RURAL DEVELOPMENT POLICY AND THE QUALITY OF LIFE AMONG FARMERS IN OVIA NORTH EAST LGA, EDO STATE

AKINBAYO MONDAY JOHN
SSC2105650

DEPARTMENT OF POLITICAL SCIENCE
FACULTY OF SOCIAL SCIENCES
UNIVERSITY OF BENIN
BENIN CITY,

SEPTEMBER, 2025

RURAL DEVELOPMENT POLICY AND THE QUALITY OF LIFE AMONG FARMERS IN OVIA NORTH EAST LGA, EDO STATE

AKINBAYO MONDAY JOHN
SSC2105650

BEING A PROJECT PRESENTED TO THE DEPARTMENT OF POLITICAL SCIENCE, FACULTY OF SOCIAL SCIENCES, UNIVERSITY OF BENIN, BENIN CITY, IN PARTIAL FULFILMENT OF THE REQUIREMMENTFOR THE AWARD OF B.Sc DEGREE IN PUBLIC ADMINISTRATION

SEPTEMBER, 2025

CERTIFICATION

This is to certify that the research work was carried out by Akinbayo Monday John of the Department of Political Science, Faculty of Social Sciences, University of Benin, Benin City and it is adequate in scope and quality in partial fulfillment of the requirements for the award of B.Sc Degree in Political Science.

____
Dr. Osaretin Idahosa
Project Supervisor

Date: ________________________

____
Dr. G.O. Igiebor
Project Supervisor

Date: ________________________

DEDICATION

This work is dedicated to my heavenly father for his protection and guidance throughout these years.

ACKNOWLEDGEMENT

My profound appreciation goes to God Almighty for the grace and wisdom He gave me in completing this research work. My sincere gratitude goes to my project supervisor, Dr. Osaretin Idahosa for his concern, and constructive criticisms during the programme and while carrying out this research work. Also, I want to thank Prof. Mustapha and all the lecturers in the department of public administration for their diligent knowledge, impaction all through my academic pursuit.

Special appreciation goes to my lovely parents Mr. and Mrs. Akinbayo who have shown me love and supported me financially towards the completion and success of this programme and to all my siblings.

I would also like to appreciate my friends Mr. Stephen and Waheed for their care they have showed me all this years. To God the most high, thank you how would I have lived without you, God, you are faithful. I love you.

TABLE OF CONTENT

ABSTRACT

This research study was centered on the Rural Development Policy And The Quality Of Life Among Farmers In Ovia North East LGA, Edo State. To carry out this research study, the primary and secondary sources of data collection were utilized. To conduct the study, a total of four research questions were formulated thirteen questions were administered to the respondents to collect response from them. The instruments of data gathering is this study is the used of questionnaires which served as primary sources of data while books, journal, internet, libraries and paper presentation served as secondary sources. The findings reveals that the establishments of microfinance banks is primarily to meet the unsatisfied demand created by the inability or unwillingness of the more formal institution to offer to small enterprises and poor household adequate access of their deposit and credit facilities as well as other financial products and services. Lastly, it was recommended that the Agricultural Credit Guarantee Scheme (ACGS) should improve on their conditions for credit guarantee in order to make agricultural financing attractive to commercial banks.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Ovia Northeast local government area is found in Edo state, South-south geopolitical zone of Nigeria. The headquarters of the LGA are in the town of Okada and the LGA is made up of several towns and villages which include Uhen, Okada, Ofunmwengbe, Uhiere, Isiuwa, Oluku, Iguoshodin and Utekon. The LGA has an estimated population of 369,042 inhabitants with the area primarily populated by members of different tribal affiliations such as the Ijaw and Bini ethnic groups. Popular festivals held in Ovia Northeast LGA include the New Yam festival while the notable landmarks in the LGA include the Igbinedion University, Okada and the Okomu oil palm company. Ovia Northeast LGA occupies a total area of 2,301 square kilometres and has an average temperature of 28 degrees centigrade. The LGA witnesses two distinct seasons which are the dry and the rainy seasons with the average humidity level in the LGA put at 52 percent.

Agriculture is an important economic activity in Ovia Northeast LGA with crops such as oil palm, banana, plantain, sugarcane, cassava, and maize. The LGA also hosts industries, hotels, banks, privately owned institutions as well as government owned establishments. Other important economic activities in Ovia Northeast LGA include trade, lumbering. and crafts making.

The part farming plays in changing both the social and economic edge work of an economy can't be over emphasized. Ayoola (2016). The rural areas of Nigeria are inhabited by the bulk of the nation's population; they serve as the base for the production of fibre and raw materials for industries. They are also the major sources of capital formation for the country, and a principal market for domestic manufactures (Eyo, 2015). In general terms, the rural areas engage in primary activities that form the Foundation for any economic development (Asekenye, 2016). Despite this role, rural areas have been unattractive to live in due to the dearth of infrastructures, which are key to agricultural and economic development. Agricultural development is essential for economic growth, rural development, and poverty alleviation in low-income developing countries. Productivity increase in agriculture is an effective driver of economic growth and poverty reduction both within and outside agricultural sectors. Such productivity increase depends on good rural infrastructures, well functioning domestic markets, appropriate institutions, and access to appropriate technology. While the state of rural infrastructure varies widely among developing countries, most lower income developing countries including Nigeria suffer severe rural infrastructure deficiencies.

Deficiencies in transportation, energy, telecommunication, and related infrastructure translate into poorly functioning domestic markets with little spatial and temporal integration. low price transmission, and weak international competitiveness (Isiorhovoja, 2019). Attempts at solving the rural problems in Nigeria had been the concern of the governments over the years, with the implementation of agricultural programmes such as Operation Feed the Nation (OFN); the National Accelerated Food Production Programme (NAFPP) and the Directorate for Food, Roads and Rural Infrastructure (DFRRI) with the aim of improving the quality of rural life. Awoke (2014) attested that the spread of needed infrastructures and introduction of appropriate technology in rural areas would improve rural agriculture and industrial output. Egwu (2016) was also of the opinion that infrastructural facilities constitute a major substance of rural welfare and the provision of such facilities constitutes a major procedure for development of rural communities. According to Hodo (2010) rural infrastructure are physical facilities that enhance rural dwellers' production, distribution and consumption activities and ultimately improve the quality of their lives. These physical facilities are roads (Alimi, 2013), markets, post offices, borcholes, health centre, schools, irrigation facilities and recreational facilities.

1.2 Statement of the Problem

In an effort to check the problem associated the rural development, the federal government through the central bank of Nigeria (CBN) made it mandatory for commercial bank to open and operate branch office in rural areas to help with giving of loan to farmer and improving the quality of life among farmers in rural area. Commercial banks are privately owned banks. The owner purposely establish them for profit making Those commercial banks contributed to the development of rural areas. The amount of finance the banks give to rural areas are small their contribution towards the development of rural areas in minimal.

There are many reason that accounted for this the nature of commercial banks business. They are reluctant to lend to the rural dwellers who in most cases do not have the necessary collateral security that banks require before the rural people are not yet developed and they are not aware of the facilities that are available to them if they become customers of the banks ie having deposits with the banks. They therefore demand little or no finance from the commercial banks and make use of their personal savings for agriculture productivity which hinders high productivity. The absence of insufficient number of co-operative societies in the rural area. Commercial banks because of poor credit worthiness of most rural banks because of most rural customers find it difficult to extend their loans on individual basis and therefore prefer to give it to club (farmer club) and co-operative units. The absence of those clubs and the attitudes exhibited by the rural dweller towards bank loans make it impossible for continued extension of credit. The absence of infrastructural facilities in the rural areas make it repulsive for investors to invest in the areas. Banks are looked upon as if they are responsible for the problem of rural development and so it is their duty to solved these problems for at least operating in these areas,

1.3 Objectives of the Study

The following are the objectives of the study:

a) To assess the impact of microfinance banks' credit on the quality of life among rural farmers in Ovia North East LGA, Edo State.
b) To determine the influence of interest rate on the quality of life of rural farmers in Ovia North East LGA, Edo State.
c) To assess the impact of government expenditure on the quality of life of rural farmers in Ovia North East LGA, Edo State.
d) To assess the effect of Agricultural Credit Guarantee Scheme Fund on quality of life among rural farmers in Ovia North East LGA, Edo State.

1.4 Research Questions

This study revolves around the answering of the following research question.

1. To what extent does microfinance Banks credit influence the quality of life among rural farmers in Ovia North East LGA, Edo State?
2. To what extent does interest rate on banks loans influence the quality of life among rural farmers in Ovia North East LGA, Edo State?
3. To what extent does government spending in budget influence the quality of life among farmers in rural area in Ovia North East LGA, Edo State?
4. To what extent does Agricultural Credit Guarantee Scheme Fund influence the quality of life among rural farmers in Ovia North East LGA. Edo State?

1.5 Significance of the study

The following people will benefit from this study; farmers, researchers, bankers, government officials and investors.

Farmer

The farmer will benefit from this work because the study will look into the problem hindering rural development what is hindering commercial banks from granting loans to them and also assess the extent to which the problem can be solved.

Banks

The research will also be useful to the banks (commercial) as it will proffer possible solutions to ease their phobia on agricultural borrowing.

Government

The research also will be beneficial to the government and its agencies as it will prescribe possible solutions that will relieve it from unnecessary agricultural intervention.

Investors

The investors which are also beneficiaries of this study, this will help encourage the high net worth individual or organizations to invest in agriculture.

1.5 Scope of the Study

The scope of this research study covers all farmers in Ovia North East LGA, Edo State. For our empirical field study, farmers will be randomly chosen from selected communities on Ovia North East LGA, Edo State

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The chapter reviewed different literatures regarding commercial bank lending policies/ as strategies regards to rural development policy on the quality of life among farmers and it duties on the agricultural sector. Also, its assesses different institutional frame works put in place by the government i.e. central bank of Nigeria to promote economic development.

2.2 Rural Population

According to World Bank Group, (2014) rural population means people living in rural areas as defined by national statistical offices. It is generally determined by calculating the difference between total population and urban population, Nigeria is predominantly a quarter of Nigerians dwell in towns or urbanized settings (Stephen, rural and less than a q 2016). Nigeria is the most populous nation in sub-Saharan Africa with a population of 140 million (National Population Census, 2007).

As at 2013, the nation's population is estimated to be 158.4 million out of which the rural population is 78,528,437 (Mafimisebi, 2016). It is evident in literature that rural infrastructure has been neglected in Nigeria since the colonial era. According to Toby (2014),this has negatively affected the profitability of agricultural production. For instance, lack of rural roads impedes the marketing of agricultural commodities, prevents farmers from selling their produce at reasonable prices, and leads to spoilage. Limited access of farmers to the above facilities, as noted above, cuts small-scale farmers off from sources of inputs, equipment and new technology. This keeps yields low returns every year to tackle the problem of hunger and lack in Nigeria.

Attempts to solve the above problems have been the concern of government over the years. This, among other reasons informed the creation of Agricultural Development Programmes in rural areas in Nigeria. However, the impact of the programmes on rural population in Ovin North East, Edo State has never been discussed in the academic literature. This study intends to fill this gap in knowledge.

2.3 The Concept of Agricultural Finance on Quality of Life Among Farmers

Agricultural financing has endured an incredible set back in Nigeria. Possibly this is due to the statistic that agricultural loaning is considered to be more perilous, challenging and unprofitable relative to other sectors (Mafimisebi, 2016). The commercial banks which are the main conventional financial institutions are basically not interested in agricultural finance (Udoh, 2012). In the days of sectorial allocation, the agricultural sector was favoured and banks obeyed because of the consequences involved of which some of the banks even preferred to pay than to obey (Yakubu, 2014). Thus, the Nigerian agricultural sector which is significantly made up of peasant agriculturalists depends more on the informal sources of fund for credit supply. These include: cooperatives, community development associations, thrift associations, family, friends and money lenders (Odigbo, 2011). Ogen (2014) in his contribution asserted that the informal sources cannot meet the credit needs of the farmers adequately. Consequently, in order to enhance credit flow to the sector, the government established the Nigerian Agricultural Cooperative Bank (NACB) now the Nigerian Agricultural Cooperative and Rural Development Bank (NACRDB) in 1973

However, with the establishment of the NACRDB the challenge of poor credit supply to the agricultural sector was yet unabated. This is indication amongst others that the budgetary allocation of NACRDB was insufficient for the credit needs of the agricultural sector (Baji, 2020). According to Winters (2018), in an attempt to address this issue, the government established the Agricultural Credit Guarantee Scheme (ACGS) in 1977 to encourage commercial banks to increase credit supply to the agricultural sector by providing guarantees against inherent risk in agricultural lending.

Obilor (2013) asserted that despite several years of the establishment of the Agricultural Credit Guarantee Scheme (ACGS), the level of commercial bank involvement in credit distribution to the agricultural sector is yet uncertain. Nigeria as a country with highly diversified agro-ecological endowment, is yet relying on massive importation of basic food items and industrial raw materials, it is ironical

2.4 Agricultural Financing Policies in Nigeria

Macroeconomic policies that tend to promote growth of the sector, such as credit-channeling financial policies, price stabilizing monetary and exchange rate policies, and farm incentive laden fiscal policies including tax exemptions for agricultural businesses, duty-free import of farm machinery, etc. Nigerian agricultural policy provides, among others, for adequate financing of agriculture. The role of finance in agriculture, just like in the industrial and service sectors, cannot be over-emphasized, given that it is the oil that lubricates production.

Public expenditure on agriculture has, however, been shown not to be substantial enough to meet the objective of the Government agricultural policies (IFPRI, 2008). For a developing country with a mono-product oil economy such as Nigeria's, inadequate financing of agriculture portends great danger for many reasons. For one, fluctuating food prices are a precursor of inflation. Secondly, from the expenditure approach to national income accounting, it is likely that Engel's Law that a large chunk of expenditure in developing economies goes to food holds, meaning that shocks to the domestic agricultural production and supply could be damaging to price stability. There is also the perspective of food security, in an era when food has been used as a weapon of war (United Nations Oil for Food Deal in Iraq) and as bargaining tool (Olagunju, 2018), even within Nigeria, the Federal military Government during the Nigeria - Biafra war used food blockade as tool of war. The objective of agricultural financing policies in Nigeria is to establish an effective system of sustainable agricultural financing schemes, programmes and institutions that could provide micro and macro credit facilities for the micro, small, medium and large scale producers, processors and marketers.

Policy is said to be an intervention, a course of action taken by government, or management (in the case of an organization) or, better still, an individual, to influence or arrive at predetermined outcomes. The Federal Government of Nigeria (FGN) did recognize the importance of the agricultural sector early enough, so it decided to pursue policies that promote access to finance and financial infrastructure for agricultural production, with the ultimate aim of achieving the country's developmental goals. The reasons for government intervention in the agricultural financial market are to:

Smoothen out imperfections in the agricultural financial market. The agricultural financial market (also the rural financial market) exists to facilitate exchange, a platform for the reconciliation of demand for and supply of capital for agriculture and rural development. Often times, the market is constrained by certain factors such as information asymmetry, moral hazard, adverse selection, etc. from performing its roles effectively. Government then intervenes to iron out those imperfections and create a more Pareto-optimal environment for market players.

Ensure food security. Since finance is critical for investment in agricultural production, either in form of equity or debt, government intervention in form of expenditure on credit to farmers, direct production, etc., is to guarantee that food is available and affordable. There is the realization that securing access to cheap food for Nigerians would ensure social stability and lessen reliance on food imports which supply can be cut at any time depending on prevailing global political and economic conditions or similar conditions in the exporting countries.

Achieve favourable balance of payments. A high food import bill exerts pressure on the foreign reserves of the country, leading to its depletion. This adversely affects the balance of payments and hence, the international position of the country. Whereas we have been endowed with abundant land resources and farming-friendly climate, just a little push in the direction of other resources, including financial capital, is all that is needed to boost production and reduce dependence on food imports. The government intervenes to ensure that this happens, thereby saving foreign reserves for the more productive use.

Promote foreign exchange earnings from agricultural exports. Government policies on agricultural financing aim at, first, ensuring self-sufficiency in food production and then, exporting the surplus to earn foreign exchange. So, not only does government actions help reserve foreign reserves to improve our balance of payments position, it also stimulates accretion to the reserves.

Enhance other socio-economic issues, such as poverty reduction, employment generation, reduction in rural-to-urban migration and especially, food price stability since it is known that food price fluctuations are the precursor of inflation in developing countries. This follows from Engel's Law, which states that a higher proportion of income in developing countries is spent on food. And since income elasticity of demand for food is highly elastic, it is easy to see why expenditure on food is large enough to cause inflationary trends in the economy.

Use finance as engine of growth and development since the major occupation of the people is farming. It is expected that a farmer encouraged with credit will be in position to improve his operation, use improved implements, seeds, livestock, manpower, transportation and markets for sale of the output and purchase of inputs at good market price. Moreover, the farmer will reap the economies of scale, discover new and cheaper products, create demand where none exists and farming-friendly climate, just a little push in the direction of other resources, including financial capital, is all that is needed to boost production and reduce dependence on food imports. The government intervenes to ensure that this happens, thereby saving foreign reserves for the more productive use.

Promote foreign exchange earnings from agricultural exports. Government policies on agricultural financing aim at, first, ensuring self-sufficiency in food production and then, exporting the surplus to earn foreign exchange. So, not only does government actions help reserve foreign reserves to improve our balance of payments position, it also stimulates accretion to the reserves.

Enhance other socio-economic issues, such as poverty reduction, employment generation, reduction in rural-to-urban migration and especially, food price stability since it is known that food price fluctuations are the precursor of inflation in developing countries. This follows from Engel's Law, which states that a higher proportion of income in developing countries is spent on food: And since income clasticity of demand for food is highly elastic, it is easy to see why expenditure on food is large enough to cause inflationary trends in the economy.

Use finance as engine of growth and development since the major occupation of the people is farming. It is expected that a farmer encouraged with credit will be in position to improve his operation, use improved implements, seeds, livestock, manpower, transportation and markets for sale of the output and purchase of inputs at good market price. Moreover, the farmer will reap the economies of scale, discover new and cheaper products, create demand where none exists and provide utilities to satisfy a widening market, generate in him the optimism and determination to venture into new fields. Through this, credit will constitute the power or key to unlock latent talents, abilities, visions and opportunities, which will lead to economic development and growth among the rural farmers who benefited from government credit policies.

2.5 Challenges of Agricultural Financial Policies

These challenges have been the reason for failure of previous policies, and they continue to threaten existing ones.

1. Lack of adequate skills to deliver services effectively. Most of the credit institutions undertook lending to agriculture without the use of trained agricultural credit officers vested with knowledge of agriculture and the constraints to farmer performance. Additionally, supervision of credit programmes has often been below acceptable standards. Invariably, the schemes fail due to poor repayment performance.
2. Low management capacity of farmer-clients. Most farmers who should benefit from the financing policies, especially the financing schemes, lack the basic skills of farm management, including record keeping. And when these are called up as requirement for accessing facilities, as is always the case, they become ineligible.
3. Unwillingness of conventional banks to support agriculture. Even with mandatory (preferred sector) lending, guarantee of exposure and subsidized fund schemes, provide utilities to satisfy a widening market, generate in him the optimism and determination to venture into new fields. Through this, credit will constitute the power or key to unlock latent talents, abilities, visions and opportunities, which will lead to economic development and growth among the rural farmers who benefited from government credit policies.

2.6 Challenges of Agricultural Financial Policies

These challenges have been the reason for failure of previous policies, and they continue to threaten existing ones.

1. Lack of adequate skills to deliver services effectively. Most of the credit institutions undertook lending to agriculture without the use of trained agricultural credit officers vested with knowledge of agriculture and the constraints to farmer performance. Additionally, supervision of credit programmes has often been below acceptable standards. Invariably, the schemes fail due to poor repayment performance.
2. Low management capacity of farmer-clients. Most farmers who should benefit from the financing policies, especially the financing schemes, lack the basic skills of farm management, including record keeping. And when these are called up as requirement for accessing facilities, as is always the case, they become ineligible.
3. Unwillingness of conventional banks to support agriculture. Even with mandatory (preferred sector) lending, guarantee of exposure and subsidized fund schemes, of these farmers often have cumbersome procedures which soon prove insurmountable.
4. Save for the RRF, most policies does not favour long gestation farm enterprises. This leaves much to be desired as the implication is that the major agricultural exports which are long gestation crops such as oil palm and cocoa may not be rehabilitated soon.

5. Undue political interference in lending operations. Any time Government initiates a credit policy, most beneficiaries are those close to corridors of power. The result is diversion of the fund and default in repayment
6. Government belief that the appropriate interest rates for agricultural loans be kept low to promote agricultural development and to assist small farmers ends up in the hands of big farmers who now invest this fund in their farm business leaving their own funds free for investment outside farming thereby negating the intention of government to increase agricultural output and encourage adoption of new technologies as well as develop the rural areas.

Credit flowing into unproductive areas leads to policy dislocation or distortion.

Example, River Basin Development Authority building an irrigation facility in an irregular flowing river which is not likely to produce the necessary water for irrigation. Or the same scheme engaging in food production with unnecessary high overhead costs.

The most challenging is the issue of inconsistency and lack of continuity as well as insider abuse in the implementation of policies.

A lack of credit facilities has always been regarded as a major problem of small scale farmers and other micro-entrepreneurs in Nigeria, as in most developing countries worldwide. This has been attributed to the non-availability of collateral securities and inadequate information that prevented this category of people from accessing credit facilities. Nigerian farmers in recent times have witnessed immense involvement of microcredit institutions by accessing credit facilities without demands for collaterals and at concessionary rates of interest. Hence, micro-credit schemes in Nigeria are becoming popular, and agricultural credit options are changing and expanding with innovative products in which farmers are offered different alternatives:

2.7 Agricultural Finance through Bank Lending

The recent global crisis, along with revitalized and growing debate over the role of agriculture amid food crisis and food price increases has opened a new chapter for discussion of development banks serving rural areas (Eke, 2015), which is the home of small scale farmers in Nigeria. Development banks have a central role to play in the development of rural finance and it is widely accepted that without them, rural finance cannot develop or serve the neediest rural dwellers. While capital is not the only factor that allows for the growth or creation of enterprises, it is the most vital as without it. creativity, drive, and innovation cannot be transformed into material actions.

Rural finance, which includes the range of retail and wholesale institutions, have the capacity or potential to offer financial services to the poor and extremely poor. This is commonly referred to as "microfinance". From the 1990s, many donors including the World Bank (IBRD/WB), International Fund for Agricultural Development (IFAD), and Food and Agriculture Organization (FAO) increasingly focused on the sustainable and large scale delivery of financial services for the poor, especially small loans for both farm and off farm activities, savings and micro insurance services, and more recently remittance transfer services (Blair, 2018). In Nigeria, banking services are available to about 40% of the population and more than 70% of the poor do not have access to formal finance (Akinleye, 2019). Access to well-designed financial services can help small scale farmers build assets, engage more effectively with markets, and reduce their vulnerability to crisis, especially when access to services is planned as part of household livelihood strategies and sustained over time.

It should be noted that the impact of these schemes on the small scale farmers are debatable and unclear, although the popular belief even among small-scale farmers is that the following agricultural financing schemes are inaccessible to them. Besides, it is rather difficult to identify, policy wise, who the small scale farmer is in Nigeria. Also, the multiplicity of institutions and schemes should be jettisoned for one functional and effective agricultural credit and insurance institution each that can deliver services to all farmers, whether small, medium or large in scale.

Agriculture in Nigeria is the most dominant sector and major source of livelihood for the majority of the population. It accounts for about 70% of employment and in spite of this Egwu, (2016) say it has not been able to achieve the major objectives of agricultural development which the World Bank (1997) identified to include:

(1) increase food production and firm income, (ii) make household food, water and energy secure and (iii) restore and maintain the natural resources. They stated that the failure of agriculture to meet these objectives is due to limited use of purchase inputs and mechanization. This limitation is tied to undercapitalization or lack of credit (Isiorhovoja, 2019).

However, since the availability of adequate credit is central to improvement in agricultural production in the economy, the Federal Government of Nigeria prioritized the agricultural sector, and direct the commercial banks through the Central Bank of Nigeria (CBN) to devout a certain percentage of their loanable fund to the sector. To encourage the commercial banks to meet this target, the CBN introduced the Agricultural Credit Guarantee Scheme (ACGS) in 1977 to guarantee credit disbursement by commercial banks to the sector. The loan amount was raised and the guarantee rate was raised to 75% against default payment of loans.

However, despite this incentive and others, the agricultural sector contribution to the total Gross Domestic Product (GDP) is still very low. However, to enhance an increase in agricultural contribution, farmers have to adopt a capital - intensive strategies and this call for an additional demand for credit. Therefore, the aim of this paper is to determine what commercial bank credits are needed in the next ten years (between years 2003- 2012) that would guarantee an increase in agricultural sector contributions to the total GDP of the country.

Asekwnye (2016) define a commercial bank as a monetary institution owned by either government or private businessmen for the purpose of profit. In pursuit of the profit, the bank undertakes a number of functions. One of these functions is the acceptance of deposits from the public, these deposits are in turn given as credit to trade industry, agriculture etc. which lead to more production and employment (Eke, 2015). According to Hodo (2012), credit is the amount extended out with a future date of repayment. The NDIC prudential guidelines of 1990 however, provides a wider definition of credit, and this includes aggregate of all loans, advances, overdraft, commercial papers, bankers' acceptance, bills discounted, leases and guarantees (NDIC, 1990). Agricultural credit on the other hand is defined as credit granted to farm and ranch operators to assist in planting and harvesting crops to support the feeding and care of livestock Credit to agricultural sector could take the form of an overdrall, short-term, medium-term or long-term depending on the purpose and gestation period of the project Such credits granted to farmers to purchase inputs are paid directly to the suppliers who must furnish the with evidence of this is to diversion of fund, which is common with Nigerian fanners (Izuchukwu, 2011).

Discussing the importance of credit to agricultural sector, Alimi (2013) posited that it reactivates, expands or modernizes all types of agricultural enterprises which are considered economically feasible and desirable to the achievement of stated economic goals of self-sufficiency in agricultural production. While Alimi (2013) reported that such credit removes financial constraints faced by farmer as it provides incentives to adopt new technologies that would otherwise be more slowly accepted. Thus the availability of credit enables farmers to switch quickly to new technologies which enable the achievement of rapid productivity and growth.

In comparison with some countries, Nigeria's banking sector credit to the private sector cannot be applauded. Nigeria's bank credit to the private sector remains the least, from 2002 to 2007, among other countries like South Africa, Tunisia, Morocco and Egypt While bank credit to the private sector in Nigeria increased from 18.4% of nonoil GDP in 2002 to 31.4% of nonoil GDP in 2007, that of South Africa increased from 62.4% of GDP in 2002 to 92.1% of GDP in 2007. Commercial banks' loans and advances to the economy of Nigeria occur in four broad activity areas including production (agriculture, forestry and fishery; manufacturing. mining and quarrying; real estate and construction), general commerce (bills discounted, domestic trade, exports, and imports), services (public utilities, transport and communications, credit to financial institutions), and others (government, personal and professional, and miscellaneous). Data from CBN indicate that the total commercial banks loans and advances to these four broad activity areas increased from approximately N2 trillion in the year 2000 to approximately N28 trillion in 2008.

A detailed analysis of the sectorial distribution of commercial banks' loans and advances reveals that while manufacturing and mining/quarrying received about N2, 904 billion and N2, 645 billion respectively in 2008, agriculture received only N521billion also in 2008. In terms of significance, agriculture's share of total commercial banks' loan and advances to the economy declined from 8% in 2000 to 2% in 2008. Due to the high transaction cost of dealing with numerous small lenders scattered in remote and sometimes inaccessible areas of the country, agricultural credit is seen as a risky business by commercial banks. meagre flow of credit to agriculture reflects the poor attractiveness of agriculture organized private sector in Nigeria. Another indication of the poor resource flows to the agricultural sector is that only a paltry sum of N6.5 billion in 2008 was guaranteed under the Agricultural Credit

2.8 Causes of Credit Risks in Agricultural Financing

Credit risk-delinquency and default - is the main risk that commercial banks face in lending to firms in the agricultural sector. Agricultural firms (i.e. farms) are prone to pure and price risks, which may impinge on their ability to repay loans from banks. The pure risks of agricultural firms include crop and livestock failure, which may be due to poor yield, pest and disease outbreak, and physical or mechanical damage to farm produce

Natural disasters such as drought, flood, wind and fire can also damage farms and yields. The price risk of farm firms, on the other hand, include fluctuations in input and output prices which may cause variability in business value and impinge on the ability of such firms to meet loan obligations to banks.

Empirical studies have produced a variety of reasons for loan default. Egwu (2016) identified the principal cause of loan default in Kwara State as loss of production due to natural calamities. He found that educated borrowers and landowners repaid loans more promptly than uneducated and tenant borrowers. Okorie (2018) identified poor project supervision, evaluation and management; untimely loan disbursement; diversion of funds; and dishonesty of loan beneficiaries as causes of loan default. A study in India found that defaults were, by and large, willful and mostly large borrowers were responsible (Awoke, 2014).

Studies have shown that big farmers have to be major beneficiaries of agricultural credit throughout the world. According to the Izukwukwu (2011), "it is common to find 70 to 80 per cent of small farmers in a given country with virtually no access to such credit". In Nigeria. big farmers have benefited mostly from official farm credit programs and they have also been the greatest defaulters. Given the variety of reasons for credit risks in bank lending to the agricultural sector, it may be necessary to classify them into three broad sources: causes at borrower level, at financial institution level, and at economy level. Such a classification offers a quick checklist and guide to Credit Risk Managers of banks in dealing with credit risks emanating from bank lending to agricultural firms.

2.8 Theoretical Framework

2.8.1 The Credit Creation Theory

The credit creation theory of banking according to this theory, over time bank balance sheets and measures of the money supply tend to show a rising trend in time periods when outstanding bank credit grows unlike with the financial intermediation theory. where only existing purchasing power can be re-allocated and the money supply does not rise. Supporters include Eke (2015), Eyo (2016), and others. There were more supporters of this theory in the era of widespread bank note issuance by commercial banks, but our concern here is with writers that considered individual banks to be creators of credit and money even if they do not engage in note issuance. The most authoritative writer supporting this theory is Alimi (2013), who was a banking expert and barrister at law. His influential work, published in many editions until well into the 20th century (the quotes are from the 6th edition of 2016), emphasises the importance of considering accounting. legal and financial aspects of banking together. Based on an analysis of the legal nature of bank activity he concluded: "Nothing can be more unfortunate or misleading than the expression which is so frequently used that banking is only the "Economy of Capital," and that the business of a banker is to borrow money from one set of persons and lend it to another set. Bankers, no doubt, do collect sums from a vast number of persons, but the peculiar essence of their business is, not to lend that money to other persons, but on the basis of this bullion to create a vast superstructure of Credit, to multiply their promises to pay many times: these Credits being payable on demand and performing all the functions of an equal amount of cash. Thus banking is not an Economy of Capital, but an increase of Capital; the business of banking is not to lend money, but to create Credit: and by means of the Clearing House these Credits are now transferred from one bank to another, just as easily as a Credit is transferred from one account to another in the same bank by means of a cheque. And all these Credits are in the ordinary language and practice of commerce exactly equal to so much cash or Currency (Eyo, 2015)". "...the Credit (the banker] creates in his customer's favour is termed a Deposit. (Hodo, 2012). "These banking Credits are, for all practical purposes, the same as Money. They cannot, of course, be exported like money: but for all internal purposes they produce the same effects as an equal amount of money. They are, in fact. Capital created out of nothing" (Bliar, 2018). Macleod's message was spread far and wide by Akinleye (2013). who was a prolific writer about this topic and for many years editor of the Economist: "In old times, when a customer went to a banker for a loan, the banker, if he agreed, handed him out so many of his own notes; now when a customer goes to a banker for a loan, the banker gives him a credit in his books, Le adds to the deposits on the liability side of the balance sheet" (Eke, 2015).

According to the credit creation theory then, banks create credit in the form of what bankers call 'deposits, and this credit is money. Another influential proponent of this theory was Ijaiya (2000): "The function of the banker, the manufacturer of and dealer in credit, is to select from the gamut of plans offered by entrepreneurs... enabling one to implement their plans and denying this to another" 8 (Ogen, 2014). Raji (2020) argued against the alternative theories of banking: "this alters the analytic situation profoundly and makes it highly inadvisable to construe bank credit on the model of existing funds being withdrawn from previous uses by an entirely imaginary act of saving and then lent out by their owners. It is much more realistic to say that the banks create credit", that is, that they create deposits in their act of lending, than to say that they lend the deposits that have been entrusted to them. And the reason for insisting on this is that depositors should not be invested with the insignia of a role which they do not play.

The theory to which economists clung so tenaciously makes them out to be savers when they neither save nor intend to do so, it attributes to them an influence on the 'supply of credit which they do not have. The theory of credit creation not only recognizes patent facts without obscuring them by artificial constructions; it also brings out the peculiar mechanism of saving and investment that is characteristic of fully fledged capitalist society and the true role of banks in capitalist evolution" (Toby, 2014) US supporters of this theory include Muhammed (2019) and Nwankwo (2013): "...bank do not lend their deposits, but rather, by their own extensions of credit, create the deposits" (Muftaudeen, 2014). "Banks do not loan money. They loan credit. They create this credit and charge interest for the use of it. It is universally admitted that the old State Banks that created credit in the form of bank notes, created currency- and our modern system of creating credit in the form of "Deposits" which circulate in the form of bank checks, is doing exactly the thing-creating currency. "All this in effect nullifies the National Banking Act, which provides for National Bank Currency based on US Government Bonds, and also the act levying an annual tax of 10% on all State Bank Currency.... "The public little realizes to what an extent Bank Credit, circulating in the form of bank checks, has supplanted all other circulating media. In 95% of all the business done in the United

States, the payment are made in bank checks and in only 5% is any cash used; and of this 5% an infinitesimal traction only is gold (Ogen, 2014).

"The introduction of bank notes was useful in weaning the public from the use of gold and silver coins, and prepared the way for the introduction of Bank Credit as the means of payment for commodities. As a result of this evolutionary process, the checks drawn and paid in the United States amount to between two hundred billion and two hundred and fifty billion dollars a year. It is clear that it would be a physical impossibility to do this amount of business by the use of gold coin. There is only about eight billions of gold money in the world, of which amount less than two billions of dollars are in the United States. "The banks have created fifteen billions of dollars of credit by discounting the notes of merchants and manufacturers, and crediting the proceeds to the borrower's account under the head of Deposits. As a result, the borrower is enabled to draw checks and pay his debts with them (Toby, 2014). Swedish economist Gustav Cassel (2013) pointed out that "In practice, deposits are also created and constantly fed by the bank's granting advances to its customers, either by discounting bills or by making loans and then crediting the clients with the amount in their accounts" (Nwankwo, 2013). An important difference to the fractional reserve theory of banking is the use of singular in the above sentence: it is one bank that is able to create deposits. Mafimisebi (2016), mirroring Macleod's (2016) exposition, also argued that banks create money out of nothing.

The early Keynes was another prominent supporter of the credit creation theory. praising it enthusiastically in the early 1920s as an "almost revolutionary improvement in our understanding of the mechanism of money and credit and of the analysis of the trade cycle, recently effected by the united efforts of many thinkers, and which may prove to be one of the most important advances in economic thought ever made" (Akinleye, 2019). Keynes gives the impression of a recent convert whose eyes had been opened. In his Treatise on Monetary Reform (2014) Keynes was also unambiguous about the ability of banks to expand or diminish "the volume of credit quoted" (Agunuwa, 2015); "The internal price level is mainly determined by the amount of credit created by the banks, chiefly the Big Five; ... The amount of credit, so created, is in its turn roughly measured by the volume of the banks' deposits-since variations in this total must correspond to variations in the total of their investments, bill-holdings, and advances"

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter describes the procedure to be employed in the study. The element of study include research design, population of the study, sample and sampling techniques, method of data collection and method of data analysis

3.0 Research Design

The survey research design was adopted for this study. This is because the design was considered an appropriate way of collecting and analyzing data from a few respondents to represent the entire population when the entire population under study is large (Omorogiuwa, 2016)

3.1 Population of the Study

The population of the study comprises of 265 farmers from Iyowa Community. Ovia North East LGA. Edo State (Farmers' Cooperative Society, lyowa)

3.2 Sample Size and Sampling Technique

The sample of the study was drawn using the formula suggested by Krejcic and Morgan (1970) for determining the sample size for research activities. In this regard the sample Size is 150

The research employed random sampling technique to draw the sample size from the population of the study

3.4 Instrument for Data Collection

The instrument for data collection was a Questionnaire. It consisted of two parts Section A and Section B. Section A elicited background information about the respondents

Section B obtained information on the factors affecting effective service delivery in the organization. It was rated using a 4-point likert of Strongly Agreed (SA). Agreed (A). Disagreed (D). Strongly Disagreed. The response to the items in the questionnaire will be collected and tabulated

3.6 Reliability of the Instrument

3.7 Method of Data Analysis

The data collected were analyzed using simple percentage in a tabular arrangement, while the research question was analyzed using the chi-squared.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter dealt with the presentation and analysis of data generated from the respondents. The chapter was divided into four sections; section one presents the demographic characteristics of the respondents. Section two dealt with the presentation of the analysis of data generated from the research instrument (questionnaires), while section three is the presentation of hypotheses testing of the study. Each of the items was accompanied with the theoretical implications of such data. Finally, section four of this chapter dealt with the discussion of findings which was accompanied with a diagrammatic model of the findings proposed by the researcher. Out of two hundred questionnaires administered only 150 were retrieved from the respondents. This 90% (percentage) response. The tables below illustrate the demographic data of the respondents of the study.

4.2 Demographic Data

Table 4.2.1 Distribution of Respondents Based on Age

Age	Frequency	Percentage
18-24	40	29.6
25-34	49	36.3
35-44	35	25.9
45 and above	135	100.0

Source: Field Survey, 2023

From table 4.2.1 above, 40(29.6%) of the respondents were between 18-24 years old, 49(36.3%) were between 25-34 years, 35(25.9%) were between 35-44years while 11(8.1%) were between 45 years and above.

Table 4.2.2 Distribution of Respondent Based on Religion.

Religion	Frequency	Percentage
Christian	78	57.8
Islam	55	40.7
Traditional	2	1.5
Total	135	100.0

Source: Field Survey, 2023

From table 4.2.2 above 78(57.8%) of the respondents were Christians, 55(40.7%) were Muslims while 2(1.5%) were traditionalists

Table 4.2.3: Distribution of Respondents Based on Level of Education

Level of Education	Frequency	Percentage
Primary School	5	3.7
Wassce/Neco	52	38.5
HND/B.Sc`	73	54.1
M.Sc	5	3.7
Total	135	100

Source: Field Survey, 2023

From the table above, 73(54.1%) of the respondents have only primary school certificate, 52(38.5%) have WASSCE/NECO, 5(3.7%) possess HND/B Sc. while only 5(3.7%) of the respondents have M.Sc.

4.2.4 Distributions of Respondent Based On Ethnic Group

Ethnicity	Frequency	Percentage
Hausa/Fulani	8	5.9
Igbo	42	31.1
Edo	80	59.3
Yoruba	5	3.7

Total	135	100

Source: Field Survey, 2023

Table 4.2.4 shows that 8(5.9%) of the respondents were Hausa/Fulani, 42(31.1%) were Igbo, 80(59.3%) were Edo while 5(3.7%) were yoruba's. From the above, it is obvious that most of the were Edo.

4.3.0 Distributions of Responses From Questionnaires

The tables below illustrate the distributions of responses contained in section B of the questionnaire. These questions revolve around rural development policy and the quality of Life among Farmers in Ovia North East

Table 4.3.1 The activities of microfinance bank have empowered Farmers in Ovia North East LGA. Edo State

Responses	Frequency	Percentage
Strongly disagree	24	17.8
Disagree	26	19.3
Agree	53	39.3
Strongly Agree	32	23.7
Total	135	100

Source Field Survey, 2023

Table 4.3.1 above shows that 24(17.8%) of the respondents strongly disagreed that a microfinance banks have empowered farmers in ovia north east, 26(19.3%) disagreed also. However, 53(39.3%) of the respondents agreed that commercial banks have empowered farmers while 32(23.7%) strongly agreed to that.

Table 4.3.2: Operations of microfinance bank have significantly influenced economic development among Farmers in Ovia North East LGA, Edo State

Responses	Frequency	Percentage
Strongly disagree	19	16.0
Disagree	27	19.1
Agree	47	31.7
Strongly Agree	42	28.1
Total	135	100

Source: Field Survey, 2023

From table 4.3.2 above, 19:16.0%) of the respondents strongly disagreed that microfinance bank have significant influence the economic development among farmers in ovia north east, 27(1996) disagreed about it, 47(31.7%) of the respondents agreed, while 42128 1%) strongly agreed to it

Table 4.3.3 There is a significant relationship between the activities of microfinance bank and quality of life among Farmers in Ovia North East LGA, Edo State.

Responses	Frequency	Percentage
Strongly disagree	63	46.7
Disagree	33	24.4
Agree	27	20.0
Strongly Agree	12	8.9
Total	135	100

Source: Field Survey, 2023

From table 4.3.2 above, 19:16.0%) of the respondents strongly disagreed that microfinance bank have significant influence the economic development among farmers in ovia north east, 27(1996) disagreed about it, 47(31.7%) of the respondents agreed, while 42128 1%) strongly agreed to it

Table 4.3.4: Microfinance banks has given financial empowerment to farmer, some of whom are now fully independent in their respective businesses.

Responses	Frequency	Percentage
Strongly disagree	36	26.7
Disagree	49	35.6
Agree	40	30.3
Strongly Agree	10	7.4
Total	135	100

Source: Field Survey, 2023

Table 4.3.4 above shows that 36(26.7%) of the respondents strongly disagreed that microfinance banks has given financial empowerment to farmer, some of whom are now fully independent in their respective businesses, 49(35.6%) disagreed, 40(30.3%) of the respondents agreed while 10(7.4%) strongly agreed to that.

Table 4.3.5 Microfinance banks contributed significantly to poverty reduction and improved quality to life among farmers in Ovia North East LGA, Edo State

Responses	Frequency	Percentage
Strongly disagree	23	17.0
Disagree	26	19.3
Agree	55	40.7
Strongly Agree	31	23.0
Total	135	100

Source: Field Survey, 2023

Table 4.3.4: above shows that 36(26.7) of the respondents strongly disagreed that microfinance banks has given financial empowerment to farmer, some of whom are now fully independent in their respective businesses, 49(35.6%) disagreed, 40(30.3%) of the respondents agreed while 10(7.4%) strongly agreed to what.

Table 4.3.5: Microfinance banks contributed significantly to poverty reduction and improved quality of life among farmers in Ovia North East LGA, Edo State

Responses	Frequency	Percentage
Strongly disagree	23	17.0
Disagree	26	19.3
Agree	55	40.7
Strongly Agree	31	23.0
Total	135	100

Source: Field Survey, 2023

Table 4.3.5 above shows that 23(17.0%) of the respondents strongly disagreed that Microfinance banks contributed significantly to poverty reduction and improved quality of life among farmers in Ovia North East LGA, Edo State, 26(19.3%) disagreed, 55(40.7%) of the respondents agreed while 31(23.0%) strongly agreed to that

Table 4.3.6 Activities of Microfinance banks have improved literacy level in farmers.

Responses	Frequency	Percentage
Strongly disagree	24	17.0
Disagree	14	10.4
Agree	68	50.4
Strongly Agree	30	22.2
Total	135	100

Source: Field Survey, 2023

Table 4.3.6 above shows that 23(217.0%) of the respondents strongly disagreed that Activities of microfinance banks have improved literacy level in farmers.. 14(10.4%) disagreed, 68(50.4%) of the respondents agreed while 30(22.2%) strongly agreed to that

4.3 Discussion of Findings

From the results and discussion afore, it emerged that the role of microfinance bank have significantly enhance the socio-economic development of farmers because viable approach to sustainable growth and development lies in the financial and economic advancement of small scale trader and rural dwellers in Nigeria. Findings has show that Operations of microfinance bank have significantly influenced economic development among Farmers in Ovia North East LGA, Edo State and there is a significant relationship between the activities of commercial bank and quality of life among Farmers. The finding has also made us understand that commercial banks is very relevant to the rural development and the quality of life among farmers in ovia north east local government area of Edo State

CHAPTER FIVE

SUMMARY CONCLUSION AND RECOMMENDATION

5.0 Introduction

In this chapter, the result of all the analysis is presented and the findings are shown both the theoretical and empirical findings, researcher's contribution to knowledge and suggestion for further studies is shown in this chapter. The results are associated with the various objectives set out in chapter one of the study. Conclusions are drawn and necessary recommendations made from the research findings.

5.1 Summary

In this chapter, the researcher has studied in details what rural farmers say concerning the commercial bank to rural development. The microfinance bank financial resources have been considered as a tool for rural economic development and reduction of poverty among farmers in Ovia North East LGA. Edo State through the provision of affordable loans in other to enhance their standard of living with minimum interest rates The broad objectives of this study is to examine the rural development policy and the quality of life among farmers in Ovia North East LGA. Edo State and also to assess the extent to which commercial banks institutions successfully help the poor to improve their standard of living in Ovia North East.

The design of this research study is descriptive and survey in nature. A sample size of 135 was drawn from the population. Simple percentage was used to analyze and verify the research questions raised.

Findings reveals Operations of microfinance bank have significantly influenced economic development among Farmers.

5.3 Conclusion

Base on the analysis carried out in the previous chapter, it is very obvious that microfinance banks has contributed immensely to reduction of poverty among rural farmers. It has assisted in mobilizing idle resources at the local and rural levels of the economy, commercial banks culture have been imbibed into the rural populace and this has yielded returns on investable funds.

5.4 Recommendations

a) In the light of the above findings, the following recommendations are therefore proposed: The government should subsidized interest rate to the agricultural sector and stop fuel subsidy, as this will provide more benefit to the society than the fuel subsidy.

b) The Agricultural Credit Guarantee Scheme (ACGS) should improve on their conditions for credit guarantee in order to make agricultural financing attractive to commercial banks.

c) The government should strengthen the agricultural credit guarantee scheme by meaningful budgetary allocation in order to enhance its capital base significantly.

d) The government should formulate policies that will encourage the banks to give loans to farmers at a concessionary interest rate.

e) Also, the government should make deliberate efforts to expand its agricultural expenditure by increasing its financial grants to agricultural firms and small scale farmers.

f) The lending institutions should make efforts to grant agricultural loans at the proper time to farmers who met the conditions. Late release of loan to a farmer leads to loan diversion/ misuse which have been established to be a major cause of poor loan repayment.

References

Akinleye S. O, Akanni K. A and Sekumade A. B. (2019). "An appraisal of the Agricultural Credit Guarantee Scheme in Nigeria". Journal of Agricultural Management and Rural Development, Vol 2, pp 51-68.

Adeniji, O.B and Joshua, AO (2018). "Evaluation of Loan Disbursement and Repayment of Supervised Credit Scheme of Nigeria Agricultural Cooperative and Rural Development Bank(NACRBD) in Zaria and Kaduna North Local Government Areas of Kaduna State, Nigeria.". Journal of Agriculture and Social Research (JASR) 6,3-9.

Agunuwa, Ekokotu Vincent, Iny, Lucky (CNA), Proso, Timothy. (2015), Impact of Commercial Banks Crdeit on Agricultural Productivty in Nigeria. International Journal of Academic Research in Business ans Social Sciences, 1-4.

Akinleye S. O. Akanni K. A and Sekumade A. B. (2019). "An appraisal of the Agricultural Credit Guarantee Scheme in Nigeria". Journal of Agricultural Management and Rural Development, 3, 51-67.

Alimi, S R. and Ofonyelu, C.C. (2013). "Toda-Yamamoto Causality Test between Money Market Interest Rate and Expected Inflation: The Fisher Hypothesis Revisited". European Scientific Journal,, 7-9.

Anyanwu A, A. (2013). Mobilization of domestic financial resources for agricultural productivity in Nigeria. Australian Journal of Business and Management Research 3.1-4.

Asekenye, F. (2016). Practice of Banking london collins publishing compny.

Awoke, M. U. (2014). Factors affecting loan acquisition and repayment patterns of small holder farmers in Ika North West of Delta State, Nigeria Journal of Sustainable Agricultural Resources,, 59-63.

Ayoola, G. B., and Oboh, V. U. (2016). A model of public expenditure to reveal the preference for agriculture in the budget. Journal of Rural Economic Development, 54-60.

Blair, Roger D. and Arnold A. Heggestad,. (2018). "Bank Portfolio Regulation and the Probability of Bank Failure, A Note, ". Journal of Money, Credit and Banking 5, 88-93.

Bank Credit and Agricultural Output in Nigeria. (2015). British Journal of Management & Trade 5, 3-6.

Egwu, P. N. (2016). Impact of Agricultural Financing on Agricultural Output, Economic Growth and Poverty Alleviation in Nigeria. Journal of Biology. Agriculture and

Healthcare 2-3. Eke, P. N. (2015). Bank Credit and Agricultural Output in Nigeria. British Journal of Economics, Management & Trade, 3-6.

Eyo, E. (2015), "The Agricultural Credit Guarantee Scheme (ACGS)". CBN Bullion, vol 10, 10.

Hodo, Ahmed Idoko, Apch, Sunday and Adesina, Sheri. (2012). Government

Expenditure on Agriculture and Agricultural Output in Nigeria (1995-2010).. Journal of Agriculture and Veterinary Sciences,6, 3-6. Ijaiya G.T. and Abdulraheem A. (2000). "Commercial Banks Credits to the Agricultural Sector and Poverty Reduction in Nigeria: A Calibration Analysis". Nigerian

Journal of Agricbiz and Rural Development, University of Uyo, pp 2-4 Isiorhovoja, RA and Chukwuji, CO. ((2019)) "Effects of the Operations of the Agricultural Credit Guarantee Scheme Fund on Cash Crops International Journal of Rural Studies (IRS) vol. 16, pp 1-7

Izuchukwu, 0-0 (2011). Analysis of the Contribution of Agricultural Sector on the Nigerian Economic Development World Review of Business Research, 1-110

Johnson, H. J. (2014). Prospect Theory in the Commercial Banking Industry. Journal Of Financial And Strategic Decision 3, 2-5

Kishan, R. and Opiela, T. (2000). "Bank size, bank capital and the bank lending channel". Journal of Money, Credit and Banking 7, pp 5-7.

Matimisebi, T. (2016). "Trend performance in credit financing of rural business activities in Nigeria: A case study of community banks in Ibadan, Oyo State". International Journal of Agriculture and Rural Development 6, 56-60.

Muftaudeen, Olamide O, Hussainatu, Abdullahi. (2014). Macroeconomic policy and agricultural output in Nigeria: Implications for Food Security.. American Journal of Economics 19, 53-67.

Muhammad Amjad Saleem, Dr Farzand Ali Jan. (2019). The Impact of Agricultural credit on Aggricultural Productivety in Dera Ismail Khan European Journal of Business and Management, 2-3.

Nwankwo, O. P. (2013). Agricultural Financing in Nigeria. An Empirical Study of Nigeria Agricultural Co-operative and Rural Development Bank. Journal of Management Research, 5-8.

Odigbo A, A. (2001). Economic Infrastructure and National Devolvement. CBN Annual Monetary Policy Conference on Growing the Nigeria Economy (pp. pp 45-50) Abuja CBN Annual report.

Obilor, S. L. (2013). The Impact of Commercial Banks' credit to Agriculture on Agricultutal Development in Nigeria An Economic Analysis. International Journal of business, Humanities and Technology 3, 86-88.

Ogen, O. (2014), "Agriculture and Economic Development in Malaysia, 1960-1995: A Viable Model for Nigeria". Journal Economic and Financial Studies... pp 8-10.

Olagunju, F. I. (2018). Evaluation of the Operational performance of the Nigerian Agricultural cooperative and Rural development bank (NACRDB) in south western Nigeria. Journal of Agricultural economics and rural Development.. 56-57

Raji, M. A. (2020). An analysis of the determinants of Agricultural credit approval loan size by commercial Banks in South Western Nigeria. Journal of Nigerian Development Studies, 1(1), 5-18.

Stephen O.U.Uyacbo, Yakubu A. Ballo, Babatundee S. Omotosho, Suleiman Karu,

Satumari A. Steohen, Raymond O. Ogabuka, Balarabe F. Usman Oluwaseun D

Mimiko. (2016) Testing the Fisher Hypothesis in the Presence of Structural

Breaks and Adaptive Inflationary Expectation CBN Journal of applied Statistic, 15-17.

Toby, Adolphus J, Peterside, Deborah B. (2014). Analysis of the role of banks in financing the agriculture and manufacturing sectors in Nigeria. International Journal of Research in Business Management. 7, 7-12.

Udoh, EJ, Omonona, B.T. and J.O. Akintola (2012) "Estimating growth, instability induces and levels of association in number and value of loans guaranteed under the ACGSF in livestock and crop sub-sectors". Tropical Journal of Animal Science.. 131-140.

Winters, P., A. Janvry, E. Sadoulet and K. Stamoulis, (2018). The Role of Agriculture in Economic Development: Visible and Invisible Surplus Transfers. Journal of Development Studies, 12-18.

Yakubu and A.Y. Affoi. (2014). An Analysis of Commercial Banks' Credit on Economic Growth in Nigeria. Current Research Journal of Economic Theory, 2-3,

QUESTIONNARE
DEPARTMENT OF PUBLIC ADMINISTRATION,
FACULTY OF SOCIAL SCIENCES,
UNIVERSITY OF BENIN,

BENIN CITY,

SECTION A (Bio Data)

INSTRUCTION: Please tick appropriately in the box/column as [√]

a) Sex: Male [ ] Female [ ]

b) Education Qualification: SSCE/WASC [ ]. OND/Diploma [ ]. HND/BSC Degree[], Others [ ] 4. Marital Status: Single [ ], Married [ ], Divorced [ ]. Widowed [ ]

SECTION B

Key:

Strongly Agreed

SA A

= Agreed

U = Undecided

D

SD

Disagreed

Strongly disagreed

S/N

Items

SA

AUD

SD

The activities of microfinance bank have empowered

6.

Farmers in Ovia North East LGA, Edo State

7.

Operations of microfinance bank have significantly influenced economic development among Farmers

Ovia North East LGA. Edo State

There is a significant relationship between the

8.

activities of microfinance bank and quality of life among Farmers in Ovia North East LGA, Edo State

Microfinance banks has given financial empowerment

to farmer, some of whom are now fully independent in

their respective businesses

9.

12.

Microfinance

banks

contributed

significantly to

poverty reduction and improved quality of life among farmers in Ovia North East LGA, Edo State

13

Activities of Microfinance banks have improved

literacy level in farmers.