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# Psychological Consequences of Inaccessibility of the Redesigned Naira Notes in Abakaliki Metropolis

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## **Abstract**

*This study is informed by the several lamentations of Nigerians as the redesigned naira notes are not available neither are the old notes useable. The study is a qualitative inquiry into the difficulties and psychological implications of the currency dilemma experienced in Abakaliki Metropolis, Ebonyi State Nigeria. 30 respondents were interviewed across 6 banks and Automatic Teller Machines (ATM) outlets in Abakaliki metropolis. Participants were selected using convenience sampling technique. Interview methods of data collection were adopted for collecting information regarding Nigerian netizens' experiences of the currency crisis orchestrated by the introduction of the new naira notes in the country. The study was designed as a phenomenological research and data was analysed through interpretive phenomenological analysis (IPA). Findings revealed that the challenges of accessing the new naira notes affected the psychological wellbeing of the participants. Their experiences of the currency crisis were overwhelming leading to conditions of trauma, helplessness, frustration, anxiety of survival, uncertainty, powerlessness and hopelessness. All of these conditions affected their psychological wellbeing and mental life. Results further suggests that the participants got relieved from telling the stories of their experiences of the dilemma which served as a coping mechanism for them. It was recommended that the Federal government of Nigerian and the Central bank of Nigeria should intensify efforts to resolve the currency problems and ameliorate the conditions of living of the teeming Nigerian population. Mental health workers are also encouraged develop programmes and activities to help Nigerians negotiate the currency crisis situation affecting the mental life of majority of the people living in the country.*

**Keywords:** *Central bank of Nigeria, money policy, phenomenological research, trauma, wellbeing.*

## **Introduction**

The central bank of Nigeria (CBN) on 26<sup>th</sup> October 2022 alongside the federal government announced that by the 31<sup>st</sup> of January 2023, the 1000-, 500- and 200-naira notes will cease to be a legal tender in the country as the central bank of Nigeria has redesigned new currencies of these notes to replace the old ones. Some Nigerians welcomed the idea with enthusiasm of having a new currency while others saw it as unnecessary and a misplaced priority by the government of the country. Although the central bank of Nigeria gave reasons for the change of currency, among this was to check counterfeiting, to restrain inflation and to mop up currency that is outside the banking system (Oxford Analytica, 2022). The Nigerian public believed that other reasons for the withdrawal of the old currency was the notion that some politicians may have hoarded these currency denominations for vote buying in the country's

2023 general elections. This is of course one of the impacts the redesigned notes were to make as Oxford Analytica report (2022) revealed.

As Salau (2023) observed, the new naira notes were in short supply as commercial banks did not have enough of the new notes which made it to be in limited circulation. Following the expiration of the 31<sup>st</sup> January 2023 deadline, banks were seen to be helpless as the automatic teller machines (ATM) were not dispensing the new currency and Nigerians were having difficulties accessing same from the banks. The central bank of Nigeria was under pressure to extend the deadline to 10<sup>th</sup> February, 2023. As the currency saga continued, many businesses were truncated, as people were unable to access the new notes and the old notes were no longer accepted as legal tenders.

Meanwhile, as the currency redesign policy continued to bite harder on the citizens of Nigeria, operators of point of sale (POS) services seized the opportunity to maximize gains as charges went above 400 percent in many cities of the country (Mojeed and Izuaka, 2023). Nigerians were thrown in a dilemmatic situation as they had no choices than to pay such exorbitant charges to get the new notes. Although there are other means of transaction such as the electronic transfers and point of sale, it is pertinent to point that many Nigerians do not have access to smart phones and for those who do, the poor nature of internet connections in the country has made many electronic transactions unsuccessful. This is as Oladipo, Ashinze and Balogun (2023) noted that the country is a slow-growing economy that relies on cash transactions. Thus, many Nigerians are at home with cash transactions which became difficult to access. All of these challenges made life unbearable for people living in Nigeria which also affected their livelihoods in varying dimensions.

The wellbeing of many Nigerians was mesmerised by the currency crisis that ravaged the whole country. This is just as Iniobong (2023, p.1) quoted the former vice president Osinbanjo as lamenting on the situation when he said “you need cash to pay for transport. For instance, in Abuja how do you take ‘drop or along’ or use a Keke NAPEP without cash, or buy foodstuff on the road or in canteens, or even buying recharge cards?” People living in rural areas of the country where there are no banks experienced worst case scenarios as they could not buy nor sell which means a halt in their lives. While the federal government and the central bank of Nigeria may have had good intentions for introducing the new naira notes, the challenges faced by Nigerian as a result of the currency redesign policy has had far reaching negative implications in their psychological wellbeing.

Currency sale and illegal trading of naira notes were the order of the day in many cities in Nigeria as people have no option than pay high charges to buy the new redesigned notes from illegal traders. Although illegal trading of the naira notes is not new as research by Amaechi et al (2017) observed that sales of new notes and abuse of the naira notes is a common practice in the country. However, the 2023 cash crisis situation was far different because people who needed money were not interested in the newness or neatness of the notes but on the redesigned notes that were considered as valid legal tenders.

It was predicted that the central bank of Nigerian policy on redesigning the naira notes will have some negative impacts on the country's population. Oxford Analytica report (2022) revealed that cash-dependent informal sector will experiences negative impacts from the new notes policy and that prediction has been fulfilled as tension and anxiety has enveloped the citizens following short supply or circulation of the redesigned naira notes. Although the perceived positive impact of the currency redesign policy such as checking inflation, preventing counterfeiting, discouraging voting fraud and maintaining a cashless economy that will reduce naira abuse (Muhammed and Adulmajeed, 2022) exist, the conditions of living for an average Nigerian worsened. This can be seen in their daily livelihood activities as market women and petty traders who sell goods with little cash return couldn't sell because of scarcity of the new redesigned notes.

The benefits of redesigning the naira notes abound as studies have shown (Muhammed and Adulmajeed, 2022). The psychological consequences from such policies as it affects the citizens are not known. The 2022 policy on naira notes design by the central bank of Nigerian had negative psychological implications on the wellbeing of the citizens of the country. The unavailability of the redesigned notes for distribution from the commercial banks made life difficult for many Nigerians. While it is argued that printing more notes will reduce the value of naira (Pillah, 2023), it is important to state that certain volume of cash flow to the banks was necessary to sustain the economy of the country.

A report from the central bank of Nigeria acknowledges their awareness of people selling the newly redesigned naira notes. The financial commission also observed that there were long queues in the automated teller machines across the country which made financial transaction even more difficult. The report further contained the awareness of the central bank of Nigeria on cases of unregistered people and non-bank officials swapping banknotes for members of the Nigerian public (CBN Press Release, 2023). These known facts as provided by the report of the director, corporate communications of the central bank of Nigeria were among the reasons the citizens of the country are experiencing difficulties in accessing the newly redesigned naira notes for their daily transactions which further leads to other circles of problems in the lives of those experiencing these challenges in Nigeria.

## **Method**

The study is a qualitative phenomenological inquiry into the psychological consequence of the redesigned naira notes in the lives of average citizens in the country. The objective of this paper is to expose the negative psychological impacts as experienced by citizens of Nigeria, following the redesigning of the country's currency. This information is targeted from the point of view of the citizens who lived these experiences being sought which informs the rationale for designing the study as phenomenological research. Just as Donalek (2004) noted, the use of phenomenological study is to examine human experiences from the account of the people involved. It entails a description of the lived experiences of participants from their personal point of view regarding a particular phenomenon and how meaningful it is to them.

Researchers are yet to focus on the psychological consequences of the long queues and mammoth crowds of Nigerian citizens in the automatic teller machines and banking vicinities experienced in Nigeria. This further justifies the choice of phenomenological study which is known for use in areas where there exists little knowledge about a phenomenon (Donalek, 2004). Likewise, this study is an exploratory kind of research because little or no knowledge exist about the psychological impacts the current cash crisis has on the citizens of Nigeria. Of course, exploration is central to qualitative research (Moen and Middlethorpe, 2015).

### ***Participants***

20 participants were randomly interviewed in the study. They comprised of 10 men and 10 women. 7 of the male participants were married while 3 were single. Similarly, 8 female participants were married while 2 were single. Their age ranged between 20 to 45 years and they were workers, students, artisans and petty traders. They were recruited and interviewed at the various automatic teller machines and bank premises in Abakaliki metropolis, Ebonyi State Nigeria during the peak period of the cash crisis in the country. They were selected on convenience basis while waiting to withdraw some of the new redesigned Nigerian naira notes from the banks and from the automatic teller machines (ATM). Participants were recruited on some inclusion criteria such as ability to use English language to convey their experiences, however the use of 'Pidgin English' which is popular in an average Nigerian discussion and conversations were allowed to enable the participants make much sense of their experiences without obstructing them with grammar barriers.

### ***Instrument***

An interview guide to tease out the psychological impact of their struggle to get the new naira notes were used to gather information from the participants who obliged to take part in the interviews. The interview guide started with probing statements as "please can you tell me why you are here, your experience of these new naira notes and the meaning you make out of your own experience of this" This was followed by other probing questions especially when a participant has not provided enough information.

### ***Procedure***

The researchers approached potential participants, introduced the research aim to them and sought their permission to partake in the study. Each interview lasted between 30 minutes to 45 minutes. The entire data collection lasted for 5 days (February 6<sup>th</sup> to 10<sup>th</sup> February, 2023). Participants who participated in the study were enthusiastic about speaking out their views about their experiences of the new currency saga in Nigeria which as some of them reported was relieving. The audio recorded participants' interview data were transcribed for analysis and was done with conscious effort to bracketing. Bracketing or phenomenological reduction (Hycner, 1985) is an essential part of phenomenological study which requires openness to whatever meaning that emerged from the participants' interviews. This is observed in this study as the researcher puts away their own feelings of the phenomenon under study to present solely the views and meaning of the phenomenon to the participants under study.

## **Analysis**

Interpretive phenomenological analysis was conducted to analyse the information from the interview responses of the participants in the study. Historically, interpretive phenomenological analysis was developed because of the articulation of qualitative research approach firmly located in psychology as a discipline (Eatough, 2012). In this study, the individual accounts of the participants were first analysed while patterns and themes emerging from them were cross-thematically analysed across the participants. This is in line with the practice of interpretive phenomenological analysis as it moves from in-depth examination of individual cases before looking for convergence and divergence patterns across cases (Eatough and Smith, 2017). The themes that emerged from the in-depth analysis of the individual participants' cases were as follows; feeling of trauma, helplessness, frustration, anxiety of survival, uncertainty, powerlessness and hopelessness. Cross thematic analysis of individual cases revealed convergence of the experiences of the above and a divergent pattern of responses as follows; feeling of rebirth of a new order in Nigeria and a feeling of positivity to the currency redesign policy

## **Result**

Result from that interview analysis shows that two categories of themes of responses emerged from the participant's responses. The first was their personal experiences with accessing the new naira notes and the meaning they made out of it. The second category of response was on their coping strategy which was about what kept them going in the face of their suffering. Responses and themes from their personal experiences and meaning made were as follows; feeling of trauma, helplessness, frustration, anxiety of survival, uncertainty, powerlessness and hopelessness, feeling of rebirth of a new order in Nigeria and a feeling of positivity to the currency redesign policy.

Results from data analysis showed that all the participants used the concept of "suffering" to make sense of their experiences with accessing the new redesigned naira notes. Suffering was a common theme across the participants' responses. This was evidently used in the responses of the participants. Corresponding vignettes are used below to show the meaning made from the experiences of the participants which emerged in the analysis of their responses in relation to the phenomenon under study.

### **Feeling of trauma**

The analysis of the participants' interview data revealed that a feeling of trauma was used to make sense of their experiences of the difficulty in accessing the new Nigerian currency as follows: Participant 1 used the phenomenon of trauma in his experience as follows;

*"Not being able to get money that I have suffered to make is very daring and worrisome because I have been here almost every day sometimes....I don't get any money and they will say that the ATM is no longer able to dispense cash. This kind of experience is killing....there is no way forward, and it is indeed a traumatic experience for me"*

Similar experiences were told by other participants as follows:

Participant [2] *“my experience of this new money thing is that it is simply wicked and was meant to traumatize Nigerians. Yesterday I was here but I only got N3000 which could not buy anything for me and my children? We are dying in silence here...the banks and the federal govt have fully make life unbearable for us the citizens of this country”*

Participant 5, 6, 9, 12 also used traumas to make sense of her experience as they said:

*“This country is hell to say the least, I worked hard to earn money and taking it out from the bank is now something that is almost impossible....The idea of the new naira whatever is useless because we are suffering and I am worried because it is not ending soon. We have been like this everyday...very painful situation the people ruling us subjected us to”.*

*“ It is a terrible experience for me because I am really traumatized especially because the village women we buy food from don't accept transfers because they don't have bank accounts. I feel that we may one day die of hunger, yes since we cannot buy or sell....I have never seen this kind of life before, I am just totally disorganised”*

*“This wicked government want us to suffer and die in pain, take a look at the crowd here; some people have been here for two days without getting any money...I feel that the government of Buhari wants the average masses to be in trauma and of course we are already in trauma”*

*“As a citizen, I don't have right to live that is what this country is making me believe. I don't have money to buy the essential things of life but I have money in the bank....what a trauma! ...What a country! ...What a nation! Nigerians are dying because of no money”*

The use of trauma related situation to make sense of the experiences of the challenges in accessing the new naira notes was evident in all the interviews. The condition the participants found themselves overwhelmed them and made them to feel that they have reached the end of their worlds. Their experiences of the new naira saga were overwhelming such that they used experiences that coincide with those of trauma experience to make sense of their world.

### **Helplessness, frustration and anxiety of survival**

The feeling of helplessness, frustration and anxiety of survival were seen to weave round the interview responses of the participants in the study. Supporting vignettes are used below to show evidence of these.

Participant 14, 15, 17, 30 made sense of their experiences of the redesigned naira notes accessibility as one of helplessness, frustration, anxiety of survival as follows:

*“...this is a hopeless situation and I don't know when it will end...we sometimes don't access the notes and we go home totally frustrated and we don't know how we are going to survive this kind of condition the APC government and CBN kept us in Nigeria”*

*“...it is very frustrating to say the least. I am totally worried because if life continues like this many of us will die...tell me how can we survive when we cannot see money to buy ordinary food to eat”*

*“... it appears like the end of the world for some of us. Look at the mammoth crowd here waiting to take their money, see how people are being frustrated by these Nigerian leaders. You can see that it is almost a matter of life and death because the struggle is real. The worst part is that sometimes the money will finish in the ATM and people go home totally worn out and disappointed”*

*“...it seems survival of the fittest for me because the dragging, the pushing and the hot sun wears people out and today I said I must get money because the other day, I went home frustrated after waiting for over 7 hours and got nothing in the end. There is no hope for our survival in Nigeria now unless the government does something about this money issue”*

The above vignettes from the participants' interview responses revealed the meaning they made from their difficult experiences with getting cash the needed for their daily life engagements. They felt frustrated by the situation they found themselves and they also felt that they were helpless as well as not being sure of what the world holds for them in the future which indicates their survival anxieties. These responses cut across all the participants' interview responses.

### **Powerlessness and hopelessness**

All the participants expressed a feeling of powerlessness and hopelessness in their responses regarding their experiences of the challenging new naira notes accessibility in Nigeria. Some vignettes supporting this are shown below.

*“...the people in power have kept us in this terrible condition and we are just helpless after all what can we do...the suffering to collect my money has just become too much. See how Nigerians are struggling to take what belongs to them and it does not look like it is going to end anytime soon” [participant 26]*

*“...i feel bad because I can't see this happening in any other country. But here we are taken for granted by our leaders because we cannot do anything. See Army, police and other security they have unleashed to watch us suffer to take money from the bank” [Participant 24]*

*“...our government are wicked and they know the citizens are cannot do anything. They are in charge that is why we are being treated like second class citizens in our country” [participant 13]*

*“...I think this new naira challenge is intentional to punish the poor masses and that was why they introduced it without due process or without minding how it will affect us. We are here...to suffer it and I mean it we are really helpless in this situation” [Participant 3]*

*“...we live in a country where our welfare is not considered before policies are made and that is because the rulers of Nigeria see us as people who cannot do anything, otherwise there is no reason why they should be suffering us like this over cash” [participant 18]*



## **Feeling of rebirth and a new order in Nigeria/ Feeling of positivity to the currency redesign policy**

The interpretive phenomenological analysis revealed that there were some divergent responses on the new naira notes phenomenon. 3 participants made sense of the situation with a feeling of rebirth of a new order in Nigeria and a feeling of positivity to the currency redesign policy. This is captured in the vignettes below from their interview responses.

*“...yes I know we are all suffering to get cash and all that but I feel that the change of currency is to make things work well in Nigeria...we have to endure the suffering for a new dawn will come after this period”* [Participant 20]

*“...we will enjoy the reason behind this new currency because those politicians that have hoarded the old notes will not use them. We have been suffering and they were busy stealing and hiding our money. For me this is a great move even though it normally comes with pain initially”* [participant 11]

*“...I feel that this is for our own good. Our currency doesn't have value in the world, so this new naira policy may help to reduce too much money in circulation and boost our economy. We are suffering to get the new naira now but soon, things will normalize and we will see the need for what we are suffering now”* [participant 16]

The above vignettes from the responses of three of the participants were divergent views from those of other participants. The new Nigerian naira currency that has continued to remain scarce thereby making life uneasy with many of the citizens of the country was perceived majorly in negative perspectives by the participants in this study. However divergent views from very few of them suggests that the policy will have significant meaningful impact in the country's economy.

## **Conclusion**

The purpose of this research is to understand the psychological consequences of the new naira notes from the personal account of citizens in Abakaliki metropolis, Ebonyi State Nigeria. Nigerians were experiencing a new order in terms of cash availability and accessibility which negatively affected the lives of average Nigerian citizens living in the country as their first-hand account revealed. The psychological wellbeing of the Nigerian citizens in that period were adversely affected with implications for impacting their mental health negatively. As result of the study revealed, many Nigerians couldn't buy nor sell because they don't have cash at hand and do not have alternative means of transactions. This condition made living difficult for many. Experiences as these coincide with those psychological traumas which has been used by the participants in this study to make sense of their experiences of the difficulty in accessing cash for their daily survival. Thus, the livelihood and survival of the average Nigerian citizens was uncertain within the period as anxieties of survival has enveloped their daily experiences. Nigerians who discuss and share their experiences with others tend to be relieved as this study

observed. This approach to the problem tends to serve as coping mechanism which should be further examined.

### **Recommendations**

In view of the observed terrible conditions of living of Nigerian citizens orchestrated by the scarcity and non-availability of cash for daily transactions, the following recommendations were made.

- i. The central bank of Nigeria needs to constantly provide the Nigerian citizens with information regarding the new naira policy and how to negotiate cash access.
- ii. Rural areas with mostly individuals who do not have alternative means of transaction outside cash needs emergency responses from central bank of Nigeria to ameliorate their financial service suffering.
- iii. The central bank of Nigeria should consider printing more new naira notes to enable commercial banks meet up with the basic cash demands of the Nigerian public
- iv. Psychological intervention is very sacrosanct in Nigeria and mental health organizations are expected to intervene with survival tips as many Nigerians were mentally disoriented with the non-availability of cash crisis.
- v. All levels of government should engage the citizens with programmes to help reduce the concomitants psychological effects of the cash crisis experienced by many Nigerians.
- vi. Large comprehensive research is needed especially with regards to the coping mechanisms to the psychological challenges facing a teeming population of the Nigeria

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