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**FINANCIAL INCLUSION OF THE STRATEGIC  
POSITIONING OF THE CRITICAL RURAL AREAS OF THE  
NIGERIA ECONOMY FOR SURVIVAL IN THE 21<sup>ST</sup>  
CENTURY**

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**ABSTRACT**

*The research on the financial inclusion of the strategic financial positioning of the critical rural areas of the Nigeria economy for survival in the 21<sup>st</sup> century was carried out with the view to determining the effect of financial inclusion of the rural dwellers on the economic growth of Nigeria. GDP was used to proxy economic growth while Internal Security, Education, Health Maintenance, Agriculture Support and Road Construction were used to proxy independent variables. Internal Security, Education and Road Construction show positive relationship while Health and Agriculture show negative relationship, though, they were all insignificant. The study hereby concludes that Government should improve on the financial inclusion of the rural dwellers to ensure sustainable development.*

**Keywords:** *Internal Security, Health, Agriculture, Road Construction and Education.*

## **INTRODUCTION**

One of the projected financial bail-out of the Nigeria Economy for survival in the 21<sup>st</sup> Century is the financial inclusion of the critical rural area of the nation. The grass root solution seems to be of great importance in providing solution to the dwindling economic situations. This was established in the work of Lu and Yadong (2012), which revealed that rural finance is the center of the modern rural economy. The study disclosed that the level of economic and social development in rural areas lagged far behind the city. The study posited that the income gap between urban and rural residents is growing and that one of the important reasons for the problems is the serious financial weakness in rural areas. In addition, Oyakhilomen and Zibah (2014) stated that agriculture which largely a rural activity is one of the sectors that cannot be ignored in Africa, if there is to be a sustainable growth.

Meanwhile, the work of Egwemi and Odo (2013) cited some scholars that affirms that the vast majority of Nigerians live in the rural areas of the country, where basic facilities are either inadequate or totally lacking in varying degrees as reported as follows; 70% by Aderonmu (2010); 75% by Abubakar (2009); 73% by Dauda and Aderonmu (2010); by Presidential Committee Report (1999). The study indicated that the statistics vary in terms of the actual number of people in the rural areas.

Moreover, this was further affirmed by Melece and Oec (2015) which confirmed that it is widely accepted that there is backwardness of well-being of the inhabitants of rural areas or territories. Rachana (2011) also affirmed that the report carried out by Rangarajan viewed financial inclusion as a comprehensive and holistic process of ensuring access to financial services and timely and adequate credit, particularly by vulnerable groups such as weaker sections and low income groups at an affordable cost. The study opined that financial inclusion according to the Committee should include access to mainstream financial products such as bank accounts, credit, remittances and payment services, financial advisory services and insurance facilities. This study is hereby embarked upon to determine the likely effect of financial inclusion on the rural dwellers.

### **The Problem, Objectives, Sub-problem and the Hypotheses of the Study**

The study was embarked upon to determine the effect of financial inclusion positioning of the rural dwellers on the economic performance of the country in the 21<sup>st</sup> century.

The major problem of the study shall be “how has financial inclusion, in terms of internal security, education, health, agriculture, and road construction influence growth of the rural dwellers towards economic survival of the rural areas. This was carried out by fulfilling the following.

**Objectives:**

- (1. Ascertain the effect of internal security on the economic growth.
- (2. Determine the effect of education on the economic growth.
- (3. Examine the effect of health maintenance for rural dwellers on economic growth.
- (4. Ascertain the effect of agric support for rural dwellers on economic growth.
- (5. Determine the effect of road construction for rural dwellers on economic growth.

The research hypotheses for this work shall be quoted in null terms as below:

- (i. Internal security of rural dwellers has no significant influence on the economic growth
- (ii. Education of rural dwellers has no significant influence on the economic growth
- (iii. Health maintenance of the rural dwellers has no significant influence on economic growth.
- (iv. Agricultural support for rural dwellers has no significant influence on economic growth
- (v. Road construction for rural dwellers has no significant influence on economic growth.

**REVIEW OF RELATED LITERATURE**

This aspect of the study showcases the work of different scholar with the view to understand their opinion in order to adequately situate the current research work. The variable of concern for review are financial inclusion, strategic positioning and rural development.

***Review of Concepts and Variables***

Dupas, Green, Keats and Robinson (2012) stated that financial inclusion means access to finance and financial services for all in a fair, transparent and equitable manner at an affordable cost. This study assumed that the transparency and equitable distribution of essential resources can enhance the productivity of the economy. Christabell and Vimal (2012) view “financial inclusion” as gaining

importance and hence defined as the process of ensuring access to financial services and timely and/or adequate credit needed by vulnerable groups such as weaker sections and low income groups at an affordable cost.

Equally, Gardeva and Rhyne (2011) as cited by Mago and Chitokwindo (2014) described that the full financial inclusion is a state in which all people who can use financial facilities have access to a suite of quality financial services, provided at affordable prices, in a convenient manner, and with dignity for the clients. The study assumed that issue of ability to use the system has a direct bearing on adoption of the facility. The majority of the research respondents in all income groups indicated that mobile banking is easy to use as depicted.

Egwemi and Odo (2013) affirmed that rural development is gaining wide recognition as a strategy for accelerating social and economic progress among developing countries in the pursuit to tackle poverty and underdevelopment. The study reveals that in Nigeria, the trend is demonstrated by the sequential governments' commitment to be more responsive to the needs of the people through deliberate efforts mobilized to eradicate or reduce to the barest minimum, the social and economic ills that persist in diminishing the quality of life in the communities.

Okerefor, Ogungbangbe and Anyanwu (2015) opined that strategic positioning is the act of designing an organization's (or a country's) offering and image to occupy a typical place in the minds of a target market or a process in which firms or countries try to create a perception in the consumers' minds as to where a brand or product fits in relation to competition. Okerefor, et. al., (2015) opined that the result of positioning is the successful creation of a market-focused value proposition. By implication, the financial positioning can be described as the act of creating the scenarios of relevance for the rural dwellers so that they can actively contribute to the development of the economy.

Adegboye (1973) as cited by Egwemi and Odo (2013) sees rural development as the development of rural people in such a continuous manner as to enable them to most effectively and efficiently utilize their intelligence, technology and other resources for further development of themselves and others. Correspondingly, the south African Rural Development Framework (SARDF) defines rural development as helping rural people set the priorities in their own societies through effective and representative bodies by providing the local ability, investment in basic

infrastructure and social services, justice, equity and security, dealing with the injustices of the past and ensuring safety and security of the rural population.

### ***Theoretical Review***

This study is anchored on the Growth Theory as postulated by Richard in economics who posited that the law of production is anchored on increase in labor and capital. Furthermore, the study seeks to employ the neo-classical theory by Robert Solow having a model to depict this theory in the real sense of growth. The Adam Smith work on Wealth of the Nation is also of relevance as the specialization of factors as argued by him is capable of bringing forth growth, especially in the developing countries, which can be likened to a replica of the rural areas in an economy.

For any economy to be sustained the rural areas must be well developed as to generate a good percentage of its GDP hence the need to recognize the theory of sustainability. An economy characterized by sustainability could be said to be able to hold on to its forth, over a long period of time. According to Lynam and Herdt (1989), the concept of sustainability as the capacity of a system to maintain output at a level approximately equal to or greater than its historic average, with the approximation determined by the historical level of variability. In this study this definition goes to determine the extent to which the application of strategic financial is able to sustain the rural areas as it ought to be (see also Daily & Ehrlich, 1992; Basiago, 1999).

Another theory upon which this study hinges is the dependency theory, which suggests that any nation that wishes to survive and have growth must have an element of dependence on other nations as well for its survival. This in line with this study which affirms that the survival of a nation is the coordination of all sectors and areas for growth and development.

### ***Empirical Review of Related Studies***

Various studies have been conducted in relation to the effect of strategic financial positioning as a critical element for equitable growth in the rural areas. The following are those that are related to the current studies of financial inclusion of the strategic financial positioning and its relationship to economic growth as its affect rural dwellers.

Rachana (2011) stated that India has been ranked 50 out of 100 countries based on the Index of Financial Inclusion. The study revealed that only 34% of the India's

population has access to basic banking services. The study was carried out to understand the extent of financial inclusion in rural areas, reasons for low inclusion, satisfaction level of the rural people toward banking services and to assess the performance of the banks which are working in the rural areas which mainly include the co operative banks and regional rural banks. Structured questionnaire designed on the basis of literature review was used to collect data from 200 people residing in Ambasan, Jotana and Khadalpur villages of Gujarat. The study analyzed the data with the help of Chi-square test and tabulation followed with the discussion of analysis, recommendations and conclusion indicating that there is lot of opportunity for the commercial banks to explore the rural unbanked areas. Though Regional Rural Banks (RRBs) and Primary Agriculture Credit Societies (PACS) have good coverage but most of them are running into losses. The study positioned that Commercial banks should seize the opportunity rather than looking at it as a social obligation.

Dupas, Green, Keats, Robinson (2012) stated that financial inclusion means access to finance and financial services for all in a fair, transparent and equitable manner at an affordable cost. This study assumes that the transparency and equitable distribution of essential resources can enhance the productivity of the economy.

Cnaan, Moodithaya and Handy (2012) revealed that financial inclusion and exclusion has recently been emphasized as an important policy option aimed at alleviating poverty, minimizing social exclusion and enhancing economic growth. The study reviewed the growing interest in financial exclusion and inclusion, define them and demonstrate their existence in developing and developed countries. The studies empirical focus on whether financial inclusion has been successfully implemented in four (4) sites in rural South India, where banks claimed that financial inclusion is complete. The study unfolded that many rural people in South India are financially included and that the concept of financial inclusion is more complex than usually depicted. The study showed that social and personal deprivation contributes to financial exclusion and should be viewed as key barriers to financial inclusion. It equally suggested that financial inclusion is not a monolithic phenomenon and should be studied in a multilayered fashion, ranging from having a bank account to making full use of modern financial instruments.

Christabell and Vimal (2012) revealed that the responsibility of meeting the credit needs in the rural areas of India was entrusted primarily with the cooperative sector and later to the commercial banks. It stated further that one of the major objectives

of the nationalization of major commercial banks in 1969/1980 was to improve the flow of formal institutional credit to rural households. The study opined that despite the fact that the decision was ambitious and laudable one, bank credit did not reach the poor people in adequate quantum. The work revealed that the financial sector reforms that begun in 1992 have been systematically moved away from the social objective of the banking sector. The study exposed that the formal financial sector in India is shifting banking” to “super-class banking”. Despite the fact that banking sector has witnessed tremendous changes in recent periods in terms of technological advancements, internet banking, online money transfers, etc, “financial exclusion” is a reality. The study hereby dealt with how the mechanism of microfinance can enable the financial inclusion of hitherto excluded population, especially the women, into the formal financial sector.

Lu and Yadong (2012) analyzed the strengths, weaknesses, opportunities and threats of development of the five rural banks in Heilongjiang province using Strength, Weaknesses, Opportunities and Threat (SWOT) analysis. The study revealed that economic advantages and banks advantages lay the foundation for development of rural banks. It opined that the weaker earning ability, the larger operating risk and the absence of effective regulation become the restraints for moving forward. The study revealed that support policies, current demand and shortage of financial supply create the condition for the development of rural banks. The study concluded that the competition of other financial institutes, activity of private lending and credit risk pose threats to development of rural banks.

Mago and Chitokwindo (2014) examined the impact of mobile banking on financial inclusion in Zimbabwe. They posit that financial inclusion is an urgent issue because of great numbers of ‘unbanked’ people in developing countries. Also, the unemployed and low income people find themselves excluded from financial services offered by financial institutions due to access barriers. The study adopted a qualitative research methodology and a survey design and the survey covered Masvingo district in Zimbabwe. Literature sources were also used to strengthen the field survey findings. The results of the study revealed that the low income people are willing to adopt mobile banking and the reasons are that it is easily accessible, convenient, cheaper, easy to use and secure.

Recommendations were made to show that there is need for the Central Bank to supervise non-bank led mobile banking models and manage their cash holding limits and cost structures such that the poor people who have been traditionally

located in the informal sector where they hardly enjoy banking services will have access to facility and now enjoy the same basket of financial services through mobile banking. The study affirmed that the mobile banking system is definitely ideal for the remote areas given that it is an easily accessible, cheaper, more convenient and faster means of sending and receiving money. This will increase financial activity in the rural areas and therefore economic growth shall be boosted.

Yusuf and Dansu (2013) stated that Small and Medium Scale Enterprises (SMEs) are critical to the Economic Growth and Development of Nigeria but added that this can only be possible in a risk free operating environment. The study observed the relationship between business risks and the sustainability of SMEs in Nigeria and revealed that SMEs face a number of risks that requires objective and conscious risk management efforts. Primary data were generated from fifty (50) SMEs in Lagos State and Data analysis with hypotheses testing were done with the use of Chi-square and descriptive statistics. The result revealed that standard risk management strategy by SMEs will result to their sustainability. Yusuf and Dansu (2013) recommended that entrepreneurs should consider risk management as an integral part of business management while regulators should insist on minimum corporate governance standards for SMEs.

Kim and Ismail (2013) examined the principles of self-reliance as critical elements to the overall sustainable development of the rural economy by drawing examples from Nigeria. The study debated that there is a need for a different model for development in traditional, mostly rural communities which avoids creating overdependence on foreign aid and allows for the empowering of local people to trust in their own capabilities and spirit. Kim and Isma'il (2013) opined that self-reliance as an alternative to the western model if properly understood and applied can bring hope for a brighter and more justifiable future.

Iorakpen (2014) divulged the fact that contributions of small business enterprises to any economy globally cannot be overstressed. The study opined that they are considered as the engine of growth and development of countries due to their contributions to the manufacturing subsector, diversification of output, and reduction of unemployment, which are immense. Iorakpen (2014) stated that the quick adoption and adaptation of technologies and reduced capital intensiveness by small business enterprises provides an effective means of mitigating rural- urban migration.

The study was carried out to evaluate the survival strategies that will ensure sustained growth of small and medium enterprises in Nigeria. Primary data were applied in carrying out the research work. Chi square method was employed to analyze the data which gave the results that buttressed that creativity is a strategy for the survival of small business enterprises in Nigeria. The results of the study indicated that high risk taking is a strategy for the survival of SMEs in Nigeria and that the areas of opportunities for business are a panacea for the survival of SMEs in Nigeria. The study recommended that prospective entrepreneurs should only go into business after taking a realistic view of their strengths and weaknesses and drawing up a well thought out business plan. Moreover, Government should provide infrastructures necessary to encourage and promote the growth and development of SMEs in Nigeria.

Okerefor, Ogungbangbe and Anyanwu (2015) identified that a competitive economy is one where the productivity level determines the rate of return investors can obtain in it. The study opined that it is the one in which the economy is likely to sustain economic growth and development, enhance the productivity of nations for the general well-being of the citizenry. The study stated that from the analysis carried on Nigerian economy for the 21st century, several factors have shown that the economy is not globally competitive. Some of the reasons for the poor competitiveness status of the economy are: macroeconomic instability, infrastructural failure, weak public institutions, poor quality of manpower, and slow pace of technological development among others.

The study concluded that there has to be some sort of —structured national efforts directed at building institutions, enacting sustainable policies and restructuring the Nigerian economy in the light of emerging domestic and global challenges. The study hereby recommended immediate development of Agriculture, Solid Minerals, Tourism and the Service sectors of the economy. Also, the study suggested that the private sector should be supported to develop as the engine of growth to drive the economy. Explicitly, Nigerian government must invest heavily to upgrade infrastructure, reduce corruption, and develop the capacity to acquire modern technology through emphasis on science and technical education, and other knowledge resources required to meet the challenges of the 21st century.

Melece and Oec (2015) stated that the growth of modern economic systems has generated more numerous, complex and urgent social challenges. The study was to clarify the term (definition) and meaning of social innovations and to determine the types of social innovations in the rural areas. The results of study show that the

definition of social innovation is still vague. Despite the social innovation being defined and interpreted differently, it provides the social benefits for both local community and/or society in general. The study substantiated that when accepting broader description of social innovation, it was concluded that social innovation is not the same as social entrepreneurship. Although, social innovations, particularly in the rural areas, focus on successful solution of different social, economic, political and environmental issues. The study opined that the social benefits, for instance, reduce the threat of climate change (e.g. reducing greenhouse gas emissions); maintain the biodiversity, ecosystems and landscapes; offer fresh and healthy local food etc., can be provided by the social innovations based on the agricultural production and other rural activities. The study hereby recommended that the following social innovations will be suitable for Latvia: sustainable or environment friendly agricultural production; local food systems; social or care farming; social services; renewable (e.g. bioenergy); ecosystem services (int. al. tourism) and recreation services; cooperation; local action groups and financial services.

## **METHODOLOGY**

Ex-post facto research design was adopted for the study, due to the nature of data employed. The study evaluates the effect of strategic financial positioning of the rural dwellers on the economic performance of the country in the 21<sup>st</sup> century by using data that covers the selected variables of 30 years between 1986 and 2016 respectively. The study employed secondary data to perform descriptive analysis of the variables. The data was sourced from CBN Statistical Bulletin of 2016, for the purpose of achieving the set objectives of the study. The analysis was carried out using e-view 9. This was use to regress GDP as dependent variable on the financial inclusion in terms of Internal Security, Education, Health, Agriculture and Road Construction.

The study uses Gross Domestic Product (GDP) to proxy economic growth, which is the dependent variable while, Internal Security, Education, Health, Agriculture and Road Construction were used to proxy strategic financial positioning in terms of financial inclusion as independent variable. The mathematical representation of the model is as follows:

$$Y = f(X)$$

Where:

Y= GDP (Economic Growth)

X = SFP (Strategic Financial Positioning)

The independent variable can further be divided into smaller  $x_1$ ,  $x_2$ ,  $x_3$ ,  $x_4$  and  $x_5$  such that;

Where:

$x_1$  = IS ( Internal Security)

$x_2$  =Ed (Education)

$x_3$  = H(Health)

$x_4$  = Ag (Agriculture)

$x_5$  = RC (Road Construction)

The equation can thereby be represented as:

$$Y = \beta_0 + \beta_1 IS + \mu \text{-----} \quad \text{Model 1}$$

$$Y = \beta_0 + \beta_1 Ed + \mu \text{-----} \quad \text{Model 2}$$

$$Y = \beta_0 + \beta_1 H + \mu \text{-----} \quad \text{Model 3}$$

$$Y = \beta_0 + \beta_1 Ag + \mu \text{-----} \quad \text{Model 4}$$

$$Y = \beta_0 + \beta_1 RC + \mu \text{-----} \quad \text{Model 5}$$

## RESULTS AND DISCUSSION OF FINDINGS

The study on strategic financial positioning and economic growth was embarked upon using secondary data from CBN statistical bulletin. The study was carried out with the aim to establish relationship between strategic financial positioning in term of financial inclusion and economic growth as represented by Gross Domestic Products (GDP). The analysis is based on the regression model using E-view version 9.

### Model Fit of $R^2$ and adjusted $R^2$

The output of R-square 0.619625 indicates that 61.96% of the variance in the dependent variable could be accounted for by the change in independent variable. This figure describe the nature of the model and confirmed the model fit, since the greater percentage of the variance can be traced to the variables in the study.

### Data Presentation

Variable	MODEL			
	Coefficient	Std Error	T	Prob.
Constant	5.402300	0.635298	8.503569	0.0000
EDU_	-0.013408	0.010906	1.229344	0.2392

AGR_	0.071985	0.026763	2.689751	0.0176
HLT_	0.010181	0.025841	0.394000	0.6995
INT_SEC_	-0.012681	0.010793	-	0.2596
RD_	-0.006395	0.017956	-	0.7270
<b>R-Square: Overall</b>	0.619625			
<b>F-Test</b>	7.190132			0.00158*

### Objectives with Related Questions

This is an aspect of the research work that validate all the objectives, research questions and hypotheses vis-a-vis the a-priori expectation of the study.

#### Objective 1

To ascertain the effect of internal security on the economic growth.

#### Research Question 1

To what extent has the internal security influence the economic growth?

#### Research Hypothesis 1

Internal security of rural dwellers has no significant influence on the economic growth.

#### Result Interpretation

$$Y = 5.402300 - 0.012681$$

From the above, there is a negative relationship between economic growth and internal security of the rural dwellers and the probability of 0.2596 indicates that there is no significant relationship between the variables which implies that the change or increase in economic growth is not explained by the internal security of the rural dwellers. Even though, it has inverse relationship, the relationship is not significant.

#### Objective 2

To determine the effect of education on the economic growth.

#### Research Question 2

At what level does education support influence economic growth?

#### Research Hypothesis 2

Education of Rural dwellers has no significant influence on the economic growth.

#### Result Interpretation

$$Y = 5.402300 - 0.013408$$

From the above, there is a negative relationship between economic growth and education of the rural dwellers although, the probability of 0.2392 indicates that there is no significant relationship between the variables which implies that the change or increase in economic growth is not explained by the level of education of the rural dwellers. Besides, it indicates that it is a cost center. That is the fund spent on education does not have positive influence on the economy.

### **Objective 3**

To determine the effect of health maintenance for rural dwellers on economic growth.

### **Research Question 3**

At what level health maintenance for rural dwellers is economic growth influenced?

### **Research Hypothesis 3**

Health maintenance of the rural dwellers has no significant influence on economic growth.

### **Result Interpretation**

$$Y = 5.402300 + 0.010181$$

From the above, there is a positive relationship between economic growth and Health maintenance of the rural dwellers. Equally, the probability of 0.6995 indicates that there is no significant relationship between the variables which implies that the change or increase in economic growth is not explained by the level of Health maintenance of the rural dwellers. This can be inferred that there has not been any meaningful contribution from Government to the health sector of rural dwellers.

### **Objective 4**

To determine the effect of agric support for rural dwellers on economic growth.

### **Research Question 4**

At what level agric support for rural dwellers is economic growth influenced?

### **Research Hypothesis 4**

Agric support for rural dwellers has no significant influence on economic growth.

### **Result Interpretation**

$$Y = 5.402300 + 0.071985$$

From the above, there is a positive relationship between economic growth and Agric support of the rural dwellers. Equally, the probability of 0.0176 indicates

that there is significant relationship between the variables which implies that the change or increase in economic growth could be explained by the level of Agricultural support of the rural dwellers. This can be inferred from the trivial financial allocation to support agricultural sector that should constitute the main factor that the economy should depend on.

### **Objective 5**

To determine the effect of road construction for rural dwellers on economic growth.

### **Research Question 5**

At what level of road construction for rural dwellers is economic growth affected?

### **Research Hypothesis 5**

Road construction for rural dwellers has no significant influence on economic growth.

### **Result Interpretation**

$$Y = 5.402300 - 0.006395$$

From the above, there is a negative relationship between economic growth and Road construction of the rural dwellers and, the probability of 0.7270 indicates that there is no significant relationship between the variables which implies that the change or increase in economic growth is not explained by Road and construction of the rural dwellers. This is quite obvious from the demonstration from the Government by not putting the roads that can make the rural dweller to have financial inclusion in place. Hence, it becomes difficult to bring the product of the rural dwellers to where it can be paid for. Production becomes discouraged and efforts are frustrated.

### **Discussion of Findings**

The adjusted  $R^2$  of 0.619625 of the analysis is an indicator of positive significance that is, in overall, all the predictors have strong relationship with the dependent variables. This is equally supported by the probability of 'f' statistics of 0.00158, which equally states that they are all significantly related. Going through the analysis by each variable, it was discovered that Internal Security of the rural area has a negative relationship with GDP that is the economic growth of the country. This implies that the increase in internal security will result to increase in spending to the Government and thereby reduce the economy growth if not adequately supported by other income generating centers. By implication, it is advisable for

the Government to take into consideration the security of the rural community because this will aid their productivity and enhance growth in economy.

In the same vein, the Education of the people in rural area has negative relationship with economic growth of Nigeria as a whole, it is therefore pertinent that the increase in the Education condition of the rural area will out rightly discourage rural to urban migration that is affecting the production level of the rural dwellers which in effect affect the contribution of the rural dwellers to the GDP of Nigeria. On the other hand health maintenance has positive relationship with the GDP that is, as the health maintenance is supported it will influence the cash inflow of the nation and vice versa. Although, this can be leveraged on the fact that that the nation has not taken into adequate consideration the health position of the rural dwellers. We can infer that Government should take appropriate measure to develop the rural area health care facility because this will promote the level of efficiency in production.

Following from the submission of Lu and Yadong (2012), who opined that the establishment of rural banks is a useful exploration to establish various forms of main supply of rural finance because this will facilitate the extent to which the needs of the rural area can be met and equally supplement rural financial market and increases the financial support to the rural economy. It thereby become very clear that Government intervention in the rural area will apparently foster the contribution expected from the rural dwellers. Another good indicator of the reason why Government must give adequate support is the Agriculture, this equally has positive relationship. By implication, the more the agricultural product the better the economy will be fostered as the rural area will make their produce to come to market as a means of exchange for fund without which financial inclusion is not promoted.

## **CONCLUSION AND RECOMMENDATIONS**

Viewing from the positive relationship established by some cogent variables, we can hereby support the work of Karahan and Yilgor, 2011; Fritz, 1984, as cited by Mago and Chitokwindo (2014), who revealed that the adoption of m-banking by the ‘unbanked’, who are the majority, according to empirical evidence, will lead to improvement and growth of the financial market in the country. Therefore, it can be inferred that this will lead to economic growth based on the financial deepening hypothesis. Equally, as supported Okerefor, Ogungbangbe and Anyanwu (2015), who affirmed that Nigerian government must invest heavily to upgrade infrastructure, reduce corruption, and develop the capacity to acquire modern

technology through emphasis on science and technical education, and other knowledge resources required to meet the challenges of the 21st century. The study hereby conclude that, Government should take proactive measure to invest in agricultural support of the rural dwellers because it will have positive effect on the economic growth.

The study hereby recommend the following:

- (1. More agricultural support system should be provided for rural dwellers, because of its positive influence on economic growth.
  
- (2. Though, other variables such as internal security of the rural dwellers, education, road construction and health maintenance do not contribute directly to economic growth, government should make adequate budget for such amenities to be provided for rural dwellers, since those amenities will make life more easy and meaningful and therefore propelling true and real financial inclusion of the rural dwellers. These will in-turn improve production and accelerate sustainable economic growth.

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## APPENDICES

Variable	MODEL			
	Coefficient	Std Error	t	Prob.
Constant	5.402300	0.635298	8.503569	0.0000

EDU_	-0.013408	0.010906	-1.229344	0.2392
AGR_	0.071985	0.026763	2.689751	0.0176
HLT_	0.010181	0.025841	0.394000	0.6995
INT_SEC_	-0.012681	0.010793	-1.174917	0.2596
RD_	-0.006395	0.017956	-0.356158	0.7270
<b>R-Square</b>	0.719723			
<b>Adjusted R-Square</b>	0.619625			
<b>F-Test</b>	7.190132			0.00158*

Dependent Variable: GDP  
 Method: Least Squares  
 Date: 10/19/17 Time: 11:22  
 Sample: 1996 2015  
 Included observations: 20

Variable	Coefficient	Std. Error	t-Statistic	Prob.
EDU_	-0.013408	0.010906	-1.229344	0.2392
AGR_	0.071985	0.026763	2.689751	0.0176
HLT_	0.010181	0.025841	0.394000	0.6995
INT_SEC_	-0.012681	0.010793	-1.174917	0.2596
RD_	-0.006395	0.017956	-0.356158	0.7270
C_	5.402300	0.635298	8.503569	0.0000
R-squared	0.719723	Mean dependent var		3.792943
Adjusted R-squared	0.619625	S.D. dependent var		2.537083
S.E. of regression	1.564735	Akaike info criterion		3.976635
Sum squared resid	34.27755	Schwarz criterion		4.275355
Log likelihood	-33.76635	Hannan-Quinn criter.		4.034949
F-statistic	7.190132	Durbin-Watson stat		1.754892
Prob(F-statistic)	0.001587			

Dependent Variable: GDP  
 Method: Least Squares  
 Date: 10/18/17 Time: 11:59  
 Sample: 1996 2015  
 Included observations: 20

Variable	Coefficient	Std. Error	t-Statistic	Prob.
EDU_	-0.020126	0.003355	-5.999002	0.0000
AGR_	0.061411	0.022568	2.721120	0.0145
C_	5.300769	0.578111	9.169120	0.0000

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R-squared	0.685936	Mean dependent var	3.792943
Adjusted R-squared	0.648987	S.D. dependent var	2.537083
S.E. of regression	1.503129	Akaike info criterion	3.790456
Sum squared resid	38.40974	Schwarz criterion	3.939816
Log likelihood	-34.90456	Hannan-Quinn criter.	3.819612
F-statistic	18.56453	Durbin-Watson stat	1.386100
Prob(F-statistic)	0.000053		

Dependent Variable: GDP  
Method: Least Squares  
Date: 10/18/17 Time: 12:02  
Sample: 1996 2015  
Included observations: 20

Variable	Coefficient	Std. Error	t-Statistic	Prob.
EDU_	-0.011571	0.012258	-0.943977	0.3584
HLT_	-0.005040	0.019172	-0.262889	0.7958
C	5.947218	0.633003	9.395250	0.0000

R-squared	0.550968	Mean dependent var	3.792943
Adjusted R-squared	0.498141	S.D. dependent var	2.537083
S.E. of regression	1.797321	Akaike info criterion	4.147953
Sum squared resid	54.91617	Schwarz criterion	4.297312
Log likelihood	-38.47953	Hannan-Quinn criter.	4.177109
F-statistic	10.42961	Durbin-Watson stat	1.671865
Prob(F-statistic)	0.001108		

Dependent Variable: GDP  
Method: Least Squares  
Date: 10/18/17 Time: 12:03  
Sample: 1996 2015  
Included observations: 20

Variable	Coefficient	Std. Error	t-Statistic	Prob.
HLT_	-0.011393	0.018044	-0.631382	0.5362
INT_SEC_	-0.007552	0.011765	-0.641905	0.5295
C	5.912783	0.660428	8.952950	0.0000

R-squared	0.538614	Mean dependent var	3.792943
Adjusted R-squared	0.484333	S.D. dependent var	2.537083
S.E. of regression	1.821878	Akaike info criterion	4.175094

Sum squared resid	56.42705	Schwarz criterion	4.324453
Log likelihood	-38.75094	Hannan-Quinn criter.	4.204250
F-statistic	9.922751	Durbin-Watson stat	1.771397
Prob(F-statistic)	0.001395		

Dependent Variable: GDP  
 Method: Least Squares  
 Date: 10/18/17 Time: 12:04  
 Sample: 1996 2015  
 Included observations: 20

Variable	Coefficient	Std. Error	t-Statistic	Prob.
HLT_	-0.009260	0.016440	-0.563234	0.5811
EDU_	-0.014524	0.010521	-1.380487	0.1864
AGR_	0.062647	0.023140	2.707304	0.0155
C	5.238050	0.600497	8.722858	0.0000

R-squared	0.692042	Mean dependent var	3.792943
Adjusted R-squared	0.634300	S.D. dependent var	2.537083
S.E. of regression	1.534255	Akaike info criterion	3.870823
Sum squared resid	37.66299	Schwarz criterion	4.069969
Log likelihood	-34.70823	Hannan-Quinn criter.	3.909698
F-statistic	11.98503	Durbin-Watson stat	1.470394
Prob(F-statistic)	0.000230		

Dependent Variable: GDP  
 Method: Least Squares  
 Date: 10/18/17 Time: 12:06  
 Sample: 1996 2015  
 Included observations: 20

Variable	Coefficient	Std. Error	t-Statistic	Prob.
AGR_	0.060161	0.031907	1.885515	0.0766
RD_	-0.042511	0.011407	-3.726626	0.0017
C	4.509610	0.725390	6.216806	0.0000

R-squared	0.461222	Mean dependent var	3.792943
Adjusted R-squared	0.397836	S.D. dependent var	2.537083
S.E. of regression	1.968756	Akaike info criterion	4.330162
Sum squared resid	65.89203	Schwarz criterion	4.479522
Log likelihood	-40.30162	Hannan-Quinn criter.	4.359319
F-statistic	7.276439	Durbin-Watson stat	1.742235
Prob(F-statistic)	0.005212		

Dependent Variable: GDP  
Method: Least Squares  
Date: 10/18/17 Time: 12:08  
Sample: 1996 2015  
Included observations: 20

Variable	Coefficient	Std. Error	t-Statistic	Prob.
HLT_	-0.023411	0.023094	-1.013745	0.3258
INT_SEC_	-0.005768	0.012052	-0.478590	0.6387
RD_	0.015963	0.018885	0.845274	0.4104
C	5.867660	0.668181	8.781540	0.0000
R-squared	0.558337	Mean dependent var		3.792943
Adjusted R-squared	0.475525	S.D. dependent var		2.537083
S.E. of regression	1.837372	Akaike info criterion		4.231406
Sum squared resid	54.01499	Schwarz criterion		4.430553
Log likelihood	-38.31406	Hannan-Quinn criter.		4.270282
F-statistic	6.742229	Durbin-Watson stat		1.771166
Prob(F-statistic)	0.003765			

Dependent Variable: GDP  
Method: Least Squares  
Date: 10/18/17 Time: 12:09  
Sample: 1996 2015  
Included observations: 20

Variable	Coefficient	Std. Error	t-Statistic	Prob.
HLT_	-0.032827	0.011814	-2.778674	0.0129
RD_	0.017546	0.018166	0.965850	0.3477
C	5.732223	0.591411	9.692451	0.0000
R-squared	0.552014	Mean dependent var		3.792943
Adjusted R-squared	0.499310	S.D. dependent var		2.537083
S.E. of regression	1.795226	Akaike info criterion		4.145620
Sum squared resid	54.78824	Schwarz criterion		4.294980
Log likelihood	-38.45620	Hannan-Quinn criter.		4.174777
F-statistic	10.47381	Durbin-Watson stat		1.703276
Prob(F-statistic)	0.001086			

