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ECONOMIC RECOVERY AND SUSTAINABILITY IN POST COVID -19 ERA IN NIGERIA

Chikendu, Rebecca E[1] and Obikezie, Maxwell C. and Abumchukwu Angela A.
Department of Science Education
Nnamdi Azikiwe University, Awka, Nigeria
[1]re.chikendu@unizik.edu.ng; [2]cm.obikezie@unizik.edu.ng; [3]aa.abumchukwu@unizik.edu.ng

ABSTRACT
This study assessed the stemming effect of COVID-19 on sustainable economic development in Nigeria through the systematic illustration of the prevailing incidents. It was acknowledged that the obsession with the COVID-19 cases caused many other critical socioeconomic issues to suffer a state of negligence. Like other developing countries, Nigeria could become poorer, given the increased unemployment rate and the anticipated difficulty in servicing debt resulting from the COVID-19 outbreak. With few buffers for situations of diminished purchasing power, many farm households are vulnerable to shocks. COVID-19 thus created a substantial threat at the household level and was an obstacle to the attainment of Sustainable Development Goals (SDGs) in Nigeria. These crises created an opening to reconstruct Nigeria's economy. However, policy makers should pay serious attention to some areas of the economy for economic and structural reforms. They should introduce economic reforms to diversify the economy and reduce the county's dependence on crude oil revenue, also invest in health care infrastructure to help contain future outbreaks of pandemic.

Keywords: COVID-19 sustainable economy and economic recovery

Introduction
Nigeria has in recent years, 2008/2009 and 2016, experienced economic crises. All the previous crises in Nigeria are widely believed and linked to sudden and sustained decline is price of oil in the international market. The recession and economic crises that had hit Nigeria twice in the year 2020 was believed to have been occasioned directly or indirectly by public health crises, the COVID-19 Pandemic. During this period, most economic agents that could have helped to revive and restore the country's economy were technically shutdown and unable to engage in serious/normal economic activities as a result of COVID-19 pandemic lockdown order imposed by government in many states for several weeks/months. The social distancing order and fear of contacting the Coronavirus coupled with the lockdown disrupted economic activities and slowed down the restoration of the economy.

The emergence of the coronavirus pandemic with its searing impact on the global economy seems to have drastically slackened economic activities in the world. COVID-19, which was first discovered in December 2019 in Wuhan city (China), is recently a global challenge to health. It has reshaped our focus and altered the existing status quo in the world economy — showing us a new world with the unprecedented macroeconomic challenges. Given that the COVID-19 has rapidly encircled the globe and consequently affected almost all economies, it has been regarded as a pandemic which has engendered a shift of focus by the World Health Organization (World Health Organization, 2020).

Globally, the COVID-19 pandemic has had serious far-reaching and devastating effects on the economy (Ozili & Arun, 2020). Generally, tourism, health care systems, food and beverage industry, education, trade and others were all adversely affected by the pandemic (Ozili & Arun, 2020; Fernamdes, 2020; Altkeson, 2020; and Mckibbin & Fernando, 2020).

Given the prevailing global development, the outbreak has affected the level of economic development as well as economic decisions

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(World Bank, 2020). Sustainability covers systematic efforts that are in agreement with nature, ecology oriented for future generations. The term and concept had been used to achieve and create responsibility for economic activity and development (Muñoz-Pascual, Curado & Galende, 2019). According to 2005, World Summit on Social Development organized by United Nations (UN) General Assembly (2005).

While the measures of lockdown and social distance introduced by countries to curb the spread of the COVID-19 virus seemed to be necessary, the short-run downside effect is inevitable (McKibbin & Fernando, 2020). The suspension of economic activities (lockdowns) brought about by the pandemic in both developed and developing countries has led to dysfunctional economic outcomes. Although the prevailing global economic performance has been predicted to cause a large contraction, the COVID-19 virus has not only threatened the Sustainable Development Goals (SDGs) but has also worsened the agreed SDGs (World Bank, 2020). It is a great concern that the current health issue has invariably imposed psychological, social and economic spectrum worldwide.

Review of related Literature
Sustainability Development
The three goals- economic development, social development and environmental protections- have served as the root to many standards and certifications in sustainability. In 2015, the UN developed 17 Sustainable Development Goals (SDGs) that are meant to ensure no one is left behind in the success of a modern society. We may adopt the most used definition of sustainability: "meeting the needs of the present without compromising the ability of future generations to meet their needs" (United Nations Sustainable Development, 2020). In this paper, sustainability refers to the intersection of the economy, environment, society and human health. The input of the COVID-19 pandemic has shown the necessity of including human health as one of the SDGs (Marko & Navodya, 2020).

It was reported that the Coronavirus first entered into Nigeria through an infected Italian national who came in the Country and had contact with a citizens who he infected subsequently with the Coronavirus. The coronavirus, condemned COVID-19, started in Wahan, China in 2019.

The COVID-19 pandemic has affected not just the physical health of many people but the economy. With the havocs that followed the spread of COVID-19, the economy has plummeted to record lows, social issues such as domestic violence have increased, and decrease in conservation efforts by conservationists.
The global economic downturn from COVID-19 has been devastating with people having lost jobs, and employers now having no means to support their employees while they are losing business and not able to pay their business rent (Schneider, 2020). During the pandemic, people were no longer travelling and this led to a continuous decline in the demand for aviation fuel and premium motor sprit which negatively affected Nigeria's oil revenue, and by extension Nigeria's foreign reserve. There were supply shocks in the global supply chain as many importers shut down their factories and closed their borders, Nigeria was seriously affected because the country's economy is import-dependent. Nigeria witnessed severe shortage of vital supplies like medicals, spare parts, and finished goods from China and other advanced countries. The country's budget was originally prepared with an oil price of 57USD per barrel. The budget after approval became obsolete as a result of the fall in oil price to 30USD barrel occasioned by the ravaging effect of COVID-19 pandemic. As a consequence budget had to be revised based on a low oil price of 30USD per barrel to produce a new budget (A reduction ₦1.5 trillion from the id figure). The COVID-19 pandemic also negatively affected the Nigerian stock market. Stock market investors lost over ₦2.3 trillion in about three weeks after the outbreak of COVID-19 pandemic in Nigeria on 28th January, 2020. The market capitalization of listed equities depreciated by ₦2.35trillion, the all-share index dropped by 20.8 percent or

4,515.5 points when it closed at 21,701 from 26,216.5 points.

Large industries, such as the airline industries have begun to suffer serious losses that threaten their continued existence as a going concern to the extent that they are now pleading for government intervention in the form of bailouts (Slotnick, 2020).

Major other effects of this pandemic are the intervention of production disturbances in the supply chain, the generation of idle energy, a decrease in sales and profits, the closure of companies and stores. Delay in carrying out panned business expansions, the inability to increase financing, increased fluctuations in the value of financial instruments, the decrease in tourism and the disruption of travel except necessary, and the cancellation of sports, cultural and recreational activities. All of these dimensions may have significant impacts on the cost borne by the Economic units; especially the fixed ones take salaries, rents, and others.

Fisayo (2021) appraised the emanating effect of COVID-19 on sustainable development goals (SDGs) in Nigeria through the systematic illustration of the prevailing incidents. It was affirmed that the preoccupation with the COVID-19 cases caused many other critical socioeconomic issues (like education, infrastructure development, and employment) to suffer a state of negligence or be overlooked. Like other developing countries, Nigeria could become poorer, given the increased unemployment rate and the anticipated difficulty in servicing debt resulting from the COVID-19 outbreak. Hence, festering challenges including poverty, limited access to health care, low education quality, poor road networks among others, could be further entrenched. These incidents could be detrimental to sustainable development goals (SDGs) 2030 agenda. The current crisis, therefore, poses a threat to Nigeria's development prospects, as it may take more time to recover, especially in the post-COVID-19 era. Thus, it is critical to recognize the significance of securing strong institutional regulatory setup and resources (including financial and material resources) needed to facilitate sustainable change in the economy.

Government action to off-set the economic effects of COVID-19

The Nigerian government have taken steps to cushion the effect of COVID-19 through a stimulus package of 50 billion naira (EUR 121 million) targeted to support households and micro and small enterprises (Ozili & Arun 2020). The government also announced three-month interest holidays for beneficiaries of microloans of the Government Enterprise and Development Programme (GEEP). Part of the government (at federal and state levels) effort to cushion the effects of the COVID-19 pandemic was through the distribution of food to support vulnerable households. Approximately 77,000 metric tonnes of food consisting mainly of grains were drawn from the National Food and Strategic Reserve – a source which could be depleted if the effect of the pandemic persists. The government announced a cash transfer of 52 USD (representing 4 months advance payment of the monthly stipend of 13 USD) to poor and vulnerable household National Social Register (NSR). However, those on the register constitute around 12% of the people that live below the poverty line (Dixit, Ogundeji, & Onwujekwe 2020). However, there are concerns (Ajibo, Chukwu, and Okoye 2020; Eranga 2020; Business Day 2020b) that these measures are inadequate, and partially excludes the informal sector in which many vulnerable and poor households fall.

Countering the Spread of COVID-19 Pandemic

1. Movement restriction
2. Using monetary and fiscal policy measures.

In response to the COVID-19 pandemic, the Central Banks of Nigeria (CBN) should continue to provide more financial support to distressed households, businesses, financial institutions and

other stakeholders to reduce the adverse economic impact of COVID-19 on the economy. The support from the CBN can be continued to help in the efforts toward economic recovery in various ways:

- ✓ Extension of loan moratorium on principal repayment.
- ✓ Reduction in interest rate on intervention loans
- ✓ Targeted credit facilities to some sectors like tourism, airline services providers,.
- ✓ Credit support to the health care industry-hospitals & pharmaceuticals
- ✓ Regulatory forbearance to banks to restructure the tune of existing facilities to high value chain sectors like, agricultural manufacturing and oil gas sectors.
- ✓ Strengthen the loan to deposit ratio (LDR) policy which would allow the banks to extent more credit to the economy.

Conclusion and Recommendations

The after effect of COVID-19 pandemic in Nigeria crystalized and planned the nation into economic recession and financial crises twice within a year. The Nigerian economic crisis was prolonged by the structured problems deficiencies in health care, digital economy and social welfare infrastructures. COVID-19 restrictions disrupted economic activities for farm households, sparking food security concerns. The COVID-19 pandemic laid bare once again the hungry farmer paradox. With few buffers for situations of diminished purchasing power, many farm households are vulnerable to shocks. COVID-19 thus created a substantial threat at the household level and was an obstacle to the attainment of SDGs in Nigeria. These crises created an opening to reconstruct Nigeria's economy.

Policy makers should pay serious attention to some areas of the economy for economic and structural reforms. They should:

i. Introduce economic reforms to diversify the economy and reduce the county's dependence on crude oil revenue.
ii. Invest in health care infrastructure to help contain future outbreaks of pandemic
iii. Build appropriate digital infrastructure to facilitate online transactions
iv. Use legislative/ legal framework to create a vibrant social welfare for the citizenry.
v. Rebuilding and strengthen institutions like, ICPC, EFCC, NAFDAC, NCDC, NCC NDIC, and SEC, and security and judicial bodies.

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