



# \*\*\*\*Effects of Commercial Bank Loans and Advances on Economic Growth in Nigeria

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#### Abstract

This study examines the dynamic effects of commercial bank loans to agriculture, manufacturing, smallscale enterprises, and mining on Nigeria's economic growth from 1992 to 2021. Data from the Central Bank of Nigeria and the World Bank were analyzed using correlation and ARDL-bound cointegration techniques. Results reveal a strong positive correlation between economic growth and capital, and manufacturing, while a negative correlation with labor was observed. Evidence of a long-run cointegration relationship among variables was established. In the long run, economic growth is positively linked to labor and loans to mining, but no significant link was found with loans to agriculture and manufacturing. Short-run results indicate that capital and agricultural loans positively influence growth, whereas loans to small-scale enterprises hinder growth. The study recommends enhancing labor and capital efficiency through training and updating equipment, alongside proper monitoring of loan allocation and utilization across sectors. These measures are vital for ensuring the positive impact of bank loans on economic growth while addressing inefficiencies that retard progress in specific sectors.

**Keywords:** Economic growth, commercial Bank Loans and advances, agriculture, manufacturing, small-scale enterprises, mining and quarrying, ARDL Bound cointegration **JEL Classification:** 

#### 1.0 Introduction

Commercial bank loans and advances constitute a major source of capital for the real sector of the economy, enabling the starting and sustaining of businesses. These banks act as intermediaries between surplus and deficit spending units, accepting deposits from customers and channeling part of these deposits into sectors such as manufacturing, mining and quarrying, small-scale enterprises, and agriculture. Businesses utilize these loans as capital, employing factor inputs (labour and capital) to produce goods and services, thereby enhancing the total volume of economic output and fostering economic growth.

However, the effects of bank loans and advances on economic growth are significantly influenced by how these funds are utilized and the terms of repayment. Nuri and Ibrahim (2019) highlighted that the development of any sector is closely tied to funding from the financial system. Similarly, Greenwood and Jovanovic (1990) argued that financial intermediaries improve resource allocation, provide better information, and foster growth. The availability of credit can influence saving rates, investment decisions, technological innovations, employment levels, aggregate demand, and, ultimately, long-term economic growth.



Furthermore, the financial system plays a pivotal role in the accumulation of human capital, which accelerates growth (Jacoby, 1994). However, Jorgenson (1995, 2004) cautioned that indiscriminate credit issuance, particularly in the presence of physical capital externalities, could hinder growth.

Despite the extensive body of literature on the credit-growth nexus (e.g., Olaide, 2019; Suna, 2015), there remains a lack of clarity due to insufficient analysis of individual sector contributions. Most studies focus on short-term dynamics, often neglecting the impact of labour and capital—key variables in growth models. This knowledge gap poses challenges for policymakers who require a nuanced understanding of both short-term and long-term credit effects to formulate effective policies aimed at achieving macroeconomic objectives.

Against this backdrop, this study aims to examine the effects of commercial bank loans and advances in agriculture, manufacturing, mining and quarrying, and small-scale enterprises on economic growth while incorporating labour and capital as critical variables. The findings will provide valuable insights for future research and offer fiscal and monetary policymakers practical guidance in designing short-term and long-term credit policies to achieve sustainable economic growth.

# 2.0 Literature Review

To evaluate the current state of knowledge on the nexus between commercial bank loans and advances and the economic growth of Nigeria, this section presents the theoretical and empirical review of studies conducted over the periods.

# 2.1 Conceptual Review

Commercial Bank Loans and Advances: Commercial banks are financial intermediaries that accept deposits from surplus units and provide loans and advances to deficit units within the economy. These loans and advances play a pivotal role in economic development by providing the capital needed for businesses to invest, expand, and sustain their operations. Businesses, particularly in sectors such as agriculture, manufacturing, mining, and small-scale enterprises, utilize these funds to purchase factor inputs (labour, land, and capital), thereby contributing to the production of goods and services. Loans and advances can take various forms, including overdrafts, term loans, trade credits, and specialized financing arrangements. The effectiveness of these loans in promoting economic growth largely depends on factors such as interest rates, repayment terms, and the borrowers' capacity to utilize the funds productively.

Sectoral Allocation of Credit: Sectoral allocation of credit refers to the distribution of loans and advances to specific sectors of the economy, such as agriculture, manufacturing, mining, and small-scale enterprises. This allocation is critical because different sectors have varying levels of productivity, labour intensity, and capital requirements. For instance, the agricultural sector is highly labour-intensive and often requires long-term credit facilities due to the seasonal nature of production, while the manufacturing sector may demand shorter credit cycles for inventory and capital equipment. The efficiency and productivity of credit



allocation depend on factors such as government policies, institutional frameworks, and the capacity of borrowers to utilize the funds effectively.

# 2.2 Theoretical Review

The effects of commercial bank loans and advances to various sectors on Nigerian economic growth for the periods between 1992 and 2021 were examined within the framework of the Solow growth model. According to the model, the component of economic growth is savings and investment. He believes that in the short run, higher savings and investment could increase the rate of growth of national income, whereas, by assuming the full employment of resources higher savings could not raise the national income. Furthermore, the model described labour and capital as the major determinants of economic growth. Using the Cobb-Douglas production function, the Solow growth model is presented as:

 $Y = TK^{\alpha} + L^{\beta}.....2.1$ 

Where Y stands for output, T is the level of technology, K denotes capital, and L represents labour.

# 2.3 Empirical Literature

Numerous studies have examined the relationship between commercial bank credit and economic growth over various periods. Here are some notable findings:

Murty, Sailaja, and Demissie (2012) investigated the long-term impact of bank credit on economic growth in Ethiopia from 1972 to 2011 using the Johansen co-integration approach. Their results indicated a positive long-term relationship between bank credit and economic growth. They also found that bank deposit liabilities, human capital, domestic capital, and trade openness positively impacted economic growth.

Neelam (2014) explored the effect of commercial bank credit to the private sector on economic growth in Nepal between 1975 and 2013. Using the Johansen co-integration and error correction model approach, the study revealed that bank credit to the private sector positively impacts long-term growth, while in the short term, economic growth feeds back into private sector credit.

Olaide (2019) analyzed the role of bank credit on economic growth and inflation in Nigeria from 1996 to 2014. Utilizing descriptive statistics and Granger causality, the study found a significant relationship between domestic credit and GDP, though no such evidence was found for inflation.

Imoughele, Ehikioya, and Mohammed (2014) assessed the impact of commercial bank credit on the growth of small and medium-scale enterprises (SMEs) in Nigeria from 1986 to 2012. Their co-integration and error correction modelling techniques showed that commercial bank credit, government expenditure, and bank density positively but insignificantly affected SMEs' output, while interest rates had a negative impact.



Ilegbinosa and Jumbo (2015) evaluated the effect of bank credit on small-scale enterprises in Nigeria between 1970 and 2012 using the ordinary least square and error correction model. The study concluded that credit to small-scale enterprises positively and significantly affects economic growth.

Oke and Aluko (2015) examined the effect of commercial banks on SME financing in Nigeria from 2002 to 2012 using panel regression. They found that commercial bank loans significantly impact SME financing.

Clement, Ayodeji, and Rafiat (2018) investigated the impact of commercial bank lending to SMEs on the Nigerian economy from 1998 to 2017. Their ordinary least square analysis showed that commercial bank loans to SMEs had a negative and insignificant effect on GDP.

Suna (2015) analyzed the impact of bank credit on economic growth and inflation in 10 European countries from 2006 to 2012 using a panel regression model. The study found that domestic bank credit did not affect inflation but positively influenced economic growth.

Nuno (2012) studied the relationship between bank lending and economic growth in the European Union from 1990 to 2010 using a dynamic panel GMM system estimator. The results indicated that savings enhance growth, inflation negatively impacts growth, and domestic credit discourages growth.

Onyia (2019) evaluated the impact of sectoral commercial bank credit allocation on the output performance of the Nigerian economy from 1986 to 2018. Using the vector error correction model, the study found a long-term positive relationship between commercial bank credit allocation and sectoral output performance.

Akubo, Abraham, and Alope (2019) examined the effects of deposit money banks' real sector financing on Nigeria's economic growth. The ordinary least square results revealed that loans to manufacturing, mining, and quarrying positively and significantly affect real GDP.

Courage and Aisien (2019) analyzed the effects of commercial bank credit to the real sector on Nigeria's economic growth from 1981 to 2015 using co-integration and error correction mechanisms. The study found that commercial bank credit to the manufacturing and agricultural sectors significantly affects economic growth in both the short and long term.

Ebele and Lorember (2016) investigated the relationship between commercial bank credit and manufacturing sector output in Nigeria from 1980 to 2015 using the Cochrane-Orcutt method. They found that inflation and interest rates negatively affect manufacturing output, while loans, advances, and broad money supply positively affect it.

Kalu et al. (2017) assessed the relative impact of bank credit on the manufacturing sector in Nigeria from 1986 to 2013 using the ARDL bound co-integration test. The study found a significant long-term and short-term relationship between bank credit and manufacturing output.



Okafor (2020) investigated the effects of commercial bank credit on Nigeria's agricultural development using the ordinary least square method. The study found that government spending on agriculture, credit to the agricultural sector, and the agricultural credit guarantee scheme fund positively and significantly affect agricultural output, while interest rates have a negative but insignificant effect.

Fred, Adeyemi, Adewale, and Festus (2021) studied the effect of deposit money banks' credit to SMEs on Nigeria's economic growth from 2010 to 2019 using fixed and random effect regression. They found that loans to SMEs in the agricultural sector positively and significantly affect economic growth, while loans to general commerce negatively but insignificantly affect economic growth.

# 2.4 Gap in the Literature

Despite extensive research on the relationship between commercial bank credit and economic growth, notable gaps persist: Firstly, most studies emphasize aggregate bank credit, neglecting the distinct contributions of sectorial allocations (e.g., agriculture, manufacturing, and SMEs) to economic growth. Secondly, limited exploration exists on how sectorial loans interact with labour and capital inputs to influence long-term growth. Thirdly, many studies focus on short-term dynamics, overlooking structural factors and key variables like land and capital essential for understanding the real sector's performance.

This study addresses these gaps by investigating sector-specific impacts of commercial bank loans on economic growth in Nigeria, incorporating labour and capital as critical variables in both the short and long term.

## 3.0 Methodology

This section presents the description of the methods used in carrying out the research. It contains the sources and nature of data, the definition and measurement of variables and model specification.

## 3.1 Sources and Nature of Data

Annual data covers the periods between 1992 and 2021 on the dependent variable (GDP which is used as a proxy for economic growth) and the independent variables namely: Commercial Bank Loans to Agriculture (CBA), Commercial Bank loans to Small Scale Enterprises (CBSE), Commercial Bank loans to Manufacturing (CBMF), Commercial Bank Loans to Mining and Quarrying (CBMQ), Labour (LF) and Capital (CF) were obtained from the 2021 CBN (statistical bulletin) and the World Bank (WDI) publications. All variables used are measured in Nbillion except labour which is measured as a % of the total population aged 15 and above. To improve the accuracy and reliability of the results, the data was converted quarterly thereby increasing the sample size to 112 observations.

## **3.2 Model Specification**

The study employed the ARDL Bound Cointegration technique to test the effect of commercial bank loans and advances on economic growth. One of the advantages of the



ARDL method is its applicability whether the series is stationary at a level I(0), integrated of order I(1) or has the combination of both provided that none of the series is integrated of the  $2^{nd}$  order i.e. I(2). Consequently, this advantage helps to avoid the problem of pretesting (unit root).

To correctly specify the credit-growth relationship, the study incorporated the commercial bank loans to the real sectors into the Solow growth model. The mathematical model is, therefore, specified as:

$$GDP = F(CF, LF, CBA, CBMQ, CBSE, CBMF)$$
3.2

Equation 3.2 is specified in econometrics as:

$$GDP_t = \beta_0 + \beta_1 CF_t + \beta_2 LF_t + \beta_3 CBA_t + \beta_4 CBMQ_t + \beta_5 CBSE_t + \beta_6 CBMF_t + \varepsilon_t \dots \dots 3.21$$

To standardise the measurement differences and make the variables to comparable levels, the variables are expressed in the logarithmic form given as:

 $\begin{aligned} LOGGDP_t &= \beta_0 + \beta_1 LOGCF_t + \beta_2 LOGLF_t + \beta_3 LOGCBA_t + \beta_4 LOGCBMQ_t + \beta_5 LOGCBSE_t + \beta_6 LOGCBMF_t + \varepsilon_t.....3.3 \end{aligned}$ 

The ARDL model containing both the long-run and the short-run relationship is expressed as:

Since the relationship among the output, capital and labour is nonlinear we take the logarithm of all the variables and Long run equation form became:

The short run equation (logarithm form) is expressed as Error Correction Model generated from equation and is given thus:



Where:

 $ECT_{t-1}$  stands for error correction term defined from the LR equal relationship  $\gamma$  is the speed of adjustment.

*LOGGDP* stands for Logarithm of Gross Domestic Product (a proxy for economic growth), *LOGGFC* is the logarithm of gross fixed capital formation, *LOGLP* denotes the logarithm of labour, *LOGCBA* represents the logarithm of commercial bank loans to agriculture, *LOGCMBQ* stands for the logarithm of commercial bank loans to mining and quarrying, LOG CBSE represents the logarithm of commercial bank loan to small-scale enterprises, and LOGCBMF represents the logarithm of commercial bank loans to manufacturing sector.

## 4.0 Results and Discussion

This section presents the summary statistics, correlation matrix and the ARDL cointegration results of the assessment of the effects of commercial bank loans to real sectors on the Nigeria's economic growth.

## 4.1 Descriptive Statistics

Table 4.1 reveals that the average GDP's value for the periods between 1992 and 2021 was №52,313.98 billion while the lowest and the highest values stood at № 897.1173 billion and №173,527.7billion. The mean values of the gross fixed capital formation (CF), the labour force (LF), Commercial bank loans and advances to agriculture (CBA), mining and quarrying (CBMQ), small-scale enterprises (CBSE), and manufacturing (CBMF) stood at №11166.45 billion, 62.5%, №270.8518 billion, №344.6396 billion, №39.1457 billion, №1002.652billion. The highest and lowest values of loans and advances received by the agriculture sector were recorded at №1457.822 billion and №6.9789 billion respectively. Mining and quarrying received the highest loans and advances from commercial banks which were recorded at №2155.862 billion and the lowest value stood at №0.7597billion. The highest and the lowest amount of commercial loans and advances received by small-scale enterprises is N 123.9321 billion and  $\mathbb{N}$  10.7479 billion respectively. The manufacturing sector recorded the highest amount of bank loans and advances to the tune of  $\mathbb{N}$  4089.292 billion, whereas, the lowest value recorded is  $\aleph$  15.4039 billion. From the above analysis, we can deduce that the manufacturing sector is the highest recipient of commercial bank loans. However, the sector remains underdeveloped; this could be due to other factors such as mismanagement of resources, high cost of factor inputs, and high-interest rates among others.



	GDP	CF	LF	СВА	CBMQ	CBSE	CBMF
Mean	52313.98	11166.45	62.5019	270.8518	344.6396	39.1457	1002.652
Median	34318.67	7535.271	63.5650	106.3538	25.2547	40.8443	487.5760
Maximum	173527.7	58293.95	64.8220	1457.822	2155.862	123.9321	4089.292
Minimum	897.1173	396.6088	58.8930	6.9789	0.7597	10.7479	15.4039

#### Table 4.1: Summary Statistics

Source: computed by authors using E-views 10 software.

#### 4.2 Correlation Analysis

The results presented in Table 4.2 indicate that there is a strong positive correlation between GDP and capital (0.92), commercial bank loan to agriculture (0.95) and loans to manufacturing (0.98). This implies that as the values of these variables rise, economic growth will also raise. On the contrary, a strong negative correlation was observed in the case of the relationship between GDP and labour (-0.86) suggesting that a rise in the labour force retard economic growth. Furthermore, a weak positive correlation was observed in the case of the relationship between economic growth and commercial bank loans and advances to mining and quarrying (0.07), and small-scale enterprises (0.16). The high values of correlation coefficients of some variables may indicate the existence of multicollinearity among the variables. To examine the multicollinearity we employed the Inflation Variance Factor (VIF) method which indicates the presents of mild collearity. However, Damador 2012 stated that one should not rely on the bivariate pairwise correlation coefficient to conclude that there is collinearity because it does not hold the other variables constant while computing the pairwise correlation. He further said that dropping a variable to solve the problem of multicollinearity is not a good idea. Therefore, he suggested that "the best remedy is to do nothing but simply present the results of the fitted model. This is so because very often collinearity is essentially a data deficiency problem, and in many situations, we may not have choice over the data we have available for research". In addition, since ARDL deals with lags, the problem of multicollinearity is inevitable and as a results do not attract much attentions.

	GDP	CF	LF	СВА	CBMQ	CBSE	CBMF
GDP	1	0.92	-0.86	0.95	0.07	0.16	0.98
CF	0.92	1	-0.71	0.98	-0.07	0.39	0.95
LF	-0.86	-0.71	1	-0.80	-0.05	-0.03	-0.83
CBA	0.95	0.98	-0.80	1	-0.08	0.30	0.97
CBMQ	0.07	-0.07	-0.05	-0.08	1	-0.41	-0.01
CBSE	0.16	0.39	-0.03	0.30	-0.41	1	0.19
CBMF	0.98	0.95	-0.83	0.97	-0.01	0.19	1

Source: computed by authors using E-views 10 software.



# 4.3 Unit Root Test

Before the computation of the ARDL model, ADF, PP and KPSS unit roots were conducted to check the stationarity status of the variables. The unit root results indicate that GDP is stationary at the level whereas, CF, LF, CBA, CBMQ, CBSE and CBMF were found to be non-stationary at the level, but became stationary after taking their first difference. The combination of I(0) and I(1) variables in the model supports the application of the ARDL Model.

## 4.4 ARDL Bound Test

After conducting the unit root tests and finding the stationarity condition of the variables, the ARDL bound test was estimated. Table 4.3 shows the estimated results of the ARDL-bound cointegration test. It indicated that there is evidence of a long-run cointegration relationship among the variables. This is because the coefficient of F statistics (4.53) is higher than both the upper bound (3.24) and lower bound (2.04) values at a 5% level of significance. The result implies that the variables exhibit a similar trend in the long run and responds to dynamic changes in the economy. This finding agrees with the findings of previous studies by scholars such as Kalu et al (2017), and Onyia (2019) among others.

ARDL Bound Test					
Null hypothesis: No long-run relationships					
Test Statistics	Value	Κ			
F-statistics	4.53	6			
Critical Values					
Level of Significance	I(0)	I(1)			
10%	1.75	2.87			
5%	2.04	3.24			
2.5%	2.32	3.56			
1%	2.66	4.05			

Table 4.3: Co-integration Test Result

Source: computed by authors using E-views 10 software.

## 4.5 Long-run estimates of ARDL

Table 4.4 indicates that the coefficient of labour is positive and statistically significant at a 5 per cent level of significance. This suggests that, in the long run, a 1 per cent increase in the labour force will on average lead to a rise in output by about 9 per cent. This result conforms to the Solow growth model which expressed the output as the function of labour and capital using the Cobb Douglass production function. Also, the coefficient of mining and quarrying is found to be positive and statistically significant at a 10 per cent level of significance suggesting that a 1 per cent increase in commercial bank loans and advances to the mining and quarrying sector will on average raise output by about 0.06 per cent. This result is in line



with prior expectations. It is expected that the loans and advanced giving to mining and quarrying will lead to a rise in output and consequently economic growth and the result also, confirms Akubo's (2019) results. Furthermore, the results revealed that in the long run, capital, commercial bank loans and advances to agriculture, manufacturing, and small-scale enterprises do not have a significant effect on economic growth. The results contradict the prior expectation and economic theory but in reality, the high cost of production, high rate of interest, and low input productivity could be some of the reasons for the result as can be witnessed in high business enterprises' insolvency and failures.

## 4.6 Short-run Results of ARDL

Table 4.4 reveals that the error term coefficient (-0.072) is negative and statistically significant at a 5 per cent level, suggesting that, when there is a disturbance, the system will restore the equilibrium at the speed of 7.2 per cent each quarter. The value of R2 stood at 0.78 meaning that, about 78 per cent of the variations in the output were accounted by the variables used in the model. Therefore, the model has a good fit. Also, the table shows that the coefficient of LOGCF (0.624) is positive and statistically significant at 5 per cent indicating that in the short run a 1 per cent rise in the capital, will lead to about a 62.4 per cent increase in output. This result conforms to the Solow growth model that stressed the significance of capital in economic growth and also per the result of Murthy et al. (2012). Similarly, the coefficient of LOGCBA (0.127) is positive and statistically significant at a 5 per cent implying that a 1 per cent rise in bank's loans and advances to agriculture will increase the output by about 12.7 per cent. The result is in conformity with the findings of Fred et al (2021). Furthermore, the result indicates that the coefficient of LOGCBSE (-0.069) is negative but statistically significant meaning that a 1 per cent rise in commercial bank loans to small-scale enterprises will reduce output by about 7 per cent. Finally, the coefficients of LOGLF, LOGCBMQ, and LOGCBMF are statistically insignificant in the short run. This implies that labour input, commercial bank loans and advances in mining and quarrying, and manufacturing do not significantly affect output.

Panel A: Long Run Estimates, GDP is the Dependent Variable						
Selected Model: ARDL(4, 1, 0, 1, 0, 1, 0) based on AIC						
Variables	Coefficient	Stand. Error	t-statistics	P-Value		
LOGGDP	-0.0719	0.0378	-1.9021	0.0601		
LOGCF	0.0020	0.0354	0.0566	0.9550		
LOGLF	0.0939	0.0310	3.0316	0.0031		
LOGCBA	0.0056	0.0165	0.3384	0.7358		
LOGCBMQ	0.0063	0.0035	1.8199	0.0718		
LOGCBSE	-0.0041	0.0101	-0.4050	0.6863		
LOGCBMF	0.0509	0.0328	1.5491	0.1245		

Table 4.4: Long-run and Short-run ARDL Results



Variables	Coefficient	Stand. Error	t-statistics	P-Value
D(LOGGDP(-1))	-0.1429	0.0613	-2.3306	0.0218
D(LOGGDP(-2))	-0.1429	0.0613	-2.3306	0.0218
D(LOGGDP(-3))	-0.1429	0.0613	-2.3306	0.0218
D(LOGCF)	0.6244	0.0604	10.3230	0.0000
D(LOGCBA)	0.1273	0.0325	3.9140	0.0002
D(LOGCBSE)	-0.0686	0.0210	-3.2740	0.0015
ECT	-0.0719	0.0124	-5.7969	0.0000
R-squared				0.78
Durbin-Watson stat				1.7071

Panel B: Short Run Estimates, GDP is the Dependent Variable

Source: computed by authors using E-views 10 software.

## 4.7 Diagnostic Tests

After estimating the ARDL model, post-estimation tests were conducted and are attached in appendices. The diagnostic tests results show that the p-value (0.4388) obtained from the Breusch Godfrey serial correlation LM test is higher than the 5 per cent critical value (0.05) and as a result, we conclude that there was no serial correlation. Similarly, the Breusch-Pagan Godfrey p- value of 0.07 provides evidence of homoscedasticity of the error term. The Cusum of Squares result revealed that the estimated ARDL model is stable. As some values of VIF coefficients are relatively low, we conclude that our explanatory variables suffer mild multicollinearity. The Jarque-Bera probability value of 0.0000 implies that the error term was not normally distributed and since it is not a serious problem it can be ignored.

# 5.0 Conclusion and Policy Recommendations

The study examined the short-run dynamics and long-run effects of commercial bank loans and advances on economic growth in Nigeria for the period from 1992 to 2021. Following the findings of the study, the conclusions are derived are:

- i. There is a strong positive correlation between economic growth and capital, commercial bank loans to agriculture and manufacturing. The Labour force is negatively correlated with economic growth and a weak correlation occurs between economic growth and a commercial bank loan to mining and quarrying and small-scale enterprises.
- ii. There is a long-run relationship between economic growth, capital, labour, and commercial bank loans to agriculture, mining and quarrying, small-scale enterprises, and manufacturing.
- iii. Labour and commercial bank loans and advances in mining and quarrying have a long-run positive effect on economic growth



iv. In the short run, capital and commercial bank loans and advances to agriculture have a positive and significant effect on economic growth, whereas, commercial bank loans to small-scale businesses negatively affect economic growth.

The policy recommendations based on the findings of the study are given as follows.

- i. To achieve sustainable economic growth, there should be training and retraining of the labour force to enhance efficiency and productivity. Long-term policies should be geared towards the provision of more credit to the mining and quarrying sectors.
- ii. Short and medium-term policies should give more attention to increasing the availability and accessibility of credits to agriculture. Capital efficiency should be enhanced through the introduction of more efficient and sophisticated machines. In addition, there should be an improvement in the commercial bank loans utilization and management by the small-scale enterprises and the manufacturing sector.

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