Religious Institutions and Poverty Reduction: Evidence from Akwa Ibom State, Nigeria

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Abstract

In spite of the numerous poverty reduction policies and programs of successive administrations in Nigeria, the generality of the populace are still in a web of deprivation and hunger. It is apparent that government is unable to stem the tide of poverty and thus the need for surrogate stakeholders to lift the poor out of poverty. Therefore, an empirical study was conducted to estimate the factors influencing the willingness of religious institutions to undertake poverty reduction programs for it members and the constraints limiting their ability to initiate programs that will ameliorate the suffering of poor members in the congregation. A total of 60 churches were sampled through the multistage sampling procedure and information were elicited using questionnaire. Data were analyzed using probit model and Kendall's coefficient of concordance. Result revealed that the most critical factors influencing the willingness of churches to undertake programs that will lift poor members of the congregation out of poverty were age and educational level of the church leaders, size of congregation, church income and age of the church. Result of Kendall's coefficient of concordance indicated that there was 54 percent (moderate agreement) between the ranking of constraints associated with the willingness of churches to undertake programs that will lessen the pains of poverty among its members. Findings further showed that the top five most limiting constraints were lack of finance, lack of trained personnel, inadequate knowledge about the programs, unfavorable government policies and low membership strength.

Introduction

Given the quantum of richly endowed natural and human resources with tremendous oil and gas reserves in Nigeria, the wealth of the nation has not translated into economic prosperity of the people as poverty is increasing and the standard of living is declining (Etim et al.,2021a). The socio-economic condition in Nigeria is paradoxical in the sense that the country is rich but the people are poor (World Bank,1996). Despite efforts made by successive administrations in the country to curb poverty through various policies and programs, Ozughalu (2010), Etim and Edet (2013), Etim and Udoh (2013) noted that poverty has persisted and continued to rise leaving many in a web of deprivation, hunger and lower quality of life. Etim et al.,(2021a) reported that due to bad governance and corruption, the impressive economic growth rates (real Gross Domestic Product) recorded in the country from the onset of democratic rule in 1999, has not translated into significant reduction in poverty and unemployment. From the foregoing, it is obvious that government at all levels has failed in their responsibility of stemming the tide of poverty and improving the living standard of the generality of the people thus the need for stakeholders to come into the scene and contribute their quota in lifting the poor out of poverty. Scott and Cnaan (2018) posited that religious congregations serve as surrogates in the times

31

where the government has failed to support the poor. Clarke & Jennings (2008), Tomalin (2013), Clarke (2013) however, identified religious institutions and actors like churches as stakeholders and development partners in the fight against poverty

Poverty and religion have a protracted and complicated history, with the former having greater impact on socio cultural lives of the people (Mefford, 2019). Though, religious institutions are paradoxically reducing and fighting poverty (Tomalin,2013;2018), they also play a role in the perpetuation of practices that cause poverty, inequality and dispute (Schweiger, 2019). Schliesser (2014) found that religious institutions like churches have always been accessible to the under priviledged population and can bring about significant reduction in poverty. Mylek and Nel (2010), Salonen (2018),Tomalin (2018). Schweiger (2019) also identified religious based organizations as crucial pathways for reducing poverty through the mobilization of civil society. Studies by Cnaan & Curtis,2013; Beyer(2014), Onah et al.,(2018), Sedmak (2019), Sardjuningsi and Indah (2021) support providing assistance to the poor and active participation of churches in programs capable of lifting their members out of poverty. Akwa Ibom State is a major oil producing state contributing significantly to the wealth of the nation and is dominated by Christians with the abundance of churches. Unfortunately, the role of these churches and other religious institutions in ameliorating the pains of poverty amongst it members are under researched. Thus, this study addresses this gap in knowledge by identifying the factors affecting the willingness of religious institutions and constraints limiting their ability to initiate programs that will lift the most vulnerable members out of poverty. In so doing, it makes a key contribution to formulating policies and implementing interventions to minimize factors contributing to poverty.

Methods

Study Area

The research was conducted out in the Nigerian state of Akwa Ibom. The state is located between the latitudes of 4° 33' and 5° 53' and the longitudes of 7° 25' and 8° 25' East. Its capital is Albany. In the South-South geopolitical zone, the state is bordered on the east by Cross River State, on the west by Rivers State and Abia State, and on the south by the Atlantic Ocean and the southernmost part of Cross River State. The state has a population of 3.5 million people. It is divided into six (6) Agricultural Development Project (ADP) zones, which are Abak, Eket, Etinan, Ikot Ekpene, Oron, and Uyo. Abak is the most populous of the six zones. Due to the state's location inside the rainforest belt, it experiences two different seasons, namely, the lengthy rainy season and the brief dry season. In terms of yearly precipitation, the region receives between 2000 and 3000 millimeters per year. However, there are pockets of Muslims in several sections of the state, making Christianity the dominant religion in the state.

Sampling and Data Collection Procedure

The representative churches utilized in the research were chosen using a multistage sampling approach, which was used throughout the process. First and foremost, the Uyo local government region, which serves as the state's capital, was purposefully chosen because of the preponderance of churches in the area. Second, three out of the four clans that make up the Uyo local government region were picked at random. Third, a total of 60 churches were chosen, with 20 churches per clan being chosen for each clan. The information for the research was gathered by a questionnaire from 60 churches, which was the source of the main data.

Model Specification

In order to quantitatively estimate the factors that influence the willingness of churches to reduce poverty among their members, the probit regression model must be used (Etim et al.,2021b). The probit regression model is more appropriate for analyzing decisions that have dichotomous values (e.g., willingness to reduce poverty among members) (Etim et al.,2017; Etim et al.,2020c; Etim and Ndaeyo, 2020; Etim and Udoh,2020). It is preferred to the logit model due to its capacity to tackle the issue of heteroscedasticity and also to restrict the utility value of the choice to join variable to be between 0 and 1, which makes it more accurate (Asante et al., 2011; Martey et al.,2014). It was possible to capture the willingness to eliminate poverty among members by using a dummy variable, with the value 1 given to churches that were willing to alleviate poverty and 0 allocated to congregations that were not.

The empirical model for willingness to reduce poverty among members is specified as;

$$Yi^* = P(Yi= i) = \beta Xi + \varepsilon i$$

Where Yi denotes the "willingness to decrease poverty" (WTP) of the group as a whole. Yi* is the estimated value of Yi, (Yi*=i) if Yi>0, and I is the error term, which follows a normal distribution (mean 0 and variance 1). Yi* is the estimated value of Yi, (Yi*=i) if Yi>0, and I is the error term. The probability function is denoted by the letter P. The vector of parameters to be estimated is denoted by the symbol. Xi is a matrix of explanatory factors that determines whether or not the ith churches are willing to eliminate poverty among their membership. The dependent variable Yi, also known as WTP, has a value of 1 for churches that are willing to eliminate poverty and a value of 0 for churches that are not. With the use of this model, researchers were able to identify the elements that influence the desire of churches to engage in initiatives that alleviate poverty among their members.

Table 1. Variables used in the Probit model and their expected signs.

Variables	Description	Expected Sign
Age	Age of church head in years	+/-
Sex	Sex of church head (Dummy =1 if church head is male, 0 if female)	+ / -
Education	Number of years of schooling of the church head	+
Vineyard experience	Number of years in the Lord's vineyard	+
Church income	Money accruable to church in naira	+
Congregational size	Number of faithful worshippers in the church	+ / -
Age of church	Number of years of church existence	+/-
Number of church branches	Number of church branches located in other parts of the state	+ / -
Location of church	Location of church (Dummy= 1 if urban, 0 if otherwise)	+ / -

Results and Discussion

The table revealed that mean age of church heads was 32 years. The maximum congregation size was 2000 whereas the average income earned by churches was ₦462,083. The maximum years of vineyard experience was 50 years. Result further revealed that average number of church branches was 35 while the mean age of churches was 15 years.

Table 2. Summary Statistics of Institutional Characteristics

Institutional Characteristics	Unit of Measurement	Mean	Minimum	Maximum	Standard Deviation
Age	Years	31.6	20.00	59.00	10.8
Size of Congregation	Number	2109	30	2000	4740.1
Church Income	Naira(₦)	462,083	10,000	2,000,000	256986
Vineyard Experience	Years	11	1	50	11.3
Years in Church Service	Years	11	1	40	9.37
Number of Branches	Number	35	3	25	5.3
Age of the Church	Years	15	5	70	3.9

Naira (N) is Nigeria's currency. N1 is equivalent to 0.0024 US Dollar as at December, 2021

Factors Influencing Willingness of Churches to undertake Poverty Reduction Programs

The variable, the age of the church leader, had a negative effect on the readiness of churches to participate in poverty reduction initiatives for their members and was statistically significant. The likelihood of church leaders implementing poverty-reduction measures for their congregation members declined by 27.3 percent for every additional year that the church leader spent in the workforce. According to the findings, younger church leaders were more inclined to start on poverty reduction activities that would increase the wellbeing of their congregation members. This might be related to the fact that younger individuals are more willing to try new things than older ones. It is consistent with findings by Ayamga (2006), Etim and Edet (2013a,2013b), Etwire et al.,(2013), Etwire et al.,(2017), Etim et al.,(2020a, 2020b), who discovered that teenagers were risk takers, responsive, and more inclined to accept innovations quicker than older individuals. However, this conclusion is in contrast to that of Asante et al. (2011), who found that age had a favorable influence on farmers' decision-making.

The variable, congregation size, was also shown to be strongly related with a greater likelihood of churches participating in poverty reduction initiatives. Conclusion In the study, researchers discovered that the likelihood of church leaders implementing poverty-reduction measures rose by 86.9 percent for every extra member who joined the congregation. Those in charge of churches with a bigger membership were more likely to implement poverty reduction initiatives for their congregation members, according to the study's findings. The findings are consistent with those of Etim et al., (2011), Edet and Etim (2014a) (2014b), Martey et al., (2014), and Etim et al.,(2019), who found a favorable relationship between household size and farmer choices.

The educational level of church leaders was shown to be both beneficial and statistically significant at P0.01. This suggests that for church leaders who have completed some degree of education, the likelihood of them implementing poverty reduction initiatives increases by 0.1 percentage point. This finding is consistent with the findings of Etim and Edet (2014), Etim (2015), and Etim and Udoh (2020), who discovered that education educates and empowers individuals to evaluate and react to new ideas and information when they are presented with it.

As predicted, the church's revenue was positive. According to the findings, for every one dollar rise in church revenue, the likelihood of churches implementing poverty reduction initiatives rose by 72.6 percent, according to the study. According to the findings, churches with larger incomes are more likely to be able to provide financial assistance to their less fortunate members. To achieve this result, Asante et al., (2011) and Martey and colleagues (2014, 2015) demonstrated a positive association between income and organizational choices.

The age of the church was found to be significant (p0.010) and was shown to be positively associated to the readiness of churches to engage in activities that would alleviate poverty among its members. As a result, older churches must have amassed a substantial amount of assets through which they may empower the poorest of the poor members, according to the findings. Etim et al., (2021) discovered a favorable relationship between the age of organizations and their performance to members, which is consistent with findings by Savino and Petruzzelli (2012), Noordin and Mohtar (2014), Rossi (2016).

Table 3. Factors affecting the willingness of Churches to undertake poverty reduction programs for members.

Variable	Coefficient	Std. Error	z	p-value	
Constant	5.4260	6.2386	0.8697	0.3844	
Age of church head	-0.3825	0.1663	-2.300	0.2725	* * *
Sex of church head	−2.3065	1.4463	−1.5948	0.0642	
Educational level of church head	0.6653	0.2026	3.2838	0.0010	* * *
Years in vineyard experience	0.1526	0.1736	0.8790	0.0382	
Church income	4.3111	2.3696	1.8193	0.7258	*
Congregational size	5.1563	2.0255	2.5457	0.8693	* *
Number of church branches	−0.1145	0.1906	−0.6007	0.5478	
Location of the church	−0.8013	1.1013	−0.7276	0.4668	
Age of the church	1.9756	0.5187	1.8809	0.3032	*
McFadden R-squared	0.5580				
Log-likelihood	−12.54333				
Likelihood ratio test: Chi-square	31.6738				

Note: ***significant at 1%, **significant at 5%, *significant at 10%.

Constraints limiting churches' ability to undertake poverty reduction programs

Presented in Table 4 are the limitations of churches that have been uncovered via this research. The results show that the Kendall's coefficient of concordance was determined to be 0.54, which is statistically significant at the one percent level. It is estimated that there was 54 percent (moderate agreement) amongst respondents in the ranking of the restraints encountered by churches when it comes to establishing projects to enhance the quality of life of their members. Of the top five most constraining factors identified and ranked, the lack of funds, the lack of trained personnel, the lack of knowledge about the programs, unfavorable government policies, and low membership strength were the most significant factors impeding churches from implementing programs that would alleviate poverty among their members' families and children.

Table 4. Constraints limiting churches' capacity to undertake poverty reduction programs

Constraints	Mean Rank	Rank
Lack of Finance	3.36	1st
Lack of trained personnel	3.89	2nd
Lack of knowledge about the programs	3.96	3rd

35

Unfavorable government policies	4.16	4th
Low membership strength	4.69	5th
Ignorance of the felt need of the less privileged	4.83	6th
Church doctrine	5.43	7th
Low educational status of the church head	5.49	8th
Test Statistics		
N	60	
Kendall's Wa	.543	
Chi-Square	60.248	
Df	7	
Asymp. Sig.	.000	

Note: a. Kendall's Coefficient of Concordance, (null hypothesis was rejected; P-value = 0.000), Poor agreement = Less than 0.20, Fair agreement = 0.21 to 0.40, Moderate agreement = 0.41 to 0.60, Good agreement = 0.61 to 0.80, Very good agreement = 0.81 to 1.00

Conclusion

The study analyzed the willingness of churches to undertake programs aimed at reducing the pains of poverty among members and constraints limiting their ability to undertake poverty reduction programs. Factors influencing the willingness of church leaders to initiate poverty reduction programs were estimated using the probit model. Findings showed that the most vital factors which affected churches' willingness to undertake poverty reduction programs were age and educational level of church leaders, congregation size, income and age of church. Results further revealed that the top three constraints limiting churches' ability to embark on programs that will ameliorate the suffering of poor members of congregations were lack of finance, lack of trained personnel and inadequate knowledge about the programs. Policies aimed at providing support to the poor and create awareness of programs that will meet the felt needs of the poor in churches should be formulated.

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