, therefore the people should be educated on family planning, so that they could control the number of children so as to be able to take care of them.

- 3. Laziness (Lack of Entrepreneurship):** The people in a community should avoid being lazy, and go into any small scale business that could yield a little income that can be used to take care of their basic needs, instead of waiting for the government to do everything for them.

Government has to encourage them with some funds for capital and some educative programme to enlighten them more on entrepreneurial skills.

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APPENDIX I

QUESTIONNAIRE ADMINISTER TO BENEFICIARIES

SECTION A

Bio-data 1

1. Sex

(i) Male [] (ii) Female []

2. Age

(i) 15-25[] (ii) 26-35 []

(iii) 36-45[] (iv) 46 and above []

3. Marital Status

(i) Single [] (ii) Married []

(iii) Divorced [] (iv) Widow []

4. Level of Education

(i) Primary [] (ii) Secondary []

(iii) Tertiary [] (iv) None []

5. What is Your Occupation? (Line of Business)

(i) Trade [] (ii) Farming []

(iii) Craft [] (iv) others []

6. Income Level

(i) ~~₦1, 000-₦41,999~~ [] (ii) ~~₦5, 000-₦8,999~~ []

(iii) ~~₦9, 000-₦12999~~ [] (iv) ~~₦13, 000 to above~~ []

7. Are you aware of the existence of NAPEP?

(i) Yes [] (ii) No []

SECTION B

NAPEP AWARENESS AND BENEFITS

8. Medium of awareness

(i) Radio [] (ii) Television []

(iii) Newspaper [] (iv) Friends/Relatives []

9. Have you ever benefited?

(i) Yes [] (ii) No []

10. If yes, in what form?

(i) Cash [] (ii) Kind [] (iii) Others []

please specify-----

11. Number of time(s) benefited

(i) Once [] (ii) Twice [] (iii) None []

12. Used the benefit for what?

(i) Investment [] (ii) Savings []

(iii) Family Purpose [] (iv) others" specify"

SECTION C

ACCESSING THE IMPACT OF NAPEP

13. In your own view, how can you assess NAPEP?

- (i) Highly Effective [] (ii) Highly Ineffective []
(iii) Effective [] (iv) Ineffective []

14. Is NAPEP actually reducing poverty?

- (i) Yes [] (ii) No [] (iii) Not Sure []

15. Any difficulties before collecting Loan?

- (i) Yes [] (ii) No []

16. Is the credit enough to meet your challenges?

- (i) Yes [] (ii) No []

17. What are the factors that cause poverty in your area?

- (i) Literacy [] (ii) Laziness []
(iii) Lack of government Policy []
(iv) All of the above []

18. What in your own view can be done to improve NAPEP performance on entrepreneurship activities?.....

APPENDIX II

SECTION A (AGENCIES)

NAPEP: ORGANIZATION AND RESPONSIBILITIES

1. What is your area of organization of responsibility in NAPEP?

.....

2. How can you assess the impact of NAPEP on entrepreneurship development?

(i) Highly efficient [] (ii) Highly inefficient []

(iii) Efficient [] (iv) Inefficient []

3. NAPEP aided in poverty reduction in the country.

(i) Strongly agreed [] (ii) Agreed []

(iii) Disagreed [] (iv) strongly disagreed []

4. Is collateral demanded before the loan?

(i) Yes [] (ii) No []

5. If yes, what kind of collateral?

(i) Collateral (fixed or current assets) []

(ii) Guarantor [] (iii) None []

6. Any difficulties before Loan recovery?

(i) Strongly agreed [] (ii) Agreed []

(iii) Disagreed [] (iv) Strongly disagreed []

SECTION B

NAPEP: POLICY IMPLEMENTATION TOWARDS ENTREPRENEURSHIP DEVELOPMENT/REDUCTION IN POVERTY

7. Poverty reduction doesn't address multi-dimensional. Problems

(i) Strongly agree [] (ii) Agree []

(iii) Disagree [] (iv) Strongly disagree []

8. How representative are stakeholders in the scheme?

(i) Adequate [] (ii) Fairly []

(iii) Inadequate [] (iv) None []

9. Does NAPEP have strategy to reduce poverty?

(i) Yes [] (ii) No []

10. If yes, does it involve government and NGO,s?

(i) Yes [] (ii) No []

11. Are there sufficient funds available to reduce poverty?

(i) Yes [] (ii) No []

12. Adequate budgetary provision are not made for the organization (NAPEP)

(i) Strongly agree [] (ii) Agree []

(iii) Disagree [] (iv) Strongly disagree []

13. Poverty reduction is not consistent in Nigeria

(i) Strongly agree [] (ii) Agree []

(iii) Disagree [] (iv) Strongly disagree []

14. There is a positive relationship between entrepreneurship and
NAPEP activities.

(i) Strongly agree [] (ii) Agree []

(iii) Disagree [] (iv) Strongly disagree []

15. Is NAPEP better than other poverty alleviation programmes in
the country?

(i) Yes [] (ii) No []