FINANCIAL INCLUSION AND CRIME REDUCTION IN GWER WEST LOCAL GOVERNMENT AREA OF BENUE STATE – NIGERIA

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Abstract

Financial inclusion (FI) entails access to and use of financial services by all members of society. It is an essential component for sustainable development and social stability. FI strengthens household economies and reduces economic vulnerabilities, providing viable opportunities for empowerment and security. However, financial exclusion remains a nagging problem in developing economies like Nigeria where about 68% of adults lack access to financial services, opportunities and products. The situation is perceived to have worsened the multi-dimensional social, economic, and political challenges confronting the Nigerian state. The study therefore centered on financial inclusion and crime reduction in Gwer West Local Government Area of Benue State, Nigeria. It specifically evaluated the impacts of elements of FI such as bank account ownership and internet banking on crime reduction in the study area. Mixed-method research design was adopted for the study. The study had 386 participants selected through multiple-stage sampling techniques. Well-structured questionnaire and in-depth interview instruments were used to collect data which were analyzed using descriptive statistics and manual content analysis. Hypotheses were tested using the Pearson Moment Product of Correlation Coefficient (Pearson's r). The study found that there is poor awareness of initiatives to open free bank accounts in the study area. Findings indicated that secure storage of money and reduction in forceful collection of cash by criminal gangs is associated with bank account ownership. The study recommends improved awareness of initiatives to open free bank accounts and increased use of internet banking services in the study area.

Keywords: Bank account ownership, Crime reduction; Financial inclusion; Internet banking

Introduction

All over the world, crimes threaten peace and security and create a vicious cycle of poverty and underdevelopment. This is a major reason the international community, regional and national governments, agencies and individuals continue to amplify efforts through policies, programmes and initiatives aimed at combating criminal activities, to improve the standard of living of the people. Although some of the interventions have yielded results, curtailing the menace of crimes like illicit arms trade, human and drug trafficking, kidnapping, theft, cyber fraud, armed robbery, banditry and terrorism remain problematic. This is partly blamed on the lack of access to financial services. Available estimates indicate that 2.5 billion of the world's population lack access to financial services (Institute for Security Studies, 2021; Ogbeide & Igbinigie, 2021).

Studies have shown that access to finance traditionally influences social stability and economic growth (Nehra, Berwal & Bhall, 2022; Navis, Mukherjee, Gelb, Castaneda, Mazari & Torres, 2020). An efficient and inclusive financial system helps to transform the lives of people by reducing poverty and inequality, and facilitates effective movement of resources to boost productivity for small and medium-scale enterprises. financial accessibility enables people to meet their basic daily needs like transportation, payment for food, access to medical care, purchase of educational materials, payment for education, and may facilitate investment in other profitable ventures which are expected to promote income generation, reduce poverty, upgrade the standard of living and ultimately minimize the opportunities for crime (Njoroge, 2021; Enock & Raturo, 2021; Flannery, 2018); Shauri, 2014).

In developed societies such as Europe and America, financial inclusion is recognized as a vital element of sustainable development because of its enormous impact on the economy and its capability to address crime. In Luxembourg, the United Kingdom, Denmark, Finland, the Netherlands, Sweden, Germany, Belgium, Austria, and the United States of America, over 78% of the people now have convenient access to and effectively utilize financial services and information. The utilization of formal financial institution accounts has surged significantly, reflecting a widespread adoption. Moreover, there has been a notable decrease of 55% in the frequency of borrowing from family sources, indicating a reduced reliance on informal financial arrangements (Demirguc-Kunt & Muller, 2019). Financial institutions continue to play key roles in reaching the unbanked adults, thus helping to alleviate poverty, increase prosperity and ultimately control crime (Federico, Grazioli, Millioli, Notte & Poletti, 2021; Ozili, 2021).

However, the seeming lack of interest by the government and the banking sector to serve the needs of people living in poverty has limited the levels of financial inclusion and informs the magnitude of crime in continents such as Latin America, Asia and Africa. In Latin America for instance, Mexico with 63.1% of financial exclusion is the third worst-performing economy (Navis, Mukherjee, Gelb, Castañeda, Mazari, & Torres, 2020). Even though countries like Singapore, Japan, Thailand, China, Malaysia and Brunei have achieved significant levels of financial inclusion, Asia remains largely financially excluded as majority (55%) of the population are without access to even the most basic financial services (Jahan, De, Jamaludin, Sodsriwiboon, & Sullivan, 2019).

In Africa, the extent of financial inclusion remains low since 60% of the adult population is unbanked and resides in rural areas without access to internet facilities (Ibrahim, 2022). According to Jima and Makoni (2023), the Sub-Saharan African region which houses the least developed economies equally has the lowest levels of financial inclusion, where only 43 percent of adults own bank accounts and a substantial proportion of the population lacks access to internet services for financial transactions. In view of the impact of finance for social stability, economic growth, and crime reduction, the low levels of financial inclusion in the region is considered a major cause of the persistent poverty, inequality and crime confronting countries like Uganda, Senegal, Niger, Angola among others.

The United Nations Development Programme reported that in Nigeria, crime has remained persistent and has caused the displacement of more than 3.6 million people (UNDP, 2023). The problem has grown worse as majority of adults are financially excluded due to factors such as absence of internet facilities and refusal to use financial services by financial agents due to various reasons including cultural and religious orientation, inadequate household income, distance from providers of financial services, and tedious documentation processes (Park & Mercado, 2015; Enhancing Financial Innovation and Access, 2022). Researchers posit that Nigerians who have the mindset to go into businesses experience challenges in accessing funds from commercial banks in order to prosecute their vision (Central Bank of Nigeria, 2023; Ogbeide & Igbinigie, 2021; Onolapo, 2015). This is often influenced by some bureaucratic bottlenecks like high interest rates attached to bank loans, requirements for collateral, poor dissemination of information regarding access to funds, and unstable internet services for financial transactions. Consequently, crime has remained a leading social problem affecting people in Nigeria.

Consequently, deliberate efforts to ensure that increasing criminal activities are addressed have been taken at the various levels of government. Such strategies include financial inclusion approaches like bank account ownership and internet banking which are identified as effective measures to strengthen household economies, reduce vulnerabilities, provide a viable opportunity for economic empowerment, ensure food security and minimize the risk and exposure robbery, theft, and cheating (United States Agency for International Development (USAID, 2019; Karlan, Savonitto, Thuysbert & Udry, 2017; Osazevbaru & Yomere, 2015; Beaman, Karlan & Thuysbert, 2014).

In spite of these enormous benefits of financial inclusion on the socio-economic development of society, its efforts in addressing crime may not have been adequately explored. The previous attempts at reducing the rate of crime especially using the financial sector such as Bank Verification Number system, cashless policy, public-private partnership, anti-money laundering operations, credit scoring mechanisms, whistleblower incentives failed to yield the expected results and the few studies conducted on financial inclusion in Nigeria present divergent views on its impact for individuals and society. For instance, Adelani (2019) and Alleh, Adefeso, Adebayo and Oligbi (2015) found a complementary relationship between financial inclusion and employee job security, emphasizing that the introduction of electronic banking services rather complements the efforts of bank workers and does not result in loss of jobs.

Atiku and Genty (2011) discovered that adoption of electronic banking directly leads to loss of jobs and early retirement of employees in Nigerian banking sector. Also, Ogbeide and Igbinigie (2019) reported that financial inclusion positively impacts the per capital income of individuals and enhances people's standard of living. The preliminary studies were, however, not conducted in Gwer West Local Government Area of Benue State where 12 of the 23 Local Government Areas, including Gwer West, lack access to adequate financial services including commercial banks and stable internet connectivity.

While it is difficult to provide precise data on the crime situation in the area, anecdotal evidence reveals that prior to recent campaigns advocating for broader access to financial services, there was a notable increase in armed robbery, cultism, theft, burglary, and financial scams in the Gwer West (Akpa & Sunday, 2023; National Bureau of Statistics, 2023). However, since the introduction of limited financial services, there have been informal reports of reduced reliance on informal money lenders and fewer cases of cash-related robberies (Akighir, Margaret, Tyagher, & Kpoghul, 2022; Ater, Aye & Umeh, 2016). While the available data is still inconclusive, this trend suggests that expanding financial inclusion could play a pivotal role in reducing crime in Gwer West Local Government Area of Benue State, Nigeria. This study therefore seeks to empirically establish the connection between financial inclusion and crime reduction. Specifically, the study:

a. Evaluates the effect of bank account ownership on crime reduction in Gwer West Local Government Area of Benue State.

b. Examines the effect of internet banking on crime reduction in Gwer West Local Government Area of Benue State.

Research Hypotheses

i. There is no significant relationship between bank account ownership and crime reduction in Gwer West Local Government Area.

ii. Internet banking does not significantly affect crime reduction in Gwer West Local Government Area.

Literature Review

The origin of financial inclusion can be traced to Europe in the early 19th century, particularly in 1904 when the Cooperative Movement began to revolt against local money lenders in France and Britain who were charging excessively high interest from poor peasants. People who had no access to formal sources of banking were losing money and property to the non-institutional financial agents – the local money lenders. To ensure an inclusive financial system and bridge the existing gap between urban and rural areas and facilitate banking services, the concept of financial inclusion was introduced and it rapidly gained momentum (Singh & Roy, 2015). Today, the profile of financial inclusion is growing but no consensus definition of the concept has been achieved.

A broad definition of financial inclusion offered by Yoshino and Morgan (2016) sees it as the extent to which households and firms, particularly poorer households and small and medium-scale enterprises (SMEs) gain access to financial services. Similarly, the World Bank (2014) conceptualizes financial inclusion as the proportion of individuals and firms that use financial services, while the Asian Development Bank (2015), defines financial inclusion as a process of ensuring ready access for households and firms to reasonably priced financial services. According to Mende, Salisbury, Nenkov and Scott (2020), the term refers to access to major providers of financial services. For Demirguc-Kunt and Singer (2017), financial inclusion extends beyond adults having access to financial services and products, but includes their ability and capacity to use such services and products effectively.

These diverse definitions place greater premium on access to, and utilization of financial services, as well as the potential ability of individuals to use such services. Apparently, financial inclusion cannot thrive simply by ensuring enough access points. Rather, a comprehensive financial inclusion approach would also reflect the frequency of use of financial services and products by individuals, the level of satisfaction derived from such services and products and how reliable such services and products are to the target group.

The multifaceted and multidimensional nature of crime in society has made it difficult to tame. One of such dimensions of crime is financial crime which has proven difficult to detect, identify, and curtail. These crimes range from financial fraud including money laundering, terrorist financing, illegal payments and similar crimes within the spectrum. It is estimated that countries around the world lose billions of dollars to these crimes annually. According to the International Compliance Association, financial crimes make up 3.6% of the global GDP (Gregg, 2022). Araujo (2019) stated that some countries have already introduced innovative approaches geared towards ensuring financial inclusion and minimizing the risks that confront individuals due to cash transactions.

In Africa, for instance, Barclays' ABSA mobile phone banking services enable customers to open bank accounts, to apply for loans and to receiving funds with the use of an App without requiring the bank customer to visit the bank's branch. This method has been partially adopted and replicated among banks in Nigeria such as First Bank of Nigeria, United Bank for Africa, Access Bank, and so on, although customers are still required to visit the nearest bank branch to carry out certain operations and validations on the account. These services are mostly available to individuals in the urban areas as the challenge of infrastructure remains a major problem limiting the chances of the financial and banking services from reaching the population in rural areas (Araujo, 2019).

The terms "internet banking" and "online banking" are often used interchangeably in reference to banking services and operations carried out through a range of technical platforms and electronic devices. These series of banking operations including verification of cheques, credit authorization, cash withdrawal and deposit are usually conducted using the internet, computers, mobile phones, and bank cards (Wang, Nnaji & Jung, 2020). Internet banking requires the application of Information and Communication Technology (ICT) in banking operations. Magaji, Hassan and Temitope (2022) assert that internet banking has assumed an essential position in the banking sector owing to the fundamental role it is playing in ensuring local and global competitiveness, and in affecting the decisions, plans, products and services offered by banks. Adewuyi (2011) stresses that it has completely altered the organization of banks around the world and changed the nature of corporate relationships particularly within and among banks. This is essentially as a result of the diverse application of the ICT concepts, techniques, policies, and implementation strategies to banking services.

Theoretical Framework

The public good theory of financial inclusion adopted for this study was developed by Peterson Ozili (2020), to foster the understanding of modern trends of financial inclusion as a development-focused initiative. It is the assumption of the public good theory that: (a) the delivery of formal financial services to the general population, and (b) ensuring that there is unrestrained access to finance for everyone, should be considered and treated as a public good for the benefit and interest of all. The theory posits that as a public good, individuals in the society can neither be excluded from using financial services nor from gaining access to financial services, because access to financial services to one individual does not in any way reduce its availability to other individuals. This means that no one should be left out and all members of the society should benefit from financial inclusion irrespective of their social status or income (Ozili, 2020, Ndaba, Sheefeni & Yu, 2022).

By way of application, promoting and strengthening financial inclusion approaches through internet banking and bank account ownership could enable individuals in the area to access banking services, save money and take loans of low interest and also take up financial opportunities that can guarantee their economic stability and growth. Consequently, there could be improved standard of living and reduced involvement in criminal activities because the legitimate means for individuals to meet their economic and other aspirations will be available. This could minimize the potentials for individuals within the community to engage in criminal behaviour.

Although the public good theory is criticized for failing to address the real causes of financial exclusion and for treating financial inclusion as public good (Ndaba, Sheefeni & Yu, 2022; Ozili, 2020), the theory suggests that everyone - rich or poor, financially included or excluded - will benefit from financial inclusion. It also supports the idea that individuals and small scale businesses that for instance, open formal bank accounts should be provided with debit cards without charges, thus enabling the use facilities like ATMs to perform financial transactions without user fees being applied. Moreover, the theory acknowledges that to achieve financial inclusion, public funding rather than private funding is required, thus taking the responsibility of funding off individuals and leaving same on the government to promote the financial inclusion objectives.

Methods

This study was carried out in Gwer West Local Government Area of Benue State, Nigeria. The strategic location of Gwer West and its vast lands make it suitable for commercial and agricultural purposes. However, with the sparse distribution of financial institutions and lack of financial services, commercial farming is hampered, the growth of agro-allied industries is limited, economic stability efforts are undermined, while economic vulnerabilities are exacerbated, increasing people's susceptibility to financial and related crimes.

The study adopted a mixed method research design utilizing quantitative and qualitative research approaches to collect data from a population of 94,300 adults. A sample of size of 400 respondents was determined using the Yamane (1967) formula. The multistage sampling technique was used to arrive at the respondents from which data were collected using a structured questionnaire and interview guide. The collected data were analyzed using descriptive and inferential statistical tools along with manual content analysis.

Results

This section presents and analyzes the data collected for the purpose of the study.

Table 1: Distribution of respondents by socio-demographic characteristics

Variable	Categories	Frequencies (N=386)	Percentage (% =100)	$\bar{x}$
Age	18-24	135	35.0	
	25-31	118	30.6	
	32-38	47	12.2	24.0
	39-45	29	7.5	
	46 and above	57	14.8	
Sex	Male	242	62.7	
	Female	144	37.3	
Marital Status	Single	171	44.3	
	Married	164	42.5	
	Separated	31	8.0	
	Divorced	10	2.6	
	Widowed	10	2.6	
Education	No formal education	98	25.4	
	Primary school	75	19.4	
	Secondary school	93	24.1	
	Tertiary education	120	31.1	
Occupation	Farming	174	45.1	
	Civil servant	68	17.6	
	Business person	77	19.9	
	Not employed	41	10.6	
	Others	26	6.7	

Monthly Income	<15000	191	49.5	
	15001 – 30000	109	28.2	
	30001 – 45000	21	5.4	22,510.4
	45001 – 60000	46	11.9	
	60001>	19	4.9	
Religion	Christianity	301	78.0	
	Islam	45	11.7	
	African Traditional Religion	40	10.4	

Source: Fieldwork, 2024

Respondents with different socio-demographic characteristics participated in the study. Table 1 revealed that the age of the respondents weighed heavily in favour of youths. The age patterns of the study participants indicated that about 70% of the respondents fall between ages 18-31 years with a mean age of 24 years. Age significantly affects financial inclusion approaches such as account ownership, use of internet banking services, or membership of savings and credit group. The sample included (62.7%, n=242) males and (37.3%, n=144) females.

Data on the marital status of the respondents revealed that (44.3%, n=171) of participants in the study are single, (42.5%, n=164) are married, while participants who were separated, divorced or widowed accounted for (13.2%, n=51). More so, data on educational attainment of respondents revealed that most (74.6%, n=288) of them had formal education. The implication is that respondents in the study area were literate enough to provide important information concerning financial inclusion and crime reduction. The distribution of respondent by their occupations established that respondents engaged in various occupational activities. Majority (45.1%, n=174) were into farming, while civil servants and business accounted for (17.6%, n=68) and (19.9%, n=77) respectively. Similarly, (10.6%, n=41) were not employed while only (6.7%, n=26) were engaged in other occupational activities such as fishing and logging.

The estimated income of respondents showed an average income of ₦22,510 per month. Majority (49.5%, n =191) earned below N15, 000 per month, while (28.2%, n = 109) earned between N15001-N30, 000 per month. Only percentage (22.2%, n=86) of the participants earned income above N30, 000 per month. In terms of religious affiliation, Christians constituted (78.0%, n=301), Muslims accounted for (11.7%, n=45), while respondents affiliated to African Traditional Religion were (10.4%, n=40). The religious profile can discourage or promote financial inclusion and the reduction in criminal behaviour.

Table 2: Rating of responses on bank account ownership and crime reduction in Gwer West

S/N	Bank account ownership and crime reduction	Yes	No	I don't know	x̅	Std. Dev.
1.	Aware of initiatives to open free bank account	111 (28.8%)	199 (51.6%)	76 (19.7%)	1.91	.691
2.	Enables secure storage of your money	286 (74.1%)	34 (8.8%)	66 (17.1)	1.43	.767
3.	Provides an alternative to borrowing from loan sharks	216 (56.0%)	70 (18.1%)	100 (25.9%)	1.70	.855
4.	Minimizes forceful collection of cash by criminal gangs	282 (73.1%)2	(18.1%) 40(10.4%)	64 (16.6%)	1.70 1.44	.761
5.	Encourages legal financial behaviour	300 (77.7%)	39 (10.1%)	37 (12.2%)	1.34	.686
6.	Minimizes involvement in illegal financial activities	301 (70.8%)	37 (9.6%)	48 (12.4%)	1.34	.690
7.	Reduces the wave of criminal activities	253 (65.5%)	88 (22.8%)	45 (11.7%)	1.46	.695

Source: Fieldwork, 2024

The rating on table 2 revealed that participants had different views about the initiatives to open free bank account in the study location. About 52% of the respondents are not aware of the initiatives, (28.8%, n=111) are aware, while (19.7%, n=76) are not sure. The ratings showed that account ownership provides an alternative to borrowing from loan sharks (x̅=1.70, STD=0.855), reduces criminal activities (x̅=1.46, STD=0.695) and minimizes forceful collection of cash by criminal gangs (x̅=1.44, STD=0.761). The mean scores and standard deviation further indicated that account ownership enables secure storage of money (x̅=1.43, STD=0.767), encourages legal financial behaviour (x̅=1.34, STD=0.686), and minimizes involvement in illegal financial activities (x̅=1.34, STD=0.690). The differences in mean scores and standard deviation reveal the diversity in the opinion of the respondents. The quantitative data presented above were also supported by qualitative data generated via interview. One of the respondents said:

> I do not think about engaging in illegal money schemes because I know that all transactions in the bank are monitored. I am aware that if I try anything fraudulent, it will be traced back to me (IDI, Youth, 34 years, Avihijime).

Banks are very organized institutions and financial transactions are monitored and recorded for the purpose of accountability. Because of this, some people are deterred from indulging in crime. Another respondent had this to say:

> I am very scared of thieves and armed robbers these days so I do not carry cash around. Anytime I have money, I make sure that I put it in my bank account where I am certain that criminals cannot access it. The thought that my money is

safe in the bank really gives me rest of mind (IDI, Businessman, 41 years, Merkyen**).**

People who save their monies in bank account may not be exposed to cash robbery or stealing as it is common with people who carry cash about or save monies in their rooms. Another interviewee said that:

> I have a better understanding of financial practices as a result of the guide I received from officials at my bank. My account manager taught me how to legally save money and even how to responsibly manage my finances **(**IDI, Community Leader, 67, Mbachohon**).**

Bank account ownership encourages individuals to be financially responsible and to avoid making reckless financial decisions. A respondent had this to say regarding how bank account ownership enhances social security:

> For some of us who earn salaries, it is sometimes worrisome that we could be attacked by thieves or armed robbers. However, because I am paid through my bank, it gives me a sense of security. Moreover, I do not keep large sums of money in the house **(**IDI, Civil Society Leader, 40, Saghev/Ukusu**)**.

Ownership of a bank account provides workers who earn daily, weekly or monthly wages a sense of security since their monies come through the bank.

Table 3: Rating of responses on internet banking and crime reduction in Gwer West

S/N	Internet banking and crime reduction	Yes	No	I don't know	$\bar{x}$	Std.
1.	Internet banking makes it easier to track and combat financial crimes	268(69.4%)	65(16.8%)	53(13.7%)	1.44	.723
2.	Deters criminals from engaging in physical robberies	304(78.8%)	5514.2%)	27(7.0%)	1.28	.586
3.	Reduces incidents of identity theft	198(51.3%)	97(25.1%)	91(23.6%)	1.72	.821
4.	Reduces incidents of online fraud	171(44.3%)	126(32.6%)	89(23.1%)	1.79	.794
5.	Reduces the need to visit unsafe physical locations	321(83.2%)	60(15.5%)	5(1.3%)	1.18	.418
6.	Minimizes circulation of cash and reduce armed robbery	317(82.1%)	37(9.6%)	32(8.3%)	1.26	.600
7.	Protects individuals from becoming victims of financial scams	238(61.7%)	81(21.0%)	67(17.4%)	1.56	.772

Source: Fieldwork, 2024

Table 3 revealed the effects of internet banking on crime reduction in Gwer West Local Government Area of Benue State. Rankings for reduce incidents of online fraud ($\bar{x}$=1.79, STD=0.794), reduce incidents of identity theft ($\bar{x}$=1.72, STD=0.821) and protect individuals from becoming victims of financial scams ($\bar{x}$=1.56, STD=0.772) as implications of internet banking on crime reduction was high. Similarly, respondents agreed that internet banking makes it easier to track and combat financial crimes ($\overline{x}$=1.44, STD=0.723), deter criminals from engaging in physical robberies ($\overline{x}$=1.28, STD=0.586), minimize circulation of cash and reduce armed robbery ($\overline{x}$=1.26, STD=0.600) and reduce the need to visit unsafe physical locations ($\overline{x}$=1.18, STD=0.418). The difference in the ranking shows the divergence in the opinion of the respondent.

The quantitative data presented above is explained further using data generated through interview. One of the respondents stated:

> It is easy for banks to flag and investigate financial transactions that are suspicious. Digital records make it easy to trace and identify financial activities that are fraudulent **(**IDI, Vigilante leader, 28 years, Mbapupuu/Tswarev**).**

Internet banking makes it easier to track and combat financial crimes. All transactions including suspicious ones are recorded, monitored and reported to relevant authorities. Potential financial criminals may therefore be discouraged from pushing through with fraudulent schemes. A respondent said this pertaining to visiting unsafe physical locations:

> We do not have a bank here; we go to Makurdi when we need to go to the bank office. However, there have been frequent banditry attacks and kidnappings along the road to Makurdi. But because I do practically every financial transaction online, I do not need to go to Makurdi because of financial transactions (IDI, Civil society leader, 47, Gbange/Tongov)**.**

Internet banking prevents people from going to areas which are riddled with high rates of crime. Another respondent added:

> There are several scams which are online and if one is not careful, they may be victimized. Personally, if not for the alerts and notifications that I received through my online app, I would have been scammed by criminals **(**IDI, Vigilante member, 32, Saghev/Ukusu**).**

The security settings that permit the use of internet banking lower the risk of being exposed to and becoming victims of financial scams.

Test of Hypotheses

Ho: There is no significant relationship between bank account ownership and crime reduction in Gwer West Local Government Area.

Table 4: Pearson Correlation of bank account ownership and crime reduction in Gwer West Local Government Area

Correlations	1	2	3	4	5	6
Enables secure storage of money	1					
Provides an alternative to borrowing from loan sharks	-.135**	1				
Minimizes forceful collection of cash by criminal gangs	.208**	-.134**	1			
Encourage legal financial behaviour	.034	-.027	-.014	1		
Minimizes involvement in illegal financial activities	.092	-.101*	.015	.286**	1	
Generally reduces the wave of criminal activities	.236**	-.186**	.253**	-.122*	.014	1

****. Correlation is significant at the 0.01 level (2-tailed).**
***. Correlation is significant at the 0.05 level (2-tailed).**

The findings from the test of hypothesis revealed that aspects of bank account ownership significantly correlated crime reduction at the 0.01 and 0.05 level of significance (2-tailed). Therefore, the null hypothesis which stated that "there is no significant relationship between bank account ownership and crime reduction in Gwer West Local Government Area" is rejected.

Ho: Internet banking does not significantly affect crime reduction in Gwer West Local Government Area

Table 5: Pearson Correlation of internet banking and crime reduction in Gwer West

Correlations	1	2	3	4	5	6	7
Makes it easier to track and combat financial crimes.	1						
Deters criminals from engaging in physical robberies.	.023	1					
Reduces incidents of identity theft.	-.038	-.139**	1				
Reduces incidents of online fraud.	-.094	-.049	.495**	1			
Reduces the need to visit unsafe physical locations.	.086	.024	-.156**	-.103*	1		
Minimizes circulation of cash and reduce armed robbery.	.127*	.129*	-.227**	-.079	.173**	1	
Protects individuals from becoming victims of financial scams.	-.104*	-.073	.158**	.215**	-.016	.251**	1

*. Correlation is significant at the 0.05 level (2-tailed).
**. Correlation is significant at the 0.01 level (2-tailed).

Findings from table 5 revealed that aspects of internet banking significantly correlated crime reduction at the 0.01 and 0.05 levels of significance (2-tailed). Therefore, the null hypothesis which stated that "internet banking does not significantly affect crime reduction in Gwer West Local Government Area" is rejected.

Discussion of Findings

The first objective of the study evaluated the effects of bank account ownership on crime reduction in Gwer West Local Government Area of Benue State. The quantitative and qualitative data were in agreement that respondents are not aware of initiatives to open free bank accounts. In spite of the high level of literacy among the study participants, they lacked awareness about the measures to promote financial inclusion such as free bank account opening. In support of the finding, the Organization for Economic Co-operation and Development (2016) reported that most adults lack awareness of financial products such as free bank accounts.

Similarly, the World Bank (2021) reported that in developing countries, less than half of the population have awareness of banking services, including opportunities to open free bank accounts. This is a major reason why the level of bank account ownership in countries such as Nigeria has remained low. It could be as a result of inadequate promotional activities by financial institutions as well as the absence of commercial banks which usually facilitate awareness on such approaches. Contrasting the findings, Jack and Suri (2014) had reported that some targeted campaigns have significantly enhanced awareness of bank account ownership in countries such as Kenya where the introduction of mobile banking services like M-Pesa was followed by extensive awareness campaigns leading to improved knowledge about account opening opportunities among the population.

Findings further established that account ownership provides an alternative to borrowing from loan sharks. People with an account have opportunities to take loans from the bank instead of doing so from predatory money lenders who charge very high interests and give very short timelines. In agreement, the World Bank (2021) stated that bank account ownership provides people with access to formal credit and minimizes overdependence on high-interest informal lenders. Dupas and Robinson (2013) also affirmed that reliance on expensive and informal credit sources is significantly minimized due to account ownership. Countering the finding, however, Ranjani and Bapat (2015) reported that bank account ownership may not necessarily translate to utilization of banks for purposes of loan collection. Due to social and cultural reasons including convenience, ease of access, and trust in familiar, informal networks, people may prefer other sources other than banks for loan.

The study revealed that bank account ownership reduces criminal activities and minimizes forceful collection of cash by criminal gangs. This aligns with Beck, et al (2017) who observed that when bank accounts are used in making payments, they reduce the incidents of theft and criminal behaviour. Indeed, the massive reduction in criminal activities such as theft and armed robbery are some of the advantages of the proliferation of banks and account ownership. Instead of conducting cash-based transactions which are vulnerable to theft and loss, ownership of bank account provides secure channels for financial transactions. Breza and Kinnan (2018) agreed that financial inclusion measures such as provision of bank account for the unbanked populations has strong links to reduction in corruption and other petty crimes.

Results from the study also showed that account ownership facilitates secure storage of money, encourages legal financial behaviour, and minimizes involvement in illegal financial activities. The findings support the World Bank's (2021) report that bank account ownership has multiple benefits for both the account owner and their business. It makes it easier for digital payment which is a safer alternative. Making financial transactions becomes quicker and a lot more secure. It reduces the risks that are associated with carrying large sums of money, making it unlikely to misplace money or lose it to thieves. Moreover, businesses where financial transactions are done using bank accounts enjoy smoother operations and are in advantageous positions for global competitiveness. Muzi, Jolevski, Ueda and Viganola (2021) affirmed that account ownership makes it easier and flexile for financial transactions and enhances the possibility for businesses to adapt to disruptions such as the Covid-19 pandemic which introduced control measures like physical/social distancing, curfews and lockdowns.

The tested hypothesis agreed that there is a significant relationship between bank account ownership and crime reduction in Gwer West Local Government Area. However, financial inclusion and crime mitigation cannot be achieved by merely opening bank accounts for individuals within the society, but by essentially educating account owners of their impact on reduced risks of criminal victimization, improved saving culture and the benefits of obtaining loans for business and other purposes.

The second objective of the study examined the effect of internet banking on crime reduction in Gwer West Local Government Area of Benue State. The quantitative and qualitative data established that internet banking reduce incidents of online fraud, identity theft, and protect individuals from becoming victims of financial scams. In agreement, the European Banking Authority (2020) stated that the investment of banks in security technologies such as encryption, multi-factor authentication and fraud detection systems is high. This ensures that fraudulent activities associated with financial transactions are substantially reduced. The finding is also in accordance with Smith and Keane (2018) who reported that educational resources are included in internet banking platforms to assist users recognize and avoid scams, leading to decreased in incidents of fraud.

Furthermore, the Federal Reserve Bank of Boston (2019) reported that most internet banking systems provide real-time monitoring of transactions. Such features enable early detection and prevention of transactions that are unauthorized, and thus reduce the risk of identity theft and fraud. However, it has been observed that the prevalence of internet banking has equally intensified cyber threats (Federal Trade Commission, 2020). There are heightening levels in phishing attacks which target online banking users. Moreover, the behaviour of some internet banking users such as weak passwords and arbitrary use of public Wi-Fi networks expose them to vulnerabilities including identity theft and financial scams (Hale & Fox, 2019).

Findings from the study also revealed that internet banking minimizes circulation of cash and reduces armed robbery. This is supported by Mbiti and Weil (2011) who found that mobile money services like M-Pesa significantly led to a decrease in cash holdings among users in Kenya. In turn, this reduced the risk of theft and loss of cash among the users. Other scholars also found a positive relationship between internet banking and reduction in criminal activities (Osazevbaru & Yomere, 2015; Okpala, 2015). Accordingly, the Reserve Bank of India (2018) reported that reduction in crime rates in the country is tied to the push towards internet banking. The report indicated that in areas where the adoption of digital payments is high, there is a corresponding decline in cash-related criminal activities.

Similarly, Wright et al (2014) affirmed that utilizing electronic transfer in making payments significantly impact the reduction of street crimes such as burglary, larceny, and robbery. Internet banking minimizes the extent to which there is cash in circulation on the streets which could be taken or used for illegal purposes such as purchase of drugs or arms. Indeed, cash could be a vital tool in the pursuit of illicit behaviour. Internet banking however serves as a brake on drivers of street crimes, and lessen the rate of offending, not only for predatory offenses like burglary and larceny, but also for assaultive disputes fueled by the heavy drug and alcohol use associated with participation in street life.

The study also found that internet banking reduces the need to visit unsafe physical locations. Corroborating this finding, the Federal Reserve Board (2016) reported that internet banking utilization greatly minimizes the need for physical bank visits because customers can remotely carry out transactions, check account balances and manage their accounts. This tends to decrease their exposure to safety risks at physical bank locations. Adeyemi (2017) also found that in Nigeria with increasing crime rate, internet banking has reduced the number of visits to bank branches where the risks of theft and other criminal activities is high.

Accordingly, the World Bank's Global Findex Database (2018) noted that promotes safety, reduces the risk of theft and physical harm as it significantly reduces the need to visit banks in-person, carrying cash. In contrast to the findings of this study, Jones and Gong (2019) found that low level of digital literacy may make some people to distrust internet banking services. They may thus continue to visit physical bank locations in spite of the concerns about safety.

The test of hypothesis confirmed that internet banking significantly affects crime reduction in Gwer West Local Government Area. Internet banking ensures convenience of banking operations and minimizes the risk and exposure to cash-related criminal activities including identity theft, financial scams, robbery, and ensure easy access to bank services such as loans and credit. These benefits account for the sustained efforts by the CBN to ensure that Nigeria transforms from a cash-based economy to a full-fledged cashless economy.

Conclusion

The study examined the relationship between financial inclusion and crime reduction in Gwer West local Government Area of Benue State, Nigeria. Specific areas of financial inclusion such as bank account ownership and internet banking were explored to ascertain their impact on crime mitigation. It was observed that these aspects of financial inclusion are critical to crime reduction efforts, as they provide secure avenues to store money, offer alternatives to exploitative lending practices, foster legal financial activities, curb financial fraud, and discourage physical robbery. The approaches are therefore essential to ensuring stable, peaceful, and sustainable communities and may compliment already existing crime prevention strategies in local communities such as Gwer West Local Government Area of Benue State.

Recommendations

Based on the findings of this study, the following recommendations are made:

i. Given the low level of awareness of initiatives to open free bank accounts in the study area, commercial banks and the government through the Ministry of Information and Orientation should sensitize rural people on free bank account opening. Such sensitization should focus on educating the people on the benefits of bank account ownership in accessing loans and securing financial transactions.

ii. The study found that internet banking is useful in curtailing traditional crimes like armed robbery and cash-related crimes. Therefore, banks and security agents such as the Police, operatives of the Economic and Financial Crimes Commission (EFCC) among others, should conduct intensive awareness campaigns encouraging the use of internet banking services by members of the public.

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