

The Effects of Covid-19 on Nigerian Higher Education and Economic Sectors

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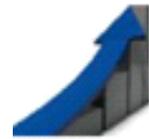
Abstract

COVID-19 has affected the economies and educational systems in the developed and developing countries. On the economic front the pandemic has contributed to the economic breakdown in Nigeria that was triggered by several factors including declining oil prices, spill-over of COVID-19, and decline in the demand for crude oil products and social/physical distancing policies. On the education sectors the pandemic has significantly affected the global education including primary, secondary and higher education sectors. Indeed, COVID-19 has shuttered the economies around the world and battered education systems. The pandemic has forced most universities around the world to bring their courses, lectures and examinations online, and has shown a new step along the journey to a new education paradigm and the need for Nigeria to avoid her knee-jack policies, theories, politics and venture consciously and practically into the diversion of the her economy for a new model to emerge. Overall, huge investments in the digital and information technology and the diversification of the Nigerian economy are the very key for the country to minimize the economic and educational impacts of future pandemics in the country.

Key Words: COVID-19, Education, Online Instructions, Economy, Pandemic

Introduction

The Corona-Virus that broke out in the Wuham Province in China, had by February, 2020, spread to most countries of the world. By April/May, 2020, the pandemic has affected all the states in the Nigeria including the Federal Capital Territory. For the first time in several decades, Nigeria and indeed the world is witnessing a pandemic that has adversely affected the world economic and the educational systems. The period has witnessed unparalleled disruption of the Nigerian Economy and educational systems. This was not just in terms of the academic calendar and the economy but the pace at which all these are happening. No one knows when the pandemic will end. The fact of the matter is that to retool any educational delivery system in a period of crisis cannot be an easy task. The money to fund the retooling exercise is not readily available. The economic downturn in Nigeria heralded by the declining crude oil prices was further aggravated by the outbreak of COVID 19 with policies that have stopped



most economic activities from taking place. Most of the measures put in place to minimize economic crises like loan support to some sectors did not yield the needed results because economic agents refused to engage in economic activities for the fear of contracting the pandemic. In fact, for a section of the economy POST-COVID-19 period will certainly be worse and difficult as a result of loss in demand and decreased spending power. This paper essentially looks at the origin, the main causes of the COVID-19, its consequences on the Nigerian economy and educational systems and some of the re-actions of the government.

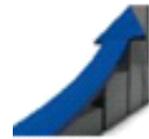
Effects of COVID-19 on the Nigerian Educational Sector

The pandemic had caused unique challenges as well as revolution in the education sector and had forced many universities to deliver their courses online. Video-conferencing applications including ZOOM and Webex have become avenues through which most universities performed their traditional activities of disseminating information and teaching online. This had become inevitable as a result of the sudden but mandatory closure of institutions and campuses.

The use of online solutions to reduce the effects of the COVID-19 on course delivery has been unprecedented in some countries. Many Educators now utilized it in trying to move from in-person to remote instructions. The pandemic had demonstrated to the educators, policy makers, and the societies in both developed and developing world the vulnerabilities of the education systems prior to COVID-19. It has equally under-scored how indispensable it is to be digitally literate to function properly in the world that physical distancing, greater digitalization of services and digital communications had become the norm. Kandri, (2020)

Online learning and instruction appeared to have created inequalities between institutions that had better and well equipped ICT infrastructure, between students within the same institutions, and the rich who live in the urban areas and the poor that live in the rural areas. Unlike their urban counterparts, the students in rural areas come from poor families and so have little or no access to the internet. In many universities in Africa, the full delivery of programmes and courses online is a mirage and far-fetched. This is in spite of the fact that the pandemic and the revolution in education have provided them with the opportunity to improve and maximize their ICT operations where they exist.

The unprepared online course delivery has impact on the quality of the programmes. For one, online learning will require teaching materials that are prepared by professional instructional designer for it to be more effective and qualitative. In fact, the science and engineering programmes will be adversely affected as students and staff will not be able to access the laboratories. This will significantly affect Africa's development since all countries within the region rely mostly on science and technology for their economic growth and development. And mitigating the challenges and effects of poor quality programmes in many countries in Africa in the face of unplanned online course delivery will take time and huge resources to be tackled.



Academic and research institutions are faced with the problems of how to adapt in real terms in the midst of the pandemic that is militating against and disrupting the world higher education sector, particularly in Africa. It appears that the pandemic has exacerbated the vulnerabilities the poor state of research and higher education in Africa that had been a lot of concern over the years. Worse still, a large part of research initiatives in Africa are funded either by European countries or by agencies and foundations in the United States of America and China. Burgess and Seivertson, (2020). Thus, while several of these countries might end up in recession, their higher education institutions would definitely give priority to redressing their own situation rather than supporting international research collaboration Mohammedbhai, (2020).

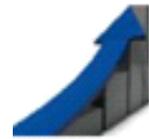
Corona-Virus could be considered a disastrous period for higher education disrupting the global higher education sector. At the time that the various governments were trying to develop and invest in higher education in Africa, COVID-19 seemed to have destabilized the sector with disastrous consequences. The closure of educational institutions had become synonymous to lockdown measures imposed during this period. In need, the pandemic had shuttered economies world-wide and as a direct consequence battered education systems in developed and developing countries. It has been estimated that about 1.5 billion students, about 90% of all primary, secondary and tertiary students, could no longer physically attend schools and universities. Kandri, (2020). In fact, in the emerging markets, where students faced the challenges of finance and available infrastructure, short-term solutions of remote teaching and learning had to be devised.

Funding of private institutions is a major challenge during the crisis. Most of these institutions operate along business line and depend substantially on students' fees and other charges to pay staff salaries and other operational costs. In fact, the number of private institutions is significantly greater than public ones, whilst the number of student enrolment has increased over the years. In Nigeria, all institutions from the primary to the tertiary levels are forced to close down by the pandemic. In the post-pandemic period, public institutions might be assisted to overcome the consequences of the corona-virus, but some of the private institutions might be forced to stop their operations.

Effects of COVID-19 on the Nigerian Economy

In most countries of the world including Nigeria, as the Corona-Virus has continued to spread, the various governments have continued to impress on the people to practice social (physical) distancing, mass isolation as well as the closure of national and international travels, prohibition on intra and inter-state travels, and people to remain in their homes unless on essential services to curtail the spread of the pandemic and save lives, all culminating in a grinding halt of economic activities and progress in education.

The pandemic has caused serious damage to most economies and has equally heralded economic recession, financial crisis, fiscal policies, liquidity provision, and so on globally. In Nigeria, the pandemic occurred in the midst of numerous public health crises and challenges that caused economic crisis in the

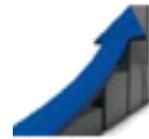


country. It should be stated that the present crisis is different from the previous economic disequilibrium. For example, most economic agents and indicators that were supposed to play a critical and important role in reviving the economy and bring it back on course were unable to do so due to fear of contracting the corona-virus disease coupled with the government policy of safety measures by imposing and enforcing physical distancing and movement/travel lockdown in many states of the federation.

In Nigeria, the COVID-19 outbreak could not be readily controlled and thus the number of persons affected and those that had died has been increasing at an alarming rate. For example, the number of detected persons that were affected and those that died has risen from 131 and 2 by 31st March, 2020 to 12,486 and 354 on May 24, 2020 respectively. "NCDC Update National COVID-19 Case" (2020) in *ncdc.gov.ng* – May, 2020 & "Corona-virus: total Nigeria cases and deaths, real-time map" (2020) in *en.as.com*). This has adversely affected as well as increase the real suffering of the poor citizens and indeed many households. In fact, the ineffectiveness of the institutions that could supposedly respond adequately to the disease, lack of social welfare programmes that could cater for the poor and vulnerable citizens affected by the pandemic have adverse effects on them and aggravated the crisis. Ozili, (2020).

Indeed, the fear that the economic and financial systems would collapse seemed to have heralded the era of panic buying, hoarding of foreign currency particularly the US Dollar due to speculations of higher exchange rates in the non-official markets, stock-buying of essential food items and commodity items, working from the home to reduce operational costs. Ozili, (2020). When the pandemic started the World Health Organization recommended that the populace should practice social (physical) distancing. This recommendation resulted in mass self-isolation and the halting of most economic activities. In effect, this has reduced the stimulus to spur aggregate supply and demand forces as businesses in almost every sector have stopped working. This was meant to reduce the effects of the pandemic and therefore save lives in the process. Ozili, (2020). Regrettably, Nigeria, like most African countries, this was not possible, because of chronic lack of affordable housing for millions of the population, epileptic power supply, corruption, over-crowded towns and cities, inadequate and broken down transportation systems, a broken health system with inadequate and outdated facilities to cater for the teeming population, and so on.

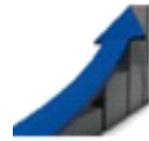
To ameliorate the effects, the monetary authority, THE Central Bank of Nigeria (CBN) adopted what they called accommodative monetary policies by offering N3.5 trillion as support to some sectors. Ozili, (2020). Indeed, the government and the financial houses, individuals and groups responded. Unfortunately, this gesture did not prevent the economic crisis. However, these responses and assistance were to businesses and not the households that were structurally and painfully affected. Thus, in Nigeria the outbreak of the epidemic became uncontrollable and causing sufferings for the poor citizens. The reasons for these are not farfetched. The institutions that were to respond to the pandemic were ineffective as well as lack of social welfare programmes that would have catered for the effected



poor and vulnerable citizens. The consequences of COVID-19 on the economy, financial markets and the citizenry include economic lockdown in some major cities and economic hubs leading to economic loss particularly for daily income earners from small and medium scale businesses, withdrawal of money by investors from the market in the face of fall in oil prices (Ozili, 2020). Many sections of the economy are worse off due to loss in demand, decreased spending power, disruptions of supply chain, job losses, and the general hard hitting effects. Typical examples are the Micro, Small and Medium Enterprises (MSMES) that will face challenges during and even after the pandemic. MSMES are prone to economic shocks due to their low savings capacity and restriction on the movement of goods, people and services that are very important to their supply chains and profitability. They are equally enslaved in their daily incomes and cash flows and business transactions. They need capital (which is not very much available during the pandemic) to re-invested into their businesses, pay for labour costs and operative expenses (Nnanna, 2020). Mostly affected are the MSMES that deal with perishable items such as fruits and vegetables particularly farmers who depend on their daily transactions but who are unable to transport such produce to neighbouring villages, towns and states. The food vendors and restaurant owners are similarly affected as a result of restrictions of movements and close down of restaurants. Impromptu online order and delivery are new to many and so invested resources yielded little returns.

It is likely that the pandemic will lead to huge external debt of Nigeria, thereby given rise to dependency theory. The pandemic has created an avenue whereby developing countries like Nigeria have liquidity problems and challenges and thus requested for and received loans from Multilateral agencies like the World Bank, the International Monetary Fund and the African Development Bank in order to augment their budgets and probably emerge stronger from the pandemic (Nnanna, 2020). Before the pandemic the Nigerian government had been grappling with weak recovery from the 2014 oil price shock, with Gross Domestic Product (GDP) growth tapering around 2.3% in 2019. Indeed, the Nigerian economy was facing headwinds from increased external vulnerabilities and fall in per capita levels. COVID 19 has magnified Nigeria's economic vulnerabilities leading to substantial decline in growth, contraction in real GDP growth and large external and fiscal financing needs. In response, the Executive Board of the International Monetary Fund (IMF) approved Nigeria's first request for Emergency Financial Assistance of SDR 2,454.5 million (U\$ 3.4 billion) under the Rapid Financial Instrument (RFI) to meet the urgent balance of payment needs arising from the outbreak of the pandemic. Nnanna (2020).

COVID-19 has serious spill-over effects on the Nigerian society and economy. Due to globalization, the pandemic will have disastrous effects on emerging and developing countries due to their dependence on developed counties for their importation of goods and services. The borrowers' incapacity to service their loans resulting in non-performing loans will make the banks reluctant to give additional loans as the borrowers are still struggling to pay. The pandemic, the oil demand shocks and declining oil prices had resulted in less travel, reduced demand for aviation and automobile fuel, negatively affecting Nigeria's net oil revenue and her foreign reserves. It has also affected the supply



stocks in the global chains as many importers shut down their factories and many countries closed their borders.

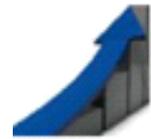
In addition, there have been the structural weaknesses in the country's economy and infrastructure and economic linkages. In fact, the widespread corruption, nepotism, the absence of investments in key areas and sectors (like education and health) for economic growth, and the inability of the various Nigerian governments to initiate key and real reforms have contributed to this crisis. Over the years, the economic crises in Nigeria have notable consequences giving rise to job destruction as a result of the collapse of many manufacturing and service firms, increasing unemployment rate, lack of notable and effective minimum wage, heralding the increase in casual workers. It has also resulted in declined consumption, declined investment, increased government expenditure and declined net exports.

Conclusion

In spite of the problems that the African higher education might encountered in their attempts to go education-digital, the pandemic had make the world to realize how dependent the world is on the so-called low-skilled workers to keep things happening. The luck-downs, curfews and shut-downs had clearly demonstrated this. The scope and severity of the economic crisis caused by the fall in crude oil prices and COVID-19 impact are clear signals that the growth, development and structural reforms are needed in Nigeria. There is the need to enrich our physical, spiritual and emotional health and not focusing on avoiding the pandemic.

Recommendations

1. The approach to the solutions must be holistic and should involve all stakeholders, including the private sector and individuals.
2. All sectors of education should share helpful lessons and experiences from the institutions that had made better progress. From all indications, only well-funded institutions have made quick transition and some progress.
3. Tertiary level of education need to explore possible new ways of institutional collaboration in these times of crises and beyond – in terms of sharing of content, access to visual laboratories, sharing of trained, the trainer resources, and sharing of best practices.
4. Tertiary institutions should share ideas on how to deal with the challenges of digital learning and the required shifts by teachers and students.
5. A large number of teachers are not Digital natives and as such the learning curve for them is quite steep. Given the urgencies of providing alternatives, those in these categories have to be hand held using relatively simple platforms such as Microsoft Teams and Google classroom that



is not too complicated. Thus the government as well as management tertiary institutions should provide aggressive training in digital communication and education.

6. Despite the fact that the MSMEs pay 5% interest many are struggling with the burden of loans from family networks, cooperatives, micro-finance and commercial banks. It is proffered that they should be considered for complete or partial debt relief, reduced rates on existing loans, increased access to working capital loans at concessional terms and grants to enable them deal with the shocks occasioned by the pandemic.
7. Governments at various levels should step in and provide the higher institutions with funding to enable them manage the aftermath of COVID-19.
8. After the pandemic, Nigeria's focus should be on medium-term macroeconomic stability, with revenue-based fiscal consolidation needed to keep her debt sustainable and create fiscal space for priority spending.

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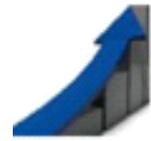
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