



Cashless Policy and The Nigerian Rural Economy (a Case Study Of Akwa Ibom State)

Nathan Udoinyang¹, Reuben Daniel², Salamat Amos Umoh³

¹Ignatius Ajuru University of Education

²College of Education Warri

³College of Education Afaha nsit Akwa Ibom State

Corresponding Author: Nathan Udoinyang nathannathanudoinyang@gmail.com

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ABSTRACT

This study examines the impact of cashless policy on the Nigerian rural economy, using Akwa Ibom State as a case study. A survey of 328 people from three senatorial districts was conducted, with a sample size of 400. The study found that cashless policy helps in tracking expenses, preventing cash flow outside the formal banking system, reducing money laundering, and reducing stress during payments. However, challenges such as inadequate payment channels, internet fraud exposure, poor electronic banking networks, and high charges hinder its implementation. The researchers urge the government and policymakers to provide reliable methods to combat internet fraud, reduce charges on electronic banking platforms, and educate the public on the benefits of cashless policies.

INTRODUCTION

All good deeds depend on some good money, without good procedures and good financial companies, especially commercial companies or deposit banks, it is impossible to have a good financial system. Fiscal health plays an important role in the country and its failure can impact economic development. A depository bank (DMB) is a financial institution that accepts deposits from customers and uses them for investment. They are considered the lifeblood of the human body as they account for more than 90% of financial resources in developing economies, especially Nigeria (Rwayitare et al., 2017). 2016). Cohen (1986) stated that these institutions provide the fuel that turns the wheels of business, contribute to efficient payment, and are the main sources of income for the financial system. Depositories are depository institutions whose liabilities are in the form of deposits that can be paid on demand, against a check, or in cash. According to Ogbeide (2019), deposit banks are financial institutions that operate between savings surplus and expenditure deficit. This interaction lubricates the business and supports business growth and development by increasing business efficiency. In addition, the level of investment and capital in the business depends on the development level of the business, therefore financial strength is important for the development of the country. Deposit Money Banks (DMBs) are essentially credit providers and, through their central role, extend credit to various areas of the economy. In line with its mandate, subsidies for manufacturing and other projects from the Federal Government of Nigeria and the Central Bank of Nigeria (CBN) are channeled through the DMB, which includes the bank. Most of these funds are discounted in the single digits (percentage and below in Nigeria).

In addition to subsidies, private deposits/financing are another important source of credit for KMBs to provide loans or equipment to real projects for investment purposes. However, the cost of these funds is in double digits, with the average loan interest rate being 16.9% and the maximum loan interest rate being 31.09% (CBN 2018). One of the main functions of a deposit bank is to bridge the gap between deficit and surplus in the economy. Financial intermediaries stand out for their unique ability to create money by lending money to workers who are willing to accept their own loans as one layer of capital. De-Santis and Surico (2013) point out that banks are the best option for reinvesting real money. Especially small and medium-sized businesses, which are the largest employers in the industry. In addition, DMBs play an important role in the development of businesses where borrowers often lack access to market capital (Greuning and Brajovic-Bratanovel, 2003). One important weapon of banks profitability in monetary policy is that it's an instruments or techniques adopted by the government of a county through theoretical empirical institutions of money; how it affects the national economy and its overall roles. It explains how monetary authorities use certain instruments that are not limited to open market operation (OMO). Cash Reserve Ration (CRR), Bank Rate (BR), and Direct control, to achieve macroeconomic stability in Nigeria.

Monetary policy has its roots in the work of Ivan Fisher (1896), who laid the foundation of the quantity theory of money through his equation of exchange. In his proposition money has no effect on economic aggregates but price. However, the role of money in the economy directly affects other financial variables by influencing interest rates, which in turn affects investment and cash holdings in businesses. The spillover effects of fiscal policies affect business diversification. Monetarists assume that changes in the amount of money received are directly related to changes in real money. Tight fiscal policy affects the ability of banks to lend money and grant credit, thus restricting loans to large lenders and companies, except for borrowers and people using the equipment, so the value of the contract and the investment are good. Is it safe to say that the cashless economy has changed the financial landscape of the Nigerian economy? As the law has been in circulation in Lagos since its promulgation in January 2012, many experts have expressed differing opinions. Debit cards are also widely used. After several years, the rural economy still needs to be integrated. Although the use of paper money is decreasing, it is progressing at a slow pace. What are the possible consequences if rural employment is not included in the plans? Will there be financial consequences? Or did rural people learn about this non-financial policy and integrate? Nigeria is a country of cash and there are many factors that can negatively affect the choice of cash among cash instruments. These include time spent counting and sorting cash, potential losses, time spent at the bank, etc. takes place. (Kenneth 2015). Ajayi and Ojo (2006) argue that one of the prerequisites for economic development in the country is the promotion of stable and affordable payment systems. How cheap and safe the system is for rural businesses. In this context, developed countries in the world often turn from paper to electronic payment instruments, especially paper payments (Huphrey, 2004). In developing countries, it is easy to pay for everything by calling, without restrictions such as network problems that continue to impact the rural economy. These currencies continue to prefer cash as payment, which leads to negative effects such as the high cost of handling cash, the risk of using cash and saving money at home, ultimately leading to high levels of evasion and financial losses. Fire and flood events.

The heavy use of cash has a major impact on the money leaving the economy, limiting the effectiveness of monetary policy in controlling inflation and promoting economic growth. It also leads to corruption and can lead to overspending, leakage, money laundering, crime, mismanagement, accidents and disinvestment. Infrastructure has been a major challenge preventing depositors from realizing their potential using certain policies. If this assessment is correct, success How have these cashless policies been implemented in the city's economy or business? Some of these factors are present in today's rural Nigerian economy and the country as a whole, creating a gap for the current study. Article The fact that our country's scientific and technological standards are weak and development is slow, does not allow large-scale development and implementation of policies in rural areas. Rural location and poor technology in the financial sector cause people, especially in

rural areas, to keep their money at home to avoid spending more time at the bank. Illiteracy, low education and poor navigation are the main characteristics of the rural poor. Therefore, the demand for bank deposits and non-bank assets is the average willingness of people to keep cash in demand deposits or deposits in banks, which affects the management of the company. The impact of the implementation of economic policy. Finally, the introduction of e-commerce has made room for a variety of economic activities that can be carried out if the rural economy is fully developed and the use and exchange of educational attainment in the rural economy is encouraged. At this point, the purpose of this article is to investigate the impact of cashless policy on the rural economy of Akwa Ibom State and the challenges of cashless rural economy policy of Akwa Ibom State.

LITERATURE REVIEW

Conceptual Clarifications

Cashless Policy

A cashless policy is a policy that prohibits the use of large amounts of cash for transactions but encourages the use of bank transfers, ATM cards, POS and other financial instruments to transfer cash in business. It is a policy that eliminates the need to carry physical cash for transactions and uses a credit or debit card to pay for goods and services to complete transactions (Omotunde et al., 2013).

Cashless Law No. will reduce the physical cash carrying involved in social benefits, and other financial regulations will be interpreted appropriately for a better understanding of the cashless law. Monetary policy is one of the main economic management tools that the government uses to improve the economy. Monetary policy is said to resolve the economic crisis faster. Therefore, it concerns the behavior of fiscal authorities (such as the country's top bank) to control income and the value of money in the economy in order to achieve predetermined macroeconomic goals. The Central Bank of Nigeria (CBN) defines monetary policy as a combination of measures aimed at controlling the supply of money and interest rates as payments in the financial sector followed by successful business conditions (Nwoko et al., 2004). Similarly, Nwoko et al (2004) defined monetary policy as the integration of procedures adopted by financial authorities such as the Central Bank of Nigeria and the Ministry of Finance to directly or indirectly influence finance and lending. Fixed price and balance of payment. The expert added that Act No. 25 of 1991 empowered the Central Bank of Nigeria to formulate and implement Nigeria's monetary policy, which was finally approved by the Ministry of Finance and authorized by the Governor Hm. Ufoeze, Cedimbe, Ezeabalisi and Alajekwu (2018) summed it up when they asserted that monetary policy is therefore, applied to influence the availability and cost of credit in order to control the money supply policy. The Central Bank of Nigeria (2011) defined monetary policy as the specific action taken by it to regulate the volume, supply and cost of money in the economy, with a view to achieving predetermined macro-economic goals. Thus, to achieve predetermined economic goals, the CBN embarks on monetary controls. In doing this, it classified money into

narrow money (M1) and Broad money (M2). Narrow money (M1) is made up of currency in circulation with the non-bank public; and demand deposits (current accounts in the banks). This type of currency represents currency used for daily business and short-term financial needs. It consists of general money (M2), narrow money, and savings and time deposits (i.e. demand deposits). It also includes deposits in foreign currencies. This distribution measures the total revenue in the business. The Central Bank of Nigeria uses general funds to deal with fiscal and fiscal matters. There are some factors that can support cashless policy in Nigeria, here are some of them:

Cashless transactions: Transactions that do not require the exchange of cash, but use credit or debit cards or other electronic payment methods to pay for goods and services.

Access Product: A product that allows a customer to access a traditional payment device electronically, usually from a remote location.

ATM Card: An ATM card (also known as a debit card, user card, priority card, or credit card) is a payment card issued to customers of financial institutions so they can conduct business using ATMs (ATMs). Withdrawing cash, obtaining financial information and other banking transactions are generally done through cooperative banking.

Chip Card: also called integrated circuit (IC) card. Card containing one or more computers or integrated devices used for identification, data storage or specific transactions and identification of personal identification numbers, allowing purchases, balance checking and storage of personal information.

Electronic Money: Money is measured in the customer's currency. These services can be purchased and remain on the property until reduced due to purchase or relocation.

Internet Banking: It is the product that allows bank customers to use the Internet banking system module integrated into the new banking application used by banks (BANKS) in order to meet their internet banking needs.

Mobile Banking: It is a product that allows users to make bank deposits and withdrawals whenever and wherever they want. Customers can make transactions such as account balance inquiries, stop checks and other customer information from anywhere. Account verification, electronic payment, balance, updates and history, customer service, money transfer and more are made possible with mobile banking from the customer's place of comfort.

Point of Sale (POS) Machine - A Point of Sale Machine is a payment machine that allows credit/debit card holders to pay at the point of sale/purchase. It allows customers to perform the following services: payments to stores, cashless payments, cash inquiry at the bank, weather, direct payment time, printing of mini-statements, etc. Medical and other activities.

Transaction Alert: Customers are making debit/credit transactions on their accounts and need to keep track of these transactions, which enables banks to create alerts to alert customers to take advantage of these changes. Notification systems also serve as reminders to customers when appropriate messages need to be sent.

Western Union Money Transfer (WUMT): This product is used for household chores, finance, school fees, etc. for people who have relatives abroad. It allows them to send money home. This is a business failure for Western Union.

E-wallet: E-wallet is a popular online payment method; Pay Tal and Mobil Kwik are the most commonly used providers. Users must register their phone number in the app and pay using a credit or debit card. To make payments via digital wallet, users are required to provide their KYC details.

Mobile Banking Apps: Most major banks offer mobile banking apps that business owners can use to instantly transfer money between bank accounts. They can also view their account balance and transaction history at any time.

UPI (Unified Payment Interface) System: This system allows instant money transfer between bank accounts. Users can send and receive money after providing bank details such as account number, IFSC code and mobile number.

BHUM APP: This new application is used to transfer money between bank accounts. It is reliable and safe with our guarantee. The user's mobile number is used for payment. Although this app can run on UPI platform. Customers no longer need to download mobile applications from multiple banks. All they need to do is install the BHIM app.

Andhra Payments App: This app was launched in 2016 with the main objective of promoting online payments in the country. It allows users to make offline payments and transfer money between banks using biometric data and Andhra card details for authentication.

Rural Economy

Rural economy refers to the economy in which people living in rural areas earn income and use this income to create a livelihood. It is mostly agricultural in nature. Rural economy is made up of agriculture, forestry, mining (in some areas), service etc.

Characteristics of Rural Economy

Village as an Institution: Village is a social institution that meets almost all the needs of rural communities. Rural people are in unity and solidarity.

Dependence on Agriculture: The rural economy is largely dependent on nature and agriculture. Agriculture and other activities are the main occupations in rural areas.

Life of People in the Rural Areas: The way of life in the city is quite simple. Public services such as education, housing, health, transportation and communication, banks, roads, markets are limited and non-existent. Rural people are very important in terms of religion, belief and culture. The living conditions of the majority of people living in rural areas are very poor, and the production methods, social participation and political support are also very poor.

Population: Population density, measured as the number of people per square kilometer, is low and houses are scattered throughout the village.

Employment: Unemployment, seasonal unemployment and underemployment are common in rural areas. Unemployment, also known as hidden unemployment, refers to the situation where people work more than they

should. Unemployment is a situation where people work but productivity does not increase. Both of these events occur in rural areas.

Poverty: It refers to the situation where people's basic needs such as nutrition, clothing and shelter are not met.

Indebtedness: People living in rural areas, poverty and unemployment, agricultural and non-agricultural insufficiency, low-wage employment, construction seasonal goods, economic weakness, etc. He is heavily in debt for some reason. Sir Malcolm Darhing (1925), a famous British writer, pointed out that Indian peasants were born in debt, lived in debt, and died in debt as well as in debt. Since these villages do not have credit facilities, they are dependent on local moneylenders, who squeeze the villages like a disease. For this reason, suicides occur frequently in villages.

Rural Income: The income of the rural population is low because the rural economy is not strong enough to provide them with employment or self-employment. Many workers and workers are unemployed and there is limited room for income growth.

Dependency: Most rural families depend on social assistance and remittances from family members working in the city.

Dualism: Dualism refers to the combination of two different characteristics in a single field: built and unbuilt, integrated and non-integrated, traditional and modern times, controlled and uncontrolled, poor and rich, smart and promising. These features are common in rural areas.

Inequality: The distribution of income, wealth and assets is unequal in rural areas. There are many historical, social, economic and political reasons behind this inequality. Landlords and landowners worked in rural areas. Livestock and other assets are owned by a few people.

Migration: People living in rural areas are forced to migrate from villages to cities in order to find a gainful job to earn their living. These features of development lead to the formation of cities. This was what Schumacher called a "double poisoning", with the city crowded on one side.

Importance of Rural Economy

1. Sustainable rural development is important for the country's economy, social and environmental aspects.
2. Since most of the world's poverty is rural, eradicating poverty is important.
3. To provide employment opportunities to people in rural areas.
4. It is a way of life and survival for the rural population.
5. They provide raw materials to urban industry.

Theoretical Framework

Various theories have been developed to address the cashless policy and economy of a country; The three that are relevant to this study are Ivan Fisher's Quantity Theory of Money, Keynesian Monetary Theory, and Milton's Friedman's monetary theory.

Ivan Fisher's Quantity Theory of Money

The quantity theory of money was proposed by Irving Fisher (1896). The theory states that "an increase or decrease in the quantity of money will cause an equal increase (or decrease) in the total price; the level of real income, interest rates, and the real economy do not really matter." Classicists believe that the effect of money on the economy is neutral because it only affects price. Fisher's quantity theory of money, usually speaking of foreign exchange equilibrium, shows $MV = PT$

where: M = Money supply

V = Money velocity

P = Price level

T = Time.

Exchange balance is an individual showing that the money supply and the velocity of money are equal to the current market value of all goods and services (nominal GDP). The assumption that changes the exchange balance from the individual to the monetary and financial management perspective is that, at least in the short term, Y is constant and the economy is always at or close to the natural value of real GDP. Since the speed will remain constant, V can be considered stable (Anyanwu and Oaikhenam, 1995). Classicists hold that if the central bank uses expansionary or contractionary monetary policy that causes an increase or decrease in the money supply (M), the result will be only an increase or decrease in the price level (P) and the payment (M) will be directly proportional to the change. Classicists attribute the existence of unemployment to the downward rigidity of wages. If wages are kept above the level required for full employment, expansionary monetary policy can be used to correct the situation, thus raising the equilibrium price. Inflation is lower than real wages, providing an income incentive for employers to increase employment and production to fill jobs. Therefore, expansionary monetary policy is effective in restoring the employment level. Therefore, in the classical system, expansionary monetary policy is effective in ensuring full employment. This theory is relevant to this project because in Nigeria, an increase or decrease in the quantity of money leads to an increase or decrease in the general price of goods and services.

Keynesian Monetary Theory

Keynesian Monetary Theory states: "As interest rates fall, an increase in the money supply increases aggregate investment demand." The theory is that this will start to increase productivity and efficiency but will not increase the price level. Keynesian monetary theory is relevant to this study because an increase in money supply increases the demand for money for investment, leading to inflation and employment in rural and urban areas in Nigeria, leading to growth and development.

Milton Friedman Monetary Theory

Monetarist theory was developed by Professor Milton Friedman in 1956. Milton Friedman (1956) noted that in the short run increase in money supply can reduce unemployment but can also create inflation and so the monetary

authorities should increase money with caution. The monetarists theories adopted Fisher equation of exchange to illustrate their theory, as a functional relationship between the quantities of real balances demand a limited number of variables. The quantity theory is a theory of demand for money and not a theory of output, income or prices. Money is demanded for transaction purposes or as an asset. Money yield different returns to the holder which is measured in terms of price. This theory is relevant to this study because increase in physical income leads to decrease in unemployment in Nigeria. There are also attempts to eliminate the use of physical currency, which led to the foundations of Nigeria's cashless policy.

Empirical Literature Review

Monday (2023). The impact of cashless policy on Nigeria's economic growth was investigated using quarterly data from 2012 to 2021 and the research design adopted in previous studies emerged as follows: Conduct tests such as serial correlation, heteroscedasticity and Cusum tests. The results of the study show that there is a positive relationship between checks (CQ) and internet banking (IB) and international products, while there is a positive relationship between ATMs and products. The study concludes that cashless policy has impacted the economic growth of Nigeria and therefore suggests that the Central Bank of Nigeria should encourage banks to provide good ATM services to their customers as this should encourage the use of alternative payment methods which are also informative. One of the reasons for the cashless policy is the other payment method.

Agu and Agu (2020) examined the impact of cashless policy on economic growth in Nigeria. The study period is from Q1 2010 to Q4 2018 using ordinary least squares method (OLS). Data from World Bank Development Indicators and Central Bank of Nigeria (CBN) 2019 Statistical Bulletin, Annual Report and Spreadsheet. While there are features around Automated Teller Machine (ATM) transactions and Point of Sale (POS) payment models, there is still a lot to be done to take full advantage of Nigeria's cash ban laws. Based on the findings, the study suggests that banks should increase investments in Information Technology (ICT) to improve electronic payment performance as this will increase the bank's profits and support Nigeria's long-term economic growth. The Central Bank of Nigeria (CBN) should also undertake public education activities so that the public can better understand the concepts of cashless machines, especially in relation to online payments and verification work. This should increase public awareness and reduce banking public resistance, allowing businesses to benefit from the cashless policy.

The episode of Gbalam and Dumani (2020). Check out the cashless policy and accounting in Nigeria. This study aims to determine the level of financial inclusion through cashless policies. This study is based on accepted theories of diffusion of technology and innovation. Therefore, initial data were obtained and collected from the survey created for 117 participants, analyzed with simple percentages, and presented with pictures and words. Data were further estimated considering reproducibility. The results show that financial inclusion

in Nigeria is improving through the proximity of financial products and services to rural people, better access to digital financial services and reduced visits to banks through the use of payment-free media. It can also be seen that the efficiency of the grace pipeline does not reduce the use of money and services and therefore accounting. Furthermore, the results show that the propensity to have a bank account and overpayment have a positive but not significant impact on financial inclusion in Nigeria. The study concluded that the grace-free pipeline promotes equal access to and use of financial products and services in Nigeria. This study shows that the use of technology (Fintech) that integrates all behaviors of the user group will improve customer experience and strengthen access and use of banking products and services in rural areas.

The episode of Fabris (2019). Analysis of cashless people - the future of money or utopia. Research points out that the prospect of a money-free life will not last long due to the development of digital currencies in some countries. This study is based on analysis of empirical research showing the benefits of a cashless life, such as reduced crime and penalties, ease of payment and reduced private sector costs. Although the world financial crisis and private cryptocurrencies threaten its existence without cash. The report concludes that business developers must rise to the challenge of supporting the emergence of cashless people. Even if this happens, cashless systems should still be based on cryptocurrencies because it is also a cashless form of money and accounting is important for the development of global finance today because people can now live without cash when doing business around the world.

Mamoudou and Gayovi (2019). Examine the cashless policy and its impact on the Nigerian economy. This study shows, based on time series data, that the cashless policy and its impact on the Nigerian economy cannot be overstated. It shows a long-term relationship between the amenities used to support the cashless policy (electricity, electronics/appliances, strong internet, etc.) and business in Nigeria. This suggests that the insignificant results can be attributed to weak areas where work needs to be done to improve the bank's fiscal policy. It is recommended that the government and banks work together to develop infrastructure that will increase the convenience of cashless transactions.

Ogbeide (2019) used the least squares method to examine the impact of cashless transactions on financial accounting in Nigeria. The specific purpose of this study is to determine the impact of ATM transaction volume, retail sales volume and internet transactions on financial calculation volume. To achieve this goal, data from 2007 to 2016 were collected and estimated. The results show that from cities to rural areas, ATM and POS transaction volumes have a positive effect on financial inclusion, while the effect of online transactions on financial inclusion is not significant.

Onwe (2018) examined the impact of cashless policies on the rural economy in Nigeria: A case study of Ikwo Local Government Area. This study examines the extent to which Nigerians embrace and accept the law and explores the possibility of survival in the country. Questions are used as data

collection tools in research studies. Analytically, this study used simple percentages, frequency tables, and chi-square to test the hypotheses. The study, therefore, revealed that the introduction of cashless business in Ikwo State Local Government Area is based on the ease of cash transactions, cash etc. It shows that it can be seen as a step in the right direction due to its advantages such as. The study also revealed that CBN's cashless policy was widely accepted and approved in Ikwo local government, indicating the strong and positive impact of chi-square on the adoption of CBN cashless policy in Ikwo local government area.

The study, among other things, recommends that banks should launch more awareness campaigns to educate Nigerians, especially the rural population, about the cashless policy and the benefits they will reap if this policy is implemented. aims to fill the above gaps in order to contribute to humanity's knowledge.

METHODOLOGY

This study used a survey research design to examine the impact of cashless policies on the rural economy of Nigeria. Primary and secondary data were used in the research. The population of this study includes all local governments in Akwa Ibom State. Akwa Ibom state has thirty-one districts. Its total population was estimated at 3,902,051 as of the 2006 census, and the National Bureau of Statistics estimates the population at 5,482,177 as of 2016, making it one of the largest states in Nigeria. With the implementation of Taro Yamane, the population size decreased to 400 people. It allows the researcher to access important information for the study. Data are presented using descriptive statistics tools such as words, percentages, and means. On the other hand, the two research questions were analyzed using the 5 Linkert mean and standard deviation scales in Social Science Statistical Software (SPSS). The research questions were analyzed using a mean scale of 3.0; A total score below 3.0 indicated that participants disagreed with the research question, while a total score above 3.0 indicated that participants agreed with the research questions. Objective detection methods were used in the research. For clarity, out of thirty-one (31) local governments in Akwa Ibom state, seven (7) local governments were selected as samples for this study. Purposive sampling was chosen for use in this study because it provides a non-probability sample selected based on characteristics present in specific populations and across all study practices. It can also help researchers identify stereotypes that exist in each group. Based on purposive sampling technique, two local government areas were selected from each of the three (3) senatorial districts constituted by Akwa Ibom State and one district from the Southern Senatorial District of Akwa Ibom State was selected as the area is one of the local government areas. It is the most populous LGA in the state, with a total of seven (7) local government areas, which are as follows: Ukanafun; Ika; Okobo; Mbo; Ibiono Ibom; Nsit Atai and Udung Uko local government areas of Akwa Ibom State.

The division of the state and selection of the sample are as follows:

Table 1. Sectorial Distributions of the Questionnaires

Senatorial District	No. of L.G.A	Names of L.G.A	No. of L.G.A	Names of Selected L.G.A
Akwa Ibom North East Senatorial District	9	Etinan Ibesikpo Asutan Ibiono Ibom Itu Nsit Atai Nsit Ibom Nsit Ubium Uruan Uyo	2	Nsit Atai Ibiono Ibom
Akwa Ibom North West Senatorial District	10	Abak Essien Udim Etim Ekpo Ika Ikono Ikot Ekpene Ini Obot Akara Oruk Anam Ukanafun	2	Ukanafun Ika
Akwa Ibom South Senatorial District	12	Eastern Obolo Eket Esit Eket Ibena Ikot Abasi Mbo Mkpat Enin Okobo Onna Oron Udung Uko Urue Offong/Oruko	3	Mbo Okobo Udung Uko

Presentation of results and discussion of findings

Presentation of data

The data analysis was based on the research objectives. Primary and secondary data were reviewed. In the main analyses, participants were identified based on specific demographic characteristics. Age, gender, marital status, job type and all other demographic variables are calculated using

percentages. In secondary analysis, we used logistic regression, standard deviation, and mean for descriptive statistics.

Table 2. Sociodemographic Characteristics and Economy of The Respondents

Socio-Demographic Characteristics	Frequency	Percentage
Gender		
Male	140	42.7
Female	188	57.3
Total	328	100
Marital Status		
Single	114	34.8
Married	189	57.6
Divorce	8	2.4
Widow/Widower	17	5.2
Total	328	100
Age Range		
Below 25 years	29	8.8
26-35 years	76	23.2
36-45 years	109	33.2
46 years and above	114	34.8
Total	328	100
Highest Educational Qualification		
FSLC/WAEC	104	31.7
NCE/ND	84	25.6
HND/BSC	114	34.8
MSC/PHD	26	7.9
Total	328	100
Business Type		
Saloon	46	14.0
Welding	22	6.7
Bakeries	7	2.1
Restaurants	85	25.9
Tailoring	63	19.2
Cold Room	11	3.4
Photo Studios	9	2.7
Night & Drinking Bars	16	4.9
Timbers	3	0.9
Phone Technicians	22	6.7
Super Market	44	13.4
Total	328	100

Source: Authors Survey, 2024.

In Table 2 we can see the details of the population and the type of jobs they work in. Among the 328 respondents, the percentage of married men and women is high, accounting for 57.6% of the total. Gender distribution is 188 females (57.3% of total) and 140 males (42.7% of total). In terms of age, the largest number of respondents were aged 46 and above, with 114 (34.8%); Similarly, when asked about educational background, the highest respondents had BSC/HND and the lowest respondents had MSC/PHD. Among the different types of businesses, the most common is the restaurant industry, with 85 respondents (or 25.9% of the total) operating in this sector. The lowest number of respondents was found in the timber sector, with only 3 (or 0.9% of the total) owners.

RESEARCH RESULT AND DISCUSSION

In order to determine the degree of relevance for the research issue, the data for this study is presented and examined below using basic percentage and SPSS software.

Research Question One

What are the impact of cashless policy on the rural economy of Akwa Ibom State, Nigeria?

Table 3. Respondents' Perceptions on the Impact of Cashless Policy on the Rural Economy of Akwa Ibom State, Nigeria.

S/N	Factors	Mean	Standard Deviation	Decision
1	Cashless policy brings about easy tracking of one's expenses and budgeting.	3.91	3.62	Agreed
2	Prevention of cash flow outside the formal banking system.	4.14	3.70	Agreed
3	It brings about reduction of money laundering.	4.11	3.74	Agreed
4	Cashless policy encourages emergency payment.	4.31	3.90	Agreed
5	Online buying is made possible via cashless policy.	4.55	4.08	Agreed
6	It reduces stress in counting large amount of cash during payment.	4.10	3.61	Agreed
7	It encourages easy payment.	4.45	4.11	Agreed
8	Cashless policy encourages new businesses and employment opportunities.	3.71	3.82	Agreed
9	Reduction in loss of physical cash.	4.15	3.71	Agreed
10	Increase in profit merging as a result of using online transfer.	4.15	3.73	Agreed
11	It discourages forgery of currency.	3.14	3.11	Agreed
12	Limit the stress of carrying physical cash.	3.53	3.57	Agreed
13	Cashless policy limit physical cash fraud in rural areas.	4.18	3.80	Agreed

14	It encourages rural dwellers to start up business, purchase goods, do transaction locally and internationally at their locality thereby increasing their standard of living.	4.12	3.76	Agreed
15	Cashless policy encourages e-payment in rural areas which brings about expansion of business.	3.37	3.23	Agreed
16	It brings about increased in tax collection, greater financial inclusion, reduced revenue leakages and increase economic development in the rural areas.	4.34	3.97	Agreed
Aggregate Mean		4.02	3.72	Agreed

Source: Authors survey, 2024.

Looking at the data in Table 3, 1-16. The articles aim to discuss the impact of cashless policies on the rural economy of Akwa Ibom State, Nigeria. As shown in the table above, the average for this item is completely above the 3.0 standard. Additionally, based on all responses, the standard deviation is 3.72 and the total mean is 4.02. According to the results obtained from the studies of Mamudu and Gayuvwi (2019), Agu and Agu (2020) and Monday (2023), e-banking and cashless policies have a positive impact on Nigerian business, which is consistent with the findings. Based on the research data of this research based on Akwa Ibom States.

Research Question Two

What are the problems of non-fiscal policy towards the rural economy of Akwa Ibom State, Nigeria?

Table 4. Respondents' Perceptions Of Non-Cash Issues in the Rural Economy of Akwa Ibom State, Nigeria.

S/N	Factors	Mean	Standard Deviation	Decision
1	Inadequate cashless payment channels.	4.17	3.81	Agreed
2	Cashless policy brings about exposure to internet fraud.	4.41	3.94	Agreed
3	Inadequate electricity supply.	4.51	4.04	Agreed
4	Poor electronic banking network.	4.11	3.65	Agreed
5	High rate of charges in electronic banking platform.	4.27	3.91	Agreed
6	Ignorant of the benefits attached to cashless policy.	4.12	3.37	Agreed
7	Inadequate public enlightenment.	4.21	3.81	Agreed

8	Political instabilities that disturb the smooth operations of business and flow of goods and services.	4.12	3.86	Agreed
9	The people are accustomed to the use of physical cash in transaction.	3.13	3.03	Agreed
10	Banks attitudes when marketing cashless policy ideas.	4.19	3.79	Agreed
11	Lack of Confidence as a result of security issues.	4.12	3.86	Agreed
	Aggregate Mean	3.75	3.73	Agreed

Source: Authors survey, 2024.

Looking at the data in Table 3, 1-11. The articles aim to discuss cashless policy issues for the rural economy of Akwa Ibom State, Nigeria. As shown in the table above, the average for this item is completely above the 3.0 standard. Additionally, based on all responses, the standard deviation is 3.73 and the total mean is 3.75. According to the results obtained from the empirical research of Onwe (2018) and Fabris (2019), cashless policy in Nigeria is facing some problems, which is consistent with the results of the study using Akwa Ibom State.

CONCLUSIONS AND RECOMMENDATIONS

This study examines cashless policy and economics in rural Nigeria using Akwa Ibom State as a case study. According to the study, the cashless policy has had a positive impact on the entire Nigerian economy, but there are also some challenges that can be overcome if everyone works together, and in the Nigerian economy, the right to cashlessness in rural areas will be more profitable. There will be people. very useful. Here are some suggestions for policy makers in Akwa Ibom State and Nigeria to consider if they want to reap the benefits of cashless policies:

1. Provide tools to improve aid to reduce internet fraud.
2. To provide stable electricity supply to rural and urban areas to facilitate Internet Banking.
3. Encouraging deposit banks to develop various banking activities.
4. Reduction and unification of costs of all electricity companies.
5. To understand the benefits of cashless policy and risks of carrying cash in Akwa Ibom state and other rural parts of Nigeria.
6. To provide a suitable place for trade and circulation of goods and services.

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ADVANCE RESEARCH

The implementation of cashless policy in Nigeria is crucial for enhancing the economy performance. Cashless policy has proven to be an effective tool for steering businesses and creating employment opportunities in rural area if it publication, adaptation and embracement couple with stable electricity supply and reliable on-line banking platform can be provided, it will lead to significant improvement in the economic performance of rural dwellers and nation as a whole.

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