

The discomfort index, which combines the rate at which the purchasing power of the domestic currency falls and the dependency burden signified by increases in the unemployment rate, shows that the period between 1988 and 1993 (with exception of 1990 and 1991) was very impoverishing (FOS 1996). The purchasing power of the people declined terribly. The implication of the decline in the purchasing power on living conditions can not be underestimated.

In Nigeria, workers income has been relatively stagnant or declining in real terms, social services expenditures have been falling. Hence, the burden of expenditure in these areas has worsened the condition of the Nigeria poor. No Society can surely be flourishing and happy of which by far the greater part of the numbers are poor and miserable (Adam Smith, 1776). The primary task of development is to eliminate poverty (World Bank, World Development Report, 1992). Poverty alleviation had not been especially entrenched in Nigeria's development plans. Attention was usually focused on economic growth. But then, a critical examination of the objectives of Nigeria's development plans, especially the first four indicated that there was a pursuit of poverty alleviation. For instance, the first National Development Plan had its social objectives focused on the well being of Nigerians. The second, third and fourth plans emphasised equity and income distribution or a more even distribution of the fruits of economic growth.

In recent times, the apparent increasing concern of the government for poverty alleviation can be observed. For instance, in the 1999 Budget tagged "Consolidating poverty alleviation measures, the Federal Government, in order to further consolidate efforts towards poverty alleviation and the development of the rural sector, provided N1 billion to the Family Economic Advancement Programme (FEAP). Similarly, it earmarked the sum of N500 million to the People's Bank of Nigeria and the National Directorate for Employment (NDE) for provision of soft loans and support services to cottage and small scale industries (Business Times Joinery, 4th 1999).

Before gauging poverty alleviation in Nigeria, the need to highlight the common approaches to poverty alleviation seems imperative. Some of the approaches include Economic Growth approach, Basic Needs approach, and Rural Development approach.

ECONOMIC GROWTH APPROACH

This approach is based on the fundamental assumption that economic deprivation is at the root of all poverty and that non-economic causes are only secondary, arising from the primary economic causes. Therefore, the focus of