



Cost Implications of Naira Notes Redesign on Household and Money Market Operators in Taraba State

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Abstract

This research work investigates cost implication of change in Naira notes on Household and money market operators in Taraba State. The study adopted a survey research design to obtain data about practices, situations, and views through questionnaires. The number of respondents for Households and Money Market Operators is 394 and 338 respectively. The study used a simple multistage and cluster sampling method to select the sample respondents. The study employed a descriptive statistic method; simple percentages and the Chi-square (χ^2) statistic were used for the computation and analysis of the data collected. The study found a significant increase in general costs of household and money market operators in Taraba State between 2022 and 2023. This policy significantly affected households and money market operators in Taraba State by increasing their general costs. The study recommends that a reasonable timeline be given to the implementation period with strict monitoring and control of commercial banks to erode favoritism and corruption in the process of policy implementation. There should be stability in the maximum cash withdrawal policy from all means: Point of sale (POS), automated teller machines (ATM) over the bank counter, etc., and adequate provisions for electronic banking for rural and urban centers should be made by financial sector administrators. The government should promote ceaseless cash traceability and accountability to keep the new notes as close to the banking system as possible.

Keywords: Naira, Notes, Redesign, Household, Money Market Operators

1. INTRODUCTION

The aim of every government is to improve the standard of living of the citizens and the household in particular. This is achieved through government conscious efforts to tame general costs via various economic policies. Economic policies (fiscal and monetary) are the sure vehicles that drive a nation to its development destination, as they are mainly put in place to stabilize macroeconomic variables such as the standard of living, which aims at reducing the general costs, among others. Monetary policy is one of such viable economic policies usually put in place to stabilize the general costs. The prime objective of the 21st-century economic system is to reduce or keep the general cost at a minimal level (Ben, Udo, Abner, Ike, Tingir, and Ibekwe, 2018). According to (Abdul, 2007), as cited in (Anfofum, Afang, and Moses, 2015), low general costs significantly impact the economy through increased consumer surplus, consumption, investment, creativity, and production, but high general costs have calamitous micro and macroeconomic consequences that erode consumers' purchasing power and diminish indicators of economic growth and development. The devastating effect of an increase in the general costs in developing economies, particularly in Nigeria and Taraba State, has occupied public discussion and is of prime concern to all stakeholders (Udo, 2018).

However, (Nwanma, 2023) affirmed that naira notes redesign is a policy instrument used to address the issues of general costs and enhance price stability and African nations have turned to currency note redesign to tackle the increase in general costs. Central Banks in Nigeria, Somalia, and across the world have embarked on currency note redesign to minimize the general costs (Nwanma, 2023) According to (Emefiele, 2022), the Central Bank of Nigeria has also conceived naira notes redesign as one of the viable monetary policy instruments to address economic issues relating to the general costs, and that naira notes redesign will help tame the general costs and other related economic issues in Nigeria (Emefiele, 2022). In support of this, (Olujobi, 2022) posited that Naira note redesign is a successful monetary policy in a country like Nigeria, where the majority of the population relies on local currency notes.

Yet, several reports have shown that there is a continuous and persistent increase in the general costs across states in Nigeria, even after the implementation of the 2022 naira note redesign policy. This is worrisome as it is perceived to pose a threat to the growth and development of the nation by keeping the standard of living in Nigeria lower. According to various reports, general costs will increase by about 300% between 2022 and 2023. In light of this, (Numbeo, 2023), posited that the general costs in Nigeria is, on average, 70.8%, as inexpensive meals in Restaurants are now ₦800.00, compared to ₦350 in January 2022 According to (Okoye, Olokoyo, Ezeji, Okoh, and Evbuomwan, 2019) general costs is a continuous phenomenon with a persistent increase in the price of products and services, and a high general costs diminishes indicators of consumption and investment globally. (Shuaib, 2015) (2015) posited that general costs have consistently been rising in Nigeria and pointed out that general costs rose from 15% in 2004 at the introduction of the 1000 naira note to 17.9% in 2005. In recent times, several reports have recorded an increasing general costs in Nigeria. According to (Udo, 2020), Nigeria's general costs for 2021 were 16.95%, a 3.71% increase from 2020. Nigeria's general costs for 2020 were 13.25%, a 1.85% increase from 2019. Nigeria's general costs for 2019 were 11.40%, a 0.7% decline from 2018. Nigeria's general costs for 2018 were 12.09%, a 4.43% decline from 2017. The annual increase in the general costs is perceived to be detrimental to economic growth in Nigeria (Udo, 2020). According to (Olatunji, 2023), the general costs for Nigerians has spiked as food prices across the country rose by 25.6% in one year (between 2022 and 2023). Analysis by zone showed that the South-East recorded the highest average price of beans with ₦831.1, followed by the South-South with ₦676.1, while the North-East recorded the least with ₦307.2. Similarly, the South-East recorded the highest average price of 500 g of bread with

₦601.1, followed by the South-South with ₦550.2, while the lowest was recorded in the North-East with ₦78.5. The average price of 1kg of yam tuber was higher in the South-West and the South-South with ₦528.8 and 495, respectively, while the lowest was recorded in the North-East with ₦142.8. In affirmation, (Olatunji, 2023) pointed out that general costs rose to 21.82% despite the recent change in Naira notes, whose goal was to tame the general costs, thereby stabilizing the general cost of living. He further posited that Nigeria's headline general costs rose to 21.82% in January 2023 after dropping to 21.34% in December 2022, and the rise in the general costs in those two months came on the back of the change in Naira Notes policy of the Central Bank of Nigeria (CBN). In light of this, the researchers have resolved to investigate the cost implication of Naira note redesign on the cost of Money Market Operations MMO and House Hold general costs in Taraba State.

- **Statement of the Research Problem**

According to Olatunji (2022), the general costs for Nigerians has spiked as food prices across the country have increased, resulting in an increased general costs across Nigeria and Taraba State in particular. It is reported that the general costs for Nigerians has spiked as food prices across the country rose by 25.6% in one year (between 2022 and 2023). This has raised much concern in terms of the factor that is specifically responsible for the situation. An increase in the general costs affects all sectors of the economy, including households and money market operators. The general costs erode consumers' purchasing power and investment capacity and diminishes other indicators of economic growth. The Central Bank of Nigeria's recent naira note redesign policy has led to increased costs in Nigeria, particularly Taraba State, forcing money market operators out of business and causing significant hardships for households.

According to (Jaiyeola and Bayat, 2023), naira note redesign has had a significant impact on the general costs in Nigeria, which is evident in the rising prices of goods and services in the country. A recent survey conducted by the Consumer Price Index (CPI) in Nigeria found that the cost of living in the country had increased by 4.7 percent. This increase in general costs is largely attributed to the change in naira note due to the increased costs of goods and services across states in the country (Jaiyeola and Bayat, 2023).

The effects of the change in the naira note have been felt by many households in Nigeria, with the rising costs of goods and services taking a toll on the nation's purchasing power. This has been reported to be more evident, from (Ibrahim, 2023) who observed that from the Multiple Indicator Cluster Surveys published by the NBS last year, only 35.4%

of women and 47.2% of men, aged between 15 and 49 as at 2021, had bank accounts or any other similar set up in any financial institution. The non-account-holding population in Bauchi, Jigawa, and Kebbi states relies on cash for daily survival, with less than 8% of women having bank accounts. Households struggle to meet basic needs, spending over 50% of their income on food alone. The redesign of Naira notes has decreased demand for services and affected money market operators, who have had to increase fees to maintain profits. The researcher is attempting to answer these questions.

- **Research Questions**

The following questions will be answered at the end of this study:

1. What is the cost implication of 2022 naira notes redesign on money market operators' cost in Taraba state?
2. What is the cost implication of 2022 naira notes redesign on household's general costs in Taraba state?

- **Research Objectives**

The following objectives will be pursued in this study:

1. To examine the cost implication of 2022 naira notes redesign on money market operators' cost in Taraba state
2. To examine the cost implication of 2022 naira notes redesign policy on household general costs in Taraba state.

- **Research Hypotheses**

The following null and alternative hypotheses were verified in this study:

HO1: 2022 naira notes redesign policy did not significantly affect cost of operation of money market operators in Taraba state!

HA1: 2022 naira notes redesign policy significantly affects cost of operation for money market operators in Taraba state!

HO2: The 2022 naira notes redesign policy did not significantly affect household general costs in Taraba state!

HA2: The 2022 naira notes redesign policy will significantly affect household general costs in Taraba state!

- **Significance of the Study**

1. The study investigates the impact of the redesign of the naira notes on general costs in Taraba state, addressing government and stakeholder concerns.

2. This investigation will inform money market operators and households in Taraba State about the impact of naira note redesign on general costs, guiding them in making informed decisions.
3. The report document will promote policymakers and stakeholders to implement programs to stabilize costs and redesign naira notes.
4. The study aims to identify potential Naira Notes redesign policy programs that can improve Nigeria's general cost stability, offering an alternative for government and stakeholders.
5. The investigation aims to enhance knowledge in the topic area, with the research report document serving as a relevant knowledge bank for students, instructors, and researchers.

2. LITERATURE REVIEW

Naira note redesign is an activity of the Nigerian government as a sovereign nation to either change or modify the naira notes at any given time, and this can be done for several reasons such as improving the security features of the new currency, reducing the money supply, reducing the cost of living, investigating incomes from nefarious sources, and many other economic indicators that affect the financial status of a nation (James, 2023).

Ndukwe Feb. (2023), the Central Bank of Nigeria (CBN) announced that the bank would release redesigned Naira Notes by December 15, 2022, while existing notes would cease to be regarded as legal tender by January 31, 2023. The apex bank controls money supply, inflation, and counterfeit currency through policy changes, including re-designing the Naira in 1973 and introducing the 20 naira note in 1977. In 1979, the government minted the ₦1, ₦5, and ₦10 notes (Ndukwe, 2023).

In 1984, the CBN policy introduced new banknote colors to combat counterfeiting and trafficking, with the introduction of the ₦100 in 1999, ₦200 in 2000, ₦500 in 2001, and ₦1000 in 2005. On September 30, 2009, following the successful money supply and performance of ₦20 (polymer) banknote, the CBN redesigned and converted ₦50, ₦10 and ₦5 banknotes into a polymer substrate (Ndukwe, 2023).

According to James (2023), from a monetary policy perspective, global best practice demands that countries restructure their currencies every five to eight years. The apex bank's re-design of the Naira is justified to improve money circulation, but the issue extends beyond redesign to low Nigerian confidence levels. James (2023) furthermore posited that on November 23, 2022, President Muhammadu Buhari unveiled the new naira note redesign for

₦200, ₦500, and ₦1000. The redesigned Naira currency, similar to the ₦20, ₦50, and ₦10 notes, has faced criticism due to its color change and potential for counterfeiting. The CBN has proposed adding more security features to curb these issues. However, the Banking Supervision Department of the CBN has introduced a new policy aligning with the new naira redesign and cashless policy, effective January 9, 2023.

1. The maximum cash withdrawal by individuals and organizations shall be between ₦100,000 and ₦200,000 per week.
2. A customer can only withdraw a maximum of ₦20,000 from an automated teller machine (ATM) daily and ₦100,000 weekly.
3. The maximum cash withdrawal from the POS will be ₦20,000 per day.

Three vital things to note from these CBN policies are:

1. Retrieve all idle currency from the economy through currency redesign.
2. Promote Classlessness, traceability, and accountability by setting cash withdrawal limits and charges. The idea is to keep the currency as close to the banking system as possible.
3. Reduce the recurring expenditure of printing naira. CBN spent about ₦58 billion to print approximately ₦ 2.5 billion worth of currency (James, 2023).

Theoretical Framework

a. Demand-Pull Cost of Living Theory

Demand-Pull theory has two approaches: classical view and Keynesian view. Classical economists believe inflation is caused by increased money supply, shifting aggregate demand curves. Monetarists argue that inflation is a monetary phenomenon, while Keynesians don't link money supply to inflation. Fisher exchange paradigm explains the Monetarist view, positing buyers and sellers in aggregate economies. Naira Notes redesign may increase cost of living without corresponding output increase. Naira Notes redesign may increase cost of living if it spurs demand in sectors without corresponding output increase.

b. Cost Push Theories of the Cost of Living

The theory suggests that aggregate supply leads to inflation, resulting in increased cost of living. This inflation is caused by rising production costs, such as raw materials, transportation, logistics, and wages. Producers react by increasing output prices to maintain profit margins. The naira note redesign policy has led to increased production costs and inflation.

c. Cost of Living in Nigeria

Nigerians' cost of living has risen 25.6% due to rising food prices, primarily due to short supply and structural deficiencies, impacting 60% of household expenditures (Olatunji,

May, 2022). A breakdown of the National Bureau of Statistics (2022) report shows that the average price of 1kg of beans (white, black eye, sold loose) rose on a year-on-year basis by 44.3% to ₦519.1 in April 2022 from ₦359.6 in April 2021. The average price of bread, yam tuber, groundnut oil, and beans in Nigeria increased by 2.6%, 35.31%, and 0.6% respectively in April 2022. The average price of 1 kg of yam tuber rose by 42.9% and 3% respectively. Groundnut oil prices increased by 46.2% and 1.3% respectively. Ebonyi recorded the highest average price of beans (white, black eye) and bread at 500g, while Borno had the lowest. In addition, Akwa-Ibom recorded the highest price of 1 kg of yam tuber with ₦695.9, while Bauchi recorded the lowest with ₦133.3. Analysis by zone showed that the South-East recorded the highest average price of beans (brown, sold loose) with ₦831.1, followed by the South-South with ₦676.1, while the North-East recorded the least with ₦307.2. Similarly, the South-East recorded the highest average price of 500 g of bread with ₦601.1, followed by the South-South with ₦550.2, while the lowest was recorded in the North-East with ₦278.5. The average price of 1kg of yam tuber was higher in the South-West and the South-South with ₦528.8 and ₦495.0, respectively, while the lowest was recorded in the North-East with ₦142.8 (NBS, 2022).

According to Ighakpe March (2023), a visit to the market in recent times reveals that the cost of food and other household items is still high. Despite regulatory efforts to stabilize the economy, rising fuel prices and depreciation of the naira persist, leading to complaints from both salaried and self-employed individuals about incomes not meeting family needs. Life has therefore become increasingly difficult for many Nigerians, especially low-income earners, the unemployed, and other vulnerable people (Ighakpe March, 2023).

The Nigerian headline inflation rate, which slightly decreased to 21.34% in December 2022, was 5.72% higher year-on-year compared to 15.63% in December 2021, according to NBS data. This shows that the headline inflation rate increased in the month of December 2022 when compared to the same month in the preceding year of December 2021 (Ighakpe March, 2023)

According to Sasu (2022), prices in Nigeria are generally increasing due to steady inflation, and food items are particularly impacted. The prices also vary considerably from state to state. In Taraba state, one kilogram of tomato cost an average of 133 naira in February 2022 (around 0.32 U.S. dollars). One kilogram of white garri, on the other hand, reached 244 Naira, which is roughly 0.58 U.S. dollars, while one bottle of palm oil cost on average 517 Naira per liter, or 1.23 U.S. dollars (Sasu, 2022).

Table 1. summary of the history of Change and redesign of Naira Note Policy in Nigeria

Change in naira note policy		
Year	Old Notes	New Notes
1973	Pound (£1)	Naira and Kobo
1977	Naira and Kobo	New banknote ₦ 1, ₦5 and ₦10 was Introduced
1979	₦ 1, ₦5 and ₦10	₦20 note was introduced
1984	Banknotes in circulation	Re-modified and colored
1991	50k and ₦1	50k and ₦1 notes changed to Coins
1999-2005	₦100, ₦200, ₦500 and 1000₦	Were introduced
2007	₦ 20₦50, ₦10 ₦5 and ₦1, and 50k	Issued on a polymer substrate, Re-issued in New designs
2009	₦50, ₦10, ₦5	Redesigned were converted to polymer
2010-2014	₦50, ₦100	Were issued in polymer banknotes
2022	₦100, ₦200, ₦500, 1000₦	Redesigned ₦200, ₦500, 1000₦

Source: Oluwatosin Illustration (2022)

Figure 1: shows the history of change in naira currency from 1912 to 2022 change in naira notes policy in Nigeria.

(Zidek and Chribik, 2015) in their study on the impact of currency redesign on the cost of living, used Turkey as a case study. The study found that Turkey's currency reform directly contributed to a decline in the country's cost of living, as evidenced by a fracture in the development of the cost of living.

(Oluwyinka, 2016) Introduction of higher currency notes in Nigeria and the dynamics of the cost of living (1980–2014) The study, using VECM and VAR models, found a long-term relationship between cost of living, currency redesign, fiscal deficit, and broad money supply. It recommends Nigerian government implement cost of living management policies.

(Ukpere, 2016) examined the factors responsible for increasing the cost of production and spending behavior in Nigeria. The study identifies 13 factors affecting Nigeria's cost of living, suggesting the government should focus on social infrastructure to encourage private sector investment and expand output, leveraging unemployed resources.

(Gwin and Putu's, 2017) study found that currency reform's effectiveness depends on government effectiveness and political instability, as it decreases the cost of living and increases GDP per capita, but has no significant impact on real currency exchange.

(Prabawani, 2018) in his study of currency redesign in Zimbabwe and Ghana, observed that Zimbabwe removed three zeros while Ghana removed four. He said their aim in doing this is to restore confidence in their national currency and prevent their citizens from switching to other countries' currencies with high values.

(Samuel, Udo, Nneka, Prince, and Idogen, 2018) adopted some variables to explain the currency redesign indicator. The study, based on 124 respondents' data, found that currency redesign policy ensures a stable cost of living, leading to decreased living costs and higher economic growth.

(Udo, Samuel, and Abner, 2020) the study examines other determinants of the cost of living in Nigeria using the autoregressive distributed lag (ARDL) method on quarterly data from January 1999 to December 2018 which shows a significant long-short run relationship. The study analyzes Nigeria's cost of living using the autoregressive distributed lag method, revealing factors like poor infrastructure, exchange rate, political instability, corruption, and double taxation significantly increase it. It suggests controlling non-monetary factors, reviewing security expenditure, and implementing mechanisms for economic growth.

(Ifunanya, Nduka, and Ogochukwu, 2021) examined the redesign of the Naira currency as a strategy for reducing the cost of living in Nigeria. They used Primary data and a sample of 153 respondents. The study analyzed data using a percentage method, revealing that Naira Note changes reduce living costs, enhance naira value, and can aid the Central Bank in reducing money circulation.

(Oluwatosin, 2022) Investigate the economic implications and justification for the adoption of the policy of currency redesign by the monetary authority in Nigeria. The study analyzes the effects of similar policies on Nigeria's economy, revealing that these policies are cost-of-living-induced, leading to deviations in living standards and excessive money supply.

(Abubakar and Yandaki, 2023) examine Nigeria's 2022 currency redesign program, arguing it was not unnecessary or revolutionary. They analyze how the program, intended for effective currency management, paradoxically caused economic damage in a short time, using primary and secondary historical data.

(Pillah and Patrick, 2023) evaluation of Nigeria's monetary policy found that currency redesign reduces living costs by combating counterfeiting, checking financial insecurity, and reducing money circulation. This policy eliminates 'black money', improving the monetary system and enabling regulators to monitor fund flow.

3. METHODOLOGY

Research Design

This study adopted a survey research design. Survey research designs obtain data about practices, situations, and views through questionnaires.

Area of the Study

Taraba State, located in northeastern Nigeria, was created on August 27, 1991, from the former Gongola State. It covers 54,473 km² and has a population of about 4 million people. The state ranks 30th in GDP with a total of \$13.27 billion and a Per Capita income of \$3,720 as of 2021. Taraba State is surrounded by Nasarawa, Benue, Plateau, Bauchi, Gombe, Adamawa, and the Northwest Region in Cameroon. The state is divided into sixteen Local Government Areas (LGAs) and is home to over 77 different tribes and languages. The climate is characterized by an annual average temperature of 33°C, high levels of cold in January, and increased rainfall in August.

Study Population

The population of this study covered all 766708 households and 2532 Money Market Operators in Taraba State. The source of this population is the Taraba State Ministry of Budget and Planning. The opinion of this group of people is carefully surveyed in order to gather information on how the change in the Naira notes Policy of 2022 affects their Cost of Living in Taraba State.

Sample and Sampling Techniques

A sample size is a selected section of the population under investigation. The selected sample size is 400 households and 345 Money Market Operators. This sample is studied with regard to the population, and from its findings, generalizations is made for the entire population. This sample size is considered based on the following model:

$$S = \frac{X^2 NP (1 - P)}{d^2 (N - 1) + X^2 P (1 - P)}$$

S = Required Sample Size.

X² = The table value of the chi-square for 1 degree of freedom at the desired confidence level (3.841).

N = The Population Size.

P = The population proportion (assumed to be 0.50 since this would provide the maximum sample size).

d = the degree of accuracy expressed as a proportion (0.05).

The above formula will be considered in determining the sample size of this study.

Sampling

Table 2. Population and sampling procedure

Household Sector			
Sample Size (S) = $X^2 NP (1 - P) \div d^2 (N - 1) + X^2 P (1 - P) = 4(766708)(0.5)(1-0.5) \div (0.05)^2(766708-1) + 4(0.5)(1-0.5) = 400$			
Sector	Population	%	Sample
Applicants	326143	42	168
Business Owners	198335	26	104
Private Employees	58411	8	32
Public Employees	75031	10	40
Farmers	108788	14	56
Total	766708	100%	400
Money Market Operators Operation Cost			
Sample Size (S) = $X^2 NP (1 - P) \div d^2 (N - 1) + X^2 P (1 - P) = 4(2532) (0.5)(1-0.5) \div (0.05)^2(2532-1) + 4(0.5) (1-0.5) = 345$			
Sector	Population	%	Sample
Microfinance Bank	231	9	31
Commercial Banks	47	2	7
POS Operators	2046	81	279
Others	208	8	28
Total	2532	100%	345

The study utilized a cluster and multistage sampling method, dividing the population into households and money market operators. The sample was spread proportionally across each sector, and respondents were selected using simple random sampling techniques to ensure adequate representation. The population and the sampling procedure are shown in Table 2.

Description of the Research Instrument

The researcher utilized a questionnaire with three scales, divided into sections A and B, to gather information about respondents and answer research questions.

Reliability of the Research Instruments

The study used the test-retest technique to assess the reliability of research instruments, administering questionnaires to traders twice after a two-week interval, to ensure consistent and reliable responses.

Sources of Data:

The investigator made use of primary data, which was collected through questionnaires.

Procedure for Data Collection

Questionnaires were employed to obtain data from households and Money market operators cost about how the change in naira note policy affects their cost of living. Four

hundred (400) questionnaires were administered, with some randomly selected households and MMOs as the research sample. Three latter scales of Agreed Disagreed and Undecided instruments were administered, guided with instructions, and retrieved within 48 hours. This was to ensure that the responses were entered without pressure.

Method of Data Analysis

The work employed a descriptive statistic method; simple percentages and the Chi-square (χ^2) statistic were used for the computation and analysis of the data collected.

1. Simple percentage = $X/Y * 100\%$. Where

X = a given number of respondents (say, those who agreed, disagreed, or were undecided).

Y = total number of respondents (say, agreed, disagreed, or undecided).

100% = constant

2. A statistical package for social sciences was employed to run the chi-square statistics in order to get p-Value of the chi-square statistic.

Method of Decision Rule and Hypothesis Testing

The null hypothesis (H_0) will be rejected if the p-Value is less than the critical value at 0.99% level of significance. The degree of freedom will be measured as $Df = (c-1) \times (R-1)$, where

C = Column Total,

R = Row Total and

1 = Is a Mathematical Constant.

4. RESULTS AND DISCUSSION

Introduction

This involves data presentation, analysis, and discussion of findings. Table 4.1 presents data about the administered and retrieved questionnaires. Tables 4.2 to 4.10 present data about the respondents, while tables 4.11 and 4.12 present data on the effect of the change in the naira note on households and money market operators.

Presentation of data

Table 4.1 Administration and Retrieval of Questionnaires

Household Sector			
Sector	Administered	Retrieved	Not -Retrieved
Applicants	168	166	2
Business Owners	104	104	0
Private Employees	32	32	0
Public Employees	40	39	1
Others	56	48	1
Total	400 (100%)	394 (98.5%)	4(1.5%)
Money Market Operators Cost			
Sector	Administered	Retrieved	No- Retrieved
Microfinance Bank	7	7	0
Commercial Banks	31	28	3
POS Operators	279	275	4
Microfinance Banks	28	28	0
Total	345 (100%)	338 ((98%)	7 (2%)

Source: Field Survey 2023

Table 4.1 shows that 98.5% of the research instruments administered to the household retrieved, while 98% of the research instruments administered to money market operators cost were also retrieved.

Respondent Data

Table 4.2 Sex Composition

SEX	Household	Money Market Operators	TOTAL
MALE	193 (49%)	141(42%)	334 (46%)
FEMALE	201 (51%)	197(58%)	398 (54%)
Total	394 (100%)	338 (100%)	732 (100%)

Source: Field Survey 2023

Table 4.2 shows that 49% of household respondents were male while 51% were female and 42% of the money market operators cost respondents were male while 58% were female.

Table 4.3 Respondents Age Group

Age	18-30	31-50	Above 50	TOTAL
Household	151 (38%)	188 (48%)	55 (14%)	394 (100%)
Money Market Operators	167 (50%)	149 (44%)	21 (6%)	338 (100%)

Source: Field Survey 2023

Table 4.5 shows that 38% of the household respondents were between 18 and 30 years old, 48% were between 31 and 50 years old, and 5514% were above 50 years old. 50% of the money market operators operation cost respondents were between 18 and 30 years old, 44% were between 31 and 50 years old, and 6% were above 50 years old.

Table 4.4 Respondents Residential Areas

SEX	Household	Money Market Operators	TOTAL
Urban Area	152 (49%)	287(84%)	439(46%)
Rural Area	242 (51%)	51(58%)	293 (54%)
Total	394 (100%)	338 (100%)	732 (100%)

Source: Field Survey 2023

Table 4.4 shows that 49% of household respondents reside in urban areas while 51% reside in rural areas in Taraba state and 85% of money market operators cost respondents reside in urban areas while 15% reside in rural areas in Taraba state.

Table 4.5 Respondents Educational Attainment Data

Attainment Level	Household	Money Market Operators	TOTAL
Primary Education	52 (13%)	7(2%)	59
Secondary Education	241 (61%)	51(15%)	291
Tertiary Education	101(27%)	280 (83%)	381
Total	394 (100%)	338 (100%)	732

Source: Field Survey 2023

Table 4.5 shows that 13% of household respondents have a first school leaving certificate, 61% have secondary education, 27% have tertiary education, and 2% of the money operators operation cost respondents have a first school leaving certificate, 15% have Secondary education, and 83% have tertiary education.

Table 4.6 Respondents Marital Status

MARITAL STATUS	Married	Unmarried	TOTAL
Household	283(72%)	111(28%)	394(100%)
Money Market Operator	212(63%)	126(47%)	338(100%)

Source: Field Survey 2023

Table 4.6 shows that out of 394 (100%) Household respondents, 283 (72% were married) and 111 (28% were unmarried). Out of 338 (100%) Money market respondents, 212 (63%) were married, while 126 (47%) were unmarried.

Table 4.7 Household Employment Status

Status	Unemployed	Local farmer	Public servant	Private Employee	Total
Responses	56 (14%)	64 (16%)	211(54%)	63(16%)	394(100%)

Source: Field Survey 2023

Table 4.7 shows that 14% of the household respondents were unemployed, 16%) were local farmers, 54% were public servants, and 16% were employed in the private sector.

Table 4.8 Household Average Expenditure on Food Items Per Month

AVERAGE INCOME EARNED	₦5000 - ₦20000	₦20000 - ₦50000	Above ₦50000	TOTAL
Responses	158 (40%)	165(42%)	71(18%)	394(100)

Source: Field Survey 2023

Table 4.8 shows that out of the 394 (100%) respondents; 158 (40%) have an average expenditure on food items of ₦5000 - ₦ 20000 per month, 165 (42% have an average

expenditure on food items of ₦20000 - ₦50000 per month, and 71 (18%) have an average expenditure on food items above ₦50000 per month.

Table 4.9 Household Average Expenditure Made on Articles of Clothing

AVERAGE INCOME EARNED	₦5000 - ₦ 20000	₦20000 - ₦50000	Above ₦50000	TOTAL
Responses	167(42%)	176 (45%)	51(13%)	394(100%)

Source: Field Survey 2023

Table 4.9 shows that 42 % of the household respondents make average expenditures on articles of clothing of ₦5000 - ₦ 20000 per month, 45% make average expenditures on articles of clothing of ₦20000 - ₦50000 per month, and 13% make average expenditures on articles of clothing above ₦50000 per month.

Table 4.10 household income and expenditure disparity

Disparity	Less than ₦5000	Between ₦5000 and ₦10000	Between ₦10000 and ₦25000	Above ₦25000	TOTAL
Responses	42 (11%)	48(12%)	186 (47%)	118(30%)	394

Source: Field Survey 2023

Table 4.10 shows that 11% of the household respondents have an income and expenditure disparity of less than ₦5000, 12% have an income and expenditure disparity of ₦5000 and ₦10000, 47% have an income and expenditure disparity of ₦10000 and ₦25000 and 30% have an income and expenditure disparity above ₦25000.

Responses to Research Questions

Table 4.11 Money Market Operators Cost

S/N	ARIABLE	RESPONSES						Total
		AGREED		DISAGREED		UNDECIDED		
		O	E	O	E	O	E	
9.1	I made much expenditure between December, 2022 and February 2023?	231	310	94	25	13	10.4	338
9.2	I was physically attacked during the period of December, 2022 and February 2023?	323	310	3	25	12	10.4	338
9.3	I was emotionally drained during the period of December, 2022 and February 2023.	322	310	0	28	16	10.4	338
9.4	Were you forced to change your line of business during the period of December 2022 and February 2023?	318	310	9	28	11	10.4	338
9.5	I lost some funds during the period of December 2022 and February 2023.	334	310	4	28	0	10.4	338
Total		1528 (90%)		110 (7%)		52(3%)		1690

Source: Field Survey 2023

Table 4.11 shows that 90% of money market operators in Taraba state agreed that they made much expenditure between December, 2022 and February 2023 and were physically attacked during the period of December, 2022 and February 2023. They were also emotionally drained and forced to change their line of business during the months of

December, 2022 and February 2023. They also agreed that they had lost some funds during the mentioned period.

Table 4.12 Data on the Effects of Change in Naira on the Cost of Living of Households

S/N	VARIABLES	RESPONSES						Total
		AGREED		DISAGREED		UNDECIDED		
		O	E	O	E	O	E	
8.1	The redesign of Naira notes increased the cost of food items?	310	303	19	102	9	6.8	338
8.2	The redesign of Naira notes introduced an increase in the cost of industrial products, which increased your cost of living?	318	303	10	102	10	6.8	338
8.3	The redesign of Naira notes introduced an increased cost of transportation, which increased your cost of living?	232	303	100	102	6	6.8	338
8.4	The redesign of Naira notes introduced increased costs of distribution and logistics services, which increased your cost of living?	320	303	7	102	11	6.8	338
8.5	The redesign of Naira notes introduced increased costs and charges for financial transactions, which increased your cost of living?	337	303	0	102	1	6.8	338
	Total	1517(89%)		136 (8%)		37 (3%)		1690

Source: Field Survey 2023

Table 4.12 shows that 89% of the households in Taraba state agreed that the redesign of naira notes has increased the cost of food items, industrial products, transportation, distribution, and logistics services, as well as financial transactions, which has affected their cost of living.

Evaluation of Research Hypothesis

1) Test of HO1

P Value = 0.000115

DF = 8.

Critical Value (@) = 1.647

Level of significance = 99%

The null hypothesis (HO1), which states that the 2023 changes in naira note policy did not significantly affect the cost of money market operators operation cost in Taraba state is rejected at the 0.95% level of significance as the P-value (0.000115) is less than the Critical value (1.647) at the 99% significance level of 8 degrees of freedom. Hence, the alternative hypothesis which state t 2023 changes in naira note policy significantly affect the Cost of money market operators operations in Taraba state is accepted

2) Test of HO2

P -Value = 0.000173842

DF = 8

Critical Value (@) = 1.647

Level of significance = 99%

The null hypothesis (HO2), which states that the 2022 naira note redesign policy has not significantly affected household general costs in Taraba state is rejected at the 0.99% level of significance because the P -value (0.000173842) of the chi square is less than the critical ($X_{\text{critical}} = 0.711$) value at the 99% significance level of 8 degrees of freedom. Hence, the alternative hypothesis (H1), which state that the 2022 naira note redesign policy has significantly affected household general costs in Taraba state is accepted.

5. DISCUSSION OF FINDINGS

Between December 2022 and February 2023, 90% of money market operators in Taraba State experienced significant expenditure, physical attacks, emotional exhaustion, and financial loss. The Naira note redesign policy affected the survival and cost of these operations, leading to increased costs of physical cash, forced closures of locations, and reduced profit. Additionally, the redesign of naira notes increased the cost of food, industrial products, transportation, distribution, and logistics services, affecting households' cost of living. This was due to corruption, hindering local economic activities, and resulting in an inflationary situation, leading to a higher cost of living in Nigeria during this period.

6. CONCLUSION

There is a significant increase in household and money market operators' operation costs of living in Taraba state between 2022 and 2023. The 2022 naira notes redesign policy has significantly affected households' cost of living and money market operators' operations costs in Taraba state. There have been increases in the costs of transportation, rent, clothes, food items, etc., between 2022 and 2023 in Taraba state, and this is attributed to the 2022 naira note redesign policy in Nigeria.

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