Journal of Islamic Banking and Finance
December 2016, Vol. 4, No. 2, pp. 6-14
ISSN 2374-2666 (Print) 2374-2658 (Online)

Published by American Research Institute for Policy Development
DOI: 10.15640/jibf.v4n2a2
URL: https://doi.org/10.15640/jibf.v4n2a2

Mobilizing Informal Sector Operators to the Islamic Banking Products in Nigeria

Ibrahim Hussaini Aliero PhD[1] & Mohammed Bashir Achida[2]

Abstract

This paper analyses how Islamic banks could mobilize the informal sector operators to their banking products and services. The informal sector operators are known to suffer from lack of access to formal financial services. One of the reasons for this lack of access is the lack of understanding of the banking products and services by the operators. The paper argued that there might be some common financing values and norms between the informal sector operators and the Islamic banks. The common values and norms may serve as a link for mobilizing the informal sector operators by the Islamic banks. The paper supports its argument with evidence from existing literature and personal interaction with the informal sector operators. What Islamic banks need to do is to educate the operators on their products and services and invite them to patronize the products of the banks.

Keywords: Mobilizing, Informal sector operators, Islamic banking products, Nigeria.

JEL Classification: G21, O17, Z12.

1. Introduction

Islamic Banking and finance has over the years witnessed tremendous growth worldwide since it was first established in Dubai in 1975. It spreads in about 70 countries, in the Middle East, South East Asia, China, United State of America, United Kingdom and many African countries. Assets of the industry have increased by 18.6% on year-on-year basis and stood at a record of USS1.8 trillion by the end of 2013 (Muttalab, 2013). This trend in growth is expected to continue in the future years ahead, as new Islamic banks and other Islamic financial institutions are being established. In Nigeria, Islamic banking and finance is a new development. At present, there is only one full-pledge regional Islamic (Interest-free) Bank (Jaiz Bank International) and two conventional Banks that are operating Islamic banking windows in the country.

Islamic banking and finance being a new financial industry faces many challenges. Two of these challenges are; lack of understanding the specifics of Islamic banking products (Abdul Hamid and Mohd Nordin, 2001; Mohieldin, Iqbal, Roston and Fu, 2012; Bashar, Sajid and Iqbal, 2011; Zurbruegg, 2007; Ramdhany, 2013) and failure of Islamic banks to mobilize the informal sector operators to their banking products (Ahmed, 2004; Obaidullah and Abdul Latif, 2008). The objective of this paper therefore is concerned with how to address the challenges in Nigeria. The two challenges are mutually related in the sense that lack of understanding of Islamic banking products by the generality of the public and specifically, the informal sector operators, could lead to lack of patronage of Islamic banking products. Thus, to solve the problems, Islamic banks need to educate the public and the informal sector operators about their products.

[1] Department of Economics, Usmanu Danfodiyo University, Sokoto.
[2] Department of Economics, Usmanu Danfodiyo University, Sokoto.

However, there are some researches on Islamic banking education (Abdul Hamid and Mohd Nordin, 2001; Waspodo, 2008; Waemustafa, 2013) though the focus is on the formal schooling and training for bank employees and less attention is given to educating the public and the informal sector as a means of mobilizing customers in Nigeria. This paper intends to address these problems.

The rationale for targeting the informal sector operators is that, in most cases they are organized based on associations (Lyon and Porter, 2009). These associations do practice some values and norms that are similar to the values, norms and the products provided by Islamic banks. Also targeting the associations may be cheaper and may have wider effect on customers rather than mobilizing individual customers. In addition, there may be certain individual traders and farmers that are scattered all over the country in the rural and urban areas who also share some norms and values of Islamic banks. The argument of this paper is that, it is easier for Islamic banks to relate and mobilize the informal sector operators that share norms and values, which are similar to that of Islamic banks. Mobilizing the informal sector operators to Islamic banking products could bring about rapid growth in deposit mobilization, credit delivery and consequently poverty reductions.

The paper is divided into six sections. Section one is this introduction, section two deals with conceptual framework, section three reviews the related literature, section four is the methodology of the study, section five analysis how Islamic banks could mobilize the informal sector operators to their products, and section six is the conclusion and recommendations.

2. Conceptual Framework

This section explains the concept of informal sector operators and Islamic banking products used in the study.

2.1 Informal Sector operators

Different scholars and organizations define informal sector in different ways (Swminathan, 1991; Onwe, 2013; Gerxhana, 2004). However, this study uses the definition in the resolution concerning statistics of employment in the informal sector as adopted by the Fifteenth International Conference of Labour Statistics (January, 1993). It characterizes the informal sector as consisting of units engaged in production of goods or services with primary objective of generating employment and incomes to the persons concerned. These units typically operate at a low level of organization with little or no division between labour and capital as factors of production and on small scale. The operators could be traders, famers, money lenders, manufacturers, transporters etc. These operators need to access credit for their businesses but in most cases lack access to it. Thus, the need to increase their access to formal finance.

2.2 Islamic Banking Products

The Islamic banking products refer to the services Islamic banks provide to their customers. Obaidullah (2005) categorizes the products into deposit products and financing products. The deposit products consist of current account, saving account and investment account. A brief explanation of the accounts follows; Current account operate by Islamic banks are similar to the current account in the conventional banks. The account is provided for individuals and corporate entities. The owners of this account are not entitled to any return but the bank guarantees their deposits on request. The account operates with cheque book or debit card. The Islamic banks operate the account on the *Shari'ah* principle of *Qard hasana* (benevolent loan), *Wadiah* (safe-keeping of deposits) and *Amana* (trust deposit). The banks require the permission of the account holder to use the deposits under *Shari'ah* principles of *Wadiah* and *Amana* deposits. Saving account provides the depositors with opportunity of safekeeping their deposits and the possibility of earning a return on their savings. The account operates using passbook and debit card. Its *Shari'ah* basis is *mudarabah* (passive partnership), *wadiah* or *amana* principles.

The depositors are entitled to return in form of profit when the account is based on the principle of *mudarabah*, however, when the account is based on the principles of *wadiah* or *amana*, the depositors are not entitled to any return but the bank guarantees their deposits. The bank also needs the express permission of the depositors in order to use the deposits. Investment account is for depositors who want earn return from their deposits. It is similar to fixed investment deposit in conventional banking. However, the depositors receive profit instead of fixed interest rate. The account operates on the principles of *Mudaraba* (profit and loss sharing). The investment account could be general investment account or specific investment account. Under the general investment account the bank pools the deposits together for investment purposes. The specific investment account is used for the specified project or activity. The financing products are based on the *Shari'ah* principles of *Musharakah* (partnership), *Mudarabah* (passive partnership), *Murabahah muajjal* (deferred sale), *Salam* (forward sale), *Ijarah* (leasing), *Istinah* (purchase order) and *Qard hasana* (benevolent loan). A brief explanation of the principles and their application by Islamic banks follow;-

Musharakah refers to partnership between the bank and the entrepreneur; the two parties contribute capital and management for the business. However, any of the two parties can relinquish his right to the management of the business. The profit is shared according to the pre agreed ratio. The loss if any is shared strictly according to the proportion of the capital contribution. One variant of *musharakah* is called Diminishing *Musharakah*. It is a *musharakah* arrangement whereby the proportion of capital contribution of one of the partners is paid to him by the other partner overtime until he owns the entire asset. *Musharakah* can be used in trade finance, agricultural finance and project finance. Diminishing *Musharakah* is used in housing, transport and machinery financing (Ayub, 2007).

Mudarabah refers to financing product where the bank provides capital to be managed by the entrepreneur. The profit is shared according to agreed profit sharing ratio and loss if any is borne by the bank, if the loss is not due to the negligence of the entrepreneur. *Mudarabah* is applicable to trade and project financing.

Murabahah is the financing mode whereby the bank buys and sales goods to a client at the cost plus a profit margin. The client pays installment or in lump sum at a future date. The *murabaha* product is also called *Bai-muajjal* (Deferred sale) or *Bai-bithamani ajil. Murabaha* is used in financing automobiles, consumer durables, trade finance, spare parts and raw materials.

Salam is the purchase of goods by the bank, where by the price of the goods is paid instantly and the goods are supplied in the future. *Salam* is also called Forward sale. *Salam* is mostly applied in agriculture and trade financing.

Ijarah or lease financing is the mode of financing in which the bank leases out an asset to the client and receives rent over a specified future time. *Ijarah* is used in financing fixed assets, machinery and automobiles.

Istisna is the financing mode whereby the bank orders a manufacturer to produce an asset according to the specification of the bank client. The bank pays the manufacturer according to their terms of agreement. When the asset is produced, the bank sales it to the client. The bank makes its profit from the price difference it pays to the manufacturer and the price it receives from its client. The financing aspect of istina is that the bank pays the price of the asset to the manufacturer according to their terms of agreement, while the client pays the bank in the future in installments or in lump sum. Istina is applicable in financing industrial investment goods.

Qard hasana refers to interest free or benevolence loan. The bank provides this facility to the needy customers of the bank against a service or administrative charge. The bank could also ask the beneficiary to present collateral or guarantor to secure the loan. The client normally pays back exactly what he receives.

3. Literature Review

This section reviews the role of knowledge barrier in the financial exclusion of low-income people and the recommendations for improving the awareness of the people to formal financial products. It should be noted that the ignorance of the formal financial products is not limited to Islamic banking products but also the conventional banking products (National Financial Inclusion Strategy, 2012; Plan UK, Care International and Barclays Bank, n.d; Gardeva and Rhyne, 2011) despite their long-standing record of operation. However, in this section we concentrate on the literature on Islamic banking products.

A study by Mohieldin, Iqbal, Rostom and Fu (2012) identify knowledge gap as one of the challenges of Islamic micro financial institutions. According to them knowledge gap regarding *Shari'ah* rules among working staff challenges the development of many institutions. It argues that the knowledge gap increases the risk of the institutional deviation from *Shari'ah* rules and may deter *Shari'ah* –compliant product innovation. The study also observes that society's understanding of Islamic financial products is still limited. It recommends that both Islamic micro financial institutions and government should exert more efforts to educate low-income Islamic individuals and invite them to use the available products and services.

Another study by Bashir, Sajid and Iqbal (2011) explores the barriers to the growth of Islamic banking in Pakistan, despite its operation for about 30 years in the country. One of the findings is that people lack awareness of Islamic banking products and services. It argues that inadequate information about Islamic banking product and services is an important factor for lack of growth of Islamic banking in Pakistan. The study recommends Islamic banks to come up with new marketing ideas to attract more customers. Similarly, Rammal and Zurbruegg (2007) find that Muslims in Australia are interested in purchasing profit and loss sharing products of Islamic banks but are not properly informed about how they function. The study recommends the need to develop an effective communication plan that goes beyond just marketing and advertisement to ensure the populace is aware of how Islamic banking products operate. The study also stresses the need to educate customers to adapt to the new ways of doing banking transaction. In a study of banking behavior of Islamic bank customers in Bangladesh, Khan, Hassan and Shahid (2007) find among other things, higher customers awareness and usage for various deposit mobilization investments but there is not higher awareness and usage of any individual financing facilities of Islamic banks. The study recommends that Islamic banks should try to find out some ways to better familiarities its customers with the barrowing products. Similarly, Ramdhony (2013) finds in Mauritius that Muslims are better aware of Islamic banking terminology than non-Muslims are, but awareness is on the low side irrespective of religion. The study recommends that the only one Islamic bank in the country and potential banks should launch informative advertising campaign. However, he recognizes that there is only one bank operating Islamic banking products in the country and the cost is expected to be very high. To this effect, he further recommends the bank to seek the assistance of various Islamic bodies, which preach Islamic religion to propagate the principle of Islamic banking and finance. However, Ramdhony also recognizes the danger of adopting this strategy as it may show that the Islamic banking is only for the Muslims. This may deter the non-Muslims from the bank.

In another study by Abdul Hamid and Mohd Nordin (2001) find, that almost all their respondents know the existence of Islamic banks in Malaysia. However, less than 15 percent of the respondents know the meaning of various Islamic banking products. The study recommends designing a new curriculum that includes both theoretical and practical knowledge of Islamic finance. It also advocates the use of IT in disseminating Islamic financial education. Similarly, Waspodo (2008) analyses the need to educate the Muslims on Islamic financial principles and practices as a step towards fertilizing micro and medium sized enterprises in the Muslim world. He also emphasizes formal training to the detriment of immediate training for Islamic bank customers. From the practice perspective, Haron and Wan Azami (2006) report the promotional strategies of Bank Islamic Malaysia Birhad (BIMB) and Bank *Mu'amalat* Malaysia Birhad (BMMB). BIMB collaborates with higher institutions of learning in Malaysia to provide training an Islamic banking and finance to the students. The training scheme of the bank is incorporated in the academic programme of the students.

The objective of the scheme is to disseminate knowledge of Islamic banking products and services to the students, so that they become marketing agents of the bank. BMMB on the other hand targets entrepreneurs as its potential customers. It organizes training on Islamic banking principles and concepts to the participants. The participants are given detailed explanation on the types of products and services provided by the bank and how the participants can access the various financing products. This section establishes clearly the role of knowledge barrier in the financial exclusion of the law income people. It also underscores the need for breaking the barrier in mobilizing customers to Islamic banking products.

However, most of the recommendations emphasized formal training on Islamic financial products and services the recommendations seem to be for the general public and lack emphasis for those financially excluded. The suggestions further lack a strategy for mobilizing the informal sector operators to the Islamic banking products. Section five attempts to deal with the problem.

4. Methodology of the paper

The paper uses anthropological literature on the informal sector in Nigeria, Islamic banking and finance literature, informal observation and interaction with operators of the informal sector for its analysis. We approach the issue by first analyzing the different activities in the informal sector based on the existing literature, personal interaction and the experiences of the informal sector operators. Secondly, we identify the common values and norms between Islamic banks and the informal sector operators and finally explain how Islamic banks could mobilize the informal sector operators to their financing products.

5. How Islamic Banks could mobilize the Informal Sector Operators to their Products in Nigeria

The dominant model of providing Islamic financial products and services to the low income and informal sector operators is the Islamic micro-financial institution. However, it is observed by Ahmed (2004) that although Islamic micro-financial institutions have achieved a measure of success, they are faced with the problems of lack of fund and trained manpower. These problems limit the viability and quality of services provided by the institutions. Ahmed (2004) argued that given the human and material assets of Islamic banks, they stand a better position to provide viable and quality financial services to the micro-entrepreneurs. The argument is based on the rationale that:

- In order to fulfill their social role, Islamic banks, should take care of the poor and the vulnerable in the society by providing financial services that suit their need.
- Financing productive activities is the specialization of banks. Financing micro-entrepreneurs will be an extension of their client base.
- Islamic banks already have the skilled manpower that has the know-how on which they can expand their microfinance operations.
- The lack of funds and trained personnel constraining the operations of Islamic micro-financial institutions is eliminated in Islamic banks.
- With its established network of branches, Islamic banks will be able to deliver services at a lower cost than micro-financial institutions (Ahmed, 2004).

This paper subscribes to this view and contends that breaking the knowledge barrier on Islamic banking products among the informal sector operators is one of the ways of enhancing financial inclusion of the informal sector operators. How to break the knowledge barrier among the informal sector operators is the concern of this section. The analysis of the informal financial activities is classified base on the location that is rural and urban.

5.1 Rural Informal Sector Financial Activities

In a study of the interaction between farmers and traders in Hausa land Clough (1981: 277) observes "Different sorts of credit relationships bind cotton buyers and cotton producers. Poor household heads without sons, and old farmers whose matured sons have left *gandu,* are often unable to produce sufficient grain to meet family needs, or generally to market sufficient produce to cover expenses. This category of farmers will be granted *falle* a highly usurious form of loan. Since the price of cotton is posted officially in advance of cotton – growing, the cotton buyers know in advance the harvest price. He will therefore calculate repayment in cotton at harvest at double the value of the original loans. Another variant of *falle* is that the loan will be repaid at harvest with cotton at half of the market price. In either case, the interest on the original loan is 100 percent".

In another place, Clough (1981: 282) reports

"Rural traders save and spend large amounts in order to go on the pilgrim to Mecca. The Hajj and Islamic culture generally commit the wealthy to be generous to those less fortunate than themselves. Thus, the rural trader extends *rance*, or short – term non-interest loans to younger traders, to butchers and craftsmen".

Similarly, in a study of rural credit markets in Northern Nigerian Udry (1990: 255) reports

"As documented below, almost no loans between individuals are made with positive explicit fixed interest rates. When asked to explain this pattern, all the respondents referred to *Shari'ah* law".

In another place, Udry (1990: 267) observes

"Although the borrower and lender negotiate over the size of the loan, most (84 percent of transactions) are made without setting an explicit (nominal) interest rate or repayment date. When an explicit interest rate is set it is almost always set at zero".

In another similar study Lyon and Porter (2007: 909) report

"our survey found that whole sale traders "help" an average of four farmers with a total of N11,000 (roughly £50 or the equivalent of two months income for poorer farmers) worth of goods with agreements based on trust. In discussion with Muslims, reference is commonly made not to loans but to 'help', since usury is forbidden in Islam". In another place Lyon and Porter (2007: 912) report "While direct question on rate of interest were not possible, the actual rates of interest being charged were reported to be much higher than banks but come in the form of lower prices offered for produce".

From the above passages it is clear that:

i. The prohibition of interest is held in all the three studies.
ii. All the studies reports that traders advance credits to farmers to be repaid in produce. This is clearly what is called *bai salam* in Islamic finance, whereby the bank pay the price in advance and the goods are supplied in the future. Islamic banks use *bai salam* to finance agriculture.

However, there is the need to clarify certain misconceptions on this mode of finance as reported by all the three studies. All the studies regard the return to the trader from the farmer as interest rate. They also consider the return higher or usurious when compared to interest rate charge by conventional banks. From the *Shari'ah* perspective, the return to the trader from the farmer is profit not interest. While profit is permissible in Islam, interest is prohibited (Q. 2: 275). In addition, the *Shari'ah* does not differentiate between interest and usury, the two terms are regarded as one and the something (IIIE, blueprint of Islamic financial system, 1999). Furthermore the *Shari'ah* allows the buyer to pay a lower than market price in a *salam* contract (Ayub, 2007).

The Islamic banks could mobilize the rural farmers through the traders in the rural areas. Banks should identity the traders in the rural areas that are involved in providing credit to the farmers and them on their *salam* product, specifically explaining to them the similarities between the bank product and what traders do in terms of providing credit to the farmers. Rural traders could serve as the agents of Islamic banks in identifying potential clients, monitoring and supervision as well as the collection of farm produce from the farmers. They rural could also sale the produce on behalf of the banks. While the banks pay commission to the rural traders for their services.

Aliero (2011) evaluate the *Shari'ah* compatibility of the financial practices among muslim informal sector operators at Aliero onions market. Some of the findings are that:

- All the respondents are aware of the prohibition of interest in Islam.
- The operators have savings and current account with the conventional commercial banks and also use money transfer services of the banks, but they do not borrow money from the banks because of the prohibition of interest in Islam.
- The respondents do not have an idea of Islamic mode of finance, but in practice some of their financing arrangements are just like *musharakah* and *mudarabah*. In fact some of the *shirkah* partners call themselves "group" referring to the members of the *musharakah*. They do not know that their financing arrangements are sanctioned by the *Shari'ah*.

Banks could reach the informal sector operators by identifying the operators by location, leadership, activities etc. The banks could send their marketing personals to the informal operators so that they can educate them on Islamic banking products and invite them to join the banks.

5.2 Urban Informal Sector Financial Activities

The rotating savings and credit association (ROSCAS) are informal financial institutions that provide mutual assistance to the members. The associations provide saving and lending services to the members; the lending services are in most cases interest – free (Aliero, 2014). These associations are found all over the world including Nigeria (Ardener, 1964; Bouman, 1983; Ojo, 1996; Aryeetey, 1995 ;) Some of these associations are more sophisticated in their operations. An example is the Sokoto State Association of Rotating Savings and Credit Associations coordinators *(Kungiyar Masu Adashe ta Jihar Sakkwato*) is an umbrella association of ROSCA coordinators registered as a trade association with Sokoto State Ministry of Commerce and Industry in 1986. The functions of the association are to promote the activities of ROSCAS in the state, regulate the activities of members and reconcile among defaulting members. In addition, the association has some risk management policies for the members. These include:

a. A member must have a business in addition to his ROSCA activities. This may prevent him from relying on peoples' deposits for his livelihood.
b. A member must have a bank account, to ensure the safety of peoples' deposits.
c. A member must write a Will that, in the event of death, the association has the right to investigate his ROSCA activities and settle all his debtors and creditors. This has the effect of protecting people from losing their money because of the death of the ROSCA coordinator.

The weekly meeting of the association is the training ground for the members. Normally on every meeting there will be a ballot which they called (*kuri'ah*) for an ongoing contribution (*Adashe*). This is usually at the end of the meeting. The winner of the ballot takes the kitty. The meeting is just like a seminar, member make a written or verbal presentation on any issue that is considered to be important in the promotion of their business. Members who had an unusual experience in their daily operation also report to the meeting so that other members should learn from their experience. Whatever agreements reached during each meeting, members are asked to implement them.

The common values and norms between the Islamic banks and ROSCAs is the promotion of savings and provision of interest-free loans to the members Islamic banks can mobilize the ROSCAs to their products by reaching the associations and explaining to them their banking products. In fact our preliminary investigation in Sokoto shows that some members of the association we have interacted with have saving account with the branch of *Jaiz* Bank International in Sokoto. Some individuals in Sokoto specialize in renting out motorcycles and rick-shaws to motorcycle riders (*kabo-kabo* or *achaba)*. The renting agent and the motorcycle rider agree on the amount of rent and the maintenance of the motorcycle. There are two types of arrangements. In the first arrangement, the agent charges five hundred naira (N500) daily from their client for a period of 10 months. The client is responsible for the maintenance of the asset. At the end of the period, the client owned the asset. In the second arrangement, the rent agent charges four hundred naira (N400) daily from the client. The renting agent is responsible for maintenance of the asset and the ownership of the asset remains with the renting agent. The first kind of arrangement is similar to Islamic banks' *murabahah also called bai-muajjal or bai-bithamani aji (deferred sale).* The second arrangement could be referred to as operating lease. The two kinds of arrangement are all acceptable by the *Shari'ah*.

The renting agents usually coordinate the renting activity for many different individuals. They make their earning from the commission they receive from the owners of the motorcycles. Islamic banks can approach these agents and explain to them their *murabahah* and *ijarah* financing products and invite the agents for a linkage with the motorcycle riders. The Islamic banks could provide the assets to the renting agents on *murabahah* basis in which case the renting agents will be the owners of the asset. The Islamic banks could also assign the renting agents as their agents supervising and monitoring the riders and collecting the rents due to the banks, while the banks pay commission to the renting agents. From these findings, it is clear that it may be easy for Islamic banks to mobilize these informal sector operators to their banking products. This is because the prohibition of interest and some of the financial arrangements they make are common with the values and the norms of Islamic banks. The barrier between these informal sector operators and the Islamic banks is the ignorance of the informal sector operators about the Islamic banking products. Once this barrier is broken, the informal sector operators are likely to embrace Islamic banking. The barrier could be broken by reaching out to the informal sector operators and educating them on Islamic banking products.

6. Conclusion

This paper analyses how Islamic banks could mobilize the informal sector operators to their banking products and services. The informal sector operators are known to suffer from lack of access to formal financial services. One of the reasons for this lack of access is the lack of understanding of the banking products and services by the operators. The paper argued that there may be some common financing values and norms between the informal sector operators and the Islamic banks. The common values and norms may serve as a link of mobilizing the informal sector operators by the Islamic banks. The paper supports its argument with evidence from existing literature and personal interaction with the informal sector operators. What Islamic banks need to do is to educate the operators on their products and services and invite them to patronize the products of the banks. There may be many informal sector operators in Nigeria who may be using financing arrangements similar to the Islamic banking products, but not much is known about their financing activities. There is the need to investigate the financial activities of the informal sector operators with a view to mobilizing the operators to the Islamic banking products.

Bibliography

Abdul Hamid, A. and Mohd Noradin, N. A. Mohd Nordin, (2001) "A study on Islamic Banking Education and Strategy for the New Millennium – Malysian Experience", *International Journal of Islamic Financial Services*, **2** (4) pp.

Ahmad, H. (2004). "Frontiers of Islamic Banking; A synthesis of social role and microfinance". *The European Journal of Management and Public Policy*, 3 (1): 120 – 140.

Al-Hilali, M. T. and Muhammad M. K. (n.d). "Translation of the meaning of The Noble Qur'an" in the English Language King Fahd Complex for the Printing of the Holy Qur'an Madinh, K.S.A.

Aliero, I. H. (2011). "Financial Practices Among Muslim Informal Sector Operators at Aliero Onion Market and their *Shari'ah* Compatibility". A paper Presented in the Departmental Seminar Series of the Department of Economics Bayero University Kano at the Boadroom of the Department on 20th June, 2011.

Aliero, I. H. (2014). "Analytical Review on the concept, financial Practices And Shari'ah compatibility of Rotating Saving And Credit Association (ROSCAs)", *Journal of Islamic Economics, Banking and Finance(JIEBF)*, Vol. **10** (No. 4): 129- 142.

Aryeetey, E. (1995). "Filling the Niche Informal Finance" in Africa East African Publishers Limited, Nairobi, Kenya.

Ayub, M. (2007). *Understanding Islamic Finance*, John Wiley & Sons, Ltd

Bashar, A. S., Rizwan M. and Samra I. (2011). "Barriers to Islamic Banking Growth-Bank Employees perspective from" *Pakistan Asian Journal of Finance and Accounting*, Vol. **3** (No. 1): 56-71.

Bouman, F. J. A. (1983). "Indigenous Savings and Credit Societies", in *Developing World in Rural Financial Markets in Developing Countries Their Use and Abuse* Edited by J. d. Von Pischke, Dale W Adams and Gordon Donald Published for the Economic Development Institute of the World Bank The Johns Hopkins University Press Baltimore and London, pp. 262-268.

Care, Barclays and Plan UK (n.d). "Banking on change: Breaking the Barriers to Financial Inclution" www.barclays.com/content/dam/barclayspublic/---/banking-on-change.pdf 21/4/15

Central Bank of Nigeria (2012). "National Financial Inclusion Strategy Summary Report Abuja", 20 January 2012.

Clough, P. (1981). "Farmers and traders in Hausa Land", *Development and Charge.* (SAGE. London and Beeverly Hills) Vol.**12**: 273 – 292.

Gardeva, A. and Elisabeth R. (2011). "Opportunities and Obstacles to Financial Inclusion", Survey Report Center for Financial Inclusion Publication 12.

Gerxhani, K. (2004). "Informal Sector in Developed and Less Developed Countries", *A Literature Survey Public Choice*, Vol. **120** (No 3-4): 267-300

Haron, S. and Wan Nursofiza W. A. (2005). "Marketing Strategy of Islamic Banks: A Lesson from Malaysia", Working Paper Series 006.

.IIIEs Blueprint of the Islamic financial system (1997). "International Institute of Islamic Economics", International Islamic University, Islamabad.

International Labour Office (2000). "Resolution Concerning Statistics of Employment in the Informal sector Adopted by the Fifteenth International Conference of Labour Statisticians (January, 1993)", in *Current International Recommendations on Labour Statistics*, 2000 Edition, International Labour Office, Geneva,2000.

Khan, M. S. N. *et al.*, (2007). "Banking Behavior of Islamic Bank customers in Bangladesh ", *Journal of Islamic economics Banking and finance JIEBF*, Vol – 3 (No. 2): 159 – 194.

Lyon, F. and Gina P. (2009) "Markets Institutions, trust and norms; exploring moral economics in Nigerian food system", *Cambridge Journal of Economics*, Vol. 33: 903 – 920.

Mohieldin M. *et al* (2012). "The Role of Islamic Finance in Enhancing Financial Inclusion in Organization of Islamic Co-operation (OIC) Countries", *Islamic Economic Studies*, Vol. 20 (No.2): 55 – 120

Muttalab, Umar A. (2013). Chairman's Statement Jaiz Bank Report and Accounts 2013.

Obaidullah, M. (2005). "Islamic Financial Services Scientific", Publishing Centre King Abdul Aziz University, Jeddah, Saudi Arabia.

Obaidullah, M. and Hajah Salma H. A. L. (2008). *Islamic Finance for micro and Medium Enterprises* Islamic Research & Training Institute Islamic Development Bank and Centre for Islamic Banking, Finance and Management Universiti Brunei Darussalam.

Ojo, Ade T. (1996). "Informal Financial Institution: Nature, Characteristics and operations" in *Conceptual and Methodological Framework for Informal Sector Research in Nigeria.* Edited by E. U. Olisadebe and Olu Ajakaiye. Publication of CBN/NISER. PP 27-39

Onwe, O. J. (2013). "Role of the Informal Sector in Development of the Njgerian Economy: Output and Employment Approach", *Journal of Economic and Development Studies*, **1** (1): 60-74

Ramdhony, D. (2013). "Islamic Banking Awareness, Attitudes and Bank Selection Criteria", *International Journal of Humanities and Applied Sciences (IJHAB)*, Vol. 2 (No. 2): 29 – 35.

Rammal, H. G. and Ralf Z. (2007). "Awareness of Islamic Banking Products Among Muslims: The Case of Australia", *Journal Of Financial Services Marketing*, Vol. 12 (No.1): 65 – 74

Swaminathan, M. (1991). Understanding the "Informal Sector", A Survey WIDWER Working Paper 95

Udry, C. (1990). "Credits markets in Northern Nigeria; Credit as Insurance in a Rural Economy", *the World Bank Economic Review*, Vol. 4 (No.3): 251 – 269.

Waemustafa, Waeibrorheem (2013) "The Emergence of Islamic Banking: Development, Trend and Challenges" *IOSR Journal of Business and Management (IOSR-JBM)*, Vol. 7 (Issue 2): 67-712.

Waspodo, A. A. (2008). "The Need to Educate Muslims an Islamic Financial Principles and Practices; A Step Toward Fertilizing MMEs in the Islamic World" in *Islamic Finance for Micro and Medium Enterprises* Edited by Mohammed Obaidullah, Hajah, Salamat and Haji Abdullatiff published by IRTI and Centre for Islamic Banking Finance and Management Universiti Brunei Darussalam.