



NAIRA REDESIGN POLICY: ENDING THE HARDSHIP AND HOW WOMEN SURVIVED THE CASH CRUNCH IN NIGERIA IN 2023

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Abstract:

We live in a nation where doctors destroy health, lawyers destroy justice, universities destroy knowledge, the government destroys freedom, the press destroys information, religion destroys morals, and our banks destroy the economy. Using KII interviews and secondary digital data this essay explores disaster management theory to investigate women's strategies to survive the cash crunch. What was the impact of the Naira redesign on Nigerian families? How easy was it for Nigerians to access the new Naira notes? What strategies did women deplore to sustain their families during the cash crunch? The paper found that women kept their families afloat during the period of cash crunch through determination, negotiated cash transfer, trade by barter: buying and selling of money, and customers' goodwill apart from other strategies. There is a need for proper planning and time in future currency for successful currency redesign.

Keywords: Currency-Redesign, Policy, Survival, Women, Nigeria.

Introduction

We live in a nation where doctors destroy health, lawyers destroy justice, universities destroy knowledge, the government destroys freedom, the press destroys information, religion destroys morals, and our banks destroy the economy (Hedges 2002). Icke, (2012) re-echoed the satire of Hedges (2002) saying "Just look at us, everything is backward, everything is upside down, doctors destroy health, lawyers destroy justice, universities destroy knowledge, governments destroy freedom, the major media destroy information, and religion destroys spirituality" these assertions played out in Nigeria in 2023. In November 2022, Godwin Emefiele, Central Bank Nigeria governor, announced that the government through the Nigeria Apex Bank' (CBN) has decided to redesign and circulate a new series of three banknotes out of the existing eight. Following the redesign, President Buhari launched

the new naira banknotes on 23 November 2022. Promising to make the new cash available and accessible to the populace (Igwe 2023).

The Central Bank also promised to provide alternative payment channels such as e-Naira point of sale, mobile services like banks (Hope PSB, 9PSB, MTN Memo PSB, Ariel smart Cash, mobile Apps, internet banking, USSD) channels as well as other cashless channels of transactions to make cash more accessible to the people. Consequently, the CBN set the deadline for the existence of the old naira note for January 31st, 2023, declaring that there will be no extension and encouraged Nigerians and residents to ensure that all old notes were reverted to the CBN vaults by the expiration of the deadline of January 31st, 2023 (Temitope 2022). Subsequently, the redesigned currencies of N200, N500, and N1000 notes sparingly came into circulation on December 15, 2022. The Naira redesign policy of the Central Bank of Nigeria (CBN), in 2023 took Nigeria by surprise and subsequently threw the country into pandemonium (Igwe 2023). The 2023 Currency Redesign Program of the Central Bank of Nigeria (CBN) came as a disruptive and unnecessary program that brought untold hardship to many Nigerians Abubakar, Yandaki, (2023).

The Nigerian currency redesign was not the first of its kind in Africa and the world. Globally, countries undertake currency reforms for many reasons. In the last few years, several countries in the Former Soviet Union and Eastern Europe have become independent or regained their independence. Many have chosen to issue their currencies, and more are likely to do so. Some African countries have also toed this line by changing the security features of their currencies to strengthen them. However, the likelihood of successfully introducing a new currency demands adequacy of the preparations of the steps to follow in the introduction to avoid negative effects on the economy and the people (Hernán & Richard, 1993). For instance, Zimbabwe, changed their national currency from 2006 to 2009, to curb inflation, and Mozambique, redesigned their currency from 2003 to 2006, the aim, was to minimize hyperinflation from devaluation. Indonesia, in 2010, redeemed its currency's credibility by redesigning it (Aroyewun, Olaleye, Salami, et al 2023).

For inclusiveness, the U.S. Treasury Department announced the redesigning of a \$20 bill to feature Harriet Tubman on its front. The design of U.S. currency has remained largely unchanged since 1929 and has relied entirely on special inks, papers, and printing processes to deter counterfeits from circulation (Catherine and Aisha 2020). Pillah, (2023) has argued that the main goal of banknote redesign is to achieve certain goals, such as enhancing banknote security, preventing counterfeiting, protecting the nation's common legacy, managing the amount of money in circulation, and decreasing the total cost of currency management. (Pillah, 2023). Counterfeits of the naira in circulation was one of the reasons the Nigerian government gave for redesigning the naira and curbing vote buying during the then forthcoming Nigerian general elections. Others include mitigating political witch-hunts, improving security, checkmating reducing the amount of money in circulation, and revamping the economy. However, (Cummings, 1999). stressed that the currency redesign idea was not a bad idea or plan but the method of

implementation of the policy created confusion, deep tension, and acute cash crunch everywhere in the country. Governor Godwin Emefiele, promised to make available thirty million naira to each bank every day which means that a bank can only service a few customers. This resulted in a severe shortage of cash disbursement to the citizens. Consequently, people scamper from one bank to another looking for cash that was nowhere to be found. From Monday 30th January the eve of the CBN deadline for the old naira to cease from being Nigerian's legal tender was later extended the deadline from 31st January to 10th February 2023 (cbn.gov.ng/out/2022).

From December to March 2023 the Nigerian news media was agog following the pandemonium that greeted the sudden withdrawal of the old currency in circulation. By the CBN. As the monetary policy design of the CBN adversely affected the people the Senate resolved to support the policy believing that it was best for the country. The Upper Chamber mandated its Committee on Banking, Insurance, and some other Financial Institutions to embark on an aggressive oversight to ensure that Nigerians are adequately protected from the CBN, banks, and other agencies involved in the process by making cash available. Some people in the country maintained that the key objective of the exercise was to enable the CBN to take control of the currency in circulation and revert hoarded cash into the vaults of the CBN. For the people, the naira redesign was not the problem, but the issue was the implementation. People were sceptical about the implementation because the purpose was unclear to the masses. Some see it as a way to witch-hunt politicians; and opposition political parties. Others believed that it was a way of curbing corruption, fighting, counterfeiting, and improving security in the country¹.

According to the Nigerian Central Bank Governor, over 1.8 out of the 3.2 trillion Nigerians naira in circulation is hoarded by the public and pile-stacked in their houses for a variety of reasons². To him, the implication is that about 85 percent of the nation's currency in circulation is outside the banking system and the CBN would not allow the situation to continue because it is detrimental to the economic development of the country and against the world's best practice of monetary management (cbn.gov.ng/out/2022) Anchoring on conspiracy theory the paper used qualitative data and disaster management theory to explore the Naira redesign in Nigeria, the reasons, consequences, and the pathways the citizens took to ameliorate the sufferings and pangs of the currency redesign and the concomitant cash crunch of 2023. With a combination of primary and secondary data through KII and secondary digital data, the paper investigated how women survived the naira redesign of 2023-2023, the cash crunch, and the extreme hardship that came with it.

Literature review

Compared to other nations of the world particularly developed countries, the Nigerian economy is dominantly, a cash-carrying transactions economy. This necessitated the formulation and implementation of a cashless policy in

¹ <https://www.premiumtimesng.com/news/top-news/585737-timeline-naira-redesign-policy-from-inception-to-supreme-court-judgement.html>

² <https://prnigeria.com/2023/02/16/buhari-speech-naira-redesign/>

2012 and the Naira redesign in 2023 to conform to global best practices in currency management (Otitoju, Dirisu, Ojokojo, Abdul, 2023). Currency redesign is used to adjust for inflation more transparently. (Hugo, Turner, 2019). In theory, it was not an aberration for a country to redesign its currency to adjust to inflation and economic forces. The Central Bank of Nigeria (CBN) ACT 2007 as amended vested upon the apex bank the statutory obligation to issue and manage the country's legal tender, give out new notes or coins including between 4-8 years³ (Aroyewun, Olaleye, Salami et al 2023). Obilor, (2023) argued that the Naira redesign failed to reduce the misuse of Naira notes, eliminate money corruption, and curb hoarding and security threats in the country. The Naira redesign of 2023 disrupted the social and economic life of citizens and recommended that the government put in place, all logistics necessary for the printing and circulating (Obilor, 2023). Again, the currency redesign, SMEs contribute about 48% of Nigeria's GDP and account for 96% of businesses and 84% of employment and the growth of the Nigerian economy. However, because of the naira redesign and resultant cash crunch, the SMEs suffered a great loss, some went into an economic depression, and this affected the country negatively, as the standard of living the people nosedived (Obilor, 2023). The Naira redesign of 2023 was implemented by the Central Bank of Nigeria (CBN) under the directive of President Muhammadu Buhari. The currency redesign was not meant to place the country in disarray but the scarcity of the country's legal tender (naira) which is a consequence of the Naira redesign took a negative toll on the socio-economic life of citizens. Obilor's findings showed that the Naira redesign failed to reduce the misuse of Naira notes, eliminate money corruption and curb hoarding and security threats in the country. It was also revealed that the Naira redesign of 2023 disrupted the social and economic life of citizens (Obilor, 2023).

Dada (2023) argued that the currency redesign policy implementation has both negative and positive implications for industrial performance. The paper recommends the need to make Nigerian monetary policy implementations more industrially effective and friendly in the future (Dada 2023). More- so, monetary policy should be set in such a way that the objective it wants to achieve is clearly and transparently defined in response to the dynamics of the domestic and global economic developments for industrial growth in Nigeria (Dada 2023). Scholars like (Otitoju, Dirisu, Ojokojo, Abdul, 2023), and Dada 2023 stated that although the people did not perceive the good intentions of the CBN for the redesign policy was well conceived considering the various opportunities that come with it. Chief among the positives according to them is the fact that it reduced the number of unbanked populations to an extent, and increased employment generation through the influx of mobile banking operators and Point of Sale (POS) agents.

Due to the attendant consequences of the policy which made life somewhat unbearable for most citizens during the period, it was recommended that there be synergy between the three tiers of government (Executive, Legislature, and Judiciary) while prioritizing stakeholder engagement and public awareness (Otitoju, Dirisu, Ojokojo, Abdul, 2023). Iwedi, Wachuku, & Court (2023) theoretically examine the effect of the Naira redesign on economic growth

³ Federal governments of Nigeria official gazette (2007) N0 55, Lagos, 1st June 2007 Vol.94.

in Nigeria. Their objective was to determine the economic implications of the Naira redesign, the reasons for redesigning the Naira, and the proposed relevance of the Naira redesign policy of the Central Bank of Nigeria. Their work confirmed the findings of Aroyewun, Olaleye, and Salami et al (2023), Obilor, (2023) Moradeyo, Godbless, and Mary (2023). Establishing that the key rationale for currency redesign was to reduce the level of hoarding of money by affluent Nigerians, to mitigate counterfeiting of the currency, and to control the amount of money in circulation with the view of controlling the rate of inflation in Nigeria. There are both positive and negative sides to the Naira redesign which include the fact that the Naira redesign could lead to a reduction in the level of cash insecurity and money laundering, huge deficit cost to the economy, a rise in price level and the curbing of counterfeiting in the economy (Aroyewun, Olaleye, and Salami et al (2023), Obilor, (2023) Moradeyo, Godbless, and Mary (2023). They concluded that the Naira redesign was not the best thing to be done for the economy as at that time economy as it could lead to more challenges so the Government of Nigeria should attend to more pressing issues than the currency redesign suggested that the redesign of the Naira may not be the antidote to the consistent depreciation of the country's currency and the focus of the Central Bank of Nigeria should be the stabilization of Naira.

Tracing the history of currency change and redesign in Nigeria since independence in 1960, Yasin, and Umar, (2023) maintain that the 2022 Nigerian currency redesign and the concomitant cash crunch of 2023 was not unnecessary and not as revolutionary as many Nigerians understood it to be. They, however, argued that the naira redesign policy, which was intended to ensure effective currency management, paradoxically became devastating and unbearable to the local economy and the people within a very short period but a life span of negative consequences to many Nigerian citizens and their SMEs Yasin, and Umar, (2023). Subsequently, it was generally opined that the policy implementation timeline was ill-advised. Due to the attendant consequences of the policy which brought a loss of hardship to most citizens during the period. synergy between the three tiers of government (Executive, Legislature, and Judiciary) became a necessary tool for the government to engage stakeholders for the interest of the people and to ameliorate the hardship (Otitoju, Dirisu, Ojokojo, Abdul, 2023).

Methods

The paper Using KII interviews and secondary digital data this essay explores disaster management theory to investigate women's strategies to survive the cash crunch. What was the impact of the Naira redesign on Nigerian families? How easy was it for Nigerians to access the new Naira notes? What strategies did women deplore to sustain their families during the cash crunch? In answering these questions Nigerian national newspapers with high impact and national coverage and readership business news, the Punch newspaper, and the Vanguard all available online and the print have been intentionally selected The selection of these newspapers was hinged on their advantage over other newspapers, particularly concerning readership, frequency of publication and patronage. This contrasts with some tabloids and newspapers published in native and local languages without national coverage and limited readership. In addition, the work also employed the use of key informant information. This was used to

extract information from some respondents who were not so literate. These include the women who are in the hinterlands, marketplaces, and small-scale industries. This was also supported by some financial practitioners and political scientists. The aim was to have a piece of balanced information from people across all sectors during the 2023-naira redesign crises in Nigeria. Data gathered were analysed using meta-analysis.

The availability of cash is very important in daily family expenses. In this regard, sometimes men take a back seat” in the management of the home by retaining most of the couple’s money while delegating the chore of managing daily expenses to their partners. Family income and gender modified the importance of money (Xinhua, Weiwei, Yun, Jie, Xiaorui, Xinyao, 2017). In this instance, women will ensure that family meals are served no matter the situation (Yang 2021). To find solutions to the problems the cash redesign policy was created for Nigerian families. On the 16th of February 2023, President Muhammad Buhari chaired the National Council of State meeting to address the current upheaval regarding the naira redesign and the currency swap. The meeting comprised former presidents, and former governors as well as seating governors, the president of the Senate Chambers and speaker of the House of Representatives, the Minister of the FCT, Mohammed Bello; Secretary to the Government of the Federation Boss Mustapha, Attorney General of the Federation, Minister of Justice, Abubakar Malami and the Governor of the Central Bank of Nigeria, Godwin Emefiele, The INEC Chairman, Mahmood Yakubu. All the Service Chiefs and Heads of security agencies were also physically present as well including the Vice President, Professor Yemi Osinbajo, the President of the Senate, and Ahmad Lawan amongst others. They all gathered to seek solutions to the problems that arose due to the negative impact the naira redesign had on the people. The President was also physically in attendance and was also expected to brief the council on the preparations ahead of the 2023 elections⁴.

Due to the cash crunch, ordinary Nigerian people could not even get #20 to buy pure water⁵, as the bank could not give #500 the bank could not give to the people. The search for the new naira prompted the president to direct the CBN to extend the legal tender status of the old notes to February 10 and appealed to Nigerians to be patient. The minister of finance stressed that the presidency is not happy that the people are indeed suffering. Then the apex bank gave an interim order and demanded an extension of the deadline, which was extended to February 10, and stated that the bank is not likely going to extend it any further beyond February 10. Consequently, the biting cash crunch worsened, and Nigerians were angry as several banks were attacked and properties destroyed. On February 6th the president restored the validity of the old #200 note and maintained that the old #500 and #1000 notes would cease to be legal tender on April 10, 2023. On March 23/2023 the apex court nullified the naira redesign policy describing it as an affront to the 1999 constitutions. The court gave the order that the #500- and #1000-naira notes continue to be in circulation with the old notes till December 2023. Yet, the money was nowhere to be found.

⁴President Buhari meets with former Heads of State over naira redesign by William Ukpe
<https://nairametrics.com/2023/02/10/president-buhari-meets-with-former-heads-of-state-over-naira-redesign/>

⁵ The commonest sachet water available hawked on the streets of Nigeria.

Table 1: Changes in the Nigerian Currency since 1959

Year	Currency	New denomination	Remarks
July 1, 1959	Pound and Shillings		CBN issued Nigerian notes and coins and withdrew the WACB notes and coins.
July 1, 1962	Pound and Shilling		Legal tender status was changed to reflect Nigeria's independence.
1968	Pound and Shillings		Notes were changed as a war strategy.
January 1, 1973	Naira and Kobo	1/2k, 1k, 5k, 10k, 25k coins ₦1, ₦5, ₦10 notes.	Decimal notes and coins were first issued. ₦1 replaced £1 as the major unit of currency.
February 11, 1977	Naira and Kobo	₦20	(i) Highest denomination of ₦20 note was first issued. (ii) First currency note bearing the portrait of a Nigerian citizen.
July 2, 1979	Naira and Kobo	₦1, ₦5 and ₦10	
1991	Naira and Kobo	Smaller 1k, 10k, 25k, 50k, ₦1 coins and ₦50 notes	The new notes bore the portraits of three Nigerian citizens.
1992	Naira and Kobo		₦1 notes were coined.
December 1, 1999	Naira and Kobo	₦100	Introduced as the highest denomination of the time.
November 1, 2000	Naira and Kobo	₦200	Introduced as the highest denomination of the time.
April 4, 2001	Naira and Kobo	₦500	Introduced as the highest denomination of the time.
October 12, 2005	Naira and Kobo	₦1000	Introduced and remain the highest domination to date.
February 28, 2007	Naira and Kobo		Redesigning of ₦50, ₦20, ₦10 and ₦5 (in polymer notes). Withdrew 1/2 k and 25k from circulation.
September 29, 2010	Naira and Kobo		Launched a new design of ₦50 commemorative note and non-circulating coin as part of activities to celebrate Nigeria's Independence Anniversary.
November 12, 2014	Naira and Kobo		Launched a new design of ₦100 commemorative note to celebrate one hundred years of Nigeria's existence as a nation, from 1914 to 2014.
2023	Naira	₦200, ₦500, ₦1000	CBN introduced redesigned versions of ₦200, ₦500, ₦1000 new notes and withdrew old notes of the newly designed notes.

Source: This is a modified version of the table in Yasin Abubakar, Umar, (2023: 26-287).

Ending the hardship

Following the hardship and cash crunch emanating from the naira redesign and subsequent withdrawal of the old naira from circulation, some state governors' individuals' and civil society organizations took the federal government to court joining the CBN as the second defendant in the suit (The Cable News Paper, February, 2023).

Consequently, a consolidated suit was instituted by 10 state governors against the Federal Government challenging the implementation of the naira redesign.

The plaintiffs in the suit were Kano, Niger, Jigawa, Nasarawa, and Abia states first then Kogi, Zamfara, Ondo, Ekiti, Katsina, Ogun, and Lagos; Cross Rivers, Sokoto, Bayelsa, and Kaduna, amongst others combined as co-plaintiffs and challenged the naira redesign policy of Federal Government through the Central Bank of Nigeria (CBN) (The Cable News Paper, February 2023). While the defendants are the Attorney General of the Federation, Abubakar Malami (SAN), as well as the AGs of Bayelsa and Edo states. The plaintiffs seek to restrain the Federal Government from giving effect to the deadline on the use of old N200, N500, and N1,000 notes swap orders of the CBN with new ones and ultimate cessation of the old Naira notes arguing that it was ill-timed. Counsel for Lagos State, Moyosore Onigbanjo, prayed the court to bar the Attorney General of the Federation, Abubakar Malami, from defending the respondents since the “issue of contempt, supersedes the issue of jurisdiction”. (Channel television 2023) The plaintiff in his defence argued that the apex court in its judgment admitted the Federal Government bridged the Nigerian constitution. It was revealed that the apex court further ruled that the Nigerian President in his broadcast admitted that the policy was flawed with a lot of challenges⁶.

In its judgment, the Supreme Court berated the President for disobeying its order of February 8th where the court rule in 2023 mandated the Federal Government through the CBN to reverse the obnoxious money redesign policy. It is dangerous to disobey the order of the supreme court of the country, one may not like the order but once it has not been set aside by subsequent judgment of the same court, all authorities of the land are required to adhere to the dictates of the Supreme Court and enforce the judgment of the Supreme Court (The Cable News Paper, February,2023). Believing the federal government and the CBN would need to study the judgment and do the right thing by ensuring that all hands are on deck. Doing this will go a long way to enhance the democracy of Nigeria (Falana 2023). The President, however, announced that he is going to respect the decision of the Supreme Court. Abandoning the rule of law and any fragrance disobeys of the decision of the Supreme Court particularly in this matter of naira redesign. He believes that going contrary to the Supreme Court judgement would be tantamount to inviting anarchy and chaos to the nation stressing that the cash withdrawal has caused a lot of hardship for the people. On the other hand, the National House of Representatives through the speaker Mr. Femi Bajabimila, asked the CBN to comply with the Supreme Court ruling despite the noble intention behind the naira redesign and cash swap policy. He stressed that the decision of the Supreme Court to suspend the currency swap policy introduced by the Central Bank of Nigeria was commendable⁷.

The apex court ruled that President Mohammad Buhari bridged the constitution of the federal government of Nigeria because he issued directives for the redesigning of the naira to the Central Bank of Nigeria

⁶ Channels TV initeview covered by Gloria Ume-Ezeoke on10 February 2023.

⁷ Ibid

unilaterally without the engagement of the other arms of government and the people (Ume-Ezeoke 2023)

The Kaduna state governor speaking on behalf of other states that took the federal government and the CBN to court stresses--

“we went to the Supreme Court to make Nigeria better and by this judgment, no future president of Nigeria or Central Bank Governor would announce any policy that ambushes the lives, rights, and livelihoods of the people of Nigerians in the future. We are very proud of what we have done by suing the federal government and obtaining judgment in favor of the people no matter what people say about us. Now that the Supreme Court has spoken unequivocally, I am confident that all the orders will be complied with by the CBN if not there will be chaos”. The judgment of the Supreme Court is the victory of the states (EL-Rufai the Kaduna state, governor 2023).

The Lead counsel to the states Kalu Agabi argued that the judgment of the day was on behalf of the people of Nigeria. Femi Falana, a human rights activist disclosed that he was optimistic that the apex bank should obey the ruling of the apex court. The Supreme Court has spoken, and no person, or institution has the right to cede the judgment of the Supreme Court. According to him, the expectation is that the CBN should comply with the ruling of the Supreme Court without delay. “I expect the president to comply, we are a nation under law, the Supreme Court has spoken, and we are bound”. Stressing that the president’s disobedience of the February 8 orders of the High Court must not repeat itself; it was a sign of dictatorship and autocracy. Falana, (2023) maintained that the Supreme Court did the right thing and interpreted the law correctly.

The senior advocate of Nigeria therefore described the judgment of the Supreme Court as a beautiful day for the country and asked the Federal government to stand by the law and obey the judgment stating that the court made a point that any deviation from the provisions of the constitution or constitutional body will be tantamount to dictatorship which is alien to democracy and contradictory to law and public policy (The Punch Newspaper Saturday, November 18, 2023).

The Speaker of the House of Representatives further explained that the decision of the apex bank to extend the use of the old and new naira notes validates the decision of the House of Representatives on this policy in its entirety. According to him, the House anticipated the decision of the Supreme Court on the Naira redesign. He argued that there is a need to review the policy to understand how and why this policy turned out the way it did. The House of Representatives was poised to exercise its authority to review what can be described as actions and inaction and failures of law and procedures that set the conditions that led to this profound failure of public policy such as the naira redesign policy (Speech by The Speaker of the House of Representatives).

The governor of River State and a lawyer, Wike stressed that the federal government has no option but to comply with the ruling of the apex court of the land (Oyero, 2023). The Supreme Court has mandated the federal government to ensure that the old monies will remain valid till December 2023. Wike urged the people to spend their old money if they still have the old money, stating that they should go ahead and use it. He critically stated that the ruling of the Apex Court is too bad for the CBN governor as he has no choice since he cannot override the judgment of the Supreme Court (Oyero 2023). With the Supreme Court judgment hope has come to Nigerian people who have grappled with the naira redesign policy (Rivers State Governor 2023). Consequently, following the ruling, of the supreme court, the CBN) governor on 22/03/2023 in a meeting with Chief Executive Officers (CEOs) of deposit bank directors, the CBN Governor confirmed that the Apex bank has concluded plans to release all N200, N500 and N1,000 notes in its custody to commercial banks for commercialization. The plan was to flood the economy with cash and ameliorate the challenges Nigerians have been passing through,” one of the bank CEOs “in support of the Nigerian people, the President of Nigeria Labor Congress (NLC) Joe Ajaero, at a press conference held at the Labour House in Abuja, ordered all workers to protest the cash shortage in the country picketing all Central Bank of Nigeria (CBN) offices across the country, beginning from Wednesday 29/03/2023 (Idowu 2023)”.

However, some Nigerians believed that the CBN did enough campaign and orientation before the withdrawal of the old currency. Arguing that “Nigeria has an attitudinal problem, even if the people were given a year to swap their old currencies, they will still complain. Giving the national identity card (NIN) registration for their NIN since 2017, till date some people have yet to register for it and have their NIN numbers. As the Nigerian 2023 election was around the corner many eligible voters did not go for their PVC and yet they were shouting up and down this one must win that one must win⁸. India has two times the GDP of Nigeria, yet they were able to carry out their currency redesign. People are critical of the action of the CBN for redesigning the Naira, but they forgot that the CBN governor has a boss. He takes orders from the President before embarking on the naira re-designing policy execution”. This school of thought also maintained that the CBN gave the super agents the money to give the rural areas dwellers new notes without charging them any amount, but the agents ended up selling the money. The implementation of the policy is faulty⁹.

Before the naira redesign, there was a lot of fake currency in circulation with few original currencies. There were also stockpiles of money collected through terrorism and kidnapping stashed in the hands of vile men in the country. Moreover, as the election is at hand, many politicians have stock-pile money at home to be used for vote buying during the Nigerian general election. Vote buying at this time is easy because the poverty rate in Nigeria is high and money alone can change people’s choice of candidates irrespective of incompetence or competence of the political office seeker. Some people are not able to cook a pot of soup, so when politicians give them #10,000-

⁸ Author’s interview with a Political Scientist at the Obafemi Awolowo University Osun state Nigeria 12/01/

⁹ Authors interview with a Political Scientist at Osun state January 2023

20,000, of course, ignorantly regardless of the future consequences of bad leadership they will vote and collect the money because those who are giving out that money have a mechanism of ensuring that you vote for them. Apart from the checkmating vote buying, it encourages cashless transactions. Terrorism and kidnapping are the order of the day in Nigeria today and they thrive in cash and carry transactions because they are carried out in secrecy and illegality. However, with the Naira redesign and its cashless policy, they cannot thrive. The redesigning of money is limiting them because they cannot even come out or go to the banks with huge amounts of cash. With cashlessness even though harasses someone for as long as one month, or two months, he won't be able to get the money to give because the money is not even there and they don't want to collect the transfer because they do not want to be traced. So, if you look at it, the government has a good intention by trying to bring about sanity in terms of terrorism, and sanity in terms of vote counts, especially through the Electoral Act system¹⁰.

How Women Survived Cash Crunch in Nigeria in 2023

By Wednesday 8/02/2023 Nigerians were outraged and there was unrest across the country. Bank properties were damaged by frustrated citizens protesting the scarcity of the new naira notes in all the commercial banks in the country. Bank customers went from villages to cities and towns scouting for cash to no avail. Bank officials maintained that they could not swap the old currency notes with the newly redesigned naira notes despite the extension of the deadline for swapping slated by the Central Bank of Nigeria because the new currency was not available. " In Abuja, the nation's capital as well as other cities like Lagos, Ibadan, and Enugu amongst other cities many people lined up at ATMs for hours and days hoping to get new notes to no avail. Life was so hard for the people. All around, people were looking for cash, banks were burnt and lives were lost.

The intensity of getting the new notes was much because the time limit the CBN gave for the exchange was too short and that brought untold hardship to Nigerians; people were frustrated to the point of fighting in the queues, men and women wept helplessly, women were seen stripping themselves naked in the banking halls, men wept like babies out of frustration in the banking halls as they can't withdraw their money to solve pressing family challenges. "It was a very unpalatable situation that affected a lot of people and so many businesses. Some people may not be able to recover from this experience. Many small-scale industrialists and entrepreneurs in the Federal Capital Territory (FCT) continued to count their losses over the lingering new Naira notes scarcity. "The situation is hurting our businesses as we continue to record low patronage and the businesses of most members of our association are going down thereby bringing hardship to us"¹¹ (Interview with Rosemary, Ibadan 2022) The impact of the naira redesign was found to be very, very harsh to Nigerians".

¹⁰ Authors interview with a Political Scientist at Osun state January 2023

¹¹ Rosemary Aliyu, a sundry petty trader at the Obafemi University, Ile-Ife, Osun state, Nigeria new market

In the face of the crunch resulting from the naira redesign, women devised different means of keeping their families from starvation. One of the means women used to sustain their families during the period of cash crunch quagmire was customers' goodwill. Women needed to keep their homes running, make food for their children, and look out for the family's sustenance and subsistence. **Customers' Good Will:** Women go to the regular shops that they normally patronized before the time of the currency redesign to get things on credit with the hope of paying the money when the network works or pay when they have cash because the retail shop owners understand the type of situation that the country was in.

What I did to keep my family, was to go to my customers before the crisis started, they've some level of confidence in me and they are also aware of what is happening. These categories of business owners accept transfer and to such people we can transfer the little that we have to them. Those who insist on cash will give you the necessary items, maybe food item in exchange when you have the cash you can then retrieve it¹².

Buying and selling money: Generally, as the cash crunch bit harder Nigeria resort to buying and selling money but women were worst hit by the unpleasant situation. To buy cash at the money shops people go through a lot. For instance, to get cash of ₦100,000 you will be charge ₦15, 000, for lower charges you pay ₦10,000. For ₦1000 you pay ₦100 but some naira-selling shops sell for as much as ₦200 for every ₦1000 you buy. In this case, you pay ₦20 for every 100k sold to you, ₦5000 for ₦30,000, and ₦6000, to get ₦30,000. There are some good shops where you can get ₦27000 for ₦30000 sold to you. A respondent argued that she spent over five hours at the ATM, yet was only able to get 3000k, and at a point, the bankers said that the money had finished as they locked their gates and sent the customers away empty.

I just left the bank since morning this is 4 pm and I was only able to get 2000, what can this do for me, what can I buy with it, my children are at home waiting for me to come back with foodstuff so that we can make food but with two thousand we cannot do anything for me and my children, with two we can do anything, we are starving. From my judgment of the situation in Nigeria now, fuel scarcity is even a small thing compare to this naira redesign. The cash scarcity is the mother of all hardship in the country. Fuel hike started before this cash crunch; this is the worst of it all. As there was no money, it does translate to food items being cheap. Both cash and food items are very costly¹³.

Trade by barter: Another strategy employed by women to survive the cash crunch and to sustain their families in the prevailing cash situation was that women embarked on a primitive mode of payment (trade by barter) in 2023. People, who depended on daily activities to get little cash to feed their homes, especially among the rural and the

¹² Blessing Ogu, a resident of Ife community in Osun state Nigeria.

¹³ Mama Uche, a Lagos resident in an interview with the author on Naira-redesign survival strategy in Nigeria during the crisis.

urban poor, now find it very difficult to feed. Some of them do not have bank accounts and have to survive. It was a very difficult time to cope with.

Where I am coming from, what we do is if you have rice, you don't have oil we will agree among ourselves on the quantity of oil that should go for some measure of rice. So, you will give me your rice, I'll give you my oil and then you'll go to another person who has Maggi and is looking for another item you have. That way, at the end of the day you'll share what you have and get what you want to also put things together and the family has food to eat¹⁴.

Cash transfer, some trades and business owners do not accept transfers, believing that when there is a crisis like this, there are those who will also want to take advantage of the prices, take advantage of the situation to make fake transfers or send fake bank credit alerts. Somebody buys something from you and transfers it to you, but you'll not receive the alert for days. I had a personal experience when I was coming from my village, I spent 3 days, I think 3 or 4 days more than the original day that I was supposed to come. The driver told me that there was a man who paid for his wife and two children, paid #30,000 and he transferred the money to him. The money left the man's account, and they allowed the man to go but the driver's account was never credited. The cash scarcity also opened room for all manner of crime and sharp practices. For this reason, people refused to accept money transfers¹⁵.

Conclusion

They have achieved their purpose because the volume of cash in circulation has been greatly reduced drastically and the cost of managing naira will reduce. The area of the inflation rate is reducing. But the timing is an issue. You could trace the cash in circulation, if the cash meant for Osun State is moved to another State, we will know. For instance, one person was arrested for spraying the notes and they traced where the new notes came from through the serial number because it was new money. Yes, one of the major problems. We are in election month and if you look around unlike previous elections, as at now in previous elections, they would have been throwing money; a bag of rice, designing party logos, or those things. Those are not ways of getting eligible voters to vote for the right candidates. Nigeria is in dying need, now, we need a competent leader, and those councils of state are majorly made up of Heads of State who have been there (Presidents, Vice presidents Governors, both past and present) and who have been in power before. Past heads of state and presidents like Obasanjo, Babangida, and the like. They know the good and the bad, people were on the field and understood the terrain and are therefore in a better position to tell the current government the pros and cons of the situation.

¹⁴ A rural dweller, in an interview with the author on Naira-redesign survival strategy in Nigeria during the crisis.

¹⁵ ibid

Recommendation

- Nigerians have an attitudinal problem, even though they were given a year, some people would not act. Some people have not gotten their NIN to date despite the shouts to get it, Likewise, most of them shouting that a candidate must win have not gotten their PVC yet. If this one is thrown open, Nigerians will still complain, India, for instance, is two times the population size of Nigeria and their currency re-design was a day because they had cases of kidnapping, rape, harassment, etc. and it became a business, so they re-designed their currency and rendered the criminal money useless.
- The Federal Government should abide by the court order and allow the continuous use of the old naira notes while also allowing for a gradual phasing out of the notes.
- Whether we like it or not, we cannot do away with cash generally. At least certain percentages of Nigerians still need cash to run their businesses. Although most business owners now accept electronic money transfers there is a need for some physical cash dealings if we must grow the economy.

Conflict of interest

I want to state clearly that there is no conflict of interest for this paper.

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