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Impact of Economic Hardship on the Churches in Nigeria

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Abstract: This study examined the impact of economic hardship on the churches in Nigeria. Secondary data were used in the paper. The secondary data were collected from print and online publications. Content analysis was employed for literature screamed in the paper. The paper concluded that reduction in offering and tithe, reduction in church attendance, suspension of churches infrastructural projects, poor implementation of church programs, increments in welfare expenditure and high operational cost of running services are the impact of economic hardship on the churches in Nigeria. Based on this finding the paper recommend that church Pastors should look outside the box to increase the internal generated revenue of the church by engaging in commercial ventures and the government should include the churches in their Social intervention programme. Churches should provide subsidized buses to aid movement of members to church. Church Pastors should look for alternative means of raise money to finance church infrastructural project. Churches should partner with international organizations to raise funds for welfare programme. Churches should adopt solar energy for church services to reduce operational cost.

Key words: Church, Economic, Hardship, Impact, Nigeria.



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Introduction

Church have been conceptualized in different ways by different scholars. Church is spiritual gathering of Christian faithful to worship God. The word church was first refer to as a house set apart for public worship, secondly, it refers to the whole body of Christians, thirdly it refers to a particular denomination of Christians, lastly it refers to any group with a common creed which may not necessarily be Christian (Kirkpatrick 1983). Smylie (1997) noted that the word church is derived from the Greek word "Kyriakon" which means 'belonging to the Lord'. It originally



designated the place where the apostles and evangelists gathered believers for fellowship and worship. It also refers to the Christian community as a whole or a body of Christian believers. This is derived from the Greek word 'ekklessia' which originally meant an official assembly of citizens (Britannica 1998).

The features of the churches includes: they meet every Sunday for corporate worship; they preach the word of God; they performs the sacrament services; they observes fasting and prayers for themselves; the country and they conduct delivering services for their members that are sick; they collect offerings and tithe from the members of the church to finance the church programme and they have ordained pastors, either, deacons and assistance pastors

Just Disciple (2020) observed that the purpose of the church is to come together and worship Christ in unity, but also to utterly transform the community around them, to care for widows and orphans, and be the standard by which the community and world look for direction. The Church is also for teaching sound doctrine and is a training ground for Christians. The Church should be alive and active, a place where all Christians in the congregation are using their giftings and contributing in the capacity they have been given. The Church is a place of accountability, discipleship, and encouragement. It is a place where believers come together to share in love and support, and it serves so many purposes.

JustDisciple (2020) submits that the Church speaks to both spiritual and physical issues, both emotional and practical. It serves the local community of believers as well as the extended family of believers who are either nationwide or worldwide. The Church is dynamic and connected, reaching beyond human capacity by the empowering of the Holy Spirit. The Church is called to completely change the spirituality and morality of the community through faithfulness to God. The pursuit of God by the Churches utterly transforms the churches and makes them stand out from the rest, and like a catalyst, neighborhoods, communities, and the world are changed.

The Church like every public and private institutions in Nigeria appear to have been affected by the economic hardship facing Nigerians. The economic hardship comes with inflation as a result of fuel subsidy removal in Nigeria. Udi (2024) reported that Nigeria's inflation rate increased to 33.2% for the month of March 2024 according to the latest data from the National Bureau of Statistics (NBS). This represents 1.5% point increase from the 31.7% recorded in February 2024. The increase in the inflation rate in March was slower compared to the 1.80% increase recorded in February 2024. On a year-on-year basis, the headline inflation rate increased by 11.16% from 22.04% in March 2023. Additionally, the headline inflation rate for March 2024 was 3.02%, a decrease of 0.10% from February 2024, when it was 3.12%. In March 2024, the food inflation rate reached 40.01% year-on-year, marking an increase of 15.56 percentage points from 24.45% in March 2023. This surge in food inflation can be attributed to rising prices for items such as garri, millet, and akpu uncooked fermented (all part of the Bread and Cereals category), as well as yam tuber, water yam, and others. The inflation did not only affects food prices, it also affects operational cost of both private and public institutions which include education. The economic situation in Nigeria has caused great hardship, poverty, hunger and crime in the society (Asuquo, 2019). It is based on this that this paper seek to examine the impact of economic hardship on the churches in Nigeria.

Concept of economic hardship

Different Scholars have defined economic hardship in different ways. For instance, Ogunode, Afolabi & Daniel, (2024) defined Economic hardship as an economic condition that is characterized with inflation, high unemployment, high debt rate, low income and reduced standard of living of the people. Economic hardship is when the economic activities decrease substantially, and the decline affects wide portions of the economy and it has some permanence (Sabitu, 2023). Economic hardship; the inability to meet reasonable basic living expenses is caused by many



factors (Fenny, 2022). National Bureau of Economic Research (NBER, 2012), viewed Economic hardship as a condition of economic meltdown where citizens of a country cannot afford their basic needs due to inflation and high rate of unemployment that is caused by bad leadership, corruption and unstable economic policies (Ogunode et al. 2024)

Economic hardship is defined as a significant decline in economic activity spread across the economy, lasting for a period of time, normally visible in real Gross Domestic Product (GDP), real income, employment, industrial production. Economic hardship refers to the perception of a deficit of resources compared to others. Those who suffer from economic hardship are competitively disadvantaged, with resultant consequences for survival and reproduction. The perception of economic hardship may motivate individuals to adopt different behavioral strategies including both increased conflict behaviors and increased cooperation (Refaie & Mishra, 2019). Business cycle analyst generally use the conception of economic hardship to refer to weak economic phases, of which duration, depth and diffusion exceed the usual bounds: thus one speaks of the three key dimension of a recession, known as the depth and diffusion (Faruta, 2013).

Impact of economic hardship on the churches in Nigeria

The paper concluded that reduction in offering and tithe, reduction in church attendance, suspension of churches infrastructural projects, poor implementation of church programs, increments in welfare expenditure and high operational cost of running services are the impact of economic hardship on the churches in Nigeria.

Reduction in offering and tithe

The economic hardship in Nigeria has affected the amount of tithe collected in the church and the offerings. The first fruit offering, prophetic offering, mission and welfare offering has reduced drastically. This reduction in offerings and Tithe of the church is linked to inflation in Nigeria. The inflation has affected the salaries of church members who are working in both public and private institutions across the country. The Church is not a business enterprise but nongovernmental institutions that generate her income from the offering, tithes and other donations from the members. Nwaoga and Casimir (2013) ascertained that the Church is only maintained from offerings, tithes from Church members, Churches are not supported by the Government. Attendance of church members were affected because of the fuel price hike, the impact of these was felt in almost all the churches. Example, reduction in offerings and tithes, which affected the welfare of church workers. The inflation in Nigeria has affected the salaries of workers. Ahmed, and Tochukwu, (2024) opined that inflationary effects on the income of fixed salary earners and the education of their children are a growing problem in Nigeria. The country's economy has been struggling for many years, and this has resulted in the cost of living becoming increasingly expensive. This has a direct effect on the incomes of fixed salary earners, as their salaries remain constant while the cost of goods and services increases. This means that their real income is decreasing, making it difficult for them to make ends meet. The increasing cost of living has a particularly detrimental effect on social spending that include spiritual investment via tithes and offering. The abrupt increase in fuel prices resulting from subsidy removal further compounds the economic hardships faced by the Nigerian population resulting to high cost of living and reduction in the value of salaries which directly affected their expenditure. Asuguo, (2019) and Nwaoga, and Casimir, (2013) concluded that offerings, tithes and other church donations has reduced since the economic hardship and inflation started in Nigeria.

Reduction in church attendance

The church attendance in most churches have been affected by the economic hardship and inflation which have led to high cost in transportation fare. Darlington, and Monday (2023) stated that one notable effect of subsidy removal is the surge in transportation costs. With the removal of subsidies, fuel prices rise, directly impacting public transportation fares. Commuters especially



Christians that transport to their churches now face higher expenses for their daily travel, influencing their budgeting decisions. Consequently, consumers may opt for alternative modes of transportation or adjust their commuting habits, which can have implications on church attendance.

Fuel subsidy removal have overhaul and complicate the pattern of living of the populace. The removal has led to increases in the prices of goods and services in the country. From purchasing a car to buying salt and maggi, the story has been the same as even a grandmother that sells firewood has subsidy removal for the excuse of her price in-crease. So the order of the day became a reign of hardship and pain, especially on the common man who is either unemployed or is seated below the very meager minimum wage. This situation has affected his or her movement to churches' programme because he or she will spend more on transportation fare to the church programme on Sunday and during the weekly programme. Femi (2023) and Ogunode et al (2023) remarked that the number of worshiper in most Christian's religious institutions have reduce as a result of subsidy removal. The removal of subsidy on petrol led to increment in transportation fares across the country. Most Christian's religious institutions worshiper depends on private and public transportation means such as motor cycle bikes, taxis and buses to move them to their respective place of worship. Some worshiper may have to stop coming to church or miss services if they cannot afford the transportation fares. Transportation fares have tripled both within and between major cities in Nigeria (Ayeyemi, 2023). Femi (2023) noted that many Christian' worshiper depend on public transport or private vehicles to get to school, which have become more expensive due to the higher cost of fuel.

Suspension of churches infrastructural projects

Many churches building projects such as completion of church new auditorium, children and teenagers church building, church schools buildings, vicarages and other church infrastructural projects have been left unattended to because of the economic hardship in the country. Asuquo, (2019) noted that economic recession that includes economic hardship has hindered, delayed or discouraged the initiation, construction, maintenance and completion of some physical church projects and programmes. It has weakened and reduced the abilities of some members to contribute to or support the work and progress of the church. Nwaoga, et al (2013) observed that most of the so called "mushroom" Pentecostal churches, especially those at their infant stage will lose down completely or be affected adversely, loose some or most of its members as a result of the socio-political cum economic effects of this subsidy. Many religious (church) programmes will either stop or be greatly affected due to its economic consequences, hence inability to raise funds for its projects. Jegede, Steve & Ogunode (2023) observed that economic hardship and removal of subsidy in Nigeria has led to increment in fuel price and which has reduce peoples spending have affected churches' income and revenue. The reduction in churches' income and revenue have affected many capital projects of the churches and programme. One notable effect of subsidy removal on the people is that it's has reduce saves and investment and peoples giving. Inflation in Nigeria has led to suspension of capital projects (Ogunode, Cletus, & Tswenji 2024).

Poor implementation of church programs

Economic hardship and inflation has led to poor implementation of church programs. Many churches have cancelled their annual programs such as revival or crusade programs, conferences or convention programs due to economic hardship in the country. The economic hardship has affected the revenue of the churches and the churches depend on the revenue to implement their programmes. Daniel (2023) submitted that Christian religious institutions are mostly affected by the economic crisis facing Nigeria because the crisis has affected their income and also affected the implementation of the annual programmes.



Increments in welfare expenditure

Economic hardship and inflation has led to increments in welfare expenditure of the church. Money that is meant for other projects in the church are diverted for members who cannot feed their family members, paying of their children school fees, paying of medical bills and purchase of drugs for some of the church members who are in dear need of help due to the economic hardship in the country. Daniel (2023) noted that the expenditure of churches in the areas of welfare has increased since the economic hardship began serious in Nigerian cities. The economic hardship has push many into poverty and they have become underprivileged people in the societies. Ogunode, Afolabi and Daniel (2024) noted inflation has reduced purchasing power of the people and inflation has affected their spending. Daniel (2023) concluded that the large amount of the churches' income are going into welfare programme due to the economic hardship in Nigeria. Maduka, (2024) and Ogunode, Olofinkua, and Sunmonu, (2024) also lamented that inflation and subsidy removal in Nigeria has push many Nigerian into the stream of poverty level increasing dependence level.

High operational cost of running church services

The economic hardship and subsidy removal policy has affected the operational cost of running services in Christians religious institutions in Nigeria, The churches depend heavily of fuel energy to run their services since the power is not stable. Darlington, et al (2023) maintained that the majority of the Nigerian population heavily relies on fuel as an essential resource for their economic activities due to the persistent challenges with the electricity supply in the country. Within the context of Nigeria, power outages and unreliable electrical grids have become an unfortunate norm, leading businesses and individuals to seek alternative means of generating power. This has resulted in a widespread dependence on fuel-powered generators to meet basic energy needs. Given this reliance on generators, the price of petroleum products has a significant impact on the cost of living and conducting business in Nigeria. Fluctuations in fuel prices directly influence the operational expenses of businesses, as fuel is a critical input for various sectors, including transportation, manufacturing, agriculture, and services. Also, Nwaoga and Casimir (2013) noted that whenever there is increase in pump price of fuel it is immediately followed by increase in other services. The effect of the subsidy removal extended to other social spheres of life, ranging from increase in school fees, transportation fare; house rent etc which affects operational cost of both public and private institutions. Kalu (2011) and Ogunode, Eze, and Olumodeji (2024) observed that fuel as an industrial commodity is also important to other sectors of man's activities. Removing the oil subsidy is like removing two square meals from the tables of over one hundred and forty million Nigerians. Immediately the subsidy was removed and the price of fuel increased, there was multiple increases of goods and services in Nigeria, e.g., there was astronomical increase in tuition fees, house rents, food items, and, transportation other basic commodities. This gave room for multiple increases of goods and services in Nigeria which also affecting the social lives of Nigeria.

Findings

The paper identified that reduction in offering and tithe, reduction in church attendance, suspension of churches infrastructural projects, poor implementation of church programs, increments in welfare expenditure and high operational cost are the impact of economic hardship on the churches in Nigeria.

Conclusion and Recommendations

This study examined the impact of economic hardship on the churches in Nigeria. The paper concluded that reduction in offering and tithe, reduction in church attendance, suspension of churches infrastructural projects, poor implementation of church programs, increments in welfare



expenditure and high operational cost are the impact of economic hardship on the churches in Nigeria.

Based on this finding the paper recommend that church Pastors should look outside the box to increase the internal generated revenue of the church by engaging in commercial ventures and the government should include the churches in their Social intervention programme. Churches should provide subsidized buses to aid movement of members to church. Church Pastors should look for alternative means of raise money to finance church infrastructural project. Churches should partner with international organizations to raise funds for welfare programme. Churches should adopt solar energy for church services to reduce operational cost.

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