



SPATIAL DISTRIBUTION OF 'BANK OF AGRICULTURE' AND SUSTAINABLE DEVELOPMENT IN BORNO STATE OF NIGERIA

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ABSTRACT

Bank of Agriculture (BOA), established in the year 2000, stands the largest rural development finance institutions in Nigeria. Empowering the less privileged groups is the priority objective of the micro credit scheme of the BOA. This paper therefore, examines the spatial distribution of the BOA and the adverse effects on sustainable rural development in Borno State. Borno State has twenty seven Local Government Areas (LGAs) but because of security threat in the state, the study was delimited to only ten out of sixteen LGAs found served by the BOA. Information on BOA branch locations and data on borrowers' status were primarily obtained through interview with the BOA officials and questionnaire administration on the micro credit beneficiaries respectively. Data on the LGAs served and spatial outreach of the micro credit were secondarily extracted from official documents of the BOA. 164 respondents were purposively sampled out of the total 1099 borrowers in the study area. Analytical tables and a descriptive map were used to expound the data. The findings revealed that BOA branches location and spatial outreach across the three Borno Senatorial Zones is biased towards Borno South and Central and neglected the North. It also revealed that social impediments constituted the major problem of the less privileged groups, and the implication of neglecting such huge socially impeded groups is its related to restive and strife prone zones in the state. The significance is that neglecting the socially impeded groups is related to security threat in the state. Recommendations are made for extension of more BOA branches to Borno North Senatorial Zone and other studies to examine the spatial distribution of other rural development programmes in the state to enable generalization about negligence in spatial distribution of rural development inputs and societal restiveness and strife.

Keywords: BOA, Spatial Distribution, Biased, Negligence, Less-privileged, Strife.

INTRODUCTION

Bank of Agriculture (BOA), established in the year 2000, stands the largest rural development finance institutions in Nigeria. Reaching and empowering the less privileged groups through the application of micro credit is the priority objective of the BOA. Micro credit principle is a

strategy of administering cheap credit to the less privileged members of the society that enables them to invest and produce beyond the subsistence level. Micro credit has been discovered as an effective way of empowering the poor to alleviate their worsening conditions. Gina (1996), Roth (1997), Food and Agricultural Organization (FAO 2000), the UNO (2005), Central Bank of Nigeria (2005), Yunus (2005), Mohammed and Hassan (2008), Paul and Michael (2011), and Ariyo and Mortimore (2012) all advocated for granting micro credit to the rural poor as a way of empowering them to exit poverty and be productive in the society. One of the priority objectives of the micro credit scheme of the BOA was "purveyance of affordable credit facilities to the less privileged segments of the Nigerian society who cannot readily access the services of the conventional banks" NACRDB (2000). Micro credit as Nigerian President explained is the "small loan packages provided to the poor to enhance their capacity to engage in productive activities for improvement of their livelihood" Obasanjo (2004). BOA specifies the less privileged segments of the Nigerian society who require the micro credit as the unemployed, the low income earners and the physically challenged. To these groups the BOA micro credit was given on short term basis of 24 months and the micro loan amount was limited to ₦= 250,000.00 only. The BOA has been giving the micro credit since the year 2000 which the performances have been variously reported from different studies such as those of Tarauni (1996), UNCDF in The Nigeria Companion Reports (2003), Ahmed et al (2005), Jumare (2006), The Civil Society Coalition for Poverty Eradication (CISCOPE) in Ojah and Dom (2009) but none of the studies examined the bank's spatial distribution aspect. This study therefore examined the spatial location of the BOA, outreach of the micro credit scheme and the implication on sustainable rural development in Borno State.

The study was motivated by the perception that the prevailing restiveness and strives in the societies emanate from reactions to spatial imbalanced development. The phenomenon manifests between developed and developing countries, between regions in a country and even between individuals. The cases have led to the worsening conditions of the rural



based majority for whom rural development is propagated. The question is that, has the micro credit services of the BOA evenly reached the less-privileged target groups? The result would enable to establish a relationship between the unbalanced spatial distribution of the rural development empowerment inputs and the prevailing civil strife which undermined the development of the state. Solutions would be proffered to the problems.

THE STUDY AREA

The study area is Borno State of Nigeria. The state is situated in the extreme north eastern Nigeria. It lies between Longitudes 11°:37'E to 14°:38'E, and Latitudes 10°:00'N to 13°:43'N. It is situated on an elevation between 270m to 492m above sea level (Google Earth, 2013). The state covers an area of about 70,898 sq. km and holds a projected population of 5,521,672 by 2014 (UNFPA, 2014). It shares international boundaries with Niger in the north, Chad and Cameroon Republics in the north-east, bordered by Adamawa state in the south, and in the west are Gombe and Yobe States. Borno State has 27 Local Government Areas (LGA), shared in three zones namely Borno North Senatorial Zone, Borno Central Senatorial Zone, and Borno South Senatorial Zone with 9 local government areas in each. The state capital is Maiduguri.

RESEARCH METHOD

Reconnaissance survey was done to locate the BOA branches in the state. Oral interview with the management officials used to obtain data on cooperative societies and number of borrowers. Questionnaire administered on the borrowers used to determinant the beneficiaries' statuses as belonging to the less privileged people in the society. The management's official documents and other related documents provided data on the LGAs served and spatial outreach of the micro credit. Purposive technique was applied to sample the 164 out of 1099 beneficiaries from the ten study LGAs. The data were expounded by analytical tables and a descriptive map. The study was carried out successfully despite constraints posed by remoteness of the respondents' settlements coupled with the security threats in the state.

RESULTS AND DISCUSSIONS

TABLE 1, BOA Locations, LGA Reached and Sampled for the Study

S/No.	BOA Branch Locations	LGAs Served	LGAs Sampled	No. of Borrowers	No. of Sampled Borrowers
1	--	Askira/Uba	Askira/Uba	142	21
2	Bama	Bama	Bama	191	27
3	--	Bayo	--	--	--
4	Biu	Biu	Biu	150	23
5	--	Chibok	Chibok	58	10
6	Damboā	Damboā	Damboā	110	16
7	--	Dikwa	--	--	--
8	Gwoza	Gwoza	Gwoza	94	14
9	--	Hawul	Hawul	124	19
10	--	Jere	Jere	84	11
11	--	Kala-Balge	--	--	--
12	--	Konduga	Konduga	86	14
13	--	KwayaKusar	--	--	--
14	--	Mafa	--	--	--
15	Maiduguri	Maiduguri	Maiduguri	60	9
16	--	Shani	--	--	--
TOTAL	5	16	10	1099	164

Source: Reconnaissance survey, interview, management documents, questionnaire administration

From the study, five BOA branches were found in Borno state which served only 16 LGAs and there were 94 registered BOA micro credit cooperative societies with a total of 1099 borrowers (See Table 1). In terms of spatial distribution, the five BOA branches were found located in Bama, Biu, Damboā, Gwoza and Maiduguri towns. The management record revealed that the 9 LGAs of Borno South Senatorial Zone namely Askira/Uba, Bayo, Biu, Chibok, Damboā, Gwoza, Hawul, Kwaya/Kusar and Shani were all served. In contrast the 9 LGAs of Borno North Senatorial Zone namely Abadam, Gubio, Guzamala, Kukawa, Marte, Mobbar, Monguno, Ngala and Ngazai were all not reached. Borno Central Senatorial Zone has 7 LGAs namely Bama, Dikwa, Konduga, Kala-Balge, Jere, Maiduguri MMC and Maffa served while 2 LGAs namely Magumeri and Kaga not served.



TABLE 2, DETERMINANT OF THE LESS PRIVILEGED BENEFICIARIES

S/No	Respondent's impediments	No. of borrowers	%
1.	Just less privileged	46	28
2.	Victim of violence	31	18.9
3.	Under-employment	23	14.0
4.	Victim of disaster	20	12.2
5.	Unemployed youth	5	3.1
6.	Loss of formal job	7	4.3
7.	Social segregation (Outcaste)	5	3.0
8.	Old age	2	1.2
9.	Orphan	1	0.6
10.	Deformed body	9	5.5
11.	Audio-Visual problem	7	4.3
12.	HIV/AIDS victim	5	3.1
13.	Others (debilitating illness)	3	1.8
TOTAL		164	100

Source: Questionnaire administered by Field work 2014

The status determinants of the less privileged beneficiaries are shown in Table 2. Numbers 1 to 9 are of social impediments and the totaled percentage is 85.3% is, while numbers 10 to 13 are of physical impediments and the total is only 14.7%. It is clear that social impediments form the major problem of the less privileged groups in the state. Since they are not physically handicapped and have noticed their problems as artificially created by people, they are restive and dangerous if mobilised to rebel against the law.

Spatial Distribution of 'Bank of Agriculture' and Sustainable Development in Borno State Of Nigeria

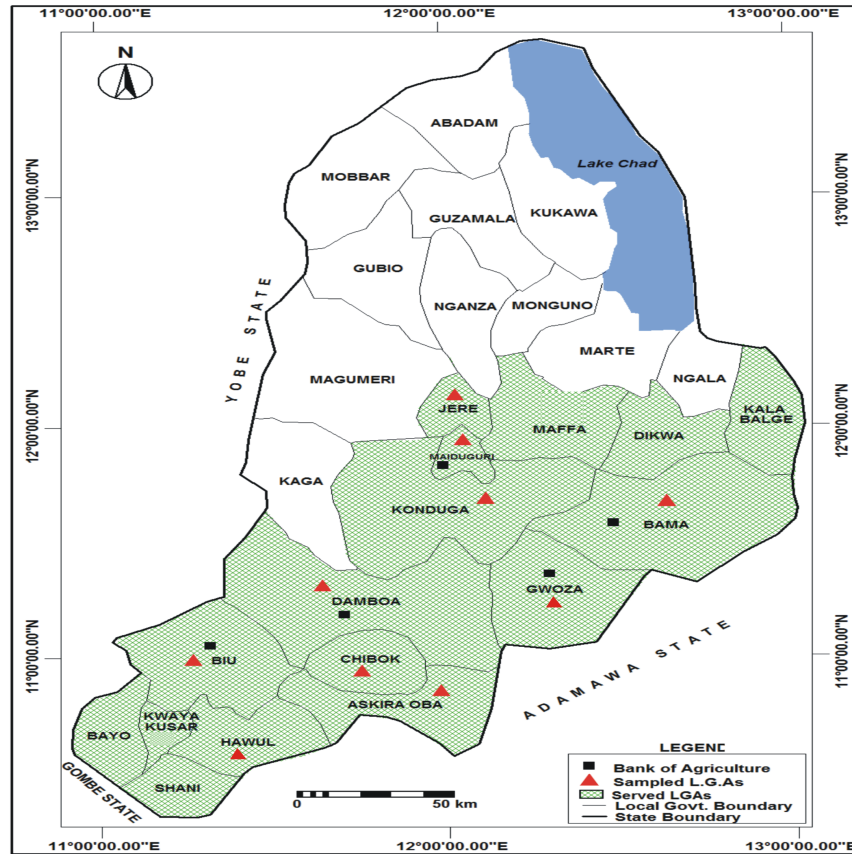


Fig.4.1: Location of Bank of Agriculture Branches, LGAs Served and Sampled Areas
 Source: Adapted and Modified from Administrative Map of Borno State

As portrayed by the map figure 1, the five BOA branch locations were biased towards southern and central Borno Senatorial Zones. Three of the BOA branches are in Borno South and two in Borno Central with none in Borno North. Despite the fact that micro credit has been propagated by United Nations (UN) and the National Government, and BOA has been giving its micro credit in Borno State since the year 2000, up to the time of this investigation it has not served Borno North. Despite it has been perceived that some conflicts in the societies around the world emanate from reactions to such unbalanced development, yet such large segment of the Borno State population is denied of the empowerment credit facilities leaving them in their helpless worsening poverty.



TABLE 3, Adult Literacy Rate by Senatorial District of Borno State

Senatoria Zone	Literacy In English			Literacy In Any Language		
	Male	Female	Both Sexes	Male	Female	Both
Sexes						
Borno North	37.8	29.8	34.2	68.4	55.8	62.6
Borno Central	30.8	23.0	27.0	70.4	33.9	52.6
Borno South	51.4	38.1	44.8	68.6	47.4	58.1
OVERALL:	43.1	32.7	38.1	68.9	47.4	58.6

Source: The National Literacy Survey, 2010 Table A3.8 Page 35

Another fact is that socio-economic development in Borno State has been related to level of western education. Referring to table 3, literacy in English of both sexes is relatively low (34.2) in Borno North Senatorial Zone. The zone has been relatively ignorant of western education and that may be a reason why the zone could not benefit from the micro credit of BOA. They might have been denied of some other rural development services also. Table 3 equally shows literacy in English of both sexes is high (44.8) in Borno South Senatorial Zone, correlatively the zone has benefited much from the BOA. It is not surprising that the western education is declared forbidden by some groups in the Borno North and Central Zones and denial western development by burning schools, police stations, courts, hospitals and agro-veterinary service centers. The implications of the socio-economic denial of the less privileged groups are these adverse effects of the restiveness and strives which undermined the sustainable rural development in the state. The significance is that the strife in the state is not unrelated to the denial of the huge socially less privileged groups and therefore calls for proper actions for inclusion of the socially impeded groups in the society for peace and development.

SUMMARY

The paper is a research work that examined the spatial distribution of the BOA and its effects on sustainable rural development in Borno State. The results shows that the problems that turn out the less-privileged groups in the society are artificially created by the socio-economic system, and then that less-privileged groups are brainwashed they became restive and

consequently generated strives in the society. The result is significant for curbing the peril of social negligence among the citizens.

CONCLUSION

This study has revealed beyond reasonable doubt that the less privileged groups of Borno North Senatorial Zone have been neglected and denied of the socio-economic empowerment of the BOA. Such denial is an enormity because empowering and exiting the less privileged from poverty is the corner stone of sustainable development of the society.

RECOMMENDATION

It is first recommended that as soon as peace, security and order are restored in the state, BOA branches should be extended to Borno North Senatorial Zone with comprehensive services coverage. Alternatively, it would be better to conform to Kabeer (2002)'s argument that the very poor, the very illiterate and the very remote would be more likely to benefit from the wage employment through public works programmes than from the provision of micro credit. Also it is recommended for other related studies to enable generalization that the strife in the state is not unconnected with the denial of the huge socially less privileged groups. Moreover, western education should be given more priority in the development efforts of the Borno North.

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