

ECONOMIC DOWNTURN AND LIVELIHOOD SUSTAINABILITY IN NIGERIA: COPING WITH THE DAYS OF “AFUSAL”**BOSEDE AKANBI (PhD),****DEPARTMENT OF ECONOMICS, COLLEGE OF MANAGEMENT AND SOCIAL SCIENCES,****OSUN STATE UNIVERSITY, OSOGBO, P.M.B. 4494, NIGERIA****TEMITOPE AKINTUNDE (PhD),****DEPARTMENT OF ECONOMICS, COLLEGE OF MANAGEMENT AND SOCIAL SCIENCES,****OSUN STATE UNIVERSITY, OSOGBO, P.M.B. 4494, NIGERIA****RASHEED OYAROMADE (PhD),****DEPARTMENT OF ECONOMICS, COLLEGE OF MANAGEMENT AND SOCIAL SCIENCES,****OSUN STATE UNIVERSITY, OSOGBO, P.M.B. 4494, NIGERIA****GEORGE OGUNLEYE (PhD)****DEPARTMENT OF ECONOMICS, COLLEGE OF MANAGEMENT AND SOCIAL SCIENCES,****OSUN STATE UNIVERSITY, OSOGBO, P.M.B. 4494, NIGERIA****&****MATHEW ADAGUNODO****DEPARTMENT OF ECONOMICS, COLLEGE OF MANAGEMENT AND SOCIAL SCIENCES,****OSUN STATE UNIVERSITY, OSOGBO, P.M.B. 4494, NIGERIA****Abstract**

An economic downturn occurs when there is decline in economic gross domestic product (GDP) for at least two consecutive quarters as well as fall in employment, industrial/manufacturing output, retail sales, per capital income. Little or no studies have concentrated on impacts of economic recession, their sustainability and coping strategies among paid workers in Nigeria, hence, this study. Data were obtained using a structured questionnaire to elicit information from the respondents' socioeconomic characteristics, perceived effects of modulated salaries on sustainability and the coping strategies. Quota sampling technique was used to randomly draw a total sample of 1,200 selected across senatorial districts in Osun State. Descriptive statistics such as frequency counts, percentages and means were used to carry out exploratory data analysis (EDA) and ANOVA were used to analyze the data. The results showed that virtually all areas of livelihood of the people are affected by the economic downturn (school fee, food, health, furniture, social, utilities, and house rent were greatly affected and that there is significant change in the livelihood strategies of the household in the face of economic downturn determined by one-way ANOVA ($F(6,7) = 46.49$, $p = .000027$) with ANOVA statistics in excess of 40, and probability values near zero. In addition, 28.49% of the respondents sought assistance from their various families as a survival means. Furthermore, over 25% went into farming while over 21% either obtained loan from friends or went into petty trading. The findings of this study can be used to generate or improve policies aimed at encouraging and enlightening those in paid employment on different ways of diversifying their livelihoods in order to reduce economic and social risks in the face of subsequent shocks.

Key words: economic downturn; coping strategies; half salary; sustainability

Introduction

An economic recession or downturn occurs in a country or region when there is decline in economic growth or gross domestic product (GDP) for at least two consecutive quarters as well as fall in employment, industrial/manufacturing output, retail sales, per capital income etc (Kimberly, 2006; Adeniran and Sidiq, 2018). In other words, an economic downturn is characterized by a declining demand for raw materials including minerals, products and services. Nigeria as a nation has been experiencing this unfortunate economic phenomenon since the central bank of Nigeria (CBN) and Minister for finance publicly admitted that Nigeria is experiencing economic recession on the 3rd of June, 2016 (Noko, 2016). Aside from global and financial economic crisis, other institutional factors have accounted for Nigerian economic downturn (Adeniran and Sidiq, 2018).

Nigerian economy is largely a mono-cultural economy (relying majorly on revenue from crude oil), hence, the fall in the price of crude oil at the international market caused decline in the income of the three tiers of government, leading to many challenges in the country (Nigeria Economy Watch, 2015). The fall in the price of crude oil in international market has impacted negatively on the revenue generated by the federal government as well as allocation to various states of federation (Akuruju, 2015). The deficiencies in the finances of virtually all states of the federation forced most of them to seek alternative revenue sources if they must meet their financial obligations. In order to ameliorate the situation, the federal government of the nation has strived to assist these states to in meeting their financial obligations through the concessionary loan (bailout funds). In

addition, external debt profile accompanying by the debt service component compound their ability at meeting their statutory obligations. Therefore, the dwindling revenue was diverted to debt servicing and makes most states fall behind in the payment of salaries to their workers (Nigerian Vanguard, 2017). Also, the depreciation in the nation's currency makes it difficult for state governments to finance their external debt. The issue coupled with the fact that most states now have their internally generated revenue (IGR) base far below their obligations (Nigeria economy watch, 2015).

States affected mostly by the economic shocks and high debt profile are not less than fourteen in number in which Osun state is among (The Vanguard, 2015). Some have argued that quest for infrastructural development (construction of roads both states and federal) are also inclusive of the challenges (Adedoyin, 2017).

The situation has forced many state governments to focus more on cost cutting and on how to drive economic revolution to their states to raise more revenue (Marshall and Solomon, 2017). Osun government had to introduce modalities on the payment of salaries from July, 2015 based on the meager resources accruing to the state every month (Barbaric, 2017). Among the modalities is payment of modulated salaries to all civil servants, which entails; full salaries to workers on grade levels 01 to 07 while workers on grade level 08 to 10 are paid 75% salaries and levels 12 and above are being paid 50% (The Vanguard, 2018). This situation led to the slogan of "AFUSAL" among all civil servants in Osun state. "AFUSAL" connotes "half salary payment system (HSPS)" (Popoola and Jimoh, 2016). Hence, fluctuations in the payment of salaries including the concept of "half salary"

may have consequent implications on many of the worker's sustainable livelihood, thereby necessitating the need for Osun state workforce to devise strategies to cope with the economic shocks.

According to Taylor and Francis (2007) livelihood diversification is defined as the process by which families construct a diverse portfolio of activities and social support capabilities in order to survive and to improve their standard of living. It could also be regarded as various attempts by individuals and households to raise income and reduce environmental risk which differs sharply by the degree of freedom of choice (to diversify or not), and reversibility of the outcome.

Though, there are mounting evidences in the literatures on the various coping strategies adopted by households in both developed and developing nations. Some dealt with vulnerability of households (Saing, 2013) and risks of coping strategies, resilience of households and exploration of coping strategies (Patricia, 2012). While others have directly looked into economic recession and coping mechanism by households, such as economic crises and coping strategies of households in Serbia (Slobdan, 2015), economic recession coping strategies among rural dwellers in Nigeria (Ifabiyi and Banjoko, 2018), little or no studies have concentrated on impacts of economic recession, their sustainability and coping strategies among paid workers in Nigeria .

Moreover, with many issues raised above, some pertinent questions may be raised: What are the effects of economic downturn on livelihood sustainability in Osun state? Do households engage in activities like trading, farming or some other menial jobs in order to supplement the small

and irregular earnings from the government as a coping strategy? What factors affect the type of coping strategies adopted by household and Osun state workforce?

In view of the above, this study aims at investigating the effects of economic downturn on livelihood sustainability and coping strategies adopted by civil servants households in Nigeria using Osun state as a case study. Sections 2 and 3 present are literature review and the research methods, while sections 4 and 5 presented analysis and conclusions of the study.

Literature Review

A recession or downturn is destructive as it causes most families to lose their family members who commit suicide (Nweze, 2015). During the period of economic recession income inequality set in forcing the poor to become poorer and the rich to become richer. According to Jared (2001) during the period of recession unemployment increases, job insecurity increases and poverty escalate among the citizens. If history is any indication, the onset of the current recession may lead to lower incomes for those at the bottom and middle of the income scale. Relative to the wealthy, these families are most vulnerable to swings in the market economy (Nwuzor, 2017).

Fendlin (2013) asserted that during recessions, people sell their houses, cars and other properties as a means of sustainability. Even if the recession is short lived, its impact can be long-lasting sometimes its impact last for three to five years on the low income household in the society (Fedlin, 2013). The greatest hit during economic recession is the poor and middle income families and argued that government should rather increase budget on social incentives to assist the low income families rather than reducing salaries or delay in salary payment (LBS, 2016).

Coping is a creative process of developing ways of dealing with new and difficult situations. Because individuals each have different drives, capacities, and past experiences which make them unique, so too have they developed and integrated these characteristics to different degrees; all of these differences interact with the environment, the result being their unique coping style. An individual may use many coping devices and strategies, but his total range determines his coping style (Murphy, 1962). There are four major aspects to the coping process, as noted Bishop (2014). These are the character of the particular stressful situation with which one must cope, the contextual resources upon which one draws as an aid to coping (support groups and relationships available and used by the individual), coping style (which includes unique disposition, preparatory behaviors for coping, coping behaviours) and the outcome of coping.

Traditionally, coping strategies have been divided into dichotomous categories - probably the most well-known coping models are the transactional model (Lazarus and Folkman, 1984) and the approach-avoidance model (Roth and Cohen, 1986). In the transactional model, coping is defined as problem-focused and emotion-focused; the approach-avoidance model describes particular strategies which can be categorized either as approach or avoidance. The individual's consideration as to whether they have the resources for a solution to the given situation is the most important aspect in both of these models. In the approach-avoidance model, the individual considers whether they have the resources for coping with the situation and subsequently chooses either the approach mode (focused on a direct solution to the problem), or the avoidance mode (Roth and Cohen, 1986).

Empirical Review

Existing studies showed that the most hit during the period of economic and financial crisis is the poor in the society. This stem from the facts that their income is relatively low compared to the new economic realities.

Tchrenina (1996) in the qualitative study of household survival strategies in the Novosibirsk oblast of Russia showed that the households with higher educated heads (professionals and scientists) were more likely to choose active strategies to cope with poverty. They had income from multiple jobs, received money from relatives and pointed out the wide use of social safety nets to improve their financial situation.

Levine's (2013) study on strategies to improve the economic prospects of low-income households in USA showed that low-income households are disproportionately female, minority, and young. Most of these households have minor children at home, and many are headed by single parents. Their low incomes are partly due to their low wages, but even more to a lack of employment. Another reason for the greater success of the upper two-thirds is that they are more likely to have two earners in the family. In short, and not surprisingly, a scarcity of second earners combined with a shortage of work hours and low pay rates keep the bottom third out of the middle class.

In a study carried by UNICEF (2014) on the impact of economic recession on the Spanish, their findings revealed that the great recession has not affected everybody in the same terms. Mid-low income households, and specifically children and youth, have suffered bigger impacts and consequences than the rest of the population.

On the impact of the global economic downturn on communities and poverty in the UK Naomi et al (2011) findings revealed among others that local businesses and employers were affected in all three areas, with major employers integrated into global and regional markets hit particularly hard. There was evidence that businesses that develop diverse global links were better able to cope. Work was affected differently in each area, depending on how the global downturn had hit areas and groups within them, and on how the sector was exposed to the effects of the global economic crisis.

The results of Lokshin and Ruslan (2001) in analyzing the household strategies of coping with poverty and social exclusion in Russia clearly indicates that the choices of survival strategies are strongly determined by the level of human capital in the household. The higher the household human capital, the more likely it chooses active strategies.

In Nigeria, however, few studies like Adegbite (2016) studied impact of economic recession among low income families in Ogun State. The result of the data analysis revealed that recession affected families in the areas of family frictions, job insecurity, unfavorable working conditions and inadequate infrastructures among others. In the same way, Ifabiyi and Banjoko (2018) analyzed the perceived effects of economic recession on rural dwellers, coping strategies and the perceived causes of economic recession.

Their results showed that highest ranked perceived effects of economic recession were increased in prices of goods and services and that it has led many rural dwellers to go back to farming, changed in their life styles, and that it has pushed them to borrowing money from family members and friends. Their results also revealed that

there was a significant relationship between the coping strategies of the rural dwellers and their educational level. In addition, Popoola and Jimoh (2016) results on the implications of half salary payment on workers' productivity in Osun State showed that their morale towards their jobs were very low and that workers only managed to fulfill their obligations of being at their duty post.

In summary, little or no existing studies in Nigeria have examined the consequence of economic recession on modulated salary payment as it affects their sustainability and the coping strategies adopted, thus the subsequent sections pick up the challenge

Research Methods

The objective of this study is to examine the impact of economic downturn on sustainability in Osun state and the coping mechanism adopted by various households among civil servants in response to present economic quagmire. Therefore, this study employed both descriptive and analytical techniques on survey data obtained from questionnaire.

Osun is a landlocked inland and is bounded in the North by Kwara State, in the East by Ekiti State and Ondo State. In the South by Ogun State and in the West by Oyo State. The state was carved out of old Oyo state in 1992 and has 30 Local Government areas. Osun State has about 3.5m people according to 2006 National Population Census.. The state is situated in the tropical rain forest zone and covers an area of about 14,875 sq km and it lies between latitude 7 30' 0" N and longitude 4 30' 0" E.

Data were obtained using a structured questionnaire to elicit information from the respondents' socioeconomic characteristics, perceived

effects of modulated salaries on sustainability and the coping strategies. Quota sampling technique was used to avoid under or over representation of particular segment; this is because the population of Osun state household is too large to be managed within reasonable time and minimum cost. Here, sample of 100 were selected from selected each from 12 Local Government areas which were drawn from each senatorial districts of the State. Thus, a total sample size of 1,200 was selected eventually across the state. Descriptive statistics such as frequency counts, percentages and means were used to carried out exploratory data analysis (EDA) of the study.

Results and Discussion

We examined of economic downturn on sustainability and coping strategies employed by civil servants in Osun state due to number of factors. One major factor is non-payment of salaries by the state government coupled with economic recession in Nigeria. Consequently, this section was sub-divided into two major headings; exploratory section and the modeling section.

The exploratory section will briefly consider the data in broader sense while the

modeling section will focus on the main objective of the study.

Exploratory Data Analysis (EDA)

In this sub-section, we shall conduct descriptive statistics on the following headings:

1. Socio economic and Demographic information
2. Extent of income shock
3. Coping strategies
4. Consumption smoothing
5. Consumption pattern of salary earners

Socioeconomic/Demographic information

The social economic/demographic information comprises of religion, age, education, and marital status, number of dependents and employment status of the respondents.

Gender distribution and age classes

In percentage, the two genders are equally represented. There are 577 (48.08%) female respondents and 583 (48.58%) male respondents. Only 3.3% (40) of the respondents failed to provide their gender information.

Table 1 provides the gender distribution with age classes. As shown, majority of the female are aged between 25 – 40 years and 41 – 60 years respectively. Majority of the male are also in the same age brackets.

Table 1: Gender and age of respondents

| | (%) | 18 - 24 years | 25-40 years | 41-60 years | Above 60 years | Total |
|---------------|-----------|---------------|--------------------|--------------------|----------------|-------|
| No response | 2 (11.76) | 1 (5.88) | 9 (52.94) | 3 (17.65) | 2 (11.76) | 17 |
| Female | 6 (1.04) | 60 (10.4) | 263 (45.72) | 232 (40.21) | 15 (2.6) | 576 |
| Male | 6 (1.03) | 62 (10.63) | 281 (48.20) | 199 (34.13) | 35 (6.0) | 583 |

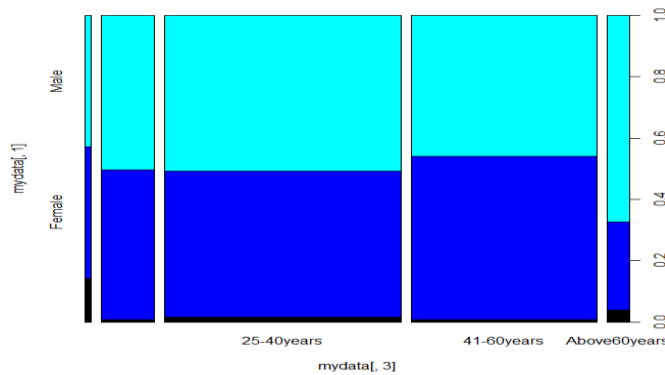


Figure1. presents the visual summary of Table 1.

Education background of respondents

The educational distribution shows that, all the respondents are educated. As shown in Table2, only 18% (208) have secondary school education only. The

remaining 82% (947) have tertiary education besides those who declined providing information about their education attainment. See Table 2 for detailed information.

Table 2: Education Level Attained

| Education attainment | Frequency (%) |
|---|---------------|
| No formal education | 0 (0) |
| Earned Primary School Education only | 0 (0) |
| Earned Secondary School Education only | 208 (18.0) |
| Earned Polytechnic/College Education (OND/NCE) only | 345 (29.87) |
| Earned First Degree only | 468 (40.52) |
| Earned Post Graduate Degree | 134 (11.60) |

Figure 2 gives the visual representation of Table 2. More so, majority of the respondents practice Christianity (53.66%) and Islam (44.1%) respectively. Others practice Traditional religion (2.15%).

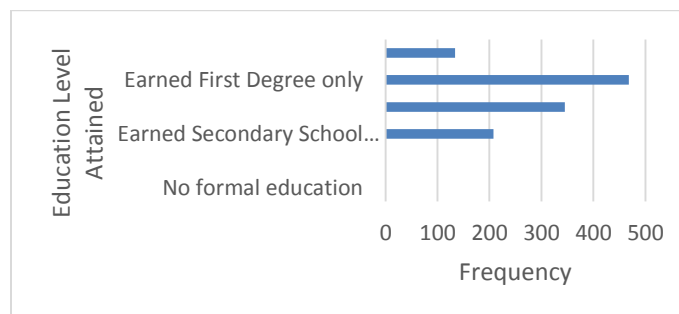


Figure 2: Education Level Attained

Marital Status of respondents

Majority (819) of the population sampled are married (77.34%). Only 18.66%

are single (215 -never married), 1.13% are widowed (13 persons) and only 8 persons (0.6%) are separated. Other unaccounted

declined to provide information on marital status.

Meanwhile, among the married, 175 persons (21.37%) practice polygamy and 21 persons (2.6%) declined to provide the family status. The remaining 693 (84.62%) practice nuclear family, Interestingly, among the widowed, 9 persons (69.23%) practice nuclear family while the remaining 30.77% (4) practice polygamy.

This information reflects the family/household's variability and the degree of family demands. This led us to

Table 3 which presents the family status and the number of dependents. Considering the information provided by the table, we can infer that, the degree of responsibility/demands on the household head will be enormous and huge since each dependent will have their various demands. More so, considering the percentage of those practicing polygamy, the economic downturn is expected to be more pronounced in a polygamy family than the monogamy, although, both will be depending on their coping strategies.

Table 3: Household size and Status

| Family/household size | Family Status | |
|-----------------------|---------------|----------|
| | Monopoly | Polygamy |
| 0 | - | 1 |
| 1 – 2 persons | 122 | 29 |
| 3 – 5 persons | 416 | 82 |
| 6 – 10 persons | 193 | 57 |
| Above 10 | 46 | 32 |

Having done this, we also went further to see the distribution of family status on the employment status of the respondents. As shown in Table 4 and Figure 3, majority (763) of the people are public

servants – 73.22%. And 204 (19.58%) work with private establishments.

Interestingly, majority of persons practicing either monogamy (75.30%) or polygamy (70.90%) home are public servants. See Table 4 for more detailed information.

Table 4: Employment and family status

| Establishment | Private | Public | Tertiary institution | Declined |
|---------------|---------|--------|----------------------|----------|
| Monogamy | 132 | 564 | 53 | 50 |
| Polygamy | 39 | 134 | 11 | 29 |
| Declined | 33 | 65 | 11 | 78 |

Figure 3 gives the visual summaries.

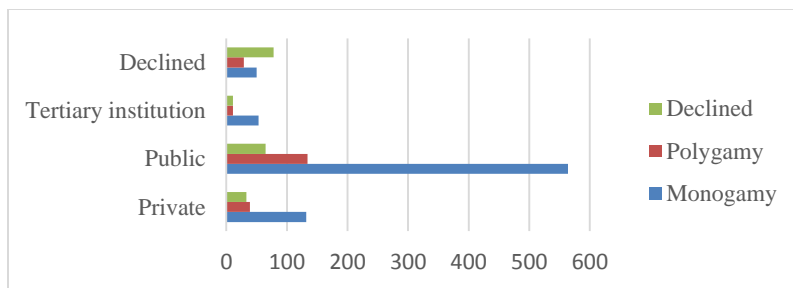


Figure 3: Employment and family status

We also cross examined the number of dependents on the occupational status of the respondents. As shown in Table 5, majority of households have 3-5 dependents. See Table 5 for more detailed information.

Table 5: Occupation status and number of dependent

| Occupation | Paid Employment | Self Employed | Under-Employed | Unemployed | Declined |
|------------------|-----------------|---------------|----------------|------------|-----------|
| No dependent | - | - | - | 1 | - |
| 1 – 2 dependents | 106 | 59 | 2 | 11 | 12 |
| 3 – 5 dependents | 343 | 140 | 2 | 30 | 23 |
| 6–10 dependents | 166 | 77 | 1 | 5 | 11 |
| Above 10 | 55 | 25 | - | 3 | 4 |
| Declined | 49 | 26 | 1 | 13 | 35 |

This implies that, since majority of the population are in paid (government) occupation, any economic downturn will have a serious degree of impact on their

livelihood and survival. Hence, the need for adequate coping strategies. See figure 4 for visual summary of the Table 5.

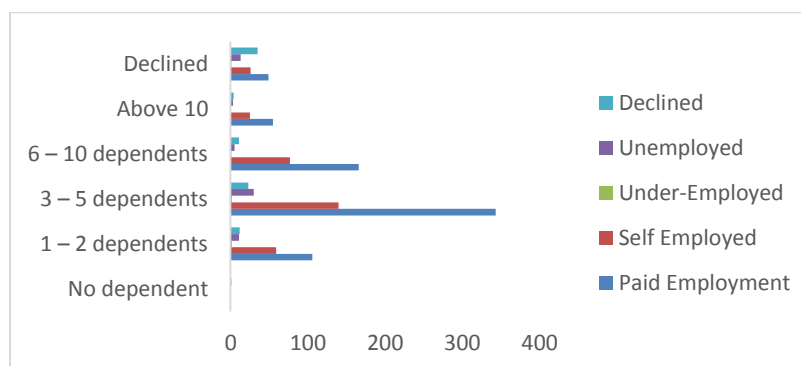


Figure 4: Occupation status and number of dependent.

In the next section, we consider the extent of this income/economic downturn on the people/respondents.

Extent of Income Shock - Economic Downturn

Looking at the monthly income of the respondents under normal circumstances, majority of the respondents [338 - (35.28%)] earn 30,000 naira per month and 319 (32.95%) earn between 30,

000 to 50, 000 Naira monthly. This was shown in Table 6.

In the same table, we also examined the relationship between the number of service and amount or salary earned. We cannot say that number of service by year improve the salary since majority of persons with smaller years of service earn equally with those with over 20 years of service. See the Table 6 for reference.

Table 6: Income on Number of Service year

| | Frequency | | | | | Declined |
|-------------------|-----------|--------|--------|-----------|---------|----------|
| | Freq | < 2yrs | < 5yrs | 5 – 20yrs | > 20yrs | |
| 30k | 338 | 69 | 47 | 27 | 85 | 110 |
| 30k -50k | 319 | 24 | 55 | 152 | 46 | 42 |
| 50k – 100k | 209 | 16 | 29 | 79 | 73 | 12 |
| > 100k | 92 | 12 | 12 | 35 | 24 | 9 |
| Declined | 218 | 11 | 11 | 14 | 12 | 170 |

Figure 5 gives the summary of Table 6.

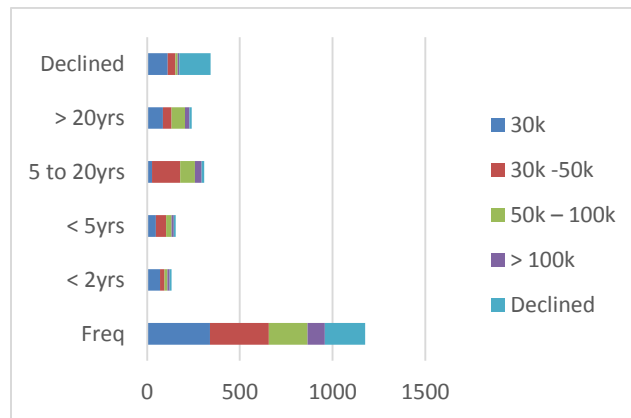


Figure .5: Income on Number of Service year

In order to measure the length of economic downturn on the people, we present in Table 7 the result of this finding. Majority (485- [41.24%]) of the respondents

have not received salary for more than 2 years and some (190 – [16.16%]) have not received salary for 1- 2 years. The others

category (153 – [13.01%]) have not received for about a year.

Effect of Irregularity of Salary Payments on Cost Items

This section considers the difference in cost items of the households before and after the economic downturn. The result

show that as economic situation of the people depreciates, the cost of items goes up. For instance, the average cost on Food before is N12584 and N20673 before and after respectively. See Table 7, 8 and 9 respectively for more information.

Table 7: Cost items per month before irregularity (in Naira)

| Items | Food | School fee | Health care | House rent | Furniture | Utilities | Social |
|---------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|
| Mean | 12,584 | 60,095 | 13,816 | 22,883 | 34,040 | 4,988 | 7,104 |
| Median | 5,000 | 30,000 | 5,000 | 7,000 | 5,000 | 1,500 | 4,000 |
| Mode | 0 | 30,000 | 10,000 | 1,000 | 5,000 | 1,000 | 5,000 |
| SD | 17,959 | 76,295 | 37,868 | 33,903 | 62,247 | 13,468 | 12,247 |
| Maximum | 60,000 | 360,000 | 350,000 | 200,000 | 250,000 | 150,000 | 100,000 |
| Minimum | 0 | 1,000 | 50 | 300 | 250 | 100 | 200 |

Table 8: Cost items per month since irregularity started (in Naira)

| Items | Food | School fee | Health care | House rent | Furniture | Utilities | Social |
|---------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|
| Mean | 20,673 | 57,145 | 10,307 | 22,976 | 23,297 | 4,382 | 4,774 |
| Median | 15,000 | 30,000 | 4,000 | 5,000 | 5,000 | 2,000 | 3,000 |
| Mode | 15,000 | 30,000 | 2,000 | 1,000 | 3,000 | 1,000 | 1,000 |
| SD | 19,896 | 70,845 | 16,511 | 44,797 | 37,292 | 6,016 | 7,881 |
| Maximum | 200,000 | 300,000 | 100,000 | 350,000 | 130,000 | 40,000 | 60,000 |
| Minimum | 2,000 | 1 | 50 | 100 | 500 | 100 | 100 |

Table 9: Mean comparison (before and after)

| Items | Food | School fee | Health care | House rent | Furniture | Utilities | Social |
|--------|--------|------------|-------------|------------|-----------|-----------|--------|
| Before | 12,584 | 60,095 | 13,816 | 22,883 | 34,040 | 4,988 | 7,104 |
| After | 20,673 | 57,145 | 10,307 | 22,976 | 23,297 | 4,382 | 4,774 |

Research Question: Is there significant effect in cost item/livelihood strategies of households in the face of economic downturn (before and after comparison study).

Hypothesis:

Ho: There is no significant effect in the household livelihood strategies before and during/after the economic downturn.

H1: There is significant effect in the household livelihood strategies before and during/after the economic downturn.

$\alpha = 0.05$.

The result in Table 10 shows that, there is significant change in the livelihood strategies of the household in the face of economic downturn determined by one-way ANOVA ($F(6,7) = 46.49, p = .000027$) with ANOVA

statistics in excess of 40, and probability values near zero. Thus, we need to see areas

of the livelihood strategies that are most affected. This result is presented in Table 11.

Table 10: ANOVA table for the cost item

| | Df | Sum Sq | Mean Sq | F value | Pr (> F) |
|-------------------|----|-----------|-----------|---------|--------------|
| Cost Items | 6 | 4.138e+09 | 689632381 | 46.49 | 2.73e-05 *** |
| Residuals | 7 | 1.038e+08 | 14833167 | | |

Majorly, the economic downturn basically affects school fee payment, feed, health care service, household rents, furniture as well as payment of utilities concurrently. See Table11 for more detail.

Table 11: Affected areas due to the economic downturn

| | diff | lwr | upr | p adj |
|----------------------------|----------|------------|------------|------------|
| Furniture-Food | 12040.0 | -3226.288 | 27306.288 | 0.1357102 |
| Health-Food | -4567.0 | -19833.288 | 10699.288 | 0.8798304 |
| HHRent-Food | 6301.0 | -8965.288 | 21567.288 | 0.6694614 |
| Sch Fee-Food | 41991.5 | 26725.212 | 57257.788 | 0.0001363* |
| Social-Food | -10689.5 | -25955.788 | 4576.788 | 0.2062367 |
| Utilities-Food | -11943.5 | -27209.788 | 3322.788 | 0.1398567 |
| Health-Furniture | -16607.0 | -31873.288 | -1340.712 | 0.0334584* |
| HHRent-Furniture | -5739.0 | -21005.288 | 9527.288 | 0.7441479 |
| SchFee-Furniture | 29951.5 | 14685.212 | 45217.788 | 0.0011947* |
| Social-Furniture | -22729.5 | -37995.788 | -7463.212 | 0.0062466* |
| Utilities-Furniture | -23983.5 | -39249.788 | -8717.212 | 0.0045769* |
| HHRent-Health | 10868.0 | -4398.288 | 26134.288 | 0.1952345 |
| Sch Fee-Health | 46558.5 | 31292.212 | 61824.788 | 0.0000690* |
| Social-Health | -6122.5 | -21388.788 | 9143.788 | 0.6934708 |
| Utilities-Health | -7376.5 | -22642.788 | 7889.788 | 0.5261993 |
| Sch Fee-HHRent | 35690.5 | 20424.212 | 50956.788 | 0.0003934* |
| Social-HHRent | -16990.5 | -32256.788 | -1724.212 | 0.0298877* |
| Utilities-HHRent | -18244.5 | -33510.788 | -2978.212 | 0.0208083* |
| Social-Sch Fee | -52681.0 | -67947.288 | -37414.712 | 0.0000307* |
| Utilities-Sch Fee | -53935.0 | -69201.288 | -38668.712 | 0.0000263* |
| Utilities-Social | -1254.0 | -16520.288 | 14012.288 | 0.9998186 |

Thus, virtually all areas of livelihood of the people were affected by the economic downturn. That is, School fee, Food, Health,

Furniture, Social, Utilities, and House rent were greatly affected.

Coping Strategies

Due to the fluctuations in the income/salaries of the respondents, many of them had to look for other means to at least meet up to a level of consumption. It can be seen that 28.49% of the respondents seek

assistance from their various families as a survival means. Furthermore, over 25% went into farming while over 21% either obtained loan from friends or went into petty trading. See below for visual explanation.

Table 12: Coping Strategies during the period of Economic Downturn

| Efforts | Frequency | Percentage (%) |
|--------------------------------|-----------|----------------|
| Part time job | 210 | 17.86 |
| Loan from friend | 256 | 21.77 |
| Assistance from family members | 335 | 28.49 |
| Sales of asset/property | 67 | 5.70 |
| Loan from financial asset | 173 | 14.71 |
| Sales of financial asset | 29 | 2.47 |
| Farming | 304 | 25.85 |
| Petty trading | 253 | 21.15 |
| Others | 44 | 3.74 |

See Figure 6 for summary visual representation.

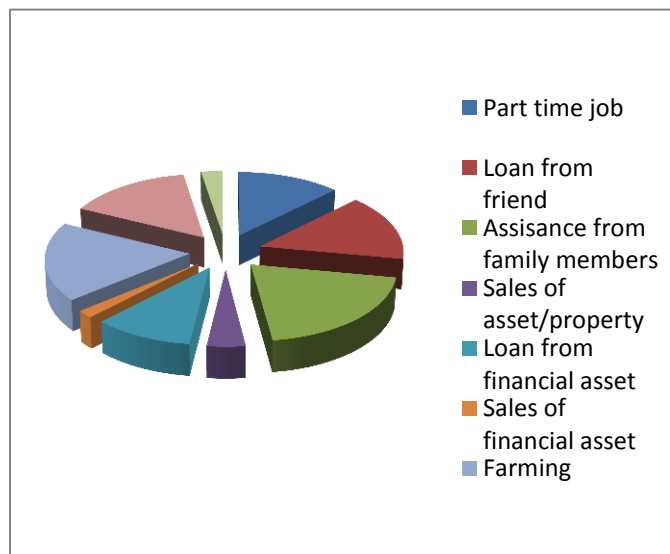


Figure 6: Coping Strategies during the period of Economic Downturn

Conclusion and Recommendations

This study showed that economic recession coupled with debt servicing burden led to payment of modulated salaries of civil servants. Hence the slogan of "Afusal" became so popular and real to all Nigerian citizens including Osun State residents. The impact on paid employment were immediate and later translated to all

other segment of the population. It was shown that not all cadres were on modulated salary payment, hence, the slogan of "Afusal" was not applicable to all civil servants especially those on grade levels I –VII. That economic downturn and modulated salary payment affected virtually all areas of livelihood of civil servants and their dependants were affected by the

economic downturn. That is, School fee, Food, Health, Furniture, Social, Utilities, and house rent were greatly affected.

The findings showed that during economic downturn households in Osun state engage multiple coping strategies to downsize the effects of economic downturn. It was also shown that the degree of attainment of education of household's head in Osun state does not determine the numbers of coping strategies engaged. That reduction in the level of consumption level of households headed by civil servants became a necessity. The study showed that there is significant change in the livelihood strategies employed by the households headed by civil servants before and in the face of economic downturn.

Based on the findings of this work, the recommended that since agriculture remains the main source of income and employment for majority of households in the state, the policy makers in the state should make immense efforts to develop this sector to its full optimization by giving incentives to farmers.

The findings of this study can be used to generate or improve policies aimed at encouraging those in paid employment on different ways of diversifying their livelihoods in order to reduce economic and social risks in the face of subsequent shocks. In particular, the evidence that coping strategies enhances family economic stability and should be considered as a possible measure for reversing the economic downturn status among households in the state.

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Innocent Report Card 12. ISBN: 978-88-6522-030-6.
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