

Effect of COVID-19 on the Global Economy: Evidence from Nigeria

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Abstract-Within few weeks of covid-19 pandemic, hundreds of millions of people worldwide lost their jobs adding to the already weak economy of about 1.6 billion workers in the “informal sector without a steady job to start with. This has weakened the global economy such that stakeholders are hypothesizing that the world is facing a global recession in history. The COVID-19 pandemic has affected the global economies leading to the shutting down of many industrial facilities due to government policies of social distancing. As a result, global supply chain has been disrupted causing a ripple effect across the world especially in Nigeria. Hence the paper examines the effect of COVID-19 pandemic on the Nigerian economy. Secondary data from 23rd March to 23rd May, 2020 was used to capture the immediate and severe impact of lockdown and social distancing on stock market performance as well as the degree of business activities during the COVID-19 in Nigeria. Least Square Regression and pairwise correlation techniques were used to estimate the daily data collected from Nigeria Stock Exchange Market. All Share Index(ASI), Government Response(GR), Covid19 Confirmed Cases(CCC), Work place lockdown (ASI*WPC) and Health Containment Measures(COTH) formed the multiple regression model. The study found that that General Government response in handling coronavirus pandemic in Nigeria seems to have worsen the economic performance in Nigeria at the initial stage. Meanwhile, locking down workplaces to pave way for social distancing did not help the economy. Continuous shutdown led to decrease in economic performance. However, implementation of social Distancing with the health containment measure may have reduced the depth of the impact of COVID-19 pandemic in Nigeria in terms of number of deaths, but helped to cripple the economy activities the more. The imposition of restriction on internal movement and consequent lockdown helped the economy positively while the palliative provided by the government and the monetary policy may have helped to cushion the effect of the pandemic on the people. However, lack of health infrastructure and government health policy may have limited the extent to which the country could react to the outbreak. It is therefore recommended that Federal government should fix the infrastructural problem and look inwardly and empower manufacturing sector especially food and pharmaceutical production, even locally herbs as traditionally used by Nigerians to combat the pandemic ravaging the global economy.

Key Words: COVID-19 Pandemic, Global Economy, Government Response, Social Distancing.

1. Introduction

From the inception of the novel coronavirus disease COVID-19 in December, 2019 in Wuhan China, the spread has continued to increase geometrically across the globe. This has created uncertainty, economic stagnation, fear of the unknown, crisis on investment and many more, since no one is immune to the virus.

These uncertainties are global in nature as the COVID-19 is no respecter of race, continent, economy or class. The corona virus became a serious issue with the declaration of the World Health Organization (WHO) of the virus as a pandemic. This declaration puts fear on investors who were optimistic that the outbreak will soon be laid to rest. While some resulted to sell their stocks others were skeptical to buy

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for fear of uncertainty, (Rudden, 2020). This complements Brian, (2020) view as he noted that all investors by January, 2020 were optimistic that the 11 years bull market would continue but were disabused by COVID-19 spread across the globe. Brian further noted that until April, 2020 several uncertainties grace the financial markets as investors cannot predict the turnout of events leading to fear and volatility.

Corona virus which started as a health issues soon affected all aspects of human endeavor ranging from sports, education, aviation, production, construction, oil and gas, entertainment, tourism and other aspects of human economic activities, following the government policies of lockdown and social distancing as the anti-dot to curb the spread of the virus. The COVID-19 health crisis transformed to a world-class economic and financial crisis affecting ultimately the entire global economic and financial system. Corona Virus has been described by many in different manner. While some called it the 3rd world war,

some say it is economic and class war between China and United States of America, others say it was politically driven to unseat President Donald Trump. Be it as it may, what is important now is that it has become a global parasite which benefits no nation, race, politics, class or continent. And therefore requires immediate attention otherwise the consequences of the virus may leave the whole world and its economy in shambles. To contain the outbreak of COVID-19 and the effect on both human race and economy several policy measures were adopted by different government across the globe. Since, the nature of the virus left the nations with only two options of either to save the citizen or save the economy. A very difficult decision which must be taken one at a time. However, while some took well calculated decision to save lives and afterward save the economy; others followed other countries' decision without much consideration. The decision to save the citizens first resulted to government adopting policies like total lockdown, social distancing, use of palliatives and many more. The effect of these policy measures may have either helped in solving the corona virus crisis or compounded it.

It is on this background that this study intends to: (1) Investigate the effect of the Lockdown on the economic activities of the nation (2) Examine the impact of social distancing on the economic activities of the nation.

2. CONCEPTUAL BACKGROUND

2.1 Global Impact of Covid-19

The virus which started in Wuhan China in December 2019, later spread across the globe, carried by human channels. This became a global virus eating deep into the aviation industry, financial market, sports industry, production and construction industry, Tourism and other aspects of economic activities following the lockdown and social distancing policy to curb the spread of the virus, (Brian, 2020; Horowitz, 2020; Elliot, 2020; Ozili & Arun, 2020). The COVID-19 health crisis transformed itself to a world-class economic crisis affecting ultimately the entire global economic and financial system which can be presently likened to the 2008-2009 event. The implication of this unseen enemy of mankind has created incredible shocks on the demand and supply chain in all aspect of human endeavor, causing downturn of events, (Elliot, 2020; El-Erian, 2020).

However, the impact of COVID-19 on different sectors, industries and countries are not evenly distributed, though

none is with a sweet smile. On aviation industry, the corona virus pandemic resulted to travel restrictions, especially for Tourism, work visas and immigrant visas denials; shutting down of all airports, cancellations of travels booking and more. The International Aviation Transportation Association (IATA 2020) noted that the restriction has caused the Tourism Industry an estimated loss of \$200 billion globally and \$113 billion loss on entire air transport globally.

Financial sector also received a heavy blow from corona virus. Banks profits in the first half of 2020 would reduce greatly due to decline in operational activities, ATM, card payments, lending and borrowing and others. Emmanuel, (2020) noted that COVID-19 would result to increase in unemployment as Access bank plans retrenchment of staff up to 75%. Also the tendency of increased non-performing loans is eminent as loans granted to small and medium businesses, clubs, entertainment houses, airlines, transportation businesses whose activities have been halted by worldwide lockdown would remain underived as long as lockdown and social distancing persist.

According to IMF, (2020) the economic downturn triggered off by COVID -19 pandemic has caused global financial and economic instability, the type seen last in 2008/2009 financial crisis. IMF (2020) raise the fear that COVID-19 has caused a volatility spike in global financial market that has not only significantly reduced liquidity, but also primarily affected the solvency of global financial market as a result of a complete halt on the global economy. Corroborating the above assertions Rudden, (2020) noted that COVID-19 and its attendance policies of lockdown and social distancing has impacted negatively on financial markets, citing the Shanghai stock Exchange Composite index whose value went low; the Dow Jones industries average index with biggest single-day gains and losses in the entire history explaining the height of financial market volatility and the S & P 500 index and Nasdaq Composite index which went low.

Also Latin America stock Exchange indexes and European Financial Times stock Exchange 100 index went low for the first time since 1987, all as a result of Corona virus pandemic. Brian, (2020) opine that corona virus pandemic has introduced severally uncertainties to financial market, making it difficult for investors to predict the turn of events. Ozili and Arun, (2020) stated that financial market suffers setbacks as global market losses \$6 trillion value just between 23rd to 28th February. He

maintains that while S & P 500 fell by 28%, FTSE 250 index fell by 41.3% and Nikkei by 29%. The same were the fate of some international banks whose share prices fell, like JP Morgan Chase, Barclays' share and Citi Bank group share.

Health sector was in the forefront of the COVID-19 war. The demand for public hospitals grew higher globally. This was because of the nature of the pandemic. It was not within the armpits of private hospitals and some private health workers to handle. While some countries combined both their private and public healthcare workers to fight corona virus like Spain, others requested for foreign health workers. However, Pharmaceutical supply chains were greatly in short supply as a result of over-dependence in China for Active Pharmaceutical Ingredients (API). With the China shutdown of operation to contain COVID-19, API became scarce, while some resulted to India for API others were stranded. Also the health sectors suffered shortage of drugs, testing kit, health workers' protective coats, nose masks, shortage of hospital beds, ventilators and inadequate isolation centers across the globe as well as loss of health workers. Nigeria case was double of these situation. Up till 1st May, 2020, several states in Nigeria have no functional testing equipment and isolation centers regardless of Nigeria following other countries to lockdown economic activities and movement. Kano state case is a scenario of several mysterious deaths ravaging the state with the cause unknown though likened to COVID-19 because of no functional testing kits and isolation centers. These mysterious death was not limited to Kano state as Zamfara, Bauchi and other northern states within April and May 2020 experienced mysterious deaths, likened to COVID-19.

The coronavirus seems to hit harder on sport industry as the Tokyo Olympic and Paralympic games were postponed. All European football leagues were suspended. Also all hockey, baseball, snooker games were called off. The consequences of all these cancellations run into billions of dollars loses against the industry. On Oil sector, the oil price war between Russia and Saudi Arabia led to low prices of oil at the beginning of the year. This situation got worse with the spread of corona virus and the restriction on movement of people and goods. This further reduced drastically the demand for aviation fuel, PMS, coal and other oil products. This eventually knocked down oil price to zero.

Entertainment Industry received a heavy knock as it was a total good bye to Cinemas, talk shows and all forms of

theatre activities. Globally the international Alliance of Theatrical stage employees (TATSE) lamented about loss of jobs of over 120,000 members due to the lockdown. Here in Nigeria, the lockdown of Lagos, Ogun and FCT Abuja brought the entertainment industry to a halt. All entertainment houses were shutdown. The Few Artist who tried to ease the lockdown stress, faced the full wrath of the law like the famous Funke Akindele and Naira Malie. Their cases sent a strong signal to the industry. The losses incurred by this industry in Nigeria is measured by the number of cancelled events and shows. Leaving many participant unemployed as the lockdown last.

Education sector received a big blow from the corona virus as colleges, polytechnics, universities, secondary and primary schools across the globe were shutdown. UNESCO reported that about 290.5 million students around the world were disrupted from their academic following the pandemic. While some well-civilized and financial wealthy nations resulted to online learning, others shutdown all schools. The online teaching and learning notwithstanding, only a few percentage of the learners were involved because of the costs and technical know-how. Ozili and Arun, (2020) noted that even with online learning not much of the syllabus could be covered as some concepts requires one-on-one class room interaction between the teacher and learners.

In Nigeria, while the government encouraged the schools, teachers and learners to embark on online teaching and learning, this was a mere pronouncement as most learners have no technological requirement to facilitate it. Worse still was the non-internet access and poor electricity to take care of the program. The pandemic resulted to unemployment for teachers especially those in private schools who received neither salary nor palliative from anywhere within the period of shutdown. The federal and state government sponsored teaching and learning via the radio program was less than a success as many learners were not able to easily adjust to the medium being the first of its kind. This perhaps was because most Nigerian young learners were used to one-on-one visual learning environment with the instructors. Several terminal and external examinations were disrupted like the Senior Secondary Certificate Examination (SSCE), Basic Certificate Examination council (BECE), Common Entrance and placement Examinations were all cancelled.

However, the impact of the lockdown and social distancing in Nigeria is rather imagined than explained as

the period experienced horrible social vices such as crippled production, retrenchment of workers, the case of Access bank who lead off about 75% of the workers, armed robbery attack by the dreaded one million boys in Lagos and Ogun states; extortion and maltreatment of citizens by security agencies, looting and burning of government properties and offices, embezzlement of funds donated by wealthy citizens and corporate bodies to fight the pandemic. Chukwuma and Ekeruche, (2020) opine that IMF in February, 2020 revised GDP of Nigeria from 2.5% to 2% as a result of the weak recovery from 2014 oil price dwindling and limited fiscal space. Also the debt service-to-revenue ratio of 60% is not a good one before the outbreak of COVID -19. With the COVID-19 and the new debts incurred to contain the virus, the state of Nigeria economy is better imagined than explained. Also the federal government's effort to increase government spending and tax cuts as palliatives for small and medium sizes businesses to boost demand has been halted by the COVID-19 which have reduced all the component of demand except government spending.

2.2 Government policy measures to contain the corona virus outbreak

Several policy measures were adopted by the government across the globe to contain the corona virus. Ozili and Arun, (2020) stated that most countries adopted monetary policy, fiscal policy, public health and human control measures to control and curb the spread of the virus as well as contain the effect on the economic activities. Explaining further, they noted that grants and monetary assistance through the Central Banks were used. Also government spending in terms of federal stimulus packages were adopted by some countries as fiscal policy measures. Public health measures like quarantine, border closure, sit-at-home and social distancing orders were adopted. Also among human control measures adopted include temporary release of prisoners, shutdown of schools and markets, travel ban, shutdown of borders (air, sea and land) ban on interstate movements as well as the use of security agencies to enforce sit-at-home order.

However, it was done on the policy makers and government that most of this policy and decision were not good enough or better still they were taken without due considerations. It was also noticed that most of the countries took these decisions as a "follow others initiatives" without due diligence to the conditions in their countries. That was the case of Nigeria who lockdown

before identifying any genuine case of COVID-19. Corona virus outbreak offered the government only two options, which is either to save the citizen or save the economy. Like President Donald Trump rightly lamented "the decision to shutdown the economy or not is a difficult decision but most be made to say Americans". One of these decisions must be taken at the detriment of the other. Meanwhile, none of the decision will work perfectly alone to save both the economy and the citizens, knowing that human beings are agents of economic activities. It was for this reason that the Central Banks' expansionary policy of lowering interest rates and increasing money circulation in the economy could not yield the expected result without the human activities of buying, selling and investment.

Fiscal policy on the other hand, generated heat in many countries of the world as the decisions to favour a particular sector or section of the economy became a political battle. Most countries favoured health sectors and manufacturers or food supply chains distribution workers, while other sectors felt ignored. Nigeria challenge on federal palliative measures was a shadow of itself. First was the battle among the state governors to collect allocation to fight COVID -19 in their various states even when there were no recorded cases in the state. Others claim the presence of corona virus cases in their states just to collect money from the federal government. Worse still was the distribution of palliatives in form of money and foods in the Northern Nigeria without the same gesture in the southern and Eastern region. According to Senator Enyinnaya Abaribe a serving senator of Nigeria, he noted that COVID-19 has helped to expose the one-sided nature of the President Buhari's administration and the immunity of some faction of Nigeria against others.

2.3 Empirical Review

Very few works have been down on this subject matter as availability in the internet. Ozili and Arun, (2020) examined the spillover of COVID-19 on global economy. Secondary data was collected from Oxford Covid-19 government Response Trackers (OXCGRT) database. Also real observation on Monetary policy (MP), Fiscal policy (FP), and public health measures were observed. The impact of social distancing on economic activities and stock market indices were determined empirically. The findings revealed that the increasing number of lockdown days, monetary policy decision and international travel restrictions seriously affected economic activities and the opening, closing, lower and highest stock market indices.

2.4 A Clarion call to Federal government of Nigeria to overcome the Coronavirus Recession

Like the popular African adage says, when the hen and the chickens are seriously attacked, the hen runs for her life first, gather momentum and fights back to rescue the chickens. The same goes to a situation of harm to two persons, each one will definitely save himself first before saving another. The corona virus outbreak attacked the entire global community and each nation will like to save herself first before assisting her neighboring nation. It is therefore important that every country of the world should look inwardly into their country to find solution to the pandemic rather than relying completely on the foreign help which at this point may not be sufficient. It is therefore a clarion call on Nigeria law makers and government to look inwardly at this time to the sectors badly affected and find out how to rescue them.

Corona virus has shifted demand to health related materials like nose masks, test kits, ventilators and others. Government should channel all her strength at producing locally made nose masks, testing kits and ventilators because the importation of these essentials materials will only increase the debts of the nation. Besides, several facts from Italy, UK, Rwanda and other countries confirmed that most face masks from China were 75% infected with corona virus. Furthermore, investment in the production of these health materials will not only help to curb the spread of the novel corona virus, but also earn Nigeria huge exports just like china. There are several factories in Aba as well as renowned and reputable pharmaceutical laboratories with competent Doctors who could enhance the production at commercial quantities rather than patronizing foreign countries.

More so, the lockdown being practiced in Nigeria is far from what is practiced in other countries who are really fighting COVID-19. A lockdown and social distancing which is meant for a particular section, people, ethnic group and religion while others are free to do what they like can only spread the virus faster. Therefore, the lockdown should be thorough and for all and sundry with the exception of health workers and food producers.

The CBN 50 billion naira credit to households, small and medium enterprises, should be allowed by the politicians to flow down the lane to the households, SMES through the established channels and not to be gambled with or politicized. Also with 100 billion naira loan to

health sector, Nigeria should be able to equip the hospitals and isolation centers with the medical essentials. Nigeria law makers must come out of their shells and throw sentiments, tribalism, party and religion wars to the pit of hell and make use of the several talented men and women of the South East and South West who are vast in technology and sciences to produce ventilators, face masks and testing kits than rely on the Western world. A lesson must be learnt from Madagascar who looked inward and produced a remedy to the dreaded corona virus. If the CBN 100 billion is invested inwardly, talented men and women of this country would get the world needed solution in no time.

COVID-19 is a wakeup call, coupled with the almost zero price of oil in the world market today. The time for Nigeria to look away from oil and over dependence on foreign supply chain is now. Before the advent of oil in Nigeria, the nation was rich in agricultural produce. With the recent vast knowledge in technology, therefore if Nigeria can look inwardly it will recover easily and faster from the hazard of the pandemic and save the nation before Chinese hack into the Nation and cease it because of heavy debts. This is not the time to play politics of region, tribe, religion and party. Nigeria must come out of the impending doom and the impact of COVID-19. Finally, Nigeria as a matter of urgency should encourage and allow each region and state government to independently grow and produce their major foods as the lockdown and interstate travel ban has revealed the need. These practice must be allowed to sell in other to save Nigeria from sudden disappearance as a country.

3. Research Methods

Focusing on the effect of social distancing and sit-at-home on economic activities in Nigeria during the COVID-19 pandemic, the study gathered secondary data from 23rd March to 23rd May, 2020. The short period data helps to capture the immediate and severe impact of lockdown and social distancing on stock market performance as well as the degree of business activities during the COVID-19 in Nigeria. Data were also collected from Nigeria Stock Exchange Market on the daily bases of All Share Index(ASI) as a measure of how well a market is performing which also reflects the performance of the general economy. This serves as the dependent variable in the study.

For Social Distancing measure, the study adopted the period of lockdown between 23rd March to 23rd May, 2020

while Government Response(GR), Covid19 Confirmed Cases(CCC), Work place lockdown (ASI*WPC) and Health Containment Measures(COTH) were collected via Oxford Covid-19 Government Response Trackers (OXCGRT) Database to represent the independent variables. The figures were logged to reduce the skewness observed.

3.1 Model Specification

Multivariate model was estimated with the aid of a least square regression as follows:

$$lnEP_t = \beta_0 + \beta_1GR_t + \beta_2CCC_t + \beta_3WPC_t + \beta_4COTH_t + \mu_t$$

eq1

Where

EP_t = Measured by All Share Index(ASI) as a measure of how well a market is performing which also reflects the performance of the general economy at time t

GR= Government Response

CCC = COVID-19 Confirmed Cases

WPC= Work Place Closure

COTH = Health Containment Measure

i- Business Day of the Week

β_0 - Constant or the intercept term

β_1 - β_4 = Parameter estimates representing the partial slope coefficient

4. Empirical Results

4.1. Pairwise Correlation

First and foremost, to determine the relationship among the variables, a pair wise correlation analysis was conducted between Social Distancing measures; GR, CCC, COTH, WPC and ASI-measure of economic performance. The result in table 1 shows that All Share Index of the Nigerian Stock Exchange as a measure of economic performance between 23rd of March to 23rd of May, 2020 correlates with all components of government response to COVID-19 pandemic except WPC. Meanwhile, there is a high degree of association between Government response(GR) and WPC. This explains the importance of Government response and social distancing measures to compact the pandemic. The positive (.317) relationship between Government Response (GR) and economic performance suggest that the intervention of Government yielded positive economic performance. The lack of

correlation between WPC and EP suggest that this measure may not have significant effect on economic performance as measured by ASI. The finding shows that closure of workplace(WPC) and Covid-19 Confirmed Cases(CCC) had a negative relationship with economic performance within the year under study.

Table 1: Correlation Matrix for Nigerian Economy and COVID-19 Response Measures

| | LEP | GR | CCC | COTH | WPC |
|------|--------|---------|---------|---------|---------|
| LEP | 1 | .317* | .765** | .327** | -.137 |
| GR | .317* | 1 | .145 | 1.000** | .833** |
| CCC | .765** | .145 | 1 | .164 | -.383** |
| COTH | .327** | 1.000** | .164 | 1 | .820** |
| WPC | -.137 | .833** | -.383** | .820** | 1 |

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Source: Author Computation using SPSS Version 21.0

4.2 Impact of Social Distancing Measures on the Nigerian Economic performance

A multivariate Regression Analysis was performed to evaluate the effect of Social Distancing on economic performance between 23rd March and 23rd Mar, 2020. The coefficients of the variables which signifies the effect of Social Distancing on economic performance(EP) in Nigeria shows from the model that Government response (-2.22; 0.000) has an overall negative effect on economic performance. Meanwhile, the number of conformed cases (.40; 0.024) had a positive effect on economic performance. The result also shows that Containment Health Measure (1.78; 0.027) had a positive effect on economic performance while closure of workplace (-.024) had a negative effect on economic performance in Nigeria within the period under study.

From regression result in table 2, the overall coefficient of determination (R^2) shows that about 73 per cent of changes in economic performance (LEP) is explained by variation of the independent variables in the equation. The F value of 39.33 (0.0000) shows that the model is statistically significant. This suggests that the independent variables in the model are able to predict the changes in the economic performance.

The results show that on the average, holding other variables constant, an increase in the General Government response in handling coronavirus pandemic in Nigeria seems to have worsen the economic performance in Nigeria. Meanwhile, the Nigerian economy was not affected by the increased in the confirmed cases and containment measure put in place by the government.

This may have informed the positive coefficient of the variable. Though, the result suggests that as the cases of COVID-19 pandemic increases, the economic performance was advancing positively. This was due to the increase in investors' confidence based on the information provided by the world bank and the containment measure proffered by the government. From the result, the health containment measure led to advancement of the Nigerian economy in spite of increases in cases of the pandemic. Meanwhile, closure of working places as the pandemic broke out affected the economic performance negatively. On the average, an increase in WPC, holding other variables constant will led to decrease in the economic performance in Nigeria. This shows that as more places of work were being short down, the economy was affected negatively.

Table 2: Regression Estimates of Social Distancing Measures and Economic Performance

| | Coef. | Std.Error | T Statistics | Probability |
|---------------|--------------|-----------|--------------|-------------|
| GR | -2.110446 | .484746 | -4.35 | 0.000 |
| CCC | .40006 | 1.900006 | 2.31 | 0.024 |
| COTH | 1.788336 | .4102467 | 4.36 | 0.000 |
| WPC | -.0247593 | .0108948 | -2.27 | 0.027 |
| Constant | 4.225792 | .0381822 | 110.67 | 0.000 |
| F- Statistics | 39.33(0.000) | | | |
| R-Squared | 0.7341 | | | |

Source: Authors Computation using STATA 16

4.3 Discussion of Findings

The study examined the effect of COVID-19 pandemic on the global Economy: empirical Analysis from Nigeria. The study applied pre-estimation checks to ensure reliability of the result. The parameters estimate and the estimated regression were also done to meet the assumptions of OLS. The explanatory variation explained about 73% of the variation in the dependent variables. The

model was found to be statistically significant ($P= 0.000$) which shows a joint significance of the Social Distancing variables.

The results show that General Government response in handling coronavirus pandemic in Nigeria seems to have worsen the economic performance in Nigeria at the initial stage. The findings support earlier call by leading scientist on the failure of the Federal Government to handle the outbreak decisively. According to Mac-Leva(2020), 16 States had admitted being affected by the COVID-19 pandemic due to the inability of the President Muhammadu Buhari mishandling the situation when he failed to take action at the right time to stem the tide. If the Federal Government heeded the advice of some leading scientists in the wake of the coronavirus outbreak in China, Nigeria could have had none or fewer cases of the disease.

Meanwhile, locking down workplaces to pave way for social distancing did not help the economy. Continuous shutdown led to decrease in economic performance. Following the global economic downturn, the global stock market plummeting under the weight of corona virus. Global stock markets lost \$6 trillion in value over six days from 23 to 28 February, while the S&P 500 index fell by 28% (from 3,373 to 2,409), the FTSE 250 index fell by 41.3% (from 21,866 to 12,830), and the Nikkei fell by 29% (from 23,479 to 16,552). In the same period, large international banks were not spared as the banks fell flat with a loss never imagined. The share prices of Citigroup fell by 49% (from US\$78.22 to US\$39.64), JP Morgan Chase's share price fell by 38% (from US\$137.49 to US\$85.30), and Barclays' share price fell by 52% (from £181.32 to £86.45) (Ozil & Arun, 2020).

Implementation of social Distancing with the health containment measure may have reduced the depth of the impact of COVID-19 pandemic in Nigeria in terms of number of deaths, but have helped to cripple the economy activities the more. The imposition of restriction on internal movement and consequent lockdown helped the economy positively while the palliative provided by the government and the monetary policy may have helped to cushion the effect of the pandemic on the people. However, lack of health infrastructure and government health policy may have limited the extent to which the country could react to the outbreak.

5. Conclusion

The novel corona virus outbreak put pressure on several countries of the world on possible response to the outbreak. While some responded before the pandemic actually struck their countries causing more harm on their economies and citizens, others responded just on time and avoided both loss of lives and economic activities and some at the peak of the COVID-19 having lost many lives. The consequence of these decision and policy measures was seen in the recession that accompanied the difficult decision of either to save lives or economy.

However, there are opinions, criticism and agitations that the policy were either taken too early, too late, favored one sector, not sufficient enough, contradicting and in some cases insignificant. Such were the cases of the CBN monetary policy encouraging economic activities through expansionary moves but at the same time government human control policy measure insists on lockdown and social distancing of people who are the major agents of economic activities who are supposed to activate and compliment the monetary policy.

6. Recommendation

The study therefore recommend that the federal Government of Nigeria should take the following steps without further delays:

1. Federal government should use the opportunity provided by COVID-19 to fix the health sector
2. Federal government should look inwardly and empower manufacturing sector especially food and pharmaceutical production, even locally herbs as traditionally used by Nigerian.
3. The unprecedented low oil price in world market as occasioned by COVID-19 is a strong signal the federal government cannot afford to over -look. Other sectors like agriculture should be given paramount attention.
4. Most importantly government must do something about the Nigeria database system, infrastructures, Electricity, Security and porous border for future safety of the country as reveal by the COVID-19 pandemic period in Nigeria.
5. Each state of the federation should be given autonomy and the governors must develop their own state in terms of security, food production, education and others.

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