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# Effect of COVID-19 outbreak on socioeconomic development in Nigeria

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### **ABSTRACT**

This study examined the issue of COVID-19 in Nigeria and its effect on the socioeconomic and the likely causes that worsen the crisis of coronavirus (COVID-19). The findings show that the socioeconomic downturn in this country was triggered by a combination of an increase in the price of basic needs and spillovers from the COVID-19 outbreak, which led to the total lockdown in Nigeria and other parts of the World. Demand for basic needs continues particularly food and there is a halt in its production and other agricultural produces. This pandemic stopped economic activities from taking place because social distancing policies were fully enforced by the government at various levels. The government responded to the crisis by providing financial assistance to businesses and a small number of households that were affected by the coronavirus (COVID-19) outbreak.

**Keywords:** Coronavirus, epidemic, pandemic, socioeconomic development.

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### INTRODUCTION

The issue of COVID-19 (Coronavirus), when the occurrence of cases of an illness, particularly healthrelated behavior, or other health-related issues in a community or region clearly in excess of normal expectancy, is considered an epidemic, but Martin (2005) and Tausch (2015) in their respective study viewed it as a pandemic. Ozili and Arun (2020) observed that the COVID-19 pandemic had far-reaching effects on the global economic systems, the food industries, event industries, education, and global trade. Ozili and Arun (2020) in their study on globalization issues, and explained that there are expectations of spillover effects to emerging and developing countries due to their overdependence on developed countries for the importation of goods and services. Recent literature has emerged that examines the effect of the COVID-19 pandemic on economic activities, such as Altig et al. (2020), Atkeson (2020), Fernandes (2020) and Mckibbin and Fernando (2020). The researchers analyzed the effect of the COVID-19 pandemic on socioeconomic development in

southwestern Nigeria particularly Lagos State with the highest cases of infections in the region. This study fills the gaps in the existing literature by delving into a thorough investigation of the pandemic (COVID-19) in southwestern Nigeria. Ebere (2020) explained that the coronavirus disease of the 2019 (COVID-19) pandemic gripped the world with a shock, thereby overwhelming the health system of most nations. This COVID-19 pandemic spread in more than 200 countries of the World as revealed by Worldometer (2020). In less than a year, millions of cases of this infectious disease have been recorded globally and this is related to the view of Oyetunde et al. (2021). The COVID-19 (coronavirus) is an infectious disease that became an important health threat that is ravaging the entire world with numerous health and economic challenges. Isaac et al. (2021) and Ovetunde et al. (2021) also supported the views. This disease occurred first in Wuhan, China in late 2019 and since then it has spread to almost all continents in the world. WHO (2020), Jimoh et al. (2020) and Worldometer

(2020) also affirmed this view. Marbot (2020) explained that Nigeria is also among the vulnerable African nations, given the weak state of the health care system. In Sub Saharan Africa (SSA), Nigeria is among the most affected countries in the continent Osibogun et al. (2021) revealed, and widespread of this disease worsen Nigeria economic system, almost all states in the country were unable to discharge their responsibility while concentrating on how to curtail the spread of the pandemic.

The issue of Nigeria's economy before the COVID-19 outbreak is worrisome, and the widespread of the COVID-19 outbreak has increased the economic crisis which led to the closure of many investments in Lagos State, Nigeria.

This research centered on a thorough investigation on the issue of the COVID-19 outbreak in Southeastern, Nigeria and its effect on socio-economic development in southwestern Nigeria, particularly Logos State, Nigeria. Justification for using Lagos State as a case study based on National population census reports, (2006) revealed that Lagos was highest in terms of population in southwestern Nigeria.

#### LITERATURE REVIEW

The COVID-19 (coronavirus) is an infectious disease that became a health threat that ravaged the entire world with numerous health and economic challenges, this is in line with the view of Oyetunde et al. (2021). This disease occurred first in Wuhan, China in late 2019 and since then has spread to almost all continents in the world WHO (2020), Jimoh et al. (2020) and Oyetunde et. al. (2021) also affirmed this view. Marbot (2020) explained that Nigeria is also among the vulnerable African nations. given the weak state of the health care system, Fortune et al. (2021) also revealed a similar view. Agusi et al. (2020) explained further that human survival has often been threatened by diverse plagues since its existence. WHO (2020) explained that COVID-19 is a viral infection that causes respiratory illness. This disease is transmitted from person to person through physical contact. The first confirmed incident of the COVID-19 in Nigeria was announced on February 27, 2020, on arriving of an Italian citizen to Nigeria through the Lagos Airport and he was tested positive for the virus. On March 9, 2020, a second case of the virus was reported in Ogun State, a Nigerian citizen in transit from Milan to Lagos who had contact with the Italian citizen. Thereafter, the Nigerian Health Minister announced that 60 persons who had contact with the Italian patient were in isolation. 40 persons in Ogun State and 20 in Lagos State. However, there has been an increase in confirmed cases and consequent mortality. As of May 16, 2020, according to a report from Nigeria Centre for Disease Control (NCDC), there had been 5621 confirmed cases. 3973 active cases in 34 states in Nigeria including the FCT with 176 deaths and 1472 recoveries. In Nigeria, there are still communities without healthcare facilities, apart from the scarcity of health workers ditto to many other Africa countries. This corroborated with the view of Amzat (2018). This led to the fear of the general public about this infectious deadly disease. The NCDC (2020) disclosed that all confirmed cases of COVID-19 in the country between February 27th, 2020 and March 17th, 2020 were imported by returning travelers.

## **Epidemiological description**

A 44-year old Italian citizen was diagnosed with COVID-19 in Lagos State. The case is the first to be reported in Nigeria since the first confirmed case was reported from China in January 2020. The case arrived at the Murtala Muhammed International Airport, Lagos at 10 pm on 24th February 2020 aboard a Turkish airline from Milan, Italy. He traveled on to his company site in Ogun state on 25th February. On 26th February, he presented at the staff clinic in Ogun and there was a high index of suspicion by the managing physician. He was referred to IDH Lagos and COVID-19 was confirmed on 27th February. Contacts of the index case were identified as follows: 21 contacts identified in Lagos state, 40 contacts identified in Ogun state.

## Causes of the spread of COVID-19 in Nigeria

According to Ibekwe (2020), Nigeria's existing health facilities and equipment including ventilators and PPE are grossly inadequate to handle the medical emergency due to COVID-19; Mac-Leva et al. (2020) supported this view. The number of isolation facilities and capacity for intensive care units (ICU) in the country increasing by government, they are inadequate as many states are still struggling to set up isolation and treatment facilities. The shortage of personal protective equipment (PPE) for health workers worsens the situation. They are always on the frontline, taking care of the numerous COVID-19 patients and increasing their exposure to infection. As frontline soldiers, all health workers should be covered by life insurance. Given the altruistic behavior of health workers, their protection should be paramount in the fight against COVID-19. It is also vital to provide PPE for health workers in the regular health centers, not only those staffing the isolation centers.

There are concerns that the fragile health system might be unable to care for a high incidence of COVID-19 infection, which could lead to dreadful consequences in terms of morbidity and mortality. Many western countries (including Italy, the USA, and Spain) have been overwhelmed by thousands of daily deaths. Again, the pressing concern is that the last burden of COVID-19 might be in Africa, and Nigeria could carry the most onerous burden if more effective precautions against the virus are not continuously enforced. The rush to fully reopen the economy was a significant factor in a possible uncontrollable rise in cases after the first 100 days of COVID-19 in Nigeria. Evidence from the relaxed lockdown supports this fear if the economy is prematurely reopened without substantial precautions. Public health gains should be prioritized along with, if not prior to economic gains. Amzat and Razum (2018) explained that there is a gross shortage of health facilities and health workers in rural areas where more than 60% of Nigerians reside. It is identified that those health workers that are available to take responsibility for taking care of any infectious patients are not provided with adequate equipment and consequently infected. Shaban (2020) also explained further that healthcare personnel representing 6.5% of the positive cases reportedly contracted COVID-19 in Nigeria. A rural COVID-19 outbreak might spell doom for any community in Nigeria as well as Africa. Presently, the urban outbreak is overwhelming some countries.

# Effect of COVID-19 outbreak on socioeconomic development in Lagos State, Nigeria

Today, it is understandable that Nigeria has been battling with series of economic crises from economic recession in 2008/2009 to 2021, such as global economic meltdown, Ebola, Lassa fever, novel COVID-19 pandemic just to mention a few. Sanusi (2010) Adeniran and Sidig (2018) revealed similar views. All Nigerian businesses and the world economy cannot withstand the effects of the novel COVID-19 pandemic. No country in the globe is free from the pandemic (Worldometer, 2020). Ozili (2020) also explained that COVID-19 pandemic and lockdown restrictions have socioeconomic consequences in all African countries. Findings show that Lagos dominates the Nigerian modern economy and cultural life to a greater extent than New York City does in the United States. Like New York, Lagos, ostensibly a Yoruba city, attracts residents from all over Nigeria and is a travel hub for people in West Africa. Nobody quite knows how many people live there (a credible estimate is about 22 million) or even what the boundaries of the metropolitan area are. Usually, the cities of Lagos are joined together and the state is adjacent to Ogun State. The city is built on islands in a lagoon and adjacent swamps. Potable water and drainage are always an issue. While there are pockets of wealth, poverty is ubiquitous. Most Lagosians

live packed together in slums. The informal economy is far larger than the formal one; everybody has a hustle, and much of that activity involves face-to-face contact. This means of livelihood is now threatened by the lockdown. Hence, the order of total lockdown brought a harsh economy to the people. International and local flights were also banned, and all commercial activities were completely on hold. Nigerian President Buhari and the Presidential Task Force on COVID-19 (PTF) have approved measures to being phase two to ease the lockdown, which has been in place since March 29, 2020. The guidelines for phase two, which was placed from June 02, 2020 to June 29, 2020, includes the following:

- The nationwide curfew remains in place but the time has been changed to 10:00 P.M. - 4:0 A.M. daily.
  Healthcare workers and journalists are exempted from his curfew.
- · Banks may resume normal working hours
- Government offices will be open between 9:00 A.M. and 2:00 P.M. Monday to Friday.
- The ban on interstate movement remains in effect except for agricultural produce, petroleum products, manufactured goods, and essential services.
- All airports remain closed to domestic and international travel, except for emergency flights. The PTF is considering plans to reopen airports for domestic flights by June 21, 2020 if proper protocols are put in place by the aviation industry.
- . State and other parts of the country, which led to a severe economic crisis. Also, another recession, caused by the closure of both internal and external trade was affected as a result of market failures.

### **METHODOLOGY**

This paper contains various aspects of Coronavirus and its effects on socio-economic development by reviewing existing literature and information. The data used for this research is secondary type. Series of studies on COVID-19 are collected from various websites, national and international journals, newspapers, magazines, government publications among others. This study also adopted data provided in the NCDC COVID-19 Situation Report and used it as data analysis simply because NCDC is the government agency that keeps custody of reliable data related to infectious disease (COVID-19) here in Nigeria.

### **DATA ANALYSIS**

Table 1 revealed that Lagos state reported more cases of COVID-19 outbreaks than any other state within the

**Table 1.** States with reported laboratory-confirmed COVID-19 cases, recoveries, deaths, samples tested and active cases. General fact sheet – data as of 6<sup>th</sup> December 2020.

STATES	CONFIRMED		RECOVERIES		DEATHS		TESTING		ACTIVE CASES
	Total	Last Week	Total	Last Week	Total	Last Week	Total	Last Week	
Abia	926	0	908	0	9	0	10,274	323	9
Adamawa	261	0	238	0	19	0	3,661	652	4
Akwa Ibom	358	19	321	10	9	0	3,797	47	19
Anambra	285	0	265	0	19	0	3,155	66	1
Bauchi	782	12	742	16	14	0	10,746	319	30
Bayelsa	458	13	387	5	21	0	5,860	1,058	42
Benue	501	5	460	0	11	0	5,608	318	25
Borno	745	0	705	0	36	0	14,241	134	4
Cross River	90	0	78	0	9	0	1,905	28	3
Delta	1,824	0	1,737	0	49	0	13,558	38	38
Ebonyi	1,055	0	1,019	0	30	0	6,387	23	6
Edo	2,717	21	2,581	8	112	0	20,487	520	11
Ekiti	381	16	351	16	6	0	7,640	223	24
Enugu	1,332	0	1,290	0	21	0	9,399	145	21
FCT	7,279	509	6,273	271	83	0	97,471	5,323	678
Gombe	938	0	857	0	25	0	25,687	199	56
lmo	681	19	645	32	12	0	12,370	1,678	37
Jigawa	336	5	308	0	11	0	3,056	19	12
Kaduna	3,387	323	3,048	222	47 54	0	33,622	1,803	191
Kano Katsina	1,819 1.064	24 34	1,713	17	24	0	58,528	762 200	36 23
	-,	0	.,	0	8	0	24,935	502	
Kebbi	93	0	84	0	2	0	2,611 386	16	1 0
Kogi Kwara	1,110	8	1,039	0	29	0	8,008	430	34
	23,850	612	23,114	929	227	7	203,403	9.669	833
Lagos Nasarawa	521	28	325	929	13	0	7,936	222	155
Niger	298	0	282	6	12	0	8,101	216	100
Ogun	2.258	35	2.085	56	33	0	34,469	3.508	161
Ondo	1,728	0	1,585	0	40	0	9,911	87	103
Osun	947	1	924	3	21	0	6,103	249	4
Oyo	3.742	21	3,348	5	45	0	28,276	565	333
Plateau	3,914	56	3,725	55	34	0	40.012	586	154
Rivers	3,045	60	2,870	47	59	0	71,595	4,406	103
Sokoto	171	6	150	2	17	0	10.497	872	0
Taraba	175	16	157	18	6	0	4,152	193	14
Yobe	100	0	84	0	8	0	3,599	451	8
Zamfara	79	0	73	0	5	0	1,152	7	1
Total	69,255	1,843	64,774	1,726	1,180	7	812,598	35,857	3,184

NCDC COVID-19 Situation Report | covid19.ncdc.gov.ng

southwestern states which include Ekiti, Lagos, Ogun, Ondo, Osun and Oyo states in Nigeria. It also revealed that Lagos state reported more cases of COVID-19 than any other in Nigeria. This report indicated the fact and figures of those that contacted COVID-19 within southwestern Nigeria, Ekiti state 381 cases, Lagos state 23,850 cases, Ogun state, 2,258 cases, Ondo state 1,728 cases, Osun state 947 cases and Oyo state 3,742 cases. Therefore, this led to strict presidential order on Lagosians to observe permanent lockdown which resulted in a total shutdown of economic activities in Lagos state and this negatively impacts socio-economic activities which consequently affected the people's well-being.

### CONCLUSION

After a rigorous study of the effect of the COVID-19 outbreak on socioeconomic development in southwestern Nigeria, particularly Lagos state, this study, therefore,

concluded that Lagos State encountered the highest cases of COVID-19 in southwestern Nigeria, even Nigeria at large. Hence, resulted in harsh socioeconomic due to observation of COVID-19 protocol to prevent the spread which brought about presidential order on social-distancing and lockdown.

### RECOMMENDATION

Having conducted a thorough investigation on the effect of the COVID-19 outbreak on socioeconomic development in southwestern Nigeria, particularly Lagos State, therefore government at all level should take proactive measure and gives proper attention to health security to reduce the spread of any infectious diseases.

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