

Federal Government Currency Redesign Policies and Sustainable Development of Nigeria Economy

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Abstract

The Nigerian government has recently implemented policies aimed at redesigning the country's currency, the naira, with the goal of reducing, possibly stop vote buying during elections, improving its security features to detect hoodlums who engaged in kidnapping activities and deterring counterfeiting. However, these policies have not been without their shortcomings, as they have been criticized for being costly and inefficient. Some experts have also argued that the government's focus on currency redesign may be misplaced, neglecting more pressing economic issues such as addressing the country's high inflation, insecurity, and unemployment. Additionally, the impact of the redesign policies on the economy is yet to be fully realized, as the implementation process is ongoing. The naira redesign policies have not had significant implications for the development of Nigeria's economy. The researchers considered the following areas: Historical background of Nigerian government naira-redesign policies, reasons for Nigerian government naira redesign policies, major shortcomings of the naira-redesign policy and the Nigerian economy, reasons why the naira-redesign policy was not successful, Criticism faced by the Nigeria government on the naira redesign policies and Implications of the naira redesign policy on the Nigerian economy.

Introduction

The Nigerian economy took a new turn at the last quarter of 2022 while preparing for festive period and election in 2023, this new turn emanated as a result of policy to redesign the currency which brought about rejection of the old note and shortage of the new one. This has had a negative impact on how the public purchases the national currency to survive, based on the decision taken by Nigerian economic experts. Based on this wrong economic policy, Hedge (2024) pivot that we live in a country where doctors destroy health, lawyers destroy justice, universities destroy knowledge, the government destroys freedom, the media destroys fabric, religion destroys morality, and banks destroy commerce. To buttress this claims Emordi and Ikedinma (2024): re-emphasized that everything is upside down; doctors are destroying health cleanly; lawyers are destroying justice; governments destroy freedom. This situation affects the business in many ways because, economic activity slows down as businesses and individuals face problems in obtaining fuel for transportation and energy production. The above assertion is the position or level, Nigeria as a country finds herself after 64 years of independence, the worst is that the government destroys freedom. This reduces productivity and overall economic growth. Due to challenges such as fuel shortages and rising inflation in Nigeria, the Central Bank of Nigeria (CBN) announced on October 26, 2022, that the country's currency will be restructured with a special focus on huge profits. The central bank has also promised to provide alternative payment methods such as e-Naira outlets, mobile services such as banks (God PSB, 9PSB, MTN Memo PSB, Ariel Smart Cash, mobile apps, Internet banking, and USSD), and other cashless services transactions channels that will make it easier for people to get cash. The CBN subsequently set a deadline of January 31, 2023, for the phase-out of the old N200, N500, and N1,000 notes, which account for 95.6% of the total currency in circulation (Central Bank of Nigeria, 2020).

The decision of the Central Bank of Nigeria (CBN) to develop some naira denominations is not new in Nigeria. This action was previously taken in 2007 and 2009 to protect against low interest rates. This restructuring power comes from Section 18(a) and (b) of the Central Bank of Nigeria Act 2007. 18(a) empowers the CBN by organizing the printing of banknotes and coins. Section 18(b) empowers the CBN to issue, recycle, and exchange banknotes and coins in its offices and other institutions. The recent decision to change the name of Naira is therefore within the framework of the law established by the Central Bank of Nigeria Act 2007, which provides the CBN with the necessary power to manage the financial well-being of the country (Nigeria Economic Summit Group, 2023). Accordingly, the constitution of the Nigerian Senate, the upper house has authorized the Committee on Finance, Insurance, and Other Financial Institutions to ensure that Nigerians are adequately protected by CBN, and other financial institutions to push in cash into the process. The main purpose of the operation was to enable the central bank to control the currency in circulation and return the proceeds to the central bank, but the problem of the people is not the adjustment in the naira redesign, but its implementation, since the purpose is not clear to the public. Some saw it as a way to prey on politicians and activists to put a stop or reduce vote buying, others see it as a way to prevent corruption, combat fraud, and improve national security. The reasons and timing of the Naira redesign are two important factors in analyzing the policy and the merits of the decision to redesign the currency. The CBN listed five (5) main reasons for its decision to reintroduce the naira (Central Bank of Nigeria, 2022; Emefiele, 2022) as follows:

Protection of Naira banknotes, anti-counterfeiting advice, according to world best practices, unlimited security and support, security of value including financial and non-cash transactions.

Hoarding of banknotes by a few individuals

As at December 2022, N2.56 trillion which accounted for (85 percent) of N3.01 trillion currency in circulation was outside the banking system. According to the CBN, hoarding of banknotes has led to a scarcity of decent and fit notes (CBN Press Statement by Godwin Emefiele, 2023). The Naira redesign failed to reduce the misuse of Naira notes, eliminate money corruption, and curb hoarding and security threats in the country. Furthermore, the authors stressed that the naira redesign disrupted the social and economic lives of citizens and recommended that the government should put in place all logistics necessary for printing and circulating currency in Nigeria (Obilor in Emordi & Ikedinma, 2024). The currency redesign had a tremendous effect on Small and Medium Scale Enterprises (SMEs) which contribute about 48% of Nigeria's Gross Domestic Product (GDP) and account for 96% of businesses, 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 of the people nosedived (Obilor in Emordi & Ikedinma, 2024).

Guard against currency counterfeiting

Producing fake Naira notes has become easier due to technological advances, as CBN noted an increase in the rate of currency counterfeiting, therefore, a redesign was necessary to address the worsening problem of counterfeiting revealed by the security reports. In line with Pillah (2023), counterfeits of the naira in circulation were 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 improving security, reducing the amount of money in circulation, mitigating political witch hunts, and revamping the economy to alignment with global best practice. The CBN stated that countries are to redesign their currencies every 5-8 years in line with international standards. This global best practice meant Nigeria lagged in redesigning its currency.

Curb insecurity

It is expected that introducing new banknotes would stem the tide of terrorist activities and kidnappings as monies outside the banking system are used to make ransom payments. Curbing insecurity means reducing or preventing threats to safety, stability, and peace within a society. Insecurity can manifest in various forms, such as crime, terrorism, violence, or even economic instability. Addressing these issues requires a comprehensive approach, involving multiple aspects of governance, society, and individual action.

Promote price stability, financial inclusion, and a cashless economy

In promoting price stability and financial inclusion in a cashless economy, CBN stated that cashless policy might lower inflationary pressure, promote a cashless policy supported by the eNaira, and deepen financial inclusion as a reduction of currency outside the banks will induce the need to be financially included in order to engage in economic transactions. At a broader level, the Nigerian economy is facing continued exchange rate volatility, increased inflationary pressure,

and other macroeconomic challenges. These issues have deteriorated socio-economic conditions, increasing insecurity, food shortages, and crime. While this is due to various structural problems, the effects of the pitiable execution of the redesign policy are exacerbating the economy's situation, mainly because of the prominent role of "cash in hand" in economic activities and the unpreparedness of economic actors for the rapid changes that have taken place. This report details an analysis of the CBN's Naira redesign policy to provide a critical way forward toward addressing the unintended realities emanating from policy implementation (BusinessDay, 2023).

Apart from promoting economic activity, the Naira currency represents Nigeria's pride and heritage, far more valuable than its face value and purchasing power. Cash is still central to economic activity in Nigeria, where about 90 percent of transactions occur using money. Therefore, chronic shortages, such as the Naira scarcity experienced since the fourth week of January 2023, due to limited Naira notes printed by the CBN, hoarding by financial institutions, money buying from point of sales (POS) operators and digital financial platform breakdown or malfunction, have economic and sociocultural consequences for the Nigerian economy and the general populace (BusinessDay, 2023).

Historical Background of Nigeria Government Naira Redesign Policies

During the pre-colonial era, different cultures used a variety of items as means of exchange. These included cowries, manilas, beads, bottles, and salt, amongst others. The first major currency issue in Nigeria was undertaken as a sequel to the colonial ordinance of 1880, which introduced the Shillings and Pence as the legal tender currency in British West Africa. The units of coins managed by the Bank of England were one shilling, one penny, 1/2 penny, and 1/10 penny and were distributed by a private bank, the Bank for British West Africa, until 1912. From 1912 to 1959, the West African Currency Board (WACB) issued the first set of banknotes (insert hyperlink) and coins in Nigeria, Ghana, Sierra Leone, and the Gambia. The highest banknote denomination was one pound, while the highest coin denomination was one shilling. On July 1, 1959, the Central Bank of Nigeria (CBN) issued Nigerian currency banknotes, while the WACB-issued banknotes and coins were withdrawn. It was not until July 1, 1962, that the currency was changed to reflect the country's republican status. The banknotes that bore the inscription 'Federation of Nigeria', now had 'Federal Republic of Nigeria', inscribed at the top. The notes were again changed in 1968 following the misuse of the currency banknotes during the civil war (Central Bank of Nigeria, 2022).

Sequel to the decision by the government to change from metric to decimal, the name of the Nigerian currency was changed in January 1973. The major unit of currency, which used to be £1, ceased to exist, and the one naira, which was equivalent to ten shillings, became the major unit, while the minor unit was called the kobo, hundreds of which made one naira. On February 11, 1977, a new banknote with the value of twenty naira (₦20) was issued. It was the highest denomination introduced at the time as a result of the growth of the economy, the preference for cash transactions, and the need for convenience. The banknote was the first in Nigeria to bear the portrait of a prominent Nigerian citizen, the late Head of State, General Murtala Ramat Muhammed who lived between (1938–1976), who was the torchbearer of the Nigerian Revolution in July 1975. The note was issued on the 1st anniversary of his assassination as a fitting tribute to the most

illustrious son of Nigeria. He was declared a national hero on October 1, 1978. On July 2, 1979, new currency banknotes of three denominations, namely 1, ₦ 5, and ₦ 10, were introduced. These notes were of the same size, i.e., 151 x 78 mm, as the ₦20 note issued on February 11, 1977. In order to facilitate identification, distinctive colors were used for the various denominations. The notes bore the portraits of three eminent Nigerians, who were declared national heroes on October 1, 1978. The engravings at the back of the notes reflected various cultural aspects of the country. In April 1984, the colors of all the banknotes in circulation were changed, with the exception of the 50 Kobo banknote, to arrest the currency trafficking prevalent at the time. In 1991, the 50K and ₦1 were both coined. In response to the expansion in economic activities and to facilitate an efficient payment system, on November 1, 2000, the ₦200 was introduced as the highest denomination of the time. On April 4, 2001, the ₦500 was introduced as the highest denomination of the time, and on October 12, 2005, the ₦1000 was introduced as the highest denomination of the time and is still the highest denomination till date. The ₦100, ₦200, ₦500, and ₦1000 banknotes were introduced in December 1999, November 2000, April 2001, and October 2005, respectively. On February 28, 2007, as part of the economic reforms, ₦20 was issued for the first time in polymer substrate, while the ₦50, ₦10, and ₦5 banknotes, as well as ₦1 and 50K coins, were reissued in new designs, and the ₦20 was introduced. On September 30, 2009, the redesigned ₦50, ₦ 10, and 5 banknotes were converted to polymer substrates following the successful performance of the ₦20 (polymer) banknotes. Thus, all lower-denomination banknotes are now printed on the polymer substrate. Finally, the CBN, as part of its contribution towards the celebration of the nation's 50th anniversary of Nigeria's independence and 100 years of its existence as a nation, issued the ₦50 Commemorative polymer banknote on September 29, 2010, and the N100 Commemorative banknote on December 19, 2014, respectively (Central Bank of Nigeria, 2022).

Major Shortcomings from the Naira Redesign Policy and the Nigeria Economy

Despite the CBN's accurate assessment of the Naira redesign's potential benefits, the policy's execution The impact of the Naira redesign policy on Nigeria's economy has which resulted in some unforeseen consequences that require attention. These issues include:

The redesign policy has led to a significant decrease in both the volume and value of cash in circulation in the country. According to data from the Central Bank of Nigeria (CBN), the value of the currency in circulation dropped to N3 trillion in 2022, down from N3.3 trillion in October and N3.2 trillion in November of the same year. To meet the deadline of January 31, 2023, for exchanging old notes, people rushed to banks to deposit these notes. By mid-December 2022, only 500 million pieces of the redesigned notes, valued at N390.3 billion, was released by the CBN. However, to match the currency absorbed from circulation, the redesigned notes should have amounted to N2.9 trillion in circulation. This created a shortfall of N2.5 trillion, leading to an 86 percent decline in the total currency in circulation within just three months. This situation indicates the challenges and disruptions caused by the Naira redesign policy on the economy, particularly in terms of liquidity and the availability of cash for transactions. Also, the 2023 currency redesign programme of the Central Bank of Nigeria (CBN) came across as a disruptive and unnecessary program that brought untold hardship to many Nigerians (Abubakar & Yandaki, 2023).

The adverse effects of a cash crunch on various sectors, particularly nano, micro, small, and medium enterprises (NMSMEs), which are crucial for the private sector-driven economy, The cash crunch has impacted households, informal businesses, and formal businesses, leading to challenges such as long queues at banks, difficulty in withdrawing cash, and disruptions in economic activities. These consequences include a shortage of currency leading to a cash crunch, long queues at banks due to difficulties in obtaining new notes, and disruptions in daily activities as people struggle to access cash for commuting and other essential transactions. Additionally, the reluctance of economic agents to accept e-payments or bank transfers exacerbates the challenges faced by individuals and businesses during this period.

A situation where local money-changing agents and point-of-sale vendors are taking advantage of customers who are forced to use cash instead of debit cards or mobile money transfers. These agents are charging high markups, sometimes as much as 20–30 percent, which is causing financial strain on the customers (the Nigerian Economic Summit Group, 2023). Additionally, the limited time given for implementing the Naira redesign policy has put pressure on the banking system. Deposit Money Banks (DMBs) are struggling to meet the increasing demand for cash, indicating that the banking system is not adequately prepared for a sudden transition to new currency notes or a cashless economy. Despite the Central Bank of Nigeria (CBN) extending the deadline for old notes as legal tender, the pressure on banks persists. The lack of sufficient cash in circulation has led to social tensions and unrest in various parts of the country, such as Ogun, Edo, and Oyo states. The uncertainty surrounding the policy and the elections is further exacerbating the situation, with concerns about the impact of poor liquidity on the electoral process. As the elections draw near, the heightened social tensions resulting from the policy's effects potentially escalate and contribute to increased risks of violence.

Reasons why the Naira Redesign policy was not successful (Nigerian Economic Summit Group, 2023)

Improper timing: This content discusses the expected implementation timeframe and timing of two different policies in different countries. The failure of the Naira redesign policy in Nigeria can largely be attributed to improper timing. When the Central Bank of Nigeria (CBN) announced the policy in 2022, its implementation was rushed and poorly aligned with the prevailing economic and political realities of the country.

At the time of the Naira redesign, Nigeria was grappling with several economic challenges, including high inflation, rising unemployment, and a struggling economy still recovering from the impact of the COVID-19 pandemic. Introducing a major monetary change during such a fragile period put additional strain on businesses and individuals. The abrupt move to withdraw old notes and introduce new ones without sufficient planning exacerbated cash shortages, disrupted trade, and slowed economic activities. The policy was introduced just months before the 2023 general elections. This raised suspicions about the underlying motives, with many viewing it as a politically driven move rather than a purely economic one. The timing created tension and distrust, as the period leading to an election is sensitive. With many stakeholders already focused on

political campaigns, the implementation faced resistance and mismanagement, as political attention was not fully on the policy's execution. The timeline for phasing out the old notes and circulating the new ones was too short, creating confusion and panic among Nigerians. With limited time to swap old notes for new ones, many rural and underserved areas lacked adequate access to banks and cash distribution channels, leading to widespread cash shortages. This further strained the economy, with people unable to access their money, and businesses unable to operate smoothly due to liquidity problems.

Nigeria's financial infrastructure, including electronic banking systems, was not robust enough to support the swift transition. The lack of adequate ATM machines, poor internet services for mobile banking, and frequent network failures in banks made it difficult for Nigerians to rely on electronic transactions during the cash shortage. If the CBN had implemented the policy during a period when the country's digital payment systems were more developed and stable, the transition might have been smoother. The CBN did not effectively educate the public on the need for the redesign or the process for exchanging old notes. Coupled with the improper timing, this lack of communication created panic and uncertainty among the population, who were already dealing with economic hardships. Many did not fully understand the policy's purpose or the logistics behind the new notes' distribution, contributing to public dissatisfaction. The Naira redesign policy may have been well-intentioned to combat counterfeiting, hoarding, and inflation, its failure was primarily due to the improper timing of its implementation. Had it been introduced during a more stable economic and political period, with adequate infrastructure and public sensitization, it might have had a better chance of success.

Demonetisation: In 2016, India implemented a sudden demonetisation policy where approximately 86% of its currency was invalidated to tackle counterfeiting and black-market activities. This policy was implemented relatively quickly, causing chaos as citizens rushed to exchange their old currency for new notes. The informal nature of the Indian economy exacerbated the situation, leading to severe cash shortages and long queues at banks. Ultimately, the demonetisation policy was deemed unsuccessful, resulting in an estimated loss of at least 1% of India's GDP and 1.5 million job losses, and the Nigerian government should have learned from this experience because the same situation occurred in Nigeria.

Naira Redesign Policy: The Naira Redesign Policy occurred during periods of high spending and increased cash usage at the end of the year (the festive season) and the peak of the election season. These periods naturally witness a surge in cash demand. However, implementing the policy during these times goes against the policy's intended benefits and instead causes hardship for the people. The timing of the policy clashes with the increased need for cash during these specific periods, creating difficulties for the population.

High level of informality: The Nigerian economy has a large informal sector that makes up about 65 percent of the country's GDP. This informal sector operates outside of the formal banking system and includes activities such as street vending, small-scale agriculture, and other unregistered businesses. The concern raised in the content is that as long as the informal sector continues to be a significant portion of the economy, there will be a surplus of currency circulating

outside of the formal banking system. This can lead to issues such as inflation, currency devaluation, and difficulties in monetary policy implementation. Even if new naira notes are introduced and widely circulated, the expansion of currency outside of the banking system is likely to persist unless measures are taken to reduce the size and impact of the informal sector on the economy. This could involve policies to formalize and regulate informal businesses, improve financial inclusion, and encourage the transition to formal employment and businesses (Medina, Jonelis, & Cangul, 2017).

Low rate of financial inclusion: The Enhancing Financial Innovation and Access (EFInA) organization estimated that in 2020, only 64.1 percent of the population would have access to financial services. This means that a significant portion of the population, referred to as the unbanked, does not have bank accounts or access to formal financial services. The text highlights that the unbanked population faces difficulties in accessing new banknotes, similar to those who have bank accounts. It suggests that without integrating a large portion of the unbanked adults into the formal financial system, the Central Bank of Nigeria (CBN) will struggle to control the circulation of currency outside of banks. The importance of increasing financial inclusion in Nigeria is to ensure that a larger portion of the population has access to formal financial services, which is crucial for economic stability and effective monetary policy (EFInA, 2021).

Ineffective policy coordination: The initial face-off between the CBN and the Federal Ministry of Finance over the abrupt Naira redesign casts doubt on effective policy coordination between both jurisdictions. This would, however, undermine investors' confidence in the economy due to policy uncertainty, further elevating their apprehension ahead of the 2023 general elections which took place in 2023.

Lack of public sensitization and stakeholders' engagement: While the CBN has the constitutional right to implement the Naira redesign policy, the inability to reach out to stakeholders in the industry to hone strategies for effective policy implementation and acquire stakeholder buy-in truncated the process. In addition, the general public was not adequately informed about the policy's motivation and benefits, resulting in ignorance and delays in adjusting to the new policy.

Criticism faced by Nigerian government's Naira Redesign. Some of these criticisms include:

1. **Costliness:** The redesign policies have been criticized for being too expensive, with some estimating that it cost billions of naira to implement.
2. **Inefficiency:** The policies have also been criticized for being inefficient, with some arguing that the government's focus on currency redesign, and neglects more pressing economic issues such as addressing inflation and unemployment.
3. **Lack of public engagement:** Some Nigerians have criticized the government for not consulting with the public before implementing the redesign policies.
4. **Limited impact:** Some experts have argued that the redesign policies may not have a significant impact on deterring counterfeiting or improving the security features of the currency.

Implications of the Naira Redesign Policy on the Nigerian Economy

Macroeconomic Instability: Lack of funds related to the development of fiscal policies slows down the economy because many production activities stopped due to lack of access to cash. Additionally, uncertainty regarding policy and its financial consequences lead to changes in macroeconomic variables. This policy led to a decline in productivity which affected the GDP and create a domino effect on another economic indicator. This mean that fewer jobs and more poverty were eminent and affected the health of the population. As employment declines, consumers spend less, which slows the economy. This will result in reduced government revenues, which mostly come from non-oil sources. Lack of employment opportunities hindered access to education and healthcare, leading to lower living standards. People's spending power also decrease, which increase demand for goods and services. This ultimately led to a lower quality of life for the people. Economic hardships resulting from low productivity, unemployment, and lack of access to cash also lead to civil disobedience, leading to serious crimes, civil unrest, and threats to peace and security (Nigeria Economic Summit Group, 2023).

Restrain Local Trade and Regional Trade: The biggest impact of the cash crunch has been on the business sector because the business environment become tighter, as the local economy slowed down. Additionally, given Nigeria's important role in West Africa's regional economy, a lack of cash had negative impact on Nigeria's regional trade (internal or external), the GDP from the informal sector. The informal sector operates mostly in cash and lack of funds meant that more than half of the businesses closed. The informal sector also employs more than 80% of the workforce. The impact of lack of money on the market also lead to significant job losses in the economy. As a result, business activity in the informal sector decreased, leading to economic potential decline.

Distrust in the Financial System: With nearly 40 percent of the adult population being excluded from the financial system, the challenges emanating from the cash crunch following the redesign amplify the trust deficit in the financial system. Hence, many more people resort to stacking up cash. This was against the cashless policy agenda of the CBN and defeat the essence of the Naira redesign policy.

Erosion of Investment Confidence: Naira reintroduction policies and other policies that have no consequences continue to undermine the confidence of business in Nigeria. Laws at this nature increased uncertainty in the economy and therefore deter investors from investing in the Nigerian economy. Many foreign tourists were not sure of the value of the new currency, reducing the rate visitation and expenditure in the country. This negatively affects the economy as it reduces the flow of money into the country. The reform of the Nigerian naira had a negative impact on the economy and the people, although the purpose behind the redesign was to provide better results, improper planning and consideration of the impact led to poor results.

However, the World Bank stated in its analysis that small enterprises, particularly those that deal with daily cash transactions, suffered from the new policy. The report also stated that: "The timing

and short transition period for this demonetization may have negative impacts on economic activity, in particular for the poorest households. Periodic currency redesigns are normal internationally, and the naira does appear to be due for one, since naira notes have been redesigned for two decades (Damilola, 2022).

Conclusion

The redesigned naira policies have shown to be seriously defective, full of inadequacies that have detrimental effects on the Nigerian economy on a large scale. These policies have made pre-existing problems such as inflation, insecurity, a high unemployment rate, currency devaluation, and capital flight worse. The problems stem from lack of efficient implementation tactics and a lack of respect for economic stability and the welfare of its population. As a result, there is more uncertainty in Nigeria's economic environment, which hurts investor confidence and growth prospects. The detrimental effects of these new policies would continue to harm Nigeria's financial stability unless thorough reforms are quickly implemented. These include economic instability, rising inflation, a rise in the unemployment rate, and stagnation. The old and new notes are utilized together because the redesign policies' goals were not met.

Researchers Position

Nigeria 2022 currency redesign policies implemented by the federal government potentially had a negative on sustainable economic development. These effects include:

Economic Uncertainty: The sudden policy changes created uncertainty among investors and businesses, leading to a decrease in investment and economic activity.

High Rate of Inflationary Pressures: The redesign policies lead to increased production costs for businesses, disruptions in the supply chain, and fuel inflation, making it harder for consumers to afford goods and services, which has a negative effect on the economy. These costs may have been passed on to consumers in the form of higher prices for goods and services, further impacting the purchasing power of Nigerians.

International Perception: The negative effects of the redesign policies impacted the international perception of the country's economic stability, potentially deterring foreign investment, and the old investors were afraid to reinvest.

Confusion and inconvenience: The change in currency design caused confusion among citizens, leading to difficulties in recognizing and using the new notes, and some individuals hoarded the money in their possession due to the scarcity.

Financial losses: Individuals and businesses incurred financial losses due to the sudden demonetization or exchange restrictions associated with the redesign, especially if they were unable to exchange old currency for the new one within a specified timeframe, and citizens were compelled to buy their own money.

Disruption of economic activities: The redesign temporarily disrupted economic activities as businesses adjusted to the new currency, potentially leading to delays in transactions and supply chain disruptions among businesses.

Overall, for sustainable development, it's crucial for government policies to be carefully planned and implemented to minimize negative impacts on the economy and ensure long-term growth and stability measures should be put in place before embarking on crucial policies like the naira redesign.

The Way Forward

1. Proper measures should be put in place by the government before implementing an important policy like the naira redesign, because many died as a result of not being able to access cash at that time, including pregnant women.
2. Internet providers should ensure that the service is reliable for e-banking. Our internet system was also very poor, so people could not buy commodities in the market and make an instant transfer, and sellers would receive alerts for it.
3. Individuals should be checked by the bank not to allow them to hoard large amounts of cash for selfish reasons.
4. The Federal Government should abide by the court order and allow the continuous use of the old naira notes without printing them again, while also allowing for a gradual phasing out of the notes.
5. The government should know that businesses still need cash to run their day-to-day activities and make adequate provisions before implementing such a policy.
6. The government should place a state of emergency on subsidizing essential commodities like fuel, electricity, etc. before embarking on the mission of Naira redesign.

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