

1. ADVANTAGES OF RECESSION IN NIGERIA

TOPIC
BY

EZIKE SAMUEL EBUKA

RESEARCH WORK SUBMITTED IN FULFILLMENT OF RAADAA
RESEARCH WORK (CATEGORY B) undergraduates, college of
education, Monotechnic & Polytechnic students of any Tertiary
institutions in Africa.

2. CERTIFICATION

- I certify that this research work and writeup is done by me, and that all the documentations are all my work.

3. DEDICATION

- I dedicate this writeup to God Almighty for helping me out to accomplish it.

I also dedicate it to my family,

EZIKE IFEOMA

EZIKE EMMANUEL

EZIKE MARYANN

EZIKE JOHN

EZIKE JACINTA

4. ACKNOWLEDGEMENT

- .The solid support from my family members and my good friends gingered me to partake in the competition that they believed in me. I took as a challenge, that is why I focused to produce this writeup, I call it, HEART OF THE PEOPLE.

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6. OVERVIEW OF RECESSION IN NIGERIA

- Recession can be defined as the significant decline in economic activities spread across the economy lasting more than a few months, normally visible in real Gross Domestic Product (GDP), i.e. real income, employment, industrial production and retail sale.

GDP is a monetary value of all the finished goods and services produced within a country in a specific period of time.

In a recession, business leaves to expand the GDP diminishes for two consecutive quarters, the rate of unemployment rises and housing price decline.

A recession is usually such conditions when there are several quarters of slowing but still positive growth. Often a quarter and then another quarter of negative growth.

A recession is destructive because it creates a wide spread of unemployment, sometimes a high rate of 10%. That is when it affects most peoples. As the unemployment rate rises, consumers purchase fall often more, Businesses go bankrupt.

In many recession, people lose their homes when they cannot afford the mortgage payment, young people can't get a good job after school. That throws off their entire career, Even if the recession is short (nine to eighteen months). Its impact can't be long lasting.

7. CONTINUATION OF OVERVIEW OF RECESSION AND MEANING OF RECESSION IN NIGERIA

- Recession and depression work hand in hand. A depression is a deep and long lasting recession. While no specific criteria exist to declare a depression, Unique features of the last depression, I mean the great depression in 1930, Included a GDP decline in excess of 10% and an unemployment rate that briefly touched 25%.

EXAMPLES

This is a flash back of what happy in 2008 and 2009. In 2008, the economy contracted slightly, Only 0.7%, rebounding in the second quarter to 0.5%. The economy lost 16000 job in January 2008, the first time since 2003. That is another sign that recession was already underway. But today here it is.

8. CONTINUATION OF OVERVIEW OF RECESSION IN NIGERIA

- How long will recession last.
Economics for instance do not exactly say how long a recession will last, but studies show that the average recession last for about 22 months. Also the Nigeria recession is caused by a combination of factors including a dip in oil price while government are not serious in agriculture, which has led to inflation whereas leads to recession. However bad debts are a key problems, so this inflation is likely to last up to a year in Nigeria or more, we were told by Economics that it should stabilize in 2017 but to no avail.

9. CAUSES/ FACTORS THAT BRINGS ABOUT RECESSION IN NIGERIA

- WHAT CAUSE RECESSION

Many factors contribute to the economy's fall into a recession but the major cause is

1. INFLATION: This is probably the main reason why Nigerians economy crashed. Inflation is defined as the several rise or increase in price of goods and services over a period of time. It is no news that the price of foodstuffs and other commodities have steadily been on the rise for the past 10 years. The percentage of price of commodities rise in tandem with inflation.

2. THE LOW PRICE OF OIL: The volatile state of oil production in Nigeria bad debts gathered overtime has lead to low purchasing power and foreign exchange scarcity.

3. BAD LEADERSHIP: The blame for recession rest squarely at the foot of the government. The policies of the government most at times led the country entering into a recession, selfish and greedy political decision of the government often leads to the recession.

10. CONTINUATION

- 4. DECREASED CUSTOMERS CONFIDENCE: Customers are less likely to spend money when they believe that the economy is bad. The psyche of Nigerians is adversely affected when they hear that the economy is in recession.

5. HIGH INTEREST RATE: This is another factor that leads to recession. High interest rate leads to decrease in liquidity i.e the money available for an investment is greatly reduced.

11. EFFECTS OF RECESSION IN NIGERIA

- HOW DOES RECESSION AFFECT A COUNTRY
According to economics text book, two consecutive quarters of negative in GDP leads to recession, large and small business are affected as production slows down. The country sinks into loss of jobs, a decline in real income, a slowdown in industrial production and manufacturing and a slump or decline in customers spending. This generally get more difficult and firms publicly traded on major stock exchange ultimately be hurt. They are below,

12. CONTINUATION

- 1. Decrease in sales of goods and services due to reduced finances available and families, the purchase of goods and services decline.
- 2. Increase in unemployment, due to decreased sales of goods and services by business owners and companies, a reduction in the workforce takes place, leading to loss of jobs.
- 3. Decline in stock market, investors would avoid investing in companies that might suffer loss, while some investors would pull their funds from the stock market.

13. BENEFITS/ADVANTAGES OF RECESSION IN NIGERIA

- 1. IT CAUSES YOU TO BE MORE CREATIVE: Its not the time to depend on anyone to help you, you must hustle to survive.
- 2. TOUGH DECISION: It makes everyone to make tough decision, lazy people must work hard to survive, All hands must be on desk.
- 3. It enhances competition
- 4. It makes you realise that you can't take anything for granted
- 5. It reminds you that the real Seth is not about things you own.
- 6. It makes you to think like a human, when hunger strikes you
- 7. It brings you back to the bases
- 8. It accelerates changes
- 9. It causes you to be less wasteful

14. HOW DO RECESSION AFFECTS THE POOR MASSES

- 1. TEMPORAL INCREASE IN FOOD STAMP BENEFITS: Most of the food stuffs that are commonly affordable by the poor masses will increase in price thereby making it hard for them to afford .

2. ADDITIONAL OF RENTAL FEES: Most of fee owners of a house (landlord & landlady) may see it as a time to make hug money thereby making it unaffordable to the poor masses.

3. UNEMPLOYMENT INCREASE: This is the time that stealing, rapping, kidnapping and other social wices will be rampant because the poor masses must survive.

4. HUNGER: This is the time that the lazy poor masses should wake up from their slumber of any of them are lazy to cultivate food in order to survive during this hardship.

15. DOES NIGERIAN RECESSION AFFECT OTHER COUNTRIES THAT BUSINESS WITH THEM

- Take for instance countries that use dollar as their currency now 1\$ is #315.2500naira. I can recall that American visa back in the days assuming a worth of #200000 then, but now you can agree with me that it would have increased to #500000 because of recession. These would cut down the rate of immigrants and emigrants within the country. Even the business sector, people slows down in purchase of goods they sell to sustain their lives. Even the consumers thinks twice and cut down less spending. All these do affect countries that Nigerian do business with.

16. HOW TO END/SUSTAIN LIVES DURING RECESSION

1. UNEMPLOYED PEOPLE SHOULD ACCEPT A LOW PAYING JOBS : Unemployed people should accept low paying jobs as a short term solution when a better a better job offer is available.
2. PEOPLE SHOULD ALSO CONSIDER PART TIME JOBS: Individual should also consider engaging themselves in part time jobs like opening a small scale business or rearing of animal.
3. MAKING CHANGES IN FINANCIAL SPENDING: People should understand the difference between needs and want during a recession. Areas of priority spending be housing, food, transportation, clothing and education, and not spending or lavishing cash at the party with ladies, please think twice and help others.
4. AVOID RECKLESS SPENDING: Families that put their children in a high rated school fees should consider other schools at affordable rate, Also families that live in an expensive house and pay high house rent will reconsider relocating to cheaper ones.
5. INTERVIEW AT RURAL AREAS: Government workers or Agricultural extension workers should travel to different rural areas to educate and teach the peasant farmers the importance of Agriculture and the benefit of it regarding to the current situation.

17. QUESTIONS THAT EACH NIGERIAN MUST ANSWER IN THIS RECESSION

- 1. Do this current Nigeria situation affect me?
- 2. If yes how will I go about it?
- 3. Am I spending recklessly?
- 4. Do I know my needs and wants?
- 5. What do I do for a living?
- 6. Am I lazy that I can't cultivate to sustain my life and families?
- 7. What are the businesses that I will do that are not seasonal?
- 8. Recession has benefit!! Do I really benefit from it?
- 9. What are my plans in this recession?
- 10. How can I be of help in this Nigeria's situation??

18. CONCLUSION

- Recession is a challenge that faces a country. It is a time that every citizen of a country should have a foresight on a means to survive during this great famine. A country that is facing recession doesn't need to relent because most of the countries that have faced recession are those that base on one economic resource like Nigeria that believed that oil will never dry and that oil will be flowing till life ends forgetting that those oils are formed from dead decay organic matters in the soil. On like Nigeria that focused only on oil and left attention on Agriculture are now suffering from it, it's also a time that lazy citizens should wake up from their slumber to embrace hardwork that hardwork helps but doesn't kill.

I will leave a word for my fellow Nigerian and world at large that selfishness, greediness will not do us good rather it will bring trouble between one another .

I STILL REMAIN EZIKE SAMUEL EBUKA.
WE PRAY FOR THE BEST