

PREFACE

We started this project under the title of *Rural Financial Institutions: A Case Study of the Community and People's Banks in Nigeria* recognizing the failure of formal financial intermediaries in the rural areas and the establishment of government-led microfinance institutions in late 1980s. The initial focus of study was to verify financial and institutional performances of those institutions, the Community Banks and the People's Bank of Nigeria(PBN). As it was difficult to undertake a complete survey of the country, we attempted to focus more on three states in the south-western part of Nigeria, namely Oyo, Osun and Ekiti States.

The project has been implemented as a joint effort of Dr. Sylvanus Ikhide (Senior Lecturer, Department of Economics, Obafemi Awolowo University), Dr. Anthony Akinlo (Senior Lecturer, Department of Economics, Obafemi Awolowo University) and Mr. Katsuya Mochizuki (Research Fellow, Development Studies Department, Institute of Developing Economies). On Nigerian side a research team was organized in the Department of Economics with young lecturers. Thanks are due to the hard work of those team members (Mr. Asimiyu Abiola, Mr. Adesayo Ajisafe, Mr. Tamidayo Akinbobola, Mr. Joseph Bamidele, Mr. Benjamin Folorunso, Mr. Olalekan Yinusa) who helped the authors in accomplishing the task of field survey.

Through the study we got many findings on the Community and People's Banks and their customers. We believe these data are useful not specifically for the study on Nigerian financial institutions but for the microfinance in general. This is why we titled our report.