

Covid-19 Outbreak and the Nigerian Economy: Impact, Response, and Recovery Strategies

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Abstract

The outbreak of the coronavirus popularly known as COVID - 19, has no doubt, shut down economies globally. In response to curbing the spread of the novel virus, governments all over the world instigated strict restrictions on travels and businesses, as well as placing certain bans on social gatherings. The more dire reality is, these various restrictions, grounded both industrial and social activities. Consequently, this impacted socio-economic activities in Nigeria negatively. This paper seeks to identify some of the major impacts of the novel virus on the social and economic lives of citizens across the country. Through available data, the paper tried to determine some of the societal impacts of resulting responses such as workers layoffs, changes in salary structure, as well as the raising of virtual work model. The paper further highlighted important recovery strategies that will provide the required framework towards ameliorating the socio-economic impact of the COVID-19 on the Nigerian society through fiscal and monetary perspectives.

Keywords: COVID-19, Impact, Response, Socio-economic development, Nigeria

1. Introduction

The coronavirus disease 2019, popularly known as COVID-19, is a respiratory illness that can spread from person to person (Ajibo, 2020). The COVID-19 – the virus responsible for the coronavirus disease – was first discovered during an investigation into an outbreak in Wuhan, the Hubei province of China (CDC, 2020a). Owing to the alarming rate at which the novel virus spreads, the World Health Organization (WHO) was forced to declare the COVID-19 virus a public health emergency of international concern on January 30, 2020. The number of deaths globally resulting from the COVID-19 pandemic peaked during the first and second quarters of 2020. Some of the most affected countries as at the time of writing this paper include – China (82,918 cases), the United States (1,367,963 cases), Spain (264,663 cases), and Russia (221,344 cases) (Statistica, 2020). In an effort to curb the spread of the virus while reducing the number of death caused by COVID-19, governments across the globe instigated various measures to ameliorate the spread of the virus from infected individuals to new victims. A number of these measures include restrictions on certain business activities, limitation of social gatherings, enforcement of social distancing, ban on international and local flight travels, compulsory use of face mask and hand sanitizers in public places, among others. Without doubt, these various measures have created a sort of strain on the global economy, as they affect global travel business, health care system, education, event industry, as well as domestic and international trade.

Like many other countries around the globe, Nigeria has had its fair share of havocs caused by the COVID-19 pandemic. Statistic from the National Center for Disease Control (NCDC) as at the time of writing this report, shows that 760 persons have lost their lives due to the coronavirus, with 34259

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