

EVALUATION OF THE IMPACTS OF NAIRA REDESIGN ON THE ECONOMY OF KEBBI STATE, NIGERIA

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Abstract: The study titled "Evaluation of the Impacts of Naira Redesign on the Economy of Kebbi State, Nigeria" is carried out to investigate the effect of the redesign of the Nigerian currency on the socio-economic development of the inhabitants of Kebbi State. The study uses questionnaires to collect data from 200 respondents in Kebbi State Metropolis targeting marketers, road transport operators and private business owners. The primary objective of the research is to assess the impact of Naira redesign on the socio-economic development in Kebbi State. The study is aimed at finding out how Naira redesign policy impacts on the socio-economic development of Kebbi State and to ascertain public perception of the Naira redesign policy and its resulting effect on the economic activities of the respondents. Far from expectation, result from the study indicate that the naira redesign policy impacts negatively on the inflation rate, dampen the confidence of both the citizens and investors. The study however revealed that implementation of the policy shows the potential of entrenching cashless economy and creating an efficient monetary policies in the country. The findings of this study is of outmost importance to policymakers, researchers, and other stakeholders interested in promoting economic and social development in Nigeria.

I. INTRODUCTION

Redesigning a country's currency is an important economic choice that will have an enormous impact on its socio-economic growth. Since its 1973 introduction, the Naira has undergone multiple redesigns in Nigeria [2]. Redesigning the Naira is viewed as a critical step towards stability, prosperity, and economic expansion. The present study aims to investigate the effects of the Naira redesign on the socio-economic progress of Kebbi State, Nigeria [3].

Nigeria is a West African nation home to more than 200 million people. The Naira serves as the official currency, and it has one of the biggest economies on the continent [2]. Nigeria has experienced tremendous political and economic transformation throughout the years, with the currency being a key factor in these changes. Thus, the country's socioeconomic progress is significantly impacted by the redesign of the Naira [4].

Nigeria's financial system is projected to be modernized with the redesign of the Naira, and the country's economic prospects should be enhanced by the new currency. The new design is intended to support price stability and aid in the reduction of inflation. According to the Central Bank of Nigeria, the new design will have security elements that would aid in preventing counterfeiting, which is a major issue in the country.

The impact of the Naira redesign on the socio-economic development of Kebbi State, Nigeria can be examined from several perspectives. For instance, the redesign of the currency will likely have an impact on the country's balance of trade. Nigeria's import and export commerce heavily depends on the value of the Naira, and any major fluctuations in the value of the currency may have devastating effect on the country's economy. An increase in the value of the Naira could lower the cost of imports and thereby lower inflation. On the other hand, a declining value of the Naira may result in increased inflation, which might negatively impact the nation's socio-economic advancement [5].

Furthermore, the banking industry is probably going to be directly impacted by the Naira redesign. A large investment in new printing technology, security measures, and other infrastructure will be necessary to implement the new currency redesign [8].

The nation's banking industry will be impacted by this investment in positive as well as negative ways. On the one hand, the industry will benefit from the new technology by becoming more efficient and modern. However, the expense of the investment can lead to increased interest rates and additional charges for customers [11].

The redesign of the Naira is an important step towards the socio-economic development of Kebbi State, Nigeria.

The nation's trade balance, the banking industry, and the prospects for the economy as a whole are just a few areas where the redesign has an effect. The government's and the Central Bank of Nigeria's capacity to efficiently oversee the transition, foster financial stability, and guarantee that the advantages of the new design are felt throughout the economy will determine how well the redesign turns out [12].

Socio-economic development refers to the process of improving the quality of life of a country's citizens through the development of its social and economic structures. In Nigeria, the concept of socio-economic development has been an essential goal since the country's independence in 1960 [10].

Nigeria's economy has experienced major ups and downs over the years, including times of boom. Notwithstanding the obstacles encountered, the nation has made some strides toward raising the living standards of its people [10]. Nigeria, for example, has seen notable advancements in fields including infrastructure development, healthcare, and education. However, to guarantee that the country's citizens profit from further economic growth and development, there is still more work to be done [18].

The problem of income inequality is one of Nigeria's biggest problems. With a sizable fraction of the population living in poverty, the nation has one of the highest rates of income disparity in the world. In order to achieve socio-economic development in Nigeria, income disparity must be addressed since doing so can result in improved health conditions, education and greater job opportunity [18].

Furthermore, the oil and gas sector which has shown to be unpredictable and susceptible to changes in the price of crude oil globally is a major contributor to Nigeria's economy. Achieving sustainable economic growth and development requires the nation's economy to be more diversified. The government has launched a number of initiatives to diversify the economy, including encouraging non-oil exports and growing the agriculture sector [19].

In addition, the government has started a number of initiatives to combat poverty, advance social development, and enhance education. For instance, the government-led National Social Investment Program (NSIP) offers social welfare services to disadvantaged populations [19]. Initiatives like the National Home-Grown School Feeding Program, which provides meals for primary school students in public schools, and the N-Power program, which offers job chances to unemployed youth, are part of the program [20].

In conclusion, a concerted effort by the public and commercial sectors, civil society, and other stakeholders is needed to achieve socioeconomic growth in Nigeria. Achieving sustainable economic growth and development requires addressing income inequality, diversifying the economy, and advancing social welfare initiatives [21]. Nigeria may progress towards a society that is more egalitarian, inclusive, and prosperous by implementing the appropriate policies and initiatives. It is with this background this study seek to analyze the impact of naira redesign on the socio-economic development of Kebbi State, Nigeria.

1.1 Statement of the Problem

The depreciation of the Naira, rising rates of inflation, and restricted access to foreign cash are just a few of the major issues facing the Nigerian economy lately. The Central Bank of Nigeria (CBN) has implemented a number of policy initiatives in response to these difficulties, including the redesign of the Naira. The nation's socio-economic development is anticipated to improve with the redesign of the Naira, yet this expectation is not well supported by actual data. Nigeria, a nation in West Africa, is dealing with numerous socio-economic issues that are impeding its progress and expansion. A significant obstacle is the elevated rate of joblessness, especially among the younger population. The nation's economic development and progress are being hampered by this major issue, since it is preventing people from contributing to the economy and accessing economic opportunities.

Over 40% of Nigerians live below the poverty line, making poverty another significant issue in the country. In addition to exacerbating income inequality, the high rate of poverty makes it challenging for people to get needs like food, shelter, and medical care. The nation's poverty issue is being made worse by the lack of access to these essentials.

Nigeria faces a number of security issues, including terrorism, kidnapping, banditry, insurgency, and armed robbery, all of which have a negative impact on the nation's economic activity. Due to these security issues, foreign investors are becoming less inclined to invest in the nation, which is hindering corporate growth.

Nigeria's economy is plagued by widespread corruption that is impeding the nation's economic progress and advancement. Economic activity is being hampered by corruption, which makes it harder for investors to make investments in the nation. This issue is also making it harder for institutions and the government to maintain the confidence of the populace, which hinders the efficient implementation of policies.

Socioeconomic growth and currency reform are connected in a number of ways. The currency is a vital instrument for conducting business and is vital to the growth of any nation's economy. Redesigning a nation's currency can have a big effect on its socioeconomic development because it has an effect on a lot of economic elements like growth, foreign exchange availability, and inflation.

Controlling inflation is one way that currency redesign can have an impact on socioeconomic growth. Redesigning a currency might result in less money being in circulation, which can help keep inflation under control. A decrease in inflation has the potential to lower living expenses, raising residents' standards of living, especially those in the lower socio-economic class.

The availability of foreign exchange can also be impacted by a country's currency redesign. A well-crafted currency can boost a nation's standing globally and increase its allure to inbound foreign capital. This might then boost the nation's foreign exchange reserves and enhance its trade balance.

Redesigning a currency can also affect economic expansion. A well-designed currency can boost investors' and residents' confidence in the economy, stimulating growth and more economic activity. Redesigning a nation's currency can also increase the effectiveness of its monetary policy, which can support long-term economic growth and stability.

The enumerated problems above explains why it therefore becomes necessary to investigate the impact of currency redesign on the economy of Kebbi State, Nigeria

1.2 Research Questions

The following research questions were formulated to guide the study:

1. What are the impact of naira redesign on inflation rates in Kebbi State over the past 1 year?
2. What are the impact of naira redesign on the confidence of citizens and investors in the economy of Kebbi State?
3. What are the impact of naira redesign on economic growth in Kebbi State?

1.3 Objectives of the Study

This study is generally aimed at investigating an evaluating the impact of naira redesign on the economy of Kebbi State, Nigeria. Specifically, the study seeks to:

1. To determine the impact of naira redesign on inflation rates in Kebbi State, Nigeria.
2. To evaluate the impact of naira redesign on the confidence of citizens and investors in the economy of Kebbi State.
3. To analyze the impact of naira redesign on economic growth in Kebbi State.

II. LITERATURE REVIEW

Concept of Currency Redesign

The act of altering a nation's money's physical design or appearance is referred to as currency redesign. This can be done for a number of reasons, such as enhancing the security aspects of the currency, modernizing its design to account for shifts in the political or economic climate of the nation, or just giving the currency a new appearance.

Redesigning currency might entail altering its value, size, color, and design in addition to adding or removing security elements like holograms, watermarks, and serial numbers. The redesign process may also entail the removal of outdated coins and banknotes from circulation and the issuing of new ones.

It may affect the economy in a number of ways, such as fluctuations in inflation and exchange rates, as well as the stability and expansion of the economy. As a result, a nation's decision to alter its currency is typically taken after giving serious thought to the possible effects on the economy, politics, and society. Redesigning currency is done for a variety of causes or purposes. These are:



Enhancing security features: Increasing the currency's security characteristics is one of the main goals of currency redesign. This may entail improving already-existing security features or introducing fresh anti-counterfeit techniques like holograms, watermarks, and security threads.

Reflecting changes in the political or economic terrain: Redesigning the currency is another way to mirror shifts in the political or economic terrain of the nation. For instance, a redesign might take into account how the nation is evolving, including the acquisition of new areas or the removal of existing ones.

Modernizing the currency design: Redesigning the currency is another way to make it seem more contemporary. To make the money more aesthetically pleasing to the general public, this can involve upgrading the pictures, color, and overall design.

Preventing Counterfeiting: Another measure to stop counterfeiting is to redesign currency. This may entail removing outdated, easily counterfeitable banknotes from circulation in addition to implementing new security measures.

Revising the denomination structure of the currency: Another option for updating the denomination structure of the currency is to redesign it. For instance, a government may decide to eliminate high-denomination banknotes to lower the danger of money laundering and other illicit activities, or it may decide to introduce new, smaller denominations of coins or banknotes to facilitate transactions.

Reacting to economic conditions: Redesigning a currency may be necessary in some situations to address issues with the economy, such as severe inflation or sharp currency depreciation. The government may show that it is committed to stabilizing the economy and regaining public trust in the currency by revamping it.

Resolving public dissatisfaction: Lastly, currency redesigning can be carried out to resolve public dissatisfaction with the current currency design. For instance, the public can believe that the country's cultural past is not well reflected in the currency design, or that it is out of date. Redesigning the money can help allay these worries and increase its public appeal.

History of Currency Introduction and Redesign in Nigeria

Many pre-colonial tribes in Nigeria exchanged goods with one another using a wide range of objects. These featured, among other things, cowries, manilas, beads, bottles, and salt. Following the colonial edict of 1880 that established the Shillings and Pence as the legal tender currency in British West Africa, Nigeria undertook its first significant currency issue. Up until 1912, a private bank called the Bank for British West Africa distributed the coins, which were divided into one shilling, one penny, half a penny, and one tenth penny under the management of the Bank of England [16].

The West African Currency Board (WACB) issued the first set of coins and banknotes in Nigeria, Ghana, Sierra Leone, and the Gambia. The highest coin denomination was one shilling, whereas the largest banknote.

While the WACB-issued banknotes and coins were removed, the Central Bank of Nigeria (CBN) began issuing banknotes denominated in Nigerian money on July 1st, 1959. The currency was not altered to reflect the nation's republican status until July 1st, 1962. The top of the banknotes that formerly said "FEDERATION OF NIGERIA" was now imprinted with "FEDERAL REPUBLIC OF NIGERIA". In 1968, new notes were issued in response to the misappropriation of the money during the Civil War.

Following the government's decision to switch from metric to decimal, the Nigerian currency's name was altered in January 1973. The primary monetary unit, the £1, vanished from circulation, and one naira, which was equal to ten shillings became the major unit, while the minor unit was called the kobo; hundred of which made one naira.

A new twenty naira (₦20) currency was introduced on February 11th, 1977. Due to the expanding economy, the demand for convenience, and the inclination for cash transactions, it was the highest denomination adopted at the time.

The late Head of State, General Murtala Ramat Muhammad (1938–1976), who led the Nigerian Revolution in July 1975, is depicted in the currency, which was the first in the country to do so. The note was released as a suitable remembrance of a very distinguished son of Nigeria on the first anniversary of his assassination. On October 1, 1978, he was hailed as a national hero [7].

Three new currency banknote denominations ₦1, ₦5 and ₦10 were introduced on July 2, 1979. These notes shared the same dimensions as the ₦20 note that was released on February 11th, 1977. The different denominations were given unique colors to make identification easier. Three notable Nigerians who were named national heroes on October 1, 1978, were depicted in the notes. The notes' backs were engraved with images that represented different facets of the nation's culture.

To stop the widespread currency trafficking at the period, all banknotes in circulation aside from the 50 Kobo banknote had their colors changed in April 1984. The 50K and ₦1 were also introduced in 1991. December 1999, November 2000, April 2001, and October 2005 saw the introduction of the ₦100, ₦200, ₦500, and ₦1000 banknotes in response to the growth in economic activity and to help an effective payments system.

As part of the economic reforms, the ₦20 was initially released in a polymer substrate on February 28, 2007, together with the ₦50, ₦10, and ₦5 banknotes, as well as the ₦1 and 50K coins, which were reissued in new designs, and the ₦2 coin.

Following the excellent performance of the ₦20 (polymer) banknote, the ₦50, ₦10, and ₦5 banknotes were redesigned and converted to polymer substrate on 30th September 2009. As a result, all banknotes with smaller denominations were printed on polymer substrate [1]. In conclusion, the CBN released the ₦50 commemorative polymer banknote on 29th September, 2010 and the ₦100 commemorative banknote on 19th December, 2014 respectively, in honor of the country's 50th anniversary of independence and 100 years of existence.

Current Naira Redesign

The recent Naira redesign which necessitated the need for this research work was the naira redesign carried out by CBN under the directive of the then head of state President Muhammadu Buhari. A month after the decision to redesign the naira, and N165 billion cash deposited in compliance with the instructions of the Central Bank of Nigeria (CBN), President Muhammadu Buhari unveiled the newly redesigned naira notes of N200, N500 and N1, 000. Introducing the new denomination naira notes to the public has brought with it revelations, opposition and caution from different interests across the country [15].

It's now evident that the primary motivation behind altering the chosen naira note denominations is to remove the enormous amount of extra currency that isn't under the CBN's control from outside bank vaults. This seems to be a powerful technique for controlling inflation [9].

The decision to redesign the chosen naira notes was made, according to Godwin Emefiele, Governor of the Central Bank of Nigeria, to give the central bank better control over the amount of money in circulation. Emefiele also made a suggestion that there would be strict controls on the amount of new notes in circulation after they are successfully put into use. Compared to what is already in circulation, less N500 and N1, 000 denominations will be in use [9].

“This move is to enable the Central Bank of Nigeria have control over the size of money in circulation. The amount of money that can be withdrawn from the counter would be reduced drastically and bulk withdrawal would require several procedures and security checks to track its use,” he said, adding that this move would ensure a steady transition into a cashless economy like the rest of the civilized world [7].

This research work is therefore a follow up to uncover with certainty the impact of this naira redesign policy on the economy of Kebbi State in particular.

Bad Sides of Naira Redesign

The disadvantages of the Naira redesign, which was undertaken by the Central Bank of Nigeria (CBN), can include the following:

Public confusion: The new Naira notes may cause confusion among the public, particularly among those who are not familiar with the changes to the currency design. This can lead to difficulties in making transactions and exchanging the old notes for the new ones [13].

Increased costs: The redesign of the Naira may come with increased costs, such as the cost of printing the new notes and the cost of updating existing cash handling systems to accommodate the new notes [14].

Negative impact on small businesses: Small businesses may be negatively impacted by the redesign, particularly if they have limited resources to upgrade their cash handling systems to accommodate the new notes.

Disruption of the economy: The redesign of the Naira may cause disruptions in the economy, particularly if there are delays in the distribution of the new notes or if there are difficulties exchanging the old notes for the new ones.

Public discontent: The public may be discontent with the new Naira design if they feel that it does not reflect their cultural heritage or national identity. This can lead to decreased public confidence in the currency and the government.

III. RESEARCH METHODOLOGY

Research Design

This study employs an explanatory research design technique to collect data on the impact of naira redesign on socio-economic development in Kebbi State, Nigeria. The explanatory research design is developed with the main purpose of investigating phenomenon which had not been studied before or has not been properly explained in previous studies. It is targeted towards providing details about where to discover small amount of information. The research design is adopted because it explains why phenomena occur and predict future occurrences around the variables used in the research.

Research Population

The target population of the study consists of various Nigerians in different filed. Ref [6] claimed that targeted population as a collection of personalities which are eligible to participate in the enquiry. Population may also refer to an entire group of persons or elements that have at least one thing in common. Ref [6] agreed that, a population is any target group of individuals that has common characteristics that are of interest to the researcher.

Sample Size

In this study, the researcher makes use of non-probabilistic sampling techniques in determining the sample size, as the research population is not known. Non-probability sampling is defined as a sampling technique in which the researcher selects samples based on the subjective judgment of the researcher rather than random selection. It is a less stringent method. This sampling method depends heavily on the expertise of the researchers. It was carried out by observation, and researchers use it widely for qualitative research.

Each member of the population has an equal chance of being selected. Data is then collected from a large percentage as possible of this random subset. From this method, the researcher used the convenience sampling method in which samples are selected from the population because they are easily accessible. Using this method, the sample size consists of a total of 200 respondents. A sample size is a subject of people, items, or events from a larger population that is collected and analyzed to make inferences.

Sample frame

In statistics, a sampling frame is the source material or device from which a sample is drawn. It is a list of all those within a population who can be sampled, and may include individuals, households or institutions. Among the study population, the respondents will include financial specialists in the private and public sector.

Sampling technique

In this study, the random sampling technique was used to select the respondents. This was adopted because it ensures that results obtained from the sample size should approximate what would have been obtained if the entire population had been measured.

Data collection instrument

The overall aim of this study is to establish the relationship between naira redesign and socio-economic development by assessing the impact of naira redesign on socio-economic development in Kebbi State. Therefore the research used structured questionnaires for the data collection. This Instrument was chosen because it will allow the collection of reliable data from many respondents at a reasonable cost.

Instrument Validity and Reliability

The questionnaire is pretested using a pilot study to ascertain validity of responses. Validity is concerned with establishing whether the instrument's content is measuring what it is supposed to measure. It is the extent to which the instruments measure the objectives. Reliability refers to the accuracy of the measurement. It also refers to the extent to which a test is internally consistent. Reliability means consistency of scores obtained by same individual when re-examined with the test on equivalent items or under other variable examining conditions. For the purpose of this study, evaluation of some past currency redesign questionnaire offered a means of validating the collected data.

Data Analysis

Data analysis is the examination of what has been collected in a survey or experiment and mankind deduction and inferences. For easy analysis and interpretation of the information obtained from the administered questionnaires, the options to be selected by the respondents are: Strongly agree (SA), Agree (A), Disagree (D) and Strongly Disagree (SD). They are coded 4, 3, 2 and 1 as postulated in likert scale respectively. The data will be analyzed using SPSS 2.1 version.

Data is presented in tables and expressed in percentages to simplify the analysis. A statement is accepted if its mean (\bar{X}) is greater than or equal to 2.5 the cut off mean of the codes. The statement is rejected if otherwise.

Results and Interpretation

Table 3.1 Demographics details of respondents

Gender	Frequency	Percentage
Male	125	62
Female	75	38
Total	200	100

Source: Field Survey, 2023

Table 3.1 shows the respondents in terms of gender. 62% of the respondents are male while 38% are female. This simply imply that the majority of the respondents are male.

Table 3.2 The Nature of Job of Respondents

Years	Frequency	Percentage
Marketers	40	20
Road transport operators	90	45
Private business owners	70	35
Total	200	100

Source: Field Survey, 2023

From table 3.2, 40 respondents representing 20% are marketers, 90 respondents representing 45% are road transport workers while 70 respondents representing 35% are private business owners.

Research Question 1: What are the impact of naira redesign on inflation rates in Kebbi State over the past 1 year?

Table 3.3: Determining the impact of naira redesign on inflation rates in Kebbi State.

S/N	ITEMS	SA	A	D	SD	Mean	Standard deviation	Decision
1.	Naira redesign leads to the scarcity and price hike of fuel in Kebbi State.	110	70	10	10	3.40	0.802	Accepted
2.	Generally prices of goods and services have rapidly increased as a result of the naira redesign policy.	150	50	0	0	3.75	0.434	Accepted
3.	Naira redesign weakens the currency further in the world market.	105	85	10	0	3.47	0.593	Accepted
	Grand mean					3.54		

Source: Field Survey, 2023

From table 3.3, in determining the impact of naira redesign on inflation rates in Kebbi State; 110 of the respondents strongly agreed that Naira redesign in Nigeria leads to the scarcity and price hike of fuel in the country, 70 of the respondents agreed, 10 of the respondents disagreed while the remaining 10 respondents strongly disagreed. In item 2, 150 of the respondents strongly agreed that general price market has rapidly increased due to the naira redesign policy, 50 of the respondents agreed, none of the respondents disagreed or strongly disagreed. In item 3, 105 of the respondents

strongly agreed that Naira redesign weakens the currency further in the world market, 85 of the respondents agreed, 10 of the respondents disagreed and none of the respondents strongly disagreed.

Research Question 2: What are the impact of naira redesign on the confidence of citizens and investors on Kebbi State economy?

Table 3.4: Evaluating the impact of naira redesign on the confidence of citizens and investors on Kebbi State economy

S/N	ITEMS	SA	A	D	SD	Mean	Standard deviation	Decision
5.	The Naira redesign policy by the Central Bank has being regrettable rather than helpful.	150	45	5	0	3.7	0.501	Accepted
6.	Naira redesign policy will reduce investment activities in the country by local and foreign Investors.	130	35	25	10	3.4	0.893	Accepted
7.	The Naira redesign policy is an effort to force Nigerians into immediate transition to cashless policy.	145	55	0	0	3.7	0.448	Accepted
	Grand mean					3.6		

Source: Field Survey, 2023`

From table 3.4, 150 of the respondents strongly agreed that Naira redesign policy by the Central Bank has being regrettable rather than helpful, 45 of the respondents agreed, 5 of the respondents disagreed and none of the respondents strongly disagreed. In item 6, 130 of the respondents strongly agreed that Naira redesign policy will reduce investment activities in the country by local and foreign investors, 35 of the respondents agreed, 25 of the respondents disagreed and 10 of the respondents strongly disagreed. In item 7, 145 of the respondents strongly agreed that the Naira redesign policy is an effort to force Nigerians into immediate transition to cashless policy, 55 of the respondents agreed, none of the respondents disagreed or strongly disagreed.

Research Question 3: What are the impact of naira redesign on economic growth of Kebbi State?

Table 3.5: Analyzing the impact of naira redesign on economic growth in Nigeria

S/N	ITEMS	SA	A	D	SD	Mean	Standard deviation	Decision
8.	The redesign of the currency will help deepen the drive to entrench a cashless economy.	100	55	25	20	3.12	0.999	Accepted
9.	Naira redesign will make monetary policy more efficient.	70	60	40	30	2.85	1.065	Accepted
10.	The naira redesign scheme will aid the economic empowerment of vulnerable Nigerians	45	20	90	45	2.32	1.061	Rejected

Source: Field Survey, 2023

Table 3.5 analyzes the impact of naira redesign on economic growth in Kebbi State; 100 of the respondents strongly agreed that the redesign of the currency will help deepen the drive to entrench a cashless economy, 55 of the respondents agreed, 25 of the respondents disagreed and 20 of the respondents strongly disagreed.

In item 9, 70 of the respondents strongly agreed that Naira redesign will make monetary policy more efficient, 60 of the respondents agreed, 40 of the respondents disagreed and 30 of the respondents strongly disagreed.

In item 10, 45 of the respondents strongly agreed that the naira redesign scheme will aid the economic empowerment of vulnerable Nigerians, 20 of the respondents agreed, 90 of the respondents disagreed and 45 of the respondents strongly disagreed.

IV. DISCUSSION

From the result obtained in table 3.3, naira redesign policy has negative consequences on the inflation rate in Kebbi State as it returns a grand mean of 3.54. It causes scarcity and price hike of fuel, enormous increase in the price of goods and services and weaken the value of the naira in world market. Result from table 3.4 indicate that instead of the naira redesign policy to boost the confidence of the citizens and the investors, it is regrettable rather than helpful and consequently reduce investment activities in the state by both local and foreign investors. It is indeed a deliberate attempt to force Nigerians into immediate transition to cashless policy. Despite all these negative consequences of naira redesign on the socio-economy of Kebbi State. Table 3.5 revealed the following positive impact: It will make monetary policy more efficient and help in deepening the drive to entrench cashless economy not only in Kebbi State but Nigeria in general.

V. CONCLUSION

The study on the impact of Naira redesign on the socio-economic development of Kebbi State has provided an opportunity to review some of the benefits accruing from implementing the policy: It is expected that the redesign of the Naira currency will stimulate economic activities by encouraging people to use the currency more often. This will boost circulation of the currency and generate more economic transactions. Furthermore, the new security features of the redesigned Naira currency can reduce the incidence of counterfeiting and fraud, leading to increased trust in the currency and improved business confidence. However, practical result emanating from this particular research show that the implemented naira redesign policy could not reduce the inflation rate as anticipated evident by scarcity and hike in the price of fuel, goods and services. The confidence of citizens and investors were further dampened by the redesign process and many other negative consequences.

5.1 Recommendations

If Naira redesign policy is to achieve any positive impact on the socio-economy of Nigerian as elaborately discussed in this research paper. The following recommendations are proposed:

- ❖ The Nigerian populace should be properly educated via various means of information disseminations of the intention of the government to carry out currency redesign not less than 2 years before implementation.
- ❖ The government should come up with stringent policies to reduce any negative impact of the policy on small business owners.
- ❖ Finally, if tangible success is to be recorded as a result of naira redesign, the newly redesign notes should be made readily available in all financial banks and exchange with the old notes without customers facing any hindrance.

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