

# Microfinance Banks Investments and Poverty Alleviation in Nigeria

I.G. Okafor

Department of Banking and Finance, Caritas University, Enugu, Nigeria.

E-mail: igfnmann@yahoo.com

**Abstract:** The industrialized economies of the world have been associated with heavy investments. Investments create jobs, increase income per capita, reduce poverty level, increase standard of living and increase domestic product (GDP). It is for these that the Central Bank of Nigeria (CBN) in 2005, established the Microfinance Policy Framework. That framework gave birth to microfinance banks. Among the products of the microfinance banks were investments. This study therefore looked at the impact of microfinance banks investments on poverty alleviation in Nigeria for the period 1993 – 2012. Annualized data were collated from the Central Bank of Nigeria (CBN) and the National Bureau of Statistics. Poverty index was the dependent variable while the microfinance banks investments was the independent variable. The controlled variables were the liquid liabilities ( $M_2$ ), the Federal Government capital expenditure and interest rate. Multiple linear regression model was adopted for the test of the hypothesis. The result showed that microfinance banks investments did not have significant positive impact on the poverty alleviation in Nigeria during the period of study. Recommendations offered included conscious encouragement of deposits with microfinance banks, government provision of necessary infrastructure such as power, water and passable roads so as to reduce running costs for the microfinance banks. The savings out of these will swell the available fund for investments.

**Key Words:** Microfinance, Banks, Investments, Poverty Alleviation.

## 1.0 INTRODUCTION:

Investment has been associated with economic development. The industrialized economies of the world are observed to have heavily involved in huge investments. These investments could be on plant and machinery, roads and railways, schools and hospitals, numerous infrastructure and human beings. It is the output of these investments that lead to economic growth. They also lead to enhanced standard of living and poverty alleviation.

According to Imoisi et al (2015), investment creates jobs, increase income per capita, reduces poverty level, increases standard of living and increases gross domestic product (GDP).

The importance of investment as a stimulant for economic growth underscored the establishment of the Nigerian Investment Promotion Council (NIPC). The NIPC is to encourage, promote, and coordinate investment in the Nigerian economy (NIPC Act 1995). But an economic unit has to provide for investment fund. This is the economic surplus unit. The economy creates an intermediary between the surplus unit and the deficit unit. Key players in this intermediation are the deposit money banks and the microfinance banks. These banks accept deposit from the surplus units and make them available to the investors who have economic proposals but are impecunious to execute them. The size of savings (deposits), majorly determines the size of investments.

Obadan and Odusola (2001), are of the opinion that savings constrain investments. They find from their study that low savings will lead to low investments and higher savings will lead to higher investments. However, they find also that higher investments do not translate to higher savings in Nigeria.

Real investment will lead to increase in the level of income and production by increasing the level of production and purchase of capital goods. Real investment adds to the stock of goods in existence (Jhingan, 2008). By increasing the level of income, and the quantity of stock of goods, investment increases the standard of living and reduces the poverty level. By the increase in the stock of goods level, the gross domestic products (GDP) is enhanced and there is overall economic growth.

The economic syllogism therefore follows that economic growth is the result of industrialization; industrialization, the result of investment, while investment is the result of savings.

Microfinance banks are established for the poor who are unable to obtain financial services from the established financial institutions. There is the misconception that the poor cannot save. As savings are the leftover of income after expenditure, the poor with paucity of income and multitude of expenditure is assumed to have deficit savings. It is the realization that the poor could save that added to the establishment of microfinance banks. In one of the global leading microfinance banks, the Grameen Bank of Bangladesh as at 2003, the borrowers had 93 percent equity of the bank while the government owned the remaining 7 percent (Yunus 2004). These borrowers are the poor. Ledgerwood (1999), sees microfinance as the provision of financial services that include: savings, credit, insurance and payment for the poor. To Otero (1999), microfinance is the provision of financial services to low income poor and very poor self-employed people. Okafor (2015), sees microfinance as a mini-supermarket of microfinancial services for the poor. The financial services include: microcredit, micro-savings, micro-leasing, micro-insurance, money transfers and micro-investment services.

The poor does not lack the initiative or knack for tenacity. The poor lacks the wherewithal to actualize their dream (Okafor, 2016).

It is in consonance with the above that the Central Bank of Nigeria (CBN) established the microfinance banks in Nigeria in 2005. The existing community banks transformed to microfinance banks (CBN, 2005).

The Regulatory and Supervisory Framework for Microfinance Banks (MFBs) in Nigeria provides for microfinance banks investments (RSF, 2005).

This paper sets out to assess the impact of this microfinance banks investments on poverty alleviation in Nigeria. The specific objective of this study was to evaluate the impact of microfinance banks investments on poverty alleviation in Nigeria. The null hypothesis tested was: Microfinance banks investments do not have a significant positive impact on poverty alleviation in Nigeria. Section one is the introduction, sections two and three review of the related literature and research methodology respectively. The presentation and analysis are in section four while section five contains conclusion and recommendations.

## **2.0 REVIEW OF RELATED LITERATURE:**

This section will look at the meaning of investment; types of investment; factors that will affect investment; sources of investment. The section will throw out the linkage between investment and savings; investment and economic growth and investment and gross domestic product (GDP).

The review will be treated under theoretical and empirical.

### **2.1 Theoretical Review:**

In ordinary parlance, investment means to buy shares, stocks, bonds and securities, which already exist in the stock market. But to Jhingan (2008), this is not real investment. It is simply a transfer of existing assets. This can be called financial investment which does not affect aggregate spending and output. According to Keynes (in Jhingan, 2008), investment refers to real investment which adds to capital equipment. It leads to increase in level of income and production and purchase of capital goods. Investment therefore includes: new plants and machinery, construction of roads, dams, building. It is an addition to capital such as occurs when new house is built, or a new factory is built. Investment means making an addition to the existing stock of goods.

To Investopedia, an investment is an asset or item that is purchased with the hope that it will generate income or appreciate in future. In an economic sense, an investment is the purchase of goods that are not consumed today but are used in the future to create wealth. In finance, an investment is a monetary asset purchased with the idea that the asset will provide income in future or appreciate and be sold at higher price. In the financial sense, investment includes: the purchase of bonds, stocks, or real estate property.

In economic sense, investment includes the building of a factory used to provide goods, acquisition of education at any level. Investment and speculation are not synonymous. Whereas investment involves creation of wealth, speculation does not.

According to Wikipedia, to invest is to allocate money in the expectation of some benefits in the future. In finance, the expected future benefit from investment is a return. The return may be capital gain, and/or investment income, including dividends, interest, rental income.

Stiglitz (1993), defines investment as the acquisition of an asset with the aim of receiving a return. It can be seen as the production of capital goods used for future production.

Investment can be grouped into public investment and private investment. Government is associated with public investment while private investment refers to non-government investment. Both public investment and private investment aggregate the investments of the economy. According to Iyoha (1998), the motive of public investment may differ from that of the private investment; but they both share the same challenges in financing their investments.

Obadan and Odusola (2001) stress the need for both public and private sectors to save in order to increase investments in Nigeria. From their study, they find out that higher income does not lead to higher savings.

Investment on human capital is considered as the most valuable asset and needs to be mobilized (Awopegba, 2003). Human capital as an economic term encompasses health, education and other human capacities that raise productivity (Todaro and Smith, 2003). Capital and natural resources are passive factors of production, while human resources are active factors of production. Human capital constitutes the most valuable resources of a country; without it, there will be non-performance of physical capital and this will impede economic growth (Harbison, 1964).

Basically, for economic growth to translate to reduction in poverty and unemployment, it should be human centered (Wilson and Briscoe, 2003): The role of human capital in the growth process of any nation is crucial. It is a major tool for poverty alleviation.

## 2.2 Empirical Review

Okorie et. al (2015), in their study investigate the impact of investment on economic growth in Nigeria economy. They applied an error distributed lag model via least squares. Their results showed that increase in private sector credit led to increased domestic investment. They also find that the total domestic investment in Nigeria, in the long run, had a positive impact on the Nigeria's economic growth as increased total domestic investment led to increase in economic growth.

Imoisi et. al (2015), examine the impact of private and public investment on economic growth in Nigeria from 1970-2013. They employed the Augmented Dickey-Fuller (ADF) and the Johansen co-integration tests. They find that private domestic investment and government productive expenditure influenced economic growth positively, but not significant for the period under studied.

In their own study, Uma et. al (2014) examine the influence of investments and savings in Nigeria economy, using time series data running from 1980-2012. The data was tested with Augmented Dickey-Fuller (ADF) and Johansen co-integration. The results reveal among other things that savings, domestic investment have long run positive and significant impact on Nigerian economy.

Jaiyeoba (2015), carries out an empirical investigation on the relationship between investment in education, health and economic growth in Nigeria. She uses time series data from 1982-2011. She employs trend analysis, the Johansen co-integration and ordinary least squares technique. Her findings indicate that there is a long-run relationship between government expenditure on education, health and economic growth.

Okpanachi, et. al (2013), examine whether the Nigerian Investment Promotion Commission (NIPC) can encourage increased private sector investment and contribute to growth and development of Nigerian economy. They use descriptive method of research of which data was collected using questionnaire and personal interview. Their formulated hypothesis was tested by the use of chi-squared ( $X^2$ ). Their findings reveal that NIPC impacted positively on investment in Nigeria.

An analysis by Business Plan Nigeria using correlation technique to establish the relationship between investment and growth showed a weak relationship between capital formation and economic growth. It was discovered that between 1971 and 1980, the average correlation co-efficient between investment and economic growth was 0.11 which indicated that though a positive relationship exist between the variable, this is weak. Indeed, during the period 1981 and 1986, investment and growth moved in opposite directions with negative coefficient of 0.22. Data for Structural Adjustment Programme (SAP) and post SAP period indicated that the relationship between investment and economic growth was positive with a correlation co-efficient of 0.30.

The general picture revealed a positive relationship but a very low average correction coefficient.

### 3.0 RESEARCH METHODOLOGY:

The study adopted *ex-post-facto* research design. Annualized data for twenty years, 1993-2012, were sourced from the Central Bank of Nigeria (CBN) and the National Bureau of Statistics (NBS). Multiple linear regression models were adopted to test the hypothesis. Dependent, independent and controlled variables were applied. The model was stated as:

$$PI = \beta_0 + \beta_1 MFBI + \beta_2 RLL\_GDP + \beta_3 IR + \beta_4 RGE\_GDP + \varepsilon_t \quad (I)$$

Where:

PI	=	Poverty Index of Nigeria.
MFBI	=	Microfinance Banks Investments.
RLL_GDP	=	Ratio of Liquid Liabilities to GDP.
IR	=	Interest Rate
RGE_GDP	=	Ratio of Government Capital Expenditure to GDP.
$\beta_0$	=	Constant of the Regression
$\beta_1$	=	Coefficient of the Explanatory Variable
$\varepsilon_t$	=	Random Error Term

#### 3.1 Explanation of the Research Variables

##### 3.1.1 Dependent Variables

**Poverty Index (PI):** Poverty has multi-dimensional nature as well as dynamic nature. According to Bello and Rosian (2010), there is no single definition of poverty. It is defined according to individual's perception, working at different circumstances. The poverty index used in this study draws from the National Bureau of Statistics (NBS) and the Central Bank of Nigeria (CBN): The NBS provided 24 proxies that are responsible for poverty in Nigeria.

##### 3.1.2 Independent Variables

**3.1.2.1 Microfinance Banks Investments (MFBI):** The Regulatory and Supervisory Framework for Microfinance Banks, (RSF) (MFBs) (2005) in Nigeria, section 19(a) stipulates that MFBs shall be required to maintain not less than 5% of their total deposit liabilities in Treasury Bills (TBs). Under Permissible Activities, the RSF, (3j) (2005), MFBs are allowed to invest their surplus funds in suitable instruments including placing such funds with correspondent banks. The (3b) of the RSF (2005) allows MFBs to invest in shares or equity of anybody corporate, the objective of which is to provide microfinance services to the poor; while (3g) encourages MFBs to invest in cottage industries and income generating projects for the poor as may be prescribed by the CBN. All these, aggregate the Microfinance Banks Investments used as proxy in this study.

##### 3.1.3 Controlled Variables

According to Onwumere (2009), controlled variables are those variables whose impact must be controlled or neutralized in order to limit their influence on both the dependent and independent that are under study. Arising from the foregoing fact, this study deemed it fit to control the following variables:

**3.1.3.1  $M_2$  (RLL-GDP).** As explained by the CBN Statistical Bulletin (2011),  $M_2$  comprises

$M_1$  plus quasi money where  $M_1$  encompasses currency outside banks, plus demand deposits and quasi money which equal time, savings, and foreign currency deposits of commercial banks and merchant banks and other private sector deposits at the merchant banks. The status of  $M_2$  has direct bearing on microfinance banks investments. An increase in  $M_2$  will lead to an increase in the volume of microfinance banks investments as more funds will be available for investments and vice versa.

**3.1.3.2 Interest Rate (IR).** The interest rate controlled is the lending rate. The Monetary Policy Rate (MPR) is adopted for this influences the commercial/merchant/microfinance banks rates. The Central Bank of Nigeria (CBN) MPR is the benchmark for interest rate. It is the rate at which the CBN will lend and also discount first class bills. Fluctuations in this rate will affect microfinance banks investments.

**3.1.3.3 Federal Government Capital Expenditure (RGE\_GDP).**

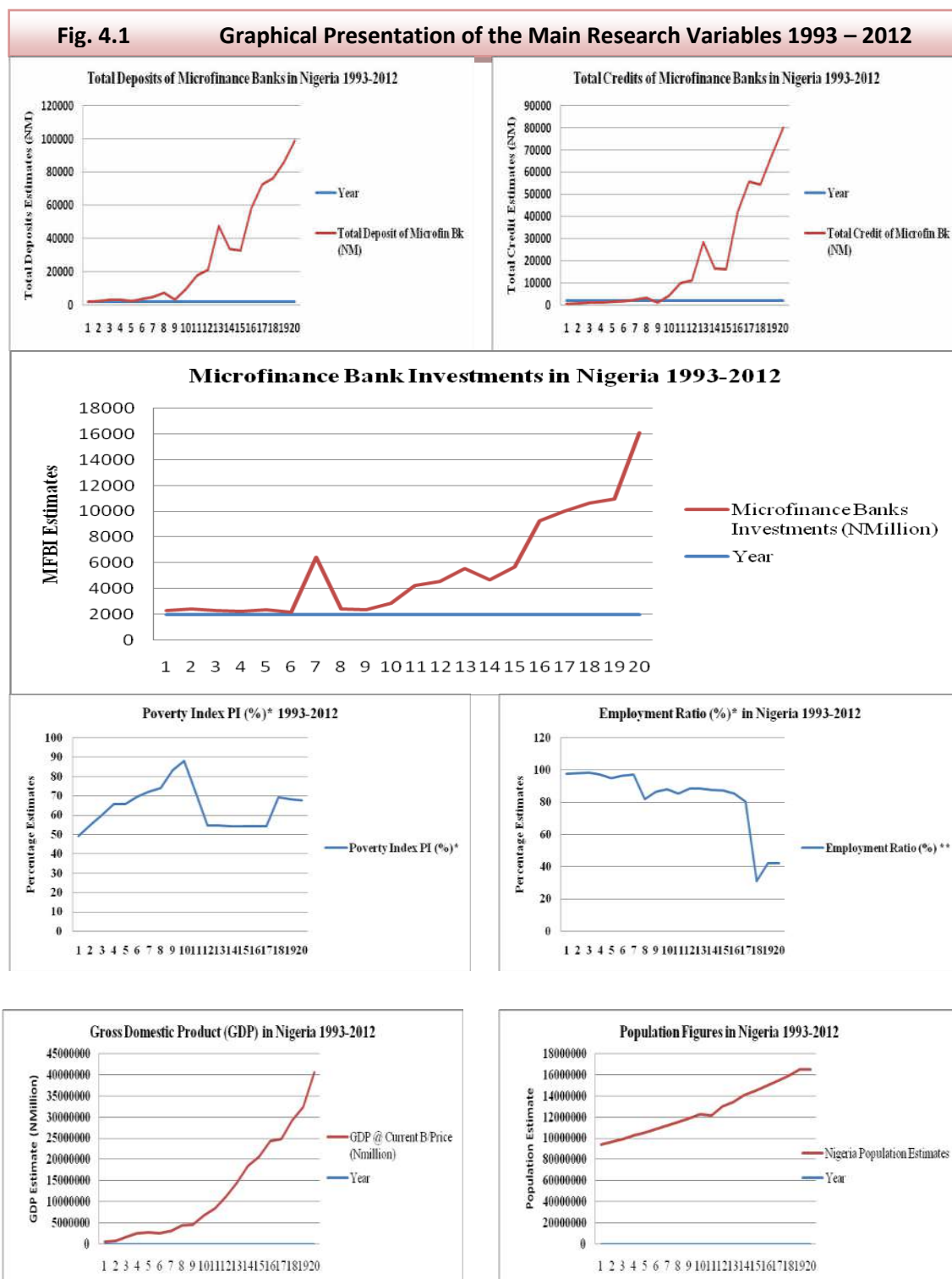
Government expenditure falls under two headings: recurrent expenditure and capital expenditure. Recurrent expenditure involves expenditure on items that do not go beyond a fiscal year. Such expenses include personnel costs on government staff. On the other hand, capital expenditure involves expenditure whose benefits go beyond a fiscal year. They include expenditure on roads, schools, hospitals, etc. Expenditure on this heading

involves large amount of money. Some of this money find its way in microfinance banks as deposits and swell the investible funds of the microfinance banks.

#### 4.0 DATA PRESENTATION AND ANALYSIS:

##### 4.1 Data Presentation

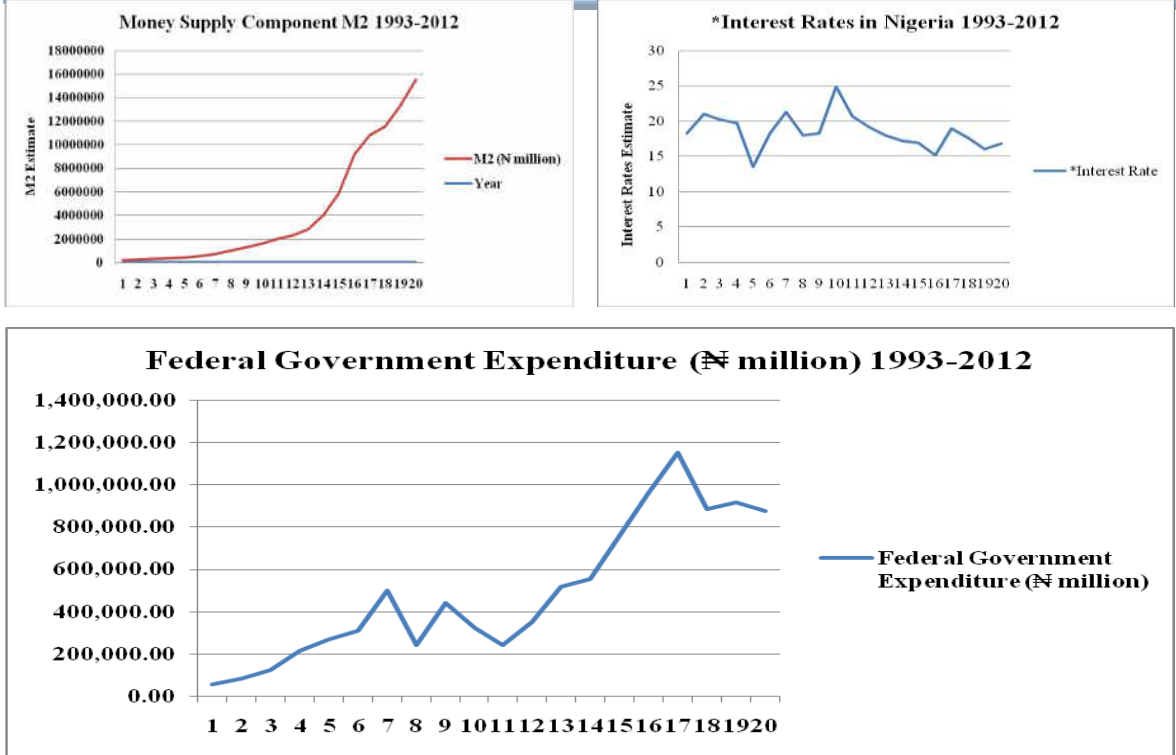
The data used in this study were decomposed into: main variables data, controlled variables data and transformed data. The main variable data comprised total deposit of microfinance banks, microfinance banks investments, poverty index and Gross Domestic Product (GDP). The controlled variables are the money supply component ( $M_2$ ), interest rate and Federal Government capital expenditure while the transformed variables data were: liquid liability which is the ratio of  $M_2$  to GDP and the ratio of Federal Government capital expenditure.



Source: Author’s calculation 2016 using Microsoft Excel Computer Statistics (Version 2007)

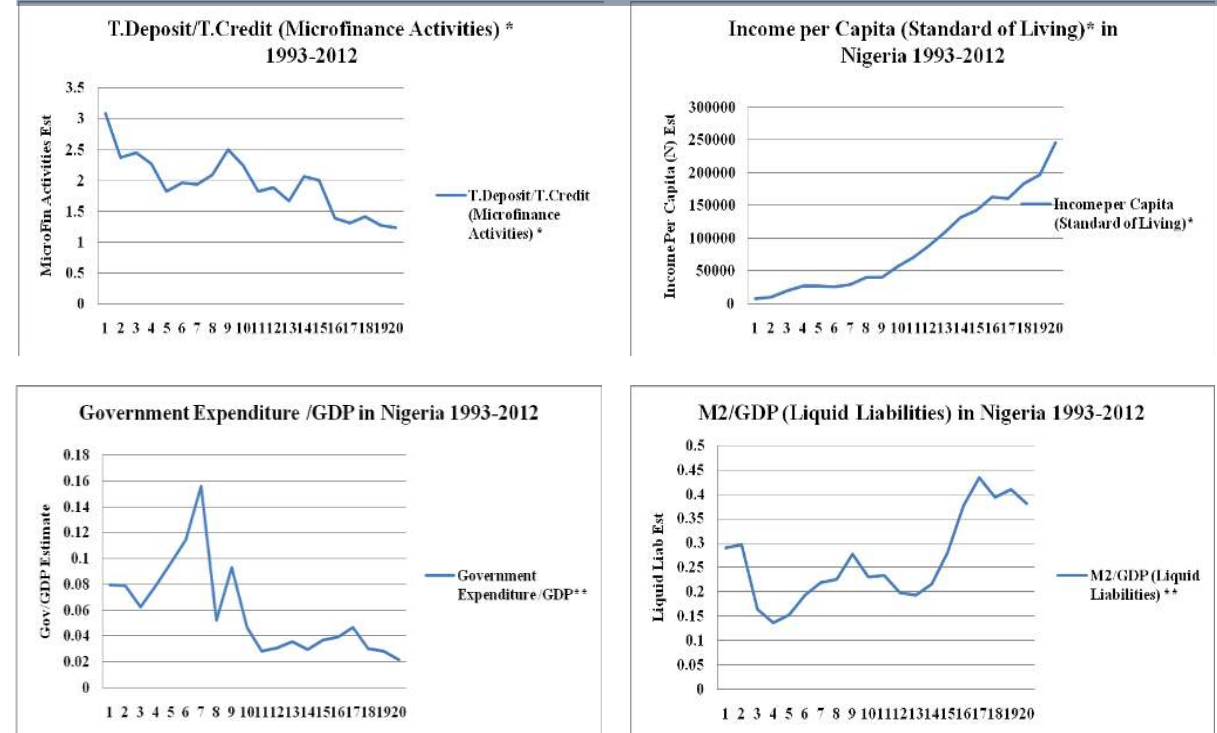


**Fig. 4.2 Graphical Presentation of the Controlled Research Variables 1993 – 2012**



Source: Author’s calculation 2016.

**Fig. 4.3 Graphical Presentation of the Transformed Research Variables 1993 – 2012**



Sources: Author’s calculation 2016 using Microsoft Excel Computer Statistics (Version 2007)

A cursory look at fig. 4.1 shows that the graphical representation of microfinance banks investments was not in consonant with the graphical representation of total microfinance banks deposits for the period under study. However, there is a sharp upward movement of microfinance banks investments in 1998. The implication is that the eve of the present democracy opened up more investment opportunities for microfinance (community) banks in Nigeria. The tempo fell significantly immediately after 1998 but began picking up from 2003 steadily

following the inauguration of the National Microfinance Policy. The upward movement was continuous throughout the remaining period of the study.

The total microfinance banks deposits showed a creeping and gradual movement from 1993 to 2001. It moved upward but suddenly dropped between 2006/2007. Thereafter, it reversed and moved upwards for the remaining period of the study. The poverty index moved upwards from 1993 and got to the peak in 2002. It dropped, steadied and pick up again. It is characterized with fluctuations.

The GDP was on the continuous increase over the period.

In fig. 4.2, the broad money ( $M_2$ ) had a smooth and upward swing. It was low at the beginning up to 2000s. The situation changed rapidly manifesting steeper slope from 2005 upwards with  $M_2$  doubling in magnitude continuously till the end of the research period. The banking sector recapitalization of 2005 injected fresh financial vitality into the Nigeria financial system and thus magnified her broad money.

Interest rate fluctuated over the period approximately between 13% low in 1997 and peaked at 24% in 2002. The banking sector consolidation reversed the interest rate and it fluctuated downward throughout the remaining research period.

The Federal Government capital expenditure also fluctuated over the period. It was low up to the inception of democracy in 1999. This changed favourably under the civilian administration. Between 2005 when the National Microfinance Policy was established by the CBN, and 2009, the Federal Government recorded the highest investment in capital expenditure in Nigeria over the period of investigation.

Fig. 4.3 represents graphs of transformed research variables including the ratios of Government expenditure/GDP and  $M_2$ /GDP. In time series empirical analysis, some data could be “transformed” and the ratio used in the analysis. This is necessary to introduce smoothness in the data over-time by dampening the fluctuations resulting in a systematic pattern in the disturbances (Gujaratti and Porter 2009). The graphs reveal systematic fluctuating pattern in the variables over-time.

**4.2 Data Analysis**

**4.2.1** Shows the descriptive statistics of employed research variables.

**Table 4.2.1 Descriptive Statistics of Employed Research Variables**

	<b>PI</b>	<b>GDP</b>	<b>MFBI</b>	<b>RLL_GDP</b>	<b>IR</b>	<b>RGE_GDP</b>
Mean	63.91579	1.13E+13	2950.596	0.259584	18.59474	0.061258
Median	65.50000	6.91E+12	2261.000	0.231400	18.29000	0.046500
Maximum	88.00000	3.24E+13	8956.300	0.434800	24.85000	0.155900
Minimum	49.00000	6.84E+11	218.4000	0.137000	13.54000	0.028300
Std. Dev.	10.91606	1.05E+13	3120.679	0.088937	2.492258	0.035122
Skewness	0.595598	0.719854	0.886485	0.655669	0.362281	1.155962
Kurtosis	2.491635	2.078922	2.337580	2.323955	3.798299	3.739058
			2.8359sss2			
Jarque-Bera	1.327929	2.312573	4	1.723175	0.920131	4.663863
Probability	0.514806	0.314652	0.242207	0.422491	0.631242	0.097108
Sum	1214.400	2.16E+14	56061.33	4.932100	353.3000	1.163900
Sum Sq. Dev.	2144.885	1.98E+27	1.75E+08	0.142375	111.8043	0.022204
Observations	20	20	20	20	20	20

Source: Researcher’s E-view Based Result 2016.

The average value for poverty index over the twenty-year period is approximately 63.92%. This rate is high and shows that the country has a lot to do to combat poverty. The maximum and minimum poverty rates were 88% and 49% respectively.

The average GDP was ₦1.13 trillion, with a maximum and minimum rates of ₦3.24 trillion and 684 billion annually respectively. The liquid liability measured by the ratio of M<sub>2</sub> to GDP was approximately 0.26, that is 2.6%. This is low. The maximum and minimum rates were 4.35% and 1.37% respectively. The interest rate averaged 18.59% with maximum and minimum rates of 24.85% and 13.54% respectively. Government expenditure to GDP ratio was averaged 0.6%, with maximum and minimum rates of 1.56% and 0.28% respectively. Microfinance banks investments overtime was low with a mean of ₦2950.59million. The maximum and minimum were ₦8956.30 million and ₦218.40 million respectively.

### 4.3 Phillip-Perron Unit Root Test

Variable	Phillip-Perron test statistic	1% Critical Value	5% Critical Value	10%critical Value	Order of integration	Durbin-Watson stat
PI	-11.765132	-4.409832	-3.618732	-3.503213	1(1)	2.138763
MFBI	-7.543297	-4.409832	-3.618732	-3.503213	1(1)	1.830827
RLL_GDP	-7.656674	-4.409832	-3.618732	-3.503213	1(1)	2.283653
IR	-6.432906	-4.409832	-3.618732	-3.503213	1(1)	1.726529
RGE_GDP	-9.438944	-4.409832	-3.618732	-3.503213	1(1)	1.927153

Source: Author’s

A result of preliminary test for unit root is presented in table 4.3 above. Given the problems inherent in time series data, unit root test is run to make certain that our variables are stationary which is necessary as it helps to ensure that our results are not spurious. The results revealed that none of the variables has unit root. Phillip-Perron test statistic for each of the variable is less than the critical values at 1%, 5% and 10%. The variables attained stationarity at same order one.

### 4.4 Interpretation

Table 4.3 below represents the Economic View (E-View) output of the multiple linear regression test.

**Table 4.3: Regression Results for the Hypothesis**

Dependent Variable: PI				
Method: Least Squares				
Sample: 1993 2012				
Included observations: 20				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	30.87789	23.86522	1.293845	0.2167
MFBI	1.97E-05	0.001473	0.013385	0.9895
RLL_GDP	-0.105423	49.25803	-0.002140	0.9983
IR	1.561580	1.107564	1.409923	0.1804
RGE_GDP	64.80692	81.99542	0.790372	0.4425
R-squared	0.789949	Mean dependent var		63.91579
Adjusted R-squared	0.742194	S.D. dependent var		10.91606
S.E. of regression	0.68023	Akaike info criterion		7.879937
Sum squared resid	1737.466	Schwarz criterion		8.128474
Log likelihood	-69.85940	Hannan-Quinn criter.		7.921999
F-statistic	25.820716	Durbin-Watson stat		1.649111
Prob(F-statistic)	0.000182			

Source: Researcher’s E-view Based Result 2016.



The estimated coefficients of the explanatory variables are as presented in the model:

$$\text{Model: PI} = \beta_0 + \beta_1 \text{MFBI} + \beta_2 \text{RLL\_GDP} + \beta_3 \text{IR} + \beta_4 \text{RGE\_GDP} + \varepsilon_t \quad (4.1)$$

By substitution:

$$\text{PI} = 30.87789 + 1.97\text{E-}05\text{MFBI} - 0.105423\text{RLL\_GDP} + 1.5615801\text{R} + 64.80692\text{RGE\_GDP} \dots (4.2)$$

The result in the above equation (4.2) shows an intercept of 30.88%. This value is positive but statistical non-significant with p-value of approximately 0.22 greater than 0.05. This means that poverty index will be constant at 30.88% when there is no change in the explanatory variables. The coefficient of microfinance banks investments (MFBI) is positive but not significant as p-value of 0.98 greater than 0.05. The positive coefficient of MFBI revealed that for every one percent increase in MFBI, over the period of study, holding other variables constant, poverty index increased by 197%. In other words, a direct relationship exists between MFBI and poverty index in Nigeria. The controlled variables ratio of liquid liabilities to the GDP, (RLL\_GDP), showed negative but insignificant value. A one percent increase of liquid liabilities decreased poverty level by 11% approximately. Interest rate revealed positive but insignificant result. Similarly, a one percent increase in the ratio of government expenditure over the period, increased poverty level by 64.80%.

This is contrary expectation as government expenditure is expected to reduce poverty level. The likelihood will be that the government expenditure was not genuinely expended on capital projects. This is informative to the Policy.

The coefficient of determination ( $R^2$ ) revealed that 18.99% variation in poverty index were explained by the regression model while the remaining 81.01% may be a result of other variables not included in the regression model. Adjusting further, the coefficient of determination via the adjusted  $R^2$  entered a negative zone and thus confirms why the p-values of all the explanatory variables were not significant.

The coefficient estimate is positively signed but the calculated t-value of 0.013385 is less than the table t-value of 1.7293. We, therefore, accept the null hypothesis which is: Microfinance Banks Investments do not have a significant positive impact on poverty alleviation in Nigeria.

## 5. CONCLUSION AND RECOMMENDATIONS:

It has been established that investment is associated with economic growth. The industrialized economies of the world are heavily involved in huge investments. These investments could be public or private investments. They could also be human capital investments. Real investments lead to increase in the level of income and production. By increasing the level of income and quantity of stock of goods, investment increases the standard of living and reduces poverty level.

As one of the vehicles to alleviate poverty level in Nigeria, the Central Bank of Nigeria (CBN) launched the Microfinance Policy Framework in 2005. Microfinance banks which were the fallout of the policy were required to engage in investments among other products. The impact the microfinance banks investments had on poverty alleviation in Nigeria, between 1993 and 2012 was the subject of this study. The result of the tested hypothesis was that microfinance banks investments did not have a significant positive impact on poverty alleviation in Nigeria during the period of study.

This was however at variance with the studies of Okorie et. al (2015), Imoisi et. al (2015) and Jaiyeoba (2015).

Microfinance banks investments will be limited by the size of their deposits. Therefore, conducive environment should be created to encourage increased deposits with Microfinance banks. Greater awareness of the functions of microfinance banks should be created and this will attract more patronage of microfinance banks activities with increased deposits. Provision of the necessary infrastructure such as power, water and good roads will reduce the cost of running microfinance banks. The savings will be ploughed into investment.

**REFERENCES:**

1. Awopegba, P.O. (2003). Human resources, high-level manpower and development of Nigerian economy. In Jaiyeoba, S.V. (2015). Human capital investment and economic growth in Nigeria.
2. Business Plan Nigeria (2015). Finance, investment and growth in Nigeria. [www.businessplannigeria.com.ng/finance](http://www.businessplannigeria.com.ng/finance).
3. Gujarath, D.N. and Porter, D.C. : *Basic Econometrics*, New York, Macgraw- Hill/Irwin. (2009).
4. Harbison, F.H. & Myers, C.A. : *Education, manpower and economic growth: Strategies for human resources development*. New York: McGraw-Hill. (1964).
5. Imoisi, A.I., Ilegbinosa, A.M., Sogules, I.W. (2015). Domestic investment and economic growth in Nigeria, 1970-2013: An economic analysis. *Canadian Social Journal*, 11(6): 70-79.
6. Iyoha, M.A: Rekindling investment for economic development in Nigeria. *The Microeconomic issues*. . (1998).
7. Jaiyeoba, S.V. : Human capital investment and economic growth in Nigeria. *African Research Review. An International Multidisciplinary Journal*. 9(1): 36 30-46. (2015).
8. Ledgerwood, J. : *Sustainable banking with the poor: Microfinance hand book – An institutional and financial perspective*. London and New York. (1999).
9. NIPC Act (1995). Nigeria Investment Promotion Commission [nipc.gov.ng](http://nipc.gov.ng)>NIPCACT.
10. Obadan, M.I. and Odusola, A.F. : *Savings, investment and growth patterns in developed anddeveloping countries*. National Centre for Economic Management and Administration Monograph. Series No.1. Sec reprint Nigeria Ltd. Ibadan. (2001).
11. Okafor, I.G. : Impact of microfinance banks activities on poverty alleviation in Nigeria. *Journal of Economic and Sustainable Development* 6, 6-13. (2015).
12. Okafor, I.G. (2016). Microfinance banks activities and standard of living in Nigeria. *Journal of Economics and Finance*. 7(1) 01-11.
13. Okorie, C.G., Odim, Orji, O.U. and Ogueze, V.C: Investment finance and economic growth: The Nigerian experience. *Humanity and Social Sciences Journal* 10(1) 01-07. (2015).
14. Okpanachi, J., Samuel, G.J., Moses, G.D. : Impact of Nigerian Investment Promotion Commission (NIPC) on Nigerian Trade and Investment Policy, *International Journal of Humanities and Social Science*, 3(4), 174-181. (2014).
15. Otero, M. (1999). Bringing back development in microfinance. *Journal of Microfinance* 1(1).
16. Stiglitz, J.L. (1998). “Banks versus markets as mechanism for allocating and coordinating Investment”. NBER working paper.
17. Todaro& Smith (2003). *Economic development*. Pearson Education Ltd. (Singapore). Indian branch, 482, FTE Pat Parganj Delhi India.
18. Uma, K.E., Odionye, J.C., Amagolu, H.N. & Ezeoke, C. (2014). “An investigation of the effects of investment and savings in Nigeria economy”. Proceedings of SOCIOINT14 – International Conference on Social Sciences and Humanities.
19. Wilson & Briscoe : “ The impact of human capital on economic growth”. A review. Third report on vocational training research in Europe: Background report. Reference series 54. (2004).
20. Yunus, M. : “Expanding microcredit outreach to reach the Millennium Development Goals –Some issues for attention”. A paper presented at an international seminar, attacking poverty with microcredit. Dhaka. (2004).