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Entrepreneurship Development Centers: A Strategic Approach to Poverty Reduction Among Youths in North East Nigeria

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Abstract
Poverty reduction has become a major issue for economic and political agenda of many governments, nongovernmental and private organizations using various strategies in different part of the world. Entrepreneurship Development Centers (EDCs) is one strategy that could assist in poverty reduction in North East Nigeria where poverty rate is currently above 70 percent. Therefore, the paper objective was to examine the contributions of EDCs to poverty reduction among youths in the region. The methodology was based on review of on-line materials on entrepreneurship, EDCs, poverty reduction, training, income generation, job creation and innovation including journals and conference papers obtained from various databases like Research Gate, Semantic, JSTOR, Wiley, Goggle Scholar etc. Entrepreneurship and business management books, Students Handbooks obtained from Universities, Polytechnics and Colleges of Education on operations of EDCs and poverty reduction in various countries were consulted and reviewed. Information gotten and examined from these materials led to the conclusion that EDCs are strategic to poverty reduction in this region. Recent studies point to the fact that EDCs have served as hubs for poverty reduction with remarkable success in many regions of the world. Based on the review and findings, the paper recommends more funding and diversification of EDCs and improvement in workshop and training tools so that the rate of poverty could be further reduced. The paper contributes to knowledge by synthesizing existing literature on the contributions of EDCs to poverty reduction through training, job creation, income generation, and innovation in North East Region of Nigeria.

Keywords: *Entrepreneurship, Training, Poverty, Job Creation, Income Generation, Center.*

Introduction

It has long been realized that poverty is the main issue that is faced by every developing country and a major factor that retards economic growth and development, Omoniyi, 2018). Despite the development made in decreasing poverty, the total number of people especially youths living in extreme poverty globally stays high. Today, the total population living in poverty globally is estimated at over 2.47 billion (Grant et al., 2019). Therefore, poverty reduction has become a key economic, political and social goal for many governments, non-governmental, international and corporate organizations world over as it is important for the overall well being of all societies. In reality, poverty is an issue in every state, region or country especially in Africa. Addae-Korankye, (2014). However, each may be suffering from different forms of poverty, depending on their levels of social and economic development. In spite of many EDCs that exist in higher institutions in Nigeria especially in the North East Region, poverty rate and figures among youths keeps rising. The battle in the North East should be against poverty which is caused by human beings not lack of natural resources. According to Housman (2023) "Our problems are man-made, therefore they may be solved by man. No problem of human destiny is beyond human beings and humanity has the power to abolish poverty and human misery".

Considering all the regions in Nigeria, the North East is worst affected by multidimensional poverty as shown below:

Gombe	86.20%
Yobe	83.50%,
Taraba	79.40%,
Bauchi	73.90%
Borno	72.5%.
Adamawa	68.70%,

On the average, the poverty rate in the region is 77.34%. Most of these poor youths live in rural areas thus increasing rural poverty, NBS: (Nigeria Multidimensional Poverty Index Survey 2022: and UNDP Human Development Reports. Poverty was measured using education, health, living standards, housing, food security, access to basic services, sanitation and insecurity as the basic factors.

Thus, the battle against poverty reduction takes different strategies, policies and programs and EDCs are the most relevant among the economic and social development programs of any community. Therefore, entrepreneurship is one of such strategies and programs that have metamorphosed into development (innovative) centers. These strategies, policies and programs are vigorously pursued by government and other international organizations (Azamat, Fayzullokh & Nilufar, 2023). A World Bank Report of 2020 and the Global COVID-19 pandemic which started in 2020 brought a negative impact on the economic and social life of nations around the world leading to an increase in the number of poor people in many countries. The sudden removal of fuel subsidy by the Federal Government in Nigeria has further pushed many people to poverty.

Nigeria is now regarded as "the center of poverty in the world". To this end, government and private organizations have been working hard for many years to reduce the number of poor people majorly youths and improve the living standards of the general population. With a population of over 216 million people, Nigeria has a poverty rate of 71%. Out of the six geopolitical regions in the country, the North East Region has the highest rate of poverty. On the contrary, it has the lowest number of businesses, (The World Bank Report, 2021). Therefore, encouraging the establishment of EDCs by both government and private organizations and individuals as strategies for poverty reduction would assist to reduce the high rate of poverty in Nigeria if these centers and their programs are effectively managed.

The World Bank Report (2023) says that poverty rate in Nigeria has increased by 4% in 2018 to 46% in 2023 representing 104 million poor Nigerians. More people have fallen below poverty line due to "sluggish growth and rising inflation. The report also said that urban poverty increased from 13million to 20 million people while rural poverty rose from 67 million to about 84 million people in the same period. Ucha, (2010) and Alemu (2019). Recent research (December, 2025) indicates that poverty threshold in the USA, for example is $15,060.00USA annually for a single individual, that is $41.26.00USA per day. However, in Nigeria, the threshold per person is N137,430.00 annually and per day is $1.05USA during the same period. The international extreme poverty line was set during the period at $2.15USA per day. According to Okorie, (2025), approximately 64% of the Nigerian population (140m) people live below poverty line and have no hope of a bright future. In addition, the National Bureau of Statistics (2023) found that "Nigeria has the awful distinction of being the world capital of poverty as many people are classified as being multi dimensionally poor".

Problem under consideration

EDCs have been identified as a strategy for poverty reduction among youths in North East, Nigeria. Establishing, improving and successfully managing these centers would create more businesses and open up job opportunities and enhance training, employment creation, income generation, innovation and creativity, business performance, networking, access to capital, startup actions, collaboration, linkages etc. Although youth unemployment rate in Nigeria differs depending on the source of data collected, Civil Society Expert estimates that 23% - 50% of the active youth population are either unemployed or underemployed. There have been several efforts by previous administration in Nigeria to create employment programs, schemes and skill acquisitions centers that were directed at assisting youths to stand and cater for their needs and also to serve as support systems for financial needs. These programs and schemes including Graduate Internship Scheme, Tony Elumelu Entrepreneurship Program, Youth Enterprise with Innovation in Nigeria etc. have impacted on youth unemployment, insecurity and so on but they have not significantly and positively contributed to poverty reduction. Based on the above information, reviewing the contributions of EDCs as a strategy for poverty reduction poverty in the region is absolutely justified. From the foregoing, it becomes imperative to examine and review effective strategies and mechanisms to combat and reduce poverty especially in Nigeria in line with UN Sustainable Development Goals (Sachs, et al 2021). Therefore, to find solutions to the above problem the paper examines and reviews the contributions of EDCs to poverty reduction in the North-East Region of Nigeria.

Study Methodology

The study methodology chosen for this study was based on review of articles, books, guild lines and online publications related to entrepreneurship development, EDCs, management and poverty. Non empirical articles were excluded from the literature review section. However, few empirical articles were reviewed to highlight the major findings reported by the studies. The aim was to assist in achieving the objectives of this paper. About 48% of the papers reviewed covered the period EDCs were established by NUC directives in higher educations in Nigeria. Internet searches provided the materials used for the review. Online databases used for the review included Google Scholar, Wiley, JSTOR, Sematics, Science Direct, Research Gate etc. These databases provided articles, guild lines etc that relate to the objective of this review.

Literature Review

Review of Entrepreneurship Development Centers (EDCs)

Entrepreneurship generally, is the ability and willingness to develop, organize and operate a business (enterprise), along with any of its uncertainties or risks in order to make a profit, (Ostonokulov et al, 2023). Therefore, EDCs are institutions that provide training, resources and support to aspiring or potential entrepreneurs to assist them develop the skills and knowledge required to start, operate and grow their businesses. NUC and SMEDAN consider EDCs as specialized hubs that provides capacity building, business incubation and vocational skills training. These centers serve as frameworks for fostering entrepreneurial culture, nurturing business ideas and creating an enabling environment for MSMEs to thrive (https://www.smedan.gov.ng). A hub is a designated geographic area, building or organization that brings together entrepreneurs, investors and freelancers to collaborate, share resources and bring about innovation. It is central to connecting activities that gather resources, companies or ideas and distributes them outward. Therefore, the primary objective of EDCs is to foster a robust business ecosystem by providing aspiring and existing entrepreneurs with the necessary tools, practical training, mentoring and resources to successfully start and sustain a new business or venture, Ahlin et al, (2014).

The review on EDCs and poverty reduction is crafted in the model below. The EDCs - Poverty Reduction Model depicts how EDCs (independent variable) contribute to poverty reduction (dependent variable) through training, income generation, employment creation and innovation (mediating variables). As a process, this is influenced by mediating variables as shown below:

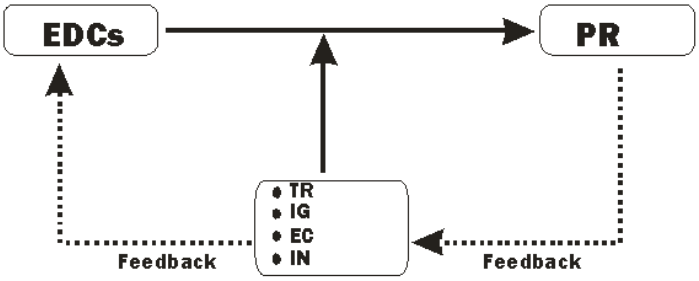

Figure 1: Entrepreneurship Development Centers - Poverty Reduction Model, Researchers, July, 2026.

Key

EDCs = Entrepreneurship Development Centers
PR = Poverty Reduction
TR = Training
IG = Income Generation
EC = Employment Creation
IN = Innovation

In Nigeria, EDCs are established in all tertiary institutions (Universities, Polytechnics and Colleges of Education) either as independent centers or merged with other departments or units. Below is a comprehensive list of EDCs in tertiary institutions in North East Nigeria, (NUC).

University EDCs

a. Center for Entrepreneurship and Enterprise Development: University of Maiduguri.
b. Center for Entrepreneurship Development: Modibbo Adama University, Yola
c. Entrepreneurship Development Center: Abubakar Tafawa University, Bauchi.
d. Centre for Entrepreneurship and Service-Learning: Federal University of Kashere, Gombe.
e. Centre for Entrepreneurship Development: Federal University of Wukari, Taraba State
f. Center for Entrepreneurship Studies: Federal University, Gashua, Yobe State
g. Entrepreneurship Development and Skills Acquisition Center: Taraba State University
h. Entrepreneurship Development Center: Adamawa State University, Mubi, Adamawa State
i. Entrepreneurship Development Center: Yobe State University, Damaturu, Yobe State
j. Entrepreneurship Development Center: Gombe State University, Gombe, Gombe State
k. Entrepreneurship Development Unit: Borno State University,
l. Entrepreneurship and Skills Acquisition Unit: Bauchi State University, Gadau
m. Center for Entrepreneurship: Amerian University of Nigeria, Yola, Adamawa State

Polytechnic EDCs

a. Entrepreneurship Development Center: Federal Polytechnic Bauchi, Bauchi State.
b. Center for Entrepreneurship and Skills Development: Adamawa State Polytechnic, Yola
c. Entrepreneurship Development Center: Federal Polytechnic Mubi, Adamawa State
d. Center for Entrepreneurship Development: Abubakar Tatari Ali, Bauchi
e. Entrepreneurship Development Center: Ramat Polytechnic, Maiduguri, Borno State
f. Center for Entrepreneurship Development: Taraba Polytechnic, Suntai, Taraba State
g. Entrepreneurship Development Center: Federal Polytechnic, Damaturu, Yobe State
h. Entrepreneurship Development Center: Federal Polytechnic, Kaltungo, Gombe State

Colleges of Education EDCs

a. Center for Entrepreneurship Development: Federal College of Education, Yola
b. Entrepreneurship and Skills Acquisition Unit: College of Legal and Islamic Studies, Yola
c. Entrepreneurship Development Center: Adamu Tafawa Balewa College of Education, Kangere
d. Center for Entrepreneurship & Vocational Studies: Aminu Saleh College of Education, Azare
e. Center for Entrepreneurship Development: Federal College of Education, Bama, Borno State
f. Center for Entrepreneurship Development: Federal College of Education (Technical), Gombe
g. Entrepreneurship Development Center: College of Education, Zing, Taraba State
h. Center for Entrepreneurship Development: College of Education, Gashua, Yobe State.

Private Entrepreneurship EDCs (Hubs)

a. Co-Development Hub, Maiduguri, Borno State
b. Borno Innovation Hub, Maiduguri, Borno State
c. North East Entrepreneurship and Innovation Hub, Gombe, Gombe State
d. American University of Nigeria Entrepreneurship and Innovation Hub, Yola
e. Young Entrepreurs Development Association of Nigeria, Bauchi, Bauchi State
f. Taraba Business and Entrepreneurship Support Initiatives, Jalingo
g. DBN Innovation Hub (all States in North East)

The overall goal of these EDCs is to create a robust ecosystem that supports potential entrepreneurs at every stage of their entrepreneurship journey from idea generation to scaling their businesses. In summary therefore, EDCs activities and services are common to all the centers and are hereby outlined below:
a. Entrepreneurship education and training to cultivate an entrepreneurial mindset;
b. Skills acquisition programes;
c. Business incubation and mentoring;
d. Innovation and creativity development;
e. Support services for startup;
f. Income generation;
g. Poverty reduction;
h. Employment creation initiatives;
i. Policy advocacy;
j. Sustainability of good business practices;
k. Community development as an empowerment tool to local communities;
l. Research and development to identify emerging trends, opportunities and challenges and
m. Linkages/collaboration: SMEDAN, Bank of Industry, Central Bank of Nigeria, TetFund and other EDCs in other parts of the country. For this review, the following EDC activities, which are considered as mediators are are briefly explained below:

Entrepreneurial training and capacity building

Entrepreneurship training and capacity building has been acknowledged in international literature as essential to entrepreneurship development, (Azila-Gbettor & Harrison 2013, Bygrave & Zacharakis, 2007)..Entrepreneurship training and capacity building involves a systematic process of equipping potential and existing entrepreneurs with the knowledge, skills, understanding, attitudes, and competencies required to commence, operate and grow successful businesses. It refers to the organized knowledge aimed at developing the entrepreneurial mindset and capabilities of individuals for effective business creation, management and sustainability. When properly conducted, entrepreneurial training can enhance skills and competencies, promote self-employment, improve income generation, increase the chances of survival of the business, encourages innovation and creativity, (Ogwunte, Godspower & Uranta, 2025).

Job (Employment) Creation

Job creation refers to the process of providing new job for people who were previously unemployed or in active. Bhorat et al (2025) state that Sub Saharan Africa need to overcome the challenge of creating large scale jobs. Therefore, job creation is key to the Nigerian economic development and vital on many levels. For example, politically, creating jobs provides employment opportunities to the population and provides youth with an alternative for violence or anti-social behaviors. In economic terms, job creation provides income to poor people, revives domestic demand for goods and services, Barroso-Hurtado et al (2022). Socially, job creation promotes social healing and improves social welfare (United States Institute for Peace:)

The concept of job creation encompasses entrepreneurship and small business development, economic growth, labour market policies, investment and innovation, demographic and societal shifts, targeted industry support, globalization, trade etc. by creating jobs, the income of those employed can help reduce poverty. Closely related to training is skills development. Skills development focuses on the entrepreneurial skills of individuals especially those from disadvantaged or marginalized communities. Individuals are better equipped when their skills are improved to engage in income-generating activities. Skill development helps individuals to be employable and earn income thereby reducing poverty, Wills & Hughes (2025).

Income Generation

Income is very vital to any business. Therefore, Wills & Hughes (2025) and other studies defined income generation to include the process of earning money through business operations, investment or employment. It also refers to the process of acquiring entrepreneurial skills, establish businesses and engage in productive economic activities that enable them to earn regular income, improve standard of living and reduce poverty. EDCs facilitate income generation through: training and capacity building, business mentoring and advisory, access to finance, skills acquisition and business collaboration as well as networking.

Innovation

This is the process of transferring creative ideas into practical, actionable solutions that create value (UNESCO). Walker, (2026) states that innovation is a process of creating and implementing new or improved ideas to deliver value, solve problems, boost growth, efficiency, and social impact. Innovations turn creative thinking into practical solutions and enhance products, services, and processes. This enables individuals and organizations adapt to change and remain competitive and relevant. Specifically, innovation is woven into daily life and is not about major inventions but about improving what already exists in smarter and more meaningful ways. To many experts, innovation is the application of better solutions that meet new requirements, inarticulate needs or existing needs.

Innovation has a number of general characteristics as stated below:
a. ***Newness:*** Innovation involves introducing something new or modifying an existing idea (product, service, system or process). b. ***Implementation:*** In innovation, creative ideas must be applied or brought to market and c. ***Value Creation:*** Innovation serves a purpose, fulfil a market need, or generate a positive outcome.
Furthermore, the Elevate Ventures in their contribution, outlined Five (5) characteristics of innovation to include: novelty, value creation, implementation, scalability and adaptability. While Becker, (2024) emphasized Peter Drucker's 7 sources of innovation: the unexpected, incongruities, process needs, industry/market structures, demographics, changes in perception, and new knowledge. The first four sources are internal (within the organization/industry) while demographic changes, changes in perception and new knowledge are external sources (social environment). Generally, there are four types of innovations: incremental, disruptive, radical and architectural.

Review of Poverty

The World Bank (2023) described poverty as a "pronounced deprivation in well-being". Ucha, (2010), offers a comprehensive definition of poverty when he state that poverty "is a denial of choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to; not having the land on which to grow one;s food or a job to earn one;s living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living on marginal or fragile environments without access to clean water or sanitation".

Other definitions consider poverty as people who do not have enough income or consumption to put them above some adequate minimum threshold. For this study poverty is considered as the condition where people lack sufficient income or resources to maintain a basic standard of living. This means people struggle to afford essential needs like food, shelter, clothing, healthcare, education and other necessities for a decent life (Alemu, 2019, Oluwatayo, 2008 and Collier, 2007). Poverty also encompasses a lack of access to opportunities, services, and resources that can help improve their situation and increase their life expectancy. Poverty is a cause and consequence of critical social and cultural issues including unemployment, poor education, discrimination and economic inequality. It impacts negatively individuals, families, communities or nations perpetuating a cycle that is hard to break without serious interventions.

Poverty is caused by many interconnected factors that vary from one community or nation to the other. Some of the factors include unemployment, economic inequality, inflation, economic recession, lack of access to education, gender discrimination, family structure, poor governance, corruption, political instability, conflicts, natural disaster, climate change, lack of or inadequate healthcare, disability, demographic factors, urbanization, historical injustice and so on. Each of these factors may interact bringing about complex and enduring poverty cycles that may be difficult to break without vigorous and comprehensive intervention from government, non-governmental organizations, business organizations and other stakeholders, Dugguh (2015).

The first goal of the United Nations Agenda for Sustainable Development is targeted at ending poverty by 2030. Out of the six geopolitical regions in the country, the North East Region has the lowest number of businesses. On the contrary, the region has the highest rate of poverty (The World Bank Report, 2023. Poverty makes life very unbearable and is capable of of killing off life and can as well reduce the existence of an individual to a merely scrapping for survival instead of enjoying the fullness of life possible on earth.

Types of Poverty

Odeh (2014), Abubakar, (2002), Wolff (2021) and Adamu, (2022) have separately identified types of of poverty to include the following: multidimensional, absolute, situational, relative, generational, urban, rural, child, structural and transient. Below is a brief explanation of the various types:

Multidimensional Poverty: Omoniyi (2018) and Addae-Korankye (2014) states that multidimensional poverty is not only lack of income, it is a deprivation in health, education, housing and living standards. In Nigeria, multi-dimensional poverty accounts for about 63% of the total population. This is a more modern way of understanding poverty as it combines income, education, healthcare, housing, and access all into one. Someone may not be "poor" in money but may lack everything else: clean water, security, education, and dignity. That's multidimensional poverty, and it's the most realistic way to measure suffering in places like Nigeria. The United Nations and other global agencies now use this model to design better policies. The MPI, which has been used since 2010, is based on three broad dimensions: education (years of schooling and child school attendance; health (child mortality and nutrition); and living standards (access to electricity, sanitation, drinking water, type of floor of dwellings, fuel/gas for cooking and assets
Absolute Poverty: It is defined as a condition in which people lack the basic necessities of life, such as food,clothing, shelter, and healthcare. Absolute poverty is often measured by looking at the percentage of people who live below the poverty line, which is set at an income level that is necessary to meet basic needs. There are different poverty lines from country to country, but the international poverty line is usually set at around $1.90 per day. In 2017, the World Bank reported that 10 percent of the world's population lived in absolute poverty. This means that about 767 million people were living on less than $1.90 a day. Extreme poverty is a more severe form of absolute poverty and is defined as a condition in which people lack the basic necessities of life, such as food, clothing, shelter, and healthcare, and live on less than $1.25 a day. In the same report as in 2017, the World Bank said that 3 percent of the world's population was living in extreme poverty. This means that about 200 million people were living on less than $1.25 a day. Absolute poverty means not having basic necessities for survival, like food, clean water, shelter, or access to healthcare. If someone is living in absolute poverty, they're not just broke, they're at risk of death from hunger, disease, or exposure.

Nigeria, despite being one of Africa's largest economies, faces a high level of absolute poverty. According to estimates by the National Bureau of Statistics, a significant proportion of Nigerians live below the poverty line. Absolute poverty remains a critical global challenge, though progress has been made in reducing its prevalence worldwide. In contrast, Nigeria continues to face persistent and widespread poverty due to structural economic weaknesses, governance issues, and demographic pressures. Addressing absolute poverty requires sustained economic growth, inclusive policies, investment in human capital, and effective governance both globally and within Nigeria.

Situational Poverty: Situational poverty is usually defined as a lack of resources at a particular time. This could be due to an unexpected event, such as an illness, a job loss, a natural disaster, or it could be the result of living in a disadvantaged community. Situational poverty is often temporary, but it can also become chronic if people are unable to find a way out of it. This type of poverty happens because of a sudden crisis or disaster, and it can hit anyone.

Situational poverty is characterized by: Job loss (dismissal, termination, drop in income etc.); Health issues (severe illness, injury, major health expenses); Family changes (death of a primary bread winner, divorce, separation etc) and Natural environmental disasters (flood, fire outbreaks etc). Situational poverty is usually temporary, but it's still damaging, especially if the person does not have a safety net. Many people experienced this during the COVID-19 pandemic when businesses shut down overnight.

Relative Poverty: It is defined as a condition in which people lack the resources to participate fully in society. Relative poverty is often measured by looking at the gap between the rich and the poor. In developed countries, the poverty line is typically set at 50 percent of the median income. This means that if the median income in a country is $50,000, then the poverty line would be set at $25,000. In 2017, the Organization for Economic Co-operation and Development (OECD) reported that 17.2 percent of the population in its member countries lived in relative poverty. This means that about 1 in 6 people in OECD countries were living on less than half of the median income in their country (Jolliffe, et al. 2022).

This one is more common, especially in urban cities. Relative poverty means someone earns or owns far less than others in their society. They may have food and shelter, but they can't afford basic opportunities, like internet, school fees, transport, or good healthcare. Relative poverty refers to a condition where individuals or households have incomes or living standards significantly below the average in a given society. Unlike absolute poverty (which is based on a fixed minimum threshold), relative poverty is context-specific and reflects inequality and social exclusion within a country.

In Nigeria, relative poverty is particularly important because even individuals above the international poverty line may still live far below the average national standard of living.

Northern Nigeria generally experiences higher poverty levels compared to the South, reflecting uneven development. For instance, person in Gombe earning ₦30,000 a month might not be absolutely poor, but compared to rising costs of living, they're relatively poor because they can't fully participate in society. Relative poverty is about social inequality, and it exists even in wealthy countries.

Relative poverty highlights the importance of inequality and social inclusion in understanding poverty. While absolute poverty focuses on survival, relative poverty emphasizes the ability of individuals to live with dignity and participate fully in society. In Nigeria, tackling relative poverty requires addressing structural inequalities, improving access to opportunities and ensuring that economic growth benefits all segments of the population.

Generational Poverty: It is a type of poverty that is passed down from one generation to the next. Generational poverty often results in a cycle of poverty that is difficult to escape. This is because children who grow up in poverty often lack the resources and opportunities that are necessary to break out of it. They may not have access to quality education, healthcare, good jobs, lack of access to resources, and discrimination. As a result, they are more likely to live in poverty as adults. Breaking the cycle of poverty requires breaking down these barriers. Investing in education, healthcare, and social services can help to break the cycle and lift people out of poverty.

Generational poverty happens when families have been poor for two or more generations. It's not just about money, it's about mindset, lack of access, and systems that keep people stuck. Children grow up with no education, no network, and no support. They become adults with limited options, and the cycle continues. Breaking out of generational poverty takes more than hard work. It often requires policy changes, education, and community support.

Urban Poverty: Urban poverty is a type of poverty that is specifically tied to living in an urban area. According to the United Nations Development Programme (UNDP), urban poverty "refers to the condition of people who lack the resources to secure the minimum necessities of life, including food, clothing and shelter" in an urban area. There are a number of factors that can contribute to urban poverty, including a lack of access to education and employment opportunities, poor housing and living conditions, and a lack of access to basic services like healthcare and sanitation. According to the UNDP, there are an estimated 1.4 billion people living in urban areas that are considered to be impoverished (United Nations Development Programme [UNDP], 2024). This represents a significant increase from the estimated 400 million people who were living in poverty in 1990. While urban poverty is a global problem, it is particularly prevalent in developing countries like Nigeria. In fact, according to the World Bank, approximately 60% of the world's urban poor live in developing countries (UNDP, 2024). This is the kind of poverty you find in cities. It's not just about being poor, it's about being poor in an expensive environment.

Urban poor people deal with the following challenges: Overcrowded housing, High food and transport costs, Unsafe neighborhoods, Limited access to healthcare and jobs and so on. Even though cities have more opportunities, the cost of living can trap people in debt or prevent them from ever "catching up" with modern life.

Rural Poverty: Rural poverty is a type of poverty that is specifically tied to living in a rural area. Rural poverty is often caused by a lack of access to essential services and opportunities, such as education, healthcare, and employment. This can be due to a number of factors, including a lack of infrastructure in rural areas, distance from urban areas, and a lack of resources.

According to the World Bank, an estimated 1.3 billion people live in rural areas that are considered to be impoverished. This represents a significant increase from the estimated 700 million people who were living in poverty in 1990. While rural poverty is a global problem, it is particularly prevalent in developing countries. In fact, according to the World Bank, approximately 70% of the world's rural poor live in developing countries (UNDP, 2024). There are a number of initiatives that have been launched in an effort to address rural poverty. The World Bank's Rural Development Strategy is one such initiative that is working to improve the lives of those living in poverty in rural areas. Rural poverty is about isolation and lack of access. People in rural areas might grow their own food, but have no income, lack schools, hospitals, or roads or have limited electricity or internet.

Child Poverty: One of the terrible effects of Nigeria's poverty problems is the result of child poverty. A study made in 2001 from the Harmonized Nigeria Living Standard Survey (HNLSS) and the 2011 Multiple Indicator Cluster Survey (MICS) indicates that 23.22% of children are currently in extreme poverty and 70.31% of children in the country are in overall child poverty (Ozughalu & Ogwumike, 2013). Education, health, nutrition, water, and sanitation are classified as child deprivation in Nigeria. Similarly to the main concentrations of extreme poverty in Nigeria, the majority of child poverty takes place in rural areas rather than urban areas. Action was taken on this problem when rule switched to democratic to fight child poverty and deprivation from the Child Rights Act in 2003, which was intended to guarantee welfare and basic living standards for children in Nigeria. However, the fact that many children are still in poverty and are suffering, the Child Rights Act wasn't as successful as it seemed to be (Ozughalu & Ogwumike, 2013)

Structural Poverty: Refers to long-term, persistent poverty that arises from systemic inequalities embedded in the economic, social, and political structures of a society. Unlike transient poverty (temporary shocks) or relative poverty (inequality-based comparison), structural poverty is deep-rooted and self-reinforcing, making it difficult for affected individuals or groups to escape. Structural poverty is grounded in the idea that poverty is not merely an individual failure but a consequence of institutional arrangements and structural barriers. It is closely linked to development theories that emphasize inequality, dependency, and exclusion.

Institutions such as the World Bank and the United Nations Development Programme highlight structural constraints, like lack of access to education, healthcare, and economic opportunities, as key drivers of persistent poverty. Structural poverty is a major challenge in Nigeria, where poverty persists despite economic growth. Data from the National Bureau of Statistics show that poverty is deeply entrenched in certain regions and populations.

Transient Poverty: Refers to a short-term decline in a household's income or consumption below the poverty line due to unexpected shocks or cyclical factors. Unlike chronic poverty, which persists over long periods-transient poverty is episodic and households may move in and out of poverty over time. In Nigeria, transient poverty is widespread due to economic instability, dependence on informal employment, and exposure to shocks. Many households are not chronically poor but remain highly vulnerable.

Transient poverty highlights the dynamic nature of poverty, where households move in and out of poverty due to shocks and uncertainties. In North East Nigeria, a large segment of the population remains vulnerable to such fluctuations. Therefore, effective policy responses must therefore focus on building resilience, reducing vulnerability, and providing safety nets to prevent temporary shocks from turning into long-term deprivation.

According to the National Bureau of Statistics (NBS) the multidimensional, generational,child, relative and rural poverty are the most prevalent in North East Nigeria.

Determinants of Poverty in North East Nigeria

There is no one cause or determinant of poverty in North East Nigeria. A combination of several complex factors determines poverty. Prominent among these factors include:

a. Low economic growth performance
b. Labour Market Deficiences
c. Policy failures and macroeconomic uncertainties
d. Human Capital Development
e. Migration
f. Ill-health and diseases
g. Unemployment and underemployment
h. Debt burden
i. Level of governance
j. Crime and conflict
k. Insurgency and banditry and
l. Level of governance
m. Unemployment and underemployment
n. Youth laziness

Household Determinants of Poverty

The National Bureau of Statistics (NBS) and Olofin etc (2015) state a number of factors work to determine the annual threshold of poverty per household in North East, Nigeria. This threshold is determined by: age and education of different household members (head); number of income earners; household composition and size; assets owned by household; access to basic social services; sex, ethnicity of head; location variable (rural or urban); sector of employment; remittances to households, individual ability (laziness) begging etc (Manyo, 2025).

Theoretical Framework of EDCs and Poverty Reduction

Although EDCs do not have their specific theories, some theories relating to entrepreneurship, innovation and management are applicable. For this paper, the following theories are essential.

a. ***Human Capital Theory:*** Becker (1964) and Ogwu (2025) emphasis that education, training, and skills acquisition improves individual's productivity and earning ability and capacity which EDCs are capable of providing. This theory is core to entrepreneurial activities.

b. ***Innovation Theory:*** Schumpeter's theory emphasized that entrepreneurs are innovators. They introduce new products, processes, systems, services and markets. Therefore EDCs encourages innovation, creativity and business development. This is in line with the objectives and functions of EDCs.

c. ***Need for Achievement Theory:*** This theory suggests that individuals with strong desire to achieve are more likely to become businessmen and entrepreneurs (McClelland, 1961). EDCs are established to satisfy this need and also help to motivate and develop entrepreneurial attitudes in young people.

d. ***Institutional Theory***: EDCs are institutions established by government and private individuals. These are formal and informal institutions that encourage economic and entrepreneurial activities. North et al (1990) theorized that EDCs serve as institutional mechanisms that support enterprise development and poverty reduction.

e. ***Social Learning Theory:*** Bandura's theory states that people acquire entrepreneurial behaviors through observation, interaction and experience. Therefore, EDCs serve as a hub for mentoring, incubation and practical demonstration.

All the theories mention above are useful in understanding how EDCs operate in Nigeria. From the theories reviewed, the human capital theory has the most impact on entrepreneurship development. This is because it emphasizes training, education and skill-building which directly affects the success of any business. However, the application of the theory depends on the type of business and the prevailing market conditions. The best theoretical approach that works best in any situation is a combination of several theories.

Theories of Poverty Reduction

a. ***Empowerment Theory:*** Zimmerman (2000) argues that empowerment is a value creation and model for understanding the consequences of efforts to exert control over decisions. It states that poverty is reduced when people and communities gain control over resources and decisions that affect their lives. Therefore, people's capacity to make decisions and control their resources must be strengthened.

b. ***Sustainable Livelihood Theory:*** Chambers & Conway (1992) are of the view that building sustainable sources of income and resilience should be the basis for poverty reduction. Therefore, poverty reduction depends on people's ability to access and sustain various livelihood assets and resources.

c. ***Human Capital Theory:*** Becker's (1964) theory focuses on investment in education, skills and training which increase productivity and income thereby reducing poverty. Emphasis in this theory is on expanding people's opportunities instead of focusing only on income generation. Nickolas (2026) asserts that human capital are the skills, knowledge and experience that workers contribute to an economy. Human capital and economic growth have a strong correlation. Therefore, human capital can assist to develop an economy by expanding the knowledge and skills of its people leading to increased entrepreneurship, productivity and GDP growth.

d. ***Basic Needs Theory:*** This theory by Streeten et al, (1981) argues that development in the economy should focus on satisfying basic needs: food, health, education and shelter. The central idea is that there should be access to essential needs required for human well-being.

These theories provide strong foundations for reviewing the contributions of EDCs to poverty reduction through employment creation, training, income generation, innovation and improved livelihoods. The theories are also suitable because the explain directly how EDCs can reduce poverty. While the Capability Approach Theory and the Basic Needs Theory are mostly applied to poverty because the help to explain poverty reduction strategies, systems and processes. Specifically, and most importantly, the review anchored on Human Capital Theory which is the most suitable and widely applied in poverty reduction cases. This is because the primary focus of the theory is on training, skills acquisition, capacity building and enhancing employment opportunities and income generation. In addition to human capacity building, empowerment theory also plats a strong role in poverty reduction, the combination of the two assist in reducing poverty in a region and can be easily sustainable.

Integration of EDCs and Poverty Reduction

From the review, it clear that EDCs and poverty reduction operate as a process. The process is mediated by certain factor like training, income generation, employment creation and innovation. Effective utilization of EDCs would lead to a significant reduction in poverty rate. EDCs provide youth with skills, training, income, additional employment opportunities and innovated and creative ideas that would contribute to the development of the individual and society. If youths are not trained for example, they may not see business ideas to enable them become innovative. As a process, low entrepreneurial activities in EDCs would have adverse contributions to poverty. Therefore, as earlier observed, all entrepreneurial activities in EDCs are generally geared towards poverty reduction.

Conclusion

EDCs have become very important instruments for poverty reduction through the help of entrepreneurship training, skills acquisition, income generation, employment creation, innovation etc. By equipping youths with the necessary knowledge and capacity required for self-employment and business development, these centers contribute to income generation, promote innovation, improve standard of living and ultimately reduce poverty. Therefore, EDCs represent an effective strategy for poverty reduction thus fostering sustainable socioeconomic development. Therefore, funding these centers and making them more accessible is essential for maximum contributions to poverty reduction as existing literature supports the positive relationship between EDCs and poverty reduction in North East Nigeria.

Recommendations

Based on the study, the following important recommendations are made:

a. EDCs should be expanded to cover rural and economically disadvantaged areas where poverty rate is high instead of concentrating them in state capitals and other big towns where tertiary institutions are located. This would create more room for effective participation from youth in rural areas and who might not be fortunate or qualified for admission into higher institutions.
b. Government and other stakeholders should fund these centers adequately, provide the required infrastructure to support EDCs to enhance the quality and effectiveness of their programs. These would make more attractive and comparable to the established in developed countries.
c. EDCs should increase their practical and skills based training methods that equip trainees with the required competencies for business creation, self-employment and wealth generation. This also requires the right mentoring and incubation programs that provides guidance and technical support for graduates in North East Nigeria.

Contribution to knowledge

The paper contributes to knowledge by synthesizing existing literature on the contributions of EDCs to poverty reduction emphasizing how entrepreneurial training, skills acquisition, innovation etc can facilitate income generation and reduce poverty in North East Nigeria. Specifically, the paper shows how training, skills acquisition, innovation, employment creation etc provided by EDCs can enhance the capacity of youths to engage in productive activities and generate income instead of being call “lazy youths”.

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