

**THE POLITICAL ECONOMY OF COMMERCIAL BANK'S COLLABORATION WITH
POINT OF SALE (POS) OPERATORS AND ECONOMIC HARDSHIP IN NASARAWA
STATE, NIGERIA**

NWANNE, Joseph, Chinedum, Ph.D

**Department of Political Science, University of Delta, Agbor, Delta State, Nigeria
Tel: 08038814791**

ABSTRACT

This study dissected the interface between the political economy of commercial bank's collaboration with POS operators and economic hardship in Nasarawa state, Nigeria. The current wave of economic hardship orchestrated by the unethical behaviour of banks and greedy POS operators, has reached a glaring crescendo. This study utilizes the political economy approach to demystify this esoterism. The study focused on three research questions, three hypothesis and the objectives were to find out if commercial banks in Nasarawa state has adhered to the guidelines provided by CBN of periodically loading ATM with cash. Secondly, to find out if there is a deliberate connivance between commercial bank staff and POS operators in Nasarawa by ensuring that Automated Teller Machine (ATM) in the state are not always loaded with cash. Thirdly, to discover if it is sheer wickedness and greediness that prevent commercial bank staff from loading ATM with money in the state. The method of data collection were documentary and survey. In the survey, a sample of 401 questionnaire was drawn from a total population of 2,523,400 using the Taro Yamane Statistical formula. We utilized the chi-square (x^2) as a method of analysis while our theoretical frameworks was anchored on the political economy postulation. The study found that commercial banks in Nasarawa state do not adhered strictly to CBN's guidelines of periodically loading ATM in the state with money. It was also discovered that there is a deliberate connivance between some commercial banks staff and POS operators in Nasarawa state to ensure that ATM are not periodically loaded with cash. We recommended that Nasarawa state government should ensure that commercial bank should be periodically loading ATM with cash. We equally recommended that government should punish any staff of commercial banks, who refuses to load ATM with cash. Thirdly, any bank staff who goes against the regulated bank rules should be fired, after two consecutive warnings.

***Keywords: Commercial Bank, POS Operators, Political Economy, Economic Hardship
CBN Regulatory Policies***

INTRODUCTION

A reasonable or fundamental challenge within economics of the countries of the southern hemisphere recently is related to their cash-carrying capacity. Consequent upon this disparaging phenomena, several electronic payment system has emerged to reverse the ugly trend. However the cradle of banking started with the early prototype banks notably the merchant of the world, who gave grains to farmers and traders that carried goods within cities. This was around 2000 BC in Assyria India and summer (Samuel 2015). But in a more recent development, the Asset Management Cooperation of Nigeria (AMCON) Set up in 2009 by National Assembly equally played a leading role in financial reform. This led to the repegging of commercial banks in Nigeria from ₦2billion to ₦25 billion asset base while 89 hitherto commercial bank was reduced to 25.

A commercial bank is a financial institution that accepts deposits from the public and gives loans for the purpose of consumption and investment to make profit it uses money to make money. In independent Africa, commercial banking were grossly conservative and was controlled by foreign shareholders throughout the period of colonialism (Austin & Uche, 2007) In case of Nigeria, banking industry started during era of colonialism with the setting of colonial banks to meet the imperialistic norms .

This led to the first domestic bank in 1929 called industrial and commercial bank. It was replaced with Mercantile Bank in 1931, while the African Continental Bank was created in 1949. Then Agricultural bank called the Nigerian Farmers and Commercial Bank was also created. Event changed in 2010 when the CBN led by Lamido Sanusi took a different decision about banking reform. Glom seth&Solle-Seather (2020).

The concept of Point of Sale (POS)system originated in 1970 with the emergence of computerized cash registers this early system were primarily designed for sales transaction but gradually improved to include additional features like inventory, management and financial transaction including cash withdrawal (Smith 2019).

POS is designed in a manner that its swift dispensation of cash both credit and debit will yield customers satisfaction which is the hallmark of all business, quoted in (Oyintonyo, 2024). It is an electronic transfer system for money that enables card holders to pay purchase from merchant. A POS terminal consist of hardware and software this equipment is the POS machine which offer e-payment. Despite its wide acceptability, the nature of delivery system of POS is a major concern especially how banks and pos operators manage the system. Against this background, this study becomes imperative as it seek to explore the nexus between the political economy of commercial bank, collaboration with POS operator and economic hardship in Nigeria in the recent years. The Justification for this topic is that there have been periodic hue and cries about the discouraging manner in which banks load money in ATM in Nasarawa state.

Statement of The Problem

Every business has its problem Adeoti, Nzaro and Magidi(2013), Oyintonyo, (2024) examined the problem confronting the use of POS in Nigeria and commented on its worrisome and hydra-headed nature. In spite of spirited warnings from CBN,s guideline on how Automated Teller Machine (ATM) in banks in Nasarawa State should operate it has been observed that the reverse has been the case especially in Nasarawa state. Some of the reasons often given for poor performance of ATM stations are insecurity, poor network and technical hitches. But empirical study has shown that this is not always the case. On this note therefore ,this study shall be guided by the following research questions.

1. Has commercial banks in Nasarawa adhered to the guidelines provided by CBN in periodically loading ATM with cash
2. Is there is a deliberate connivance between commercial bank staff in Nasarawa and POS operators in the state to ensure that ATM are not always loaded with cash
3. Is there any relationship between sheer wickedness among some commercial bank staff and POS operators in Nasarawa State due to their Greediness and selfishness and loading of money in the various ATM in the State.

Hypotheses

1. Commercial banks in Nasarawa state has not adhere to the guidelines by CBN by periodically loading ATM with cash.

2. There is a deliberate connivance between some commercial bank staff and POS operators in Nasarawa State to ensure that ATM are not periodically loaded with cash

3. There is a relationship between sheer wickedness among some commercial bank staff and POS operators in Nasarawa State due to their Greediness and selfness and loading of money in the various ATM in the State.

Role of CBN and Origin of POS in Nigeria

The first POS system was invented in 1879 by a salon owner, James Ritty of Ohio, USA. The cash register enabled users to record transaction without error, allowing for better book-keeping and management of capita. However, Ritty sold his invention to the National Cash register (NCR) in 1844 this situation has undergone various till date In this study we see political economy as a field of study that combine elements of economics and political science to study how political institutions. the political environment and economic systems use to collaborate with some private individuals to exploit their fellow members of the society especially in Nasarawa state.

It is clear that scores of bank staff are equally the people who own most POS machine and continue to give money to their wards and friends who operates POS The use of POS can be exploited and manipulated by POS operators to the detriment of the masses especially in vulnerable communities, In some cases individual may not be told the charges they are paying until such transactions are done and money deducted from their respective accounts. POS users can also use information gotten from the customers for sinister purposes Also, commercial banks in Nasarawa often refuse to load money in ATM so that people will patronize their POS since they are the owners of the POS. The reason usually given by banks is that loading ATM during weekends increase risk associated with robbery and vandalism, cost minimization is also a staunch reason given.

However the CBN guidelines for Automated Teller Machine (ATM) operators stipulated that banks should ensure adequate cash loading and availability (CBN, 2020). The practice of giving out money to Point Of Sale POS users through commercial bank, in Nasarawa State is a politically coloured matter with the implication for financial inclusion economic empowerment and political patronage (premium times, 2022). Another critical matter in the distribution of cash through POS in Nasarawa is that politicians targets to build loyalty and secure votes (The Nation 2022)

The point being made here is that there is a deliberate connivance between bank staff and some POS operators to ensure that banks should not load ATM with money periodically especially during weekends to improve their financial position. It is on this note that this study adopts the political economy approach to examine how there is a vehement collaboration between some commercial bank staff and some POS operators to cause economic hardship in Nigerian's already deplorable situation.

For the POS Agent, the cost of setting up the business is easy and not cost intensive. With just an umbrella, chair, and table, the business can be started.

Other services provided by the POS business such as airtime subscription, data subscription, electricity bill payment, amongst others, solves a lot of problems and this attracts more customers.

According to statistics gathered from various sources, the POS business is a very lucrative one

and relevant to the current Nigerian economy. According to the Nigeria Inter-Bank Settlement System (NIBSS), 2022 report, there are about 986,252 registered PoS units in the nation. In 2020, the NIBSS reported that Nigerian Merchandise and Mobile Money Operators (MMOs), processed more than 655,000,000 POS transactions which were valued at 4.7 trillion (\$13 billion), a 50% increase from 2019.

In the following year 2021, POS transactions in Nigeria recorded N6.43 trillion. The figure is a sharp contrast to the N1.41 trillion received in 2017, N2.32 trillion in 2018, N3.2 trillion in 2019, and N4.73 trillion in 2020. In 2021, in a survey taken in different parts of the country by Tech Point, 21 out of 33 participants said they prefer to use banks. 23 people said they use a PoS agent often. 19 reported that they hadn't visited their bank in over two to five months. Furthermore, in a report carried out by National Bureau of Statistics NBS, PoS business in Nigeria saw a remarkable growth between 2017 and 2022. While there were 155,000 terminals in 2017, there was a significant growth as at April 2022, with 1.1 million PoS terminals. With the recent cash problems recorded in the country, it won't come as a surprise if that number has increased beyond 20%.

Structure and service rendered by POS Business in Nigeria

Operators of POS are called POS Agents they can be found in various parts of the country. Commercial banks equip these agents with a POS device (a card reader), mobile phone, barcode scanner, personal identification number (PIN) pads, personal computer, etc. POS business operators are third-party agents and can serve as semi banks as much as possible. While some have shops, and kiosks, others run this business in a mobile way, having bags with the POS machine and money in it. It is such an endless possibilities of how much the POS business has been helpful to the Nigerian cashless policy. Some of the banks involved are First Bank, Access Bank, GTCO, Ecobank, etc. Microfinance banks as well as Fintechs are also involved. Popular ones are Opay, Moniepoint, Palmpay, Bankly, among others

The POS business is primarily known for aiding cash withdrawal. However. it offers many more services cutting across power, internet and other providers. Some services offered by POS businesses are withdrawal of funds from a bank account, Opening a bank account, funds deposit, funds transfer payment of bills such as electricity, TV subscription, airtime and other ,duties like Bank Verification Number (BVN) enrollment. POS Business is so popular in Nigeria, due to the multiplicities of problems it solves.

The low number of functioning ATMs in the country which causes long queues is seemingly eliminated. ATM points and Banking halls have made many customers find alternative ways to perform monetary transactions. There is a readily available market for the business due to the limitless number of people who perform numerous transactions every day in marketplaces, streets, motor parks, etc. The POS business also helps consumers withdraw money easily when the closest ATMs in their area are far from them. For the PoS Agent, the cost of setting up the business is easy and not cost intensive. With just an umbrella, chair, and table, the business can be started.

Other services provided by the PoS business such as airtime subscription, data subscription, electricity bill payment, amongst others, solves a lot of problems and this attracts more customers.

Benefits of POS Business

The POS business is very beneficial to both the business owner, POS service providers and customers. Some of these benefits are highlighted below

It promotes financial inclusion in the country, as the banked and unbanked have access to financial services. It reduces the number of queues at the bank, helping to save time and resources. It contributes to the GDP of the country as it helps reduce unemployment and provide small business owners with another stream of income. It provides ease and convenience for people as they don't have to go to the bank unnecessarily. It reduces exposure to theft, as people don't have to carry so much cash around. It increases sales for merchants as they can cater for both cash and card-carrying customers.

CHALLENGES OF POS BUSINESS

Every business has its risk sides, thus, it is important to look at the following challenges faced by the POS business. **Insecurity**, Since money is involved The POS business is highly risky as operators can be a target for robbery attacks and theft. **Fraud** Some individuals with criminal intentions sometimes patronizes PoS business operators intending to carry out fraudulent transactions.

POS Agents may find it difficult to run their business when there is unavailability of cash. Despite the fact that there are other services provided, the major services POS Agents provide is cash dispensing.

Poor Network Services Poor network connectivity is a significant threat to the smooth operation of POS business. One of the most common complaints is customers having to wait sometimes to receive their cash after they have been debited but POS Agents cannot do without first receiving a credit alert on their own device.

Hidden Charges Another challenge confronting POS business is that some merchants have continued to collect legal fees from cardholder who wants to use their cards on PoS. According to reports, some petrol stations, supermarket and other business owners that deploy PoS machines for payment are still collecting an illegal stamp duty, which in some cases could be N50 or N100. This has made some customer shun PoS transaction due to these charges.

Unpredictable Electricity Supply. Erratic electricity is another critical challenge confronting business in Nigeria, the PoS business inclusive. This is because the POS machines need to be charged since they run on rechargeable batteries. In area with poor electricity supplies, PoS Agents would need to incur costs of getting a generator to charge and power other POS devices.

CBN AND POS BUSINESS

CBN and POS Business in Nigeria

The use of Point of Sale (POS) machines in Nigeria is growing and it is a major driver to Nigeria's cashless economy. The POS business first came into Nigeria in 2013, after CBN Governor led by Sanusi Lamido Sanusi, introduced the agent Banking system with plans for a cashless economy. The result paved the way for all financially related services to reach the public particularly in unbanked regions of Nigeria. Since then, Commercial banks, microfinance banks and some fintechs have provided POS services for people interested in the business. In Nigeria, the Central Bank (CBN) has implemented policies to promote the use of POS terminals, particularly in rural areas where access to traditional banking services is curtailed (CBN, 2020). The rationale behind using POS terminals is based on the recognition that a

significant portion of the population remains unbanked, with many relying on informal channels to access financial services (CBN, 2020). By deploying POS terminals in strategic locations, such as markets and shopping centers, the CBN aims to provide a convenient and accessible means of withdrawing cash and making payments (CBN, 2020). This approach has been hailed as a significant step towards achieving the goal of financial inclusion, as it provides a platform for individuals to access financial services without the need for a traditional bank account (Adepetun, 2020).

Furthermore, the use of POS terminals is seen as a key component in the drive towards a cashless economy, reducing the reliance on physical cash and minimizing the risks associated with cash handling (CBN, 2020). Additionally, POS terminals offer real-time settlement and reconciliation, reducing the risk of fraud and increasing the efficiency of transactions (NIBSS, 2020). The use of POS terminals would have also provided a platform for the collection of taxes and levies, reducing the burden on taxpayers and increasing government revenue (FIRS, 2020). The deployment of POS terminals has been facilitated by the establishment of a robust infrastructure, including a wide Range of payment channels and a comprehensive network of terminals (NIBSS, 2020).

The infrastructure has been designed to ensure that transactions are processed efficiently and securely, with minimal downtime or technical issues (NIBSS, 2020). The policy has seen significant success, with the number of POS terminals deployed across the country increasing significantly. As the use of POS terminals continues to grow, if regulated the country will likely move closer to achieving its goal of a cashless economy.

METHODS OF DATA COLLECTION and analysis: Our method of data collection in this study is documentary and survey our documentary is anchored on textbooks and others material while the survey is premised on the population of Nasarawa state our methods data analysis is the inferential statistics like chi square.

Sample and Sampling

A sample is that small part selected from the whole or population, while sampling is the process of selecting a part called (Sample) from the whole (called population or universe) in order to make inference about the whole (Obasi, 1999). From a population of 2,523,400 We used the Taro Yamane’s statistical formula to determine the sample size of the because its ability to control sampling error the formula is state below:

Yamane (1973), stated the formula as follows:

$$n = \frac{N}{1 + N(e)^2} + 1$$

Where: n = the sample size

N = the total population (2,523,400)

e = tolerable error normally 0.05% while 1= constant

To substitute here:

1 = constant

$$n = \frac{2,523,400}{1+2,523,400(0.05)^2} + 1$$

$$n = \frac{2523,400}{1+2,523,400(0.0025)} +1$$

$$n = \frac{6,308,}{+1}$$

$$n = \frac{2,523,400}{6,308} +1$$

$$n = 400+1$$

$$n = 401 \quad \text{This is the sample size}$$

Empirical Verification

A total of 401 questionnaires were administered to our respondents based on the sample size calculated above. 396 were returned, 3 were not returned and 2 were wrongly completed and found unsuitable for the study. The 396 questionnaires were found valid for analysis.

Frequency Distribution of Respondent According To Sex Table 1

GENDER	FREQUENCY	PERCENTAGE (%)
MALE	240	61
TOTAL	396	100

Source: field survey, 2025

Frequency Distribution of Respondent According To Age Table 2

RESPONSE	FREQUENCY	PERCENTAGE (%)
Under 20	25	6.31
21-30	150	
31-40	90	22.73
41-50	51	12.88
51 and above	80	20.20
TOTAL	396	100

Source: field survey, 2025

Table 3 Frequency Distribution of Respondent According To their Educational Qualifications

	FREQUENCY	PERCENTAGE (%)
WASCE or its equivalent	45	11.36
OND, NCE/DIPLOMA	55	13.89
HND/B.SC. DEGREE	166	41.92

M.BA, M.A/M.SC.	155	29.04
Ph.D	15	3.79
TOTAL	396	100

Source: field survey, 2025

Table 4 frequency distribution of population according to their marital status

	FREQUENCY	PERCENTAGE (%)
Single	165	41.67
Married	218	55.05
Divorce	13	3.28
Total	396	100

Source: Field Survey, 2022

Table 5. Hypotheses one: commercial Banks in Nasarawa State has not adhered to the guidelines of CBN on periodically Loading ATM with cash.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	345	87.12
No	46	11.62
Undecided	5	1.26
TOTAL	396	100

Sources: field survey, 2025.

Table 6: calculation of Chi-square to Test Hypothesis One

Responses	O	E	o-e	(o-e)²	$\frac{(o-e)^2}{e}$
No	46	132	-86	7,396	56.30
Yes	345	132	213	45,369	343.70
Undecided	5	132	-127	16,129	122.19
Total	396				522.19

Source:field survey, 2025.

Level of significance assumed is 5% i.e 0.05, DF =2 at 5% level of significance are 5.991
Since the calculated value of 522.19. is greater than the table value of 5.991 as shown in the table, we accept our hypothesis one which state that. commercial Banks in Nasarawa State has not adhered to the guidelines of CBN on periodically Loading ATM with cash.

Where o= Observed frequency

E=Expected frequency

Table 7. hypothesis two There is a deliberate connivance between some Commercial Bank staff and POS Operators in Nasarawa State to ensure that ATM in the state are not periodically with cash.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	355	84.60
No	51	12.90
Undecided	10	2.50
TOTAL	396	100

Source: field survey, 2025.

Table 8 calculation of chi square to test Hypothesis two

Responses	O	E	o-e	(o-e)²	$\frac{(o-e)^2}{e}$
------------------	----------	----------	------------	--------------------------	---------------------------------------

					e
Yes	335	132	203	41,209	312.18
No	51	132	-81	6,561	49.70
Undecided	10	132	-122	14,844	112.45
Total	396				474.33

Explanation of the table above: since the calculated value of the chi square is 474.33 is greater than the tabulated or table value of 5.991 we accept our hypothesis two which states that There is a deliberate connivance between some Commercial Bank staff and POS Operators in Nasarawa State to ensure that ATM in the state are not periodically loaded with cash.

Table 9. Hypothesis three

Do you think it is sheer wickedness among some commercial bank staff in Nasarawa State due to their Greediness and selfness that made them not to load money in the various ATM across the State.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	333	84.09%
No	56	14.14%
Undecided	7	1.77%
TOTAL	396	100

Source: field survey, 2025.

Table 10 Calculation of chi square in testing hypothesis three

Responses	O	E	o-e	(o-e) ²	$\frac{(o-e)^2}{E}$
Yes	333	132	201	40,401	306.06
No	56	132	-76	5,776	43.75
Undecided	7	132	-125	15,625	118.37
Total	396				468.18

Explanation of the table above: Since the calculated value of 468.18 is greater than the table value of 5.991 we accept our alternative hypothesis which state that. it is sheer wickedness among some commercial bank staff in Nasarawa State due to their Greediness and selfishness that made them not to load money in the various ATM across the State.

POPULATION OF NASARAWA STATE

The population of Nasarawa state as earlier calculated is 2,523,400 according to National Population Commission of Nigeria (2006) and National Bureau of statistics (2016). A sample size of 401 was selected using the Taro Yamani statistical formula Likewise the stratified random sampling technique was used for this study to enable adequate representation of the staff in the different area the opportunity of being selected.

X² = Chi square

The Decision Rule In chi Square Calculation

Reject the null hypothesis if the (X²) the chi square calculated is greater the the table value and accept it. If the reverse is the case.

Theoretical Framework

A theoretical framework is a device for adopting or applying the assumptions, postulations, and principles of a theory in the description and analysis of a research problem. It is that dynamic explanatory device for linking the problem of a study to relevant theory. It is indeed an indispensable explanatory device in research execution. And since some theoretical frameworks have higher explanatory power than others, it is important to apply the most relevant one in any research undertaking.

It is on this note that this study is predicated on the political economy approach to explain the nexus between the political economy of Commercial bank's collaboration with ,POS operators and economic hardship in Nigeria. The term political economy originated from moral philosophy it was first developed in the 18th Century (1758) as the study of economics of states or polities. Hence the term political economy. However, the phrase economic politique which was translated in English as political economy first appeared in France in 1615 (Okoh, 2006).

Specifically, political economy covers the concepts of economy money, profit, price, rent, interest, market, inflation, multinational' corporations, capital, trade, economic growth, production, savings investment, migration, population, security, state, poverty' development, civil society, environment, unions, power and sanctions.

It exists at both micro (Narrow/national) and macro levels (inclusive/universal) international (Ezeibe,2016). Hence, it is possible to speak of political economy of Nigeria, political economy of Africa, political economy of United States, European political economy and international political economy (Adelabu, 2012). Political economy views economic activities from political standpoints and political activities from economic standpoints (Gilpin, 1986). It spans social, economic, legal, political religious and cultural lives of a people. In other words from the interdisciplinary application of approaches and concepts it originated in the study of politics, economics, sociology Philosophy, and history. Political economy breaks the traditional barrier in analysis which used to restrict scholars to disciplinary boundaries and epistemological slants.

It adequately studies social problems that individual discipline could not study. Indeed, many important life questions cannot be satisfactorily addressed by recourse to individual discipline or by the analysis of a single factor hence, the discipline emphasizes multidisciplinary methods (Adelabu, 2012). Proponents of this school include James Steuart. An Inquiry into the Principles of Political Economy (1767), Adam Smith, An Inquiry into Nature and Causes of Wealth of Nations (1776) and David Richardo Principles of Political Economy and Taxation (1817). To Karl Mark however, the primary cause of tension or class antagonism is chiefly development by economic factor see Ake, (1981) ,Akpotor (2011) Ake (1979). Marx, first employed political economy as an approach for analyzing and justifying the root cause of conflict and contradiction in human society. As a method of analysis, political economy is based on dialectical materialism or economic determinism which gives primacy to material condition or economic condition. This is premised on the fact that man is dominantly motivated by economic factors (economic determinism) (Ake, 1981).

This also shows how the understanding of economic factors as a fulcrum or hub on which everything revolves around enable one to understand other issues which depends primarily on the understanding of its economic structure or substructure. The basic arguments of the theory include Giving primary to material condition political economy is sensitive to society in term of

community and its relatedness that is relatedness of different element in society. It throws more light on the inner law governing how society reproduce manage and reward those involved in social relation of production. It provides basis for understanding the strength and weakness of different socio economic and political formation in world societies.

It sees society as in a state of motion it is not free from tension. There is an inherent contradiction in a society which defines and re-defines the pattern of social relation. It sees politics as not remarkably different in a particular society from economy. African political economists put that political economy addresses the complex interactions or the interface between economic, political and ideological levels. It deals with how societies produce and reproduce their material existence (Ake 1981,1985; It is based on the above that justifies the use of this theory for the analysis of the above topic

Commercial banks, POS Operators and Economic Hardship in Nigeria.

In Nigeria, economic hardship is a Widespread phenomena impacting various sectors including point of sale, (POS). POS operators tend to increase their transaction fees this further exacerbate economic hardship in Nigeria. It is glaring from our investigation that most greedy bankers in Nigeria collaborate with POS operators to cause economic hardship especially in Nasarawa State during the period of cash scarcity. This arrangement is strongly beneficial to bankers but create a situation where POS operators becomes the sole source of cash often at the expense of the masses. This result to cash shortages, high transaction cost reduced access for regular customers, damage to public trust unethical practices to mention but a few.

Nasarawa State and POS Operators

The state has 13 local government areas as follows Lafia, Doma, Awe, Keana, Obi, Akwanga, Nasarawa Egon, Keffi, Wamba, Karu, Konkona, Nasarawa and Toto local government areas. It has three senatorial districts. The notorious activities, of POS and commercial banks under discussion are prevalent in the above 13 local government area where Mararaba is falls into and is the worst hit, due to its proximity to the Federal Capital Territory FCT, Abuja. It rapidly underwent population explosion that fastly transformed it into an urban area.

Economic hardship in Nigeria is a significant challenge characterized by high poverty rates, high inflation and a struggling economy particularly impacting vulnerable population. There is a complex link between POS operators, bank staff and economic hardship in Nigeria.

It should be noted that this phenomena of economic hardship due to the negative impact of commercial banks staff and POS operators is rampant in Nigeria in general, Nasarawa state has become a vantage position for this heinous activities due to its proximity to the Federal Capital Territory, Abuja. Particularly, Karu local government area is the most tickly or densely populated area in Nasarawa state especially Mararaba, Masaka, New Nyanya, New Karu, Ado and One man village to mention but a few.

In the recent years, these areas have grown into a large urban area and a major commercial centre. Top on the list lost here is Maraba, some banks within Maraba axis include UBA, Eco Bank, Fidelity bank, Zenith bank, Access Bank, Polaris Bank. These banks are expected to serve millions of people living within the vicinity due to rapid increase the population Rather they connive with POS operators to cause artificial money scarcity especially during weekends. The disparaging normal linguistics to justify their inglorious action is usually, "no network" in the ATM". The ATM is not paying or "money is finished come back later".

What they normally do is to give the money to POS operators who automatically become the sole distributor of money, sometimes causing hardship through high transaction fees hoarding of cash through artificial scarcity CBN's efforts to regulate POS transaction and enforce withdrawal limit has not done much in alleviating the situation. The problem of POS business as it concern economic hardship is fraud, insecurity network failure among others.

Findings

After careful investigation in this study. It was discovered that most commercial bank staff in Nasarawa state tends to connive with the POS operators to ensure that ATM in the state are not periodically loaded with cash. This is in an attempt to cause artificial scarcity and make money only available in the hands of POS operators. We also found out that commercial banks in Nasarawa State has not adhered to the CBN guidelines of periodically loading ATM with cash, finally we discovered that it is sheer wickedness among some commercial Bank staff and POS operator in Nasarawa due to their greediness and selfishness that makes them not to load money in the ATM in the state.

Concluding Remarks and Recommendations

The masses are already impoverished by the frustrating economic condition in Nigeria. The fact remains that bank staff has collaborated with POS operators to make life miserable for the inhabitants of the state who are subjected to double exploitation in the sense that they are charged by banks and by POS operators. This further diminish their standard of living.

Based on the findings of the study the following recommendations are made for strict adherence to.

Firstly, government must ensure that banks in Nasarawa state should be periodically loading ATM with cash. This can be accomplish by strict regulation by the Central Bank of Nigeria and if need be those banks who violate the regulation should be punished by the Apex bank or seize their operating license for some times. Secondly, government must ensure that any commercial bank staff who deliberately refuses to load ATM with cash should be severely punished by the bank authority to prevent others from doing that. Thirdly, wicked and greedy commercial bank staff should be relieved of their job after first and second warnings. Things will go a long way to nip the problem in the bud.

In addition Government should endeavors to intensify effort at improving financial literacy among the public, by promoting the use of mobile cash. The CBN through commercial banks should regulate POS operators by reducing transaction fees, more efforts should be made in the area of improving our technology to reduce technical hitches like network problems among others.

REFERENCES

- Adepetun, A. (2020). The role of POS terminal on Achieving Financials Inclusions. *Journal of financials Inclusion, 2(1), 1-10.*
- Adepetun, A. (2020). Fintech in Nigeria: A Review of the Legal and Regulatory Framework. *Journal of Financial Regulation and Compliance, 28(2), 123-135.*

- Austin G, &Uche CH (2007) Collusion and competition in colonial economies. Banking in British west Africa 1916-1960. *Business history review* From [www.african history review](http://www.africanhistoryreview.com) 81(2)1-26
- Ake, C (1979) Social science as imperialism: the theory of political development Ibadan. Ibadan University Press*
- Ake.C (1981) *A political economy of Africa*. Ibadan Longman Publishers.
- Akpotor, A.S. (2012). *Theoretical foundations of international relations 3rd edition revised and expanded* Allen Publications.
- Central Bank of Nigeria (2020). Circular on the Deployment of point of sales (POS) Terminals
- CBN (2020). Central Bank of Nigeria: About Us. Retrieved from www.cbn.org.
- Central Bank of Nigeria CBN (2020) Guidelines for the operation of ATM and cards in Nigeria. From [www ATM operating guidelines](http://www.cbn.org) accessed on 20/6/23.
- Financial Regulation and Compliance, 28(2), 123-135
- Ezeibe C.C, (2016) *ABC of political economy: A beginner's guide to understanding the state and economy* second edition University of Nigeria Press Limited
- FIRS (2020). Tax Collection and POS Terminals. From [www.taxcollection](http://www.taxcollection.gov.ng) and POS NIBSS (2020). Point of sales (POS) Terminal Deployment .from [www.posterminals](http://www.posterminals.gov.ng) accessed on 20/5/22
- Glomseth, R, &Solli – Seather II (2020) privacy and security in point of sale (POS) A Systematic review. *Journal of information and application* 26:10 – 29.
- IMF (2019). Nigeria: Financial Sector Assessment Program. International Monetary Fund. From www.imf.org. assessed on 20th January 2023.
- Lewis, P. (2009). Nigeria's Financial Sector: A Review of the Literature. *Journal of African Economies*, 18(1), 156-173. .
- Proshare (2020). Foreign Investment in Nigeria's Financial Sector. [www. Proshare Nigeria](http://www.proshare.org).
- Premium Times (2022) Nasarawa state government partners with banks to disburse cash to POS users. From [www.premiumtimes](http://www.premiumtimes.com) Accessed on 10 July 2024.
- Ribadu, N. (2011). Corruption and the Nigerian Financial System. *Journal of Financial*
- Samuel, A.O, (2015) Circular on the review the universal banking from [www.universalbanking](http://www.universalbanking.com) accessed on 2nd April 2018.

- Okoh, S.N (2006) A. selected readings in the history of economic thought .Benin City Mindex Publishers.
- Smith, J. (2019) POS system in developing countries challenges and solution. *Journal of financial technology 12 (3). 45-60*
- Taylor, E. (2014) Financial implication for consumption in (POS) transaction *Journal of commers finance II (I) 54 – 68*
- Uche, C. (2001). Financial Sector Reforms in Nigeria: A Review of the Literature. *Journal of African Economies, 10(1), 123-145.*
- .