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COVID-19 and Effects of Foreign Donors' Response on Poverty Reduction Efforts in Nigeria

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Abstract: Efforts towards poverty alleviation in Nigeria faced an unprecedented challenge with the outbreak of Coronavirus disease in the country in 2020. This accounted for a projection by the World Bank that the pandemic would drive up the poverty rate in the country from 40.1 percent to 42.9 percent in 2022, and consequent donor-driven interventions. The contending issue, however, is on the nature of the relationship between the foreign assistance and poverty-reduction efforts in the country. It is the worry that necessitated this inquiry which investigated the correlations between the foreign donors' response and Nigeria's efforts at poverty alleviation. The study was anchored on the Dependency Theory, while adopting ex-post facto research design and documentary method for data collection. Qualitative method was used for data analysis. Among other things, the study found that the foreign assistance for mitigating the impacts of COVID-19 on poverty has so far recorded negative effects in Nigeria. It therefore recommended a strong monitoring of donor funds as well as greater focus on home-grown economic development plans against the poverty malaise.

Keywords: COVID-19, foreign donors, Nigeria, poverty reduction, pandemic.

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INTRODUCTION

Coronavirus outbreak in Nigeria created certain negative economic impacts in the country amongst which are losses of labour and non-labour income, disruption to markets and supply chains, disruption to basic service provision as well as out-of-pocket health expenditures (World Bank, 2020a). The consequential effect on the efforts towards poverty alleviation in Nigeria was huge. World Bank (2020b) had hinted that for the first time in a generation, the quest to end global poverty suffered its worst setback with the outbreak, and Nigeria was not an exception. In fact, the anticipated negative impact accounted for the prediction that with the manner the country's economy was hit by the COVID-19 pandemic, the poverty rate in the country was naturally to rise to the extent that not only will additional millions of people be pushed into poverty by 2022, but the national poverty headcount rate was estimated to jump from 40.1 percent to 42.9 percent in same year, implying that the number of poor people in Nigeria will be about 95.7 million in 2022 (International Monetary Fund, 2021; World Bank, 2020a).

Nevertheless, in response to the outbreak of the pandemic, certain foreign donors announced some relief funds for Nigeria in order to mitigate the excruciating impacts. For instance, the World Bank in 2020 approved US\$1.5 billion for social protection and strengthened state-level COVID-19 response for the country, specifically targeted to increase access to social transfer and basic services as well as provide

grants to poor and vulnerable households encapsulated under Nigeria COVID-19 Action Recovery and Economic Stimulus programme (World Bank, cited in Proshareng, 2020). On the other hand, the International Monetary Fund approved US\$3.4 billion in emergency financial assistance to Nigeria under the Rapid Financing Instrument to support the country's efforts in addressing the severe economic impact of the COVID-19 (International Monetary Fund, 2020a). In the same vein, the African Development Bank in June 2020 approved a US\$288.5 million loan to help Nigeria tackle the COVID-19 pandemic and mitigate its impact on people (African Development Bank Group, 2020a). So far, IMF's assistance so far stood at US\$3.4 billion, World Bank US\$2.5 billion, African Development Bank US\$0.5 billion, African Export-Import Bank US\$0.5 billion and Islamic Development Bank US\$113 million (IMF, 2021b).

This study interrogated the impacts of the donor-driven assistance on poverty alleviation efforts in the country. Can we say that Nigeria has fared better in poverty indicators on account of the assistance or otherwise? In approaching this task, the study interrogated mainly the rate of unemployment as an indicator and made necessary far-reaching conclusions and recommendations.

Statement of the Problem

Poverty rate in Nigeria remained high prior to the outbreak of COVID-19 (World Bank, 2019; Dangana, 2011; & Mohammed, 2008). The proportion of Nigerians living in poverty increased every year

while poverty occupied the position of an obstacle or limitation to economic growth such that the country was in 2018 reported to have hosted more of the world's extreme poor (National Bureau of Statistics, 2010; Omoniyi, 2018; World Bank, 2019; & World Bank, 2018). With the outbreak of the pandemic in 2020, projections were that the national poverty headcount rate was to jump from 40.1 percent in 2019 to 42.9 percent in 2022, meaning that the number of poor people in Nigeria will be about 95.7 million in 2022. Further implication is that the worsened security challenges in the country which have their root causes in the high level of poverty, ethno-religious strife, political violence, kidnapping, militancy, terrorism and the inability of many homes to make ends meet with the family income were to linger (Tijani, 2020; & Salawu, 2010).

Obviously, the rate of poverty and its indicators has shown no sign of abating regardless of foreign donors' assistance to Nigeria to cushion the economic effects of the pandemic and tackle poverty. This has necessitated worry over the corrections between the donor interventions and poverty alleviation efforts in the country. A key question is, what is the nature of the relationship between the two? It is this problem that the study intended to resolve.

Objectives of the Study

The primary objective of this study was to investigate the correlations between foreign donors' response to COVID-19 outbreak in Nigeria and her poverty alleviation efforts.

Research Question

The study was guided by the following research question:

- How has foreign donors' response to COVID-19 outbreak in Nigeria affected her poverty alleviation efforts?

Significance of the Study

The study investigated the correlations between foreign donors' response to COVID-19 outbreak in Nigeria and the country's poverty alleviation efforts. It is therefore of theoretical and practical importance. It contributed to the existing body of knowledge by probing the prevailing factors that have accounted for the failure of the donors' assistance in assisting in poverty reduction efforts in the country. Whereas previous studies have examined COVID-19 poverty impacts in Nigeria, but there is a dearth of literature which examined the effects of foreign donors' assistance against the pandemic in the country. That is the lacuna which this study sought to fill. On the other hand, the outcome of this study is to provide empirical data that will assist the political leadership re-plan for a better outcome of the foreign assistance towards poverty reduction. This will help to reduce poverty in the country and restore donor confidence in Nigeria.

METHODOLOGY

The qualitative mechanism of data collection and analysis was applied in this study.

Theoretical Framework

This study is anchored on the Dependency Theory which has been used by some scholars within the social sciences circle to situate economic development of states. The theory developed in the late 1950s under the guidance of the Director of the United Nations Economic Commission for Latin America, Raul Prebisch who, together with his colleagues, were troubled by the fact that economic growth in the advanced industrialized countries did not necessarily lead to growth in the poorer countries. Thus, the theory originated with two papers published in 1949, one by Hans Singer, and the other by Raul Prebisch. In the papers, the authors observed that the terms of trade for underdeveloped countries relative to the developed countries had deteriorated overtime because of the exploitative nature of the relationship between the two worlds. It is a central contention of dependency theory that poor states are impoverished and rich ones enriched by the way poor states are integrated into the world's system (Agubamah, 2014).

The Dependency Theory was borne out of an extensive search for explanations on both issues of development and underdevelopment with focus on such issues as economy and how they influence development policies (Romaniuk, 2017). That explains why Igwe (2007) conceptualized the theory as a situation that accords exploitative powers to external forces usually through the simultaneous application of unequal socioeconomic, political and cultural measures. It is his contention that dependency typifies systematically subordinated status in relations with other states or actors, usually starting economically but with implications in other spheres of activity. In furtherance, both Igwe (2007) and Udenigwe (2010) argue that dependency is a lingering part-consequence of colonialism and a syndrome of the neo-colonial system, with the mainly third world countries as unequal actors within the Western-dominated international capitalist system.

According to Romaniuk (2017) & Ferraro (2008), the theory attempts to explain the present underdeveloped condition of many nations in the world by examining the patterns of interactions among them and by arguing that inequality among nations is an intrinsic part of those interactions. The scholars agree that dependency characterizes the international system as comprised of two sets of states, variously described as dominant/dependent, center/periphery or metropolitan/satellite where the dominant states are the advanced industrial nations in the Organization of Economic Co-operation and Development (OECD) and the dependent states represent those states of Latin America, Asia, and Africa which have low per capita

gross national products and which rely heavily on the export of a single commodity for foreign exchange earnings. Dependency theory, according to them, holds that external forces are critical in terms of economic activity of dependent states and those relationships, based on strongly historical patterns and dynamics between dominant and dependent states are a vibrant process, with exchanges taking place between the states playing a considerable role in the reinforcement of patterns of inequality.

By implication therefore, the theory is apt for this study as it reinforces the fact that interventions in the economic affairs of underdeveloped economies just as Nigeria has the tenor of entrenching underdevelopment in the recipients at the benefit of the developed countries. In other words, it argues external aids end up perpetuating such challenges as poverty and Nigeria is not an exception. It is therefore in that light that the theory becomes apt in interrogating the contending factors in the poor performance of COVID-19 related donor funds on poverty reduction efforts in Nigeria. At the end, the contention on whether home-grown solution or perennial external assistance serves the interest of Nigeria in addressing the overarching impact of COVID-19 pandemic would have been put to rest.

LITERATURE REVIEW

COVID-19 Outbreak and Consequential Global Challenges

Globally speaking, the outbreak of Coronavirus pandemic turned out to be a global health emergency which triggered disastrous socio-economic crisis and severely demobilized the global economy (Efebeh, 2020). It is the newest and most immediate threat to poverty reduction whose effects will almost certainly be felt in most countries through 2030 with middle-income countries such as India and Nigeria projected to be significantly affected (World Bank, 2020d). The inclusion of Nigeria by the foremost international financial institution as one of the countries to be heavily and negatively impacted by the pandemic is quite worrisome. It may not be strictly connected with the country's high population but could have been influenced by other dynamics which include poor economic outcomes and perennial resource mismanagement by officials.

However, the World Bank (2020b) is unequivocal that for the first time in a generation, the quest to end poverty has suffered its worst setback while a preliminary estimate for 2020, highlighting the effects of the COVID-19 pandemic, projected that an additional 88 million to 115 million people will be pushed into extreme poverty globally, bringing the total to between 703 and 729 million. This projection calls for concern and requires effective strategies to combat the poverty plague. The urgent intervention is predicated on the fact that further increase in the global

population of poor people is capable of not just plunging the world into deeper mess but threatening the actualization of the foremost goal of millennium development goal which targets ending extreme poverty everywhere by 2030. The same concern was equally raised by Oxfam (2020) which warned that the economic fallout from the coronavirus pandemic could push half a billion more people into poverty unless urgent action is taken to bail out developing countries through the delivery of the US\$2.5 trillion which the United Nations estimated was needed to support developing countries through the pandemic, in addition to US\$ 500 billion in overseas aid.

Obviously, the sudden economic disruption caused by the COVID-19 is not only destructive but also has spillover implications as it created demand and supply shocks in almost every area of human endeavour (El-Erian, 2020). In fact, it is the largest threat to global economy since the financial emergency of 2008-2009 (World Trade Organization, Organization for Economic Co-operation and Development, cited in Chakraborty & Maity, 2020). As World Bank (2020b) puts it, the current moment of Coronavirus crisis is extraordinary as no prior disease has become a global threat so quickly as COVID-19 and never have the world's poorest people resided so disproportionately in conflict-affected territories and countries.

When the devastating impacts of the pandemic is probed further, it can be understood why Oxfam (2020) raised the alarm that it could, consequently, take more than a decade for the world's poorest to recover from the economic impacts of the pandemic. That goes to show that the pandemic has actually left deep, far-reaching and devastating impacts, far above what human projections had fathomed. World Bank (2020b) puts it more aptly to the effect that many people who had barely escaped extreme poverty could be forced back into it by COVID-19 and the convergence of conflict and climate change.

As a result, Oxfam (2021), in observing that delivering the US\$2.5 trillion the United Nations estimated is needed to support developing countries through the pandemic would also require an additional US\$500 billion in overseas aid, proposed that an Emergency Rescue Package for All which could be paid for through a variety of measures including the immediate cancellation of US\$1 trillion worth of developing countries' debt payments in 2020 and the creation of at least US\$1 trillion in new international reserves known as Special Drawing Rights to dramatically increase the funds available to countries would enable poor countries to provide cash grants to those who have lost their income and to bail out vulnerable small businesses.

COVID-19 and Specific Implications for Nigeria

The question has often centred on the peculiar implications of COVID-19 for Nigeria. In addressing the question, scholars majorly focused on the economic perspective. In other words, they channel energy and scholarly attention towards unearthing how bad the pandemic has affected the economy. And the scholars are of consensus that economically, the COVID-19 pandemic affected Nigeria in many ways. For Efebeh (2020), there was oil demand shocks which resulted in sharp decline in oil price and caused a drop in the price of crude oil from US\$60 per barrel to as low as US\$30 per barrel in March 2020. By implication, whereas the Nigeria’s national budget was initially planned on oil benchmark of US\$57 per barrel, the fall in oil price to US\$30 per barrel led to the formation of a new budget. Second according to him was the supply shock in the global supply chain and Nigeria being an import-

dependent country became severely affected with shortages of crucial supplies.

Ozili (2020) focused on the stock market and hinted that investors lost over N2.3 trillion (US\$5.9bn) barely three weeks after the first case of COVID-19 was confirmed in Nigeria. In the same vein *et al.* (2020) & Osagie *et al.* (2020) found that the pandemic has astronomical negative impact on Nigerian stock market through closure of financial markets. Chukwuka & Ekeruche (2020), in their own study, focused on the implications of the pandemic on the debt profile of the country and noted that the pandemic created room for increase in the country’s debt services and revenue rate. Obviously, the outbreak of COVID-19 in Nigeria on February 27, 2020 (National Centre for Disease Control, 2020) came with many challenges for the country as table 2.1 shows.

Table 1: Quick Facts about Nigeria’s Current Challenges and Opportunities

S/N	Challenges
1	“Africa’s giant” and the continent’s biggest oil exporter, Nigeria continues to face the economic impact of COVID-19. The country is projected to fall into its deepest recession since the 1980s, pushing up to 20 million Nigerians into poverty by 2020. GDP is expected to contract by over 4 percent in 2020 and as a result, government revenues could fall by more than 15 billion dollars this year (2020).
2	With more than 200 million people, Nigeria accounts for about half of West Africa’s total population and one of the largest populations of youth in the world. About 3.5 million young Nigerians are entering the labour market every year.
3	Ranking 152 of 157 countries in the World Bank’s 2018 Human Capital Index, Nigeria has one of the lowest human capital scores in the world. One in five girls gets married before turning 19 and 19 percent of them are already mothers or pregnant with their first child.
4	Access to electricity and improving service delivery remain a priority, with 80 million Nigerians lacking access to grid electricity, and annual economic losses due to unreliable power are estimated at 28 billion dollars.
5	Conflict across the country has displaced millions from their homes and caused disruption to agriculture in the fertile middle belt, with particular impacts on women and girls.

Source: World Bank (2020c). Tabulation by researcher.

From the table, it is evident that the challenges which Nigeria has had to contend with on the account of COVID-19, according to World Bank (2020c), include recession, rising unemployment and lowest human capital scores in the world. Others are lack of access to electricity and improved service delivery, as well as conflicts and internal displacements. However, there is further threat which the pandemic imposes on Nigerian households’ ability to meet their basic consumption needs through the generation of the necessary income. Put simply, there is a growing concern on the impact which the COVID-19 has on poverty rate in the country. In essence, it is evident that Nigerian households’ welfare was being impacted through several channels owing to the COVID-19, implying therefore that the fear is absolutely justified.

COVID-19 and Poverty Challenge in Nigeria

The impacts of COVID-19 on Nigeria, especially with regards to the challenge posed by poverty, are enormous. That accounts for the assertion by the National Centre for Disease Control (2020) to the

effect that the efforts towards poverty alleviation in Nigeria faced a big and contemporary challenge with the outbreak of Coronavirus disease in Nigeria on February 27, 2020. As it stands, the country’s economy which is expected to drive poverty reduction has been hit hard by the COVID-19 pandemic (IMF, 2021) while the COVID-19 pandemic is predicted to drive up the poverty rate in the country, pushing additional millions of people into poverty by 2022 (World Bank, 2020a). What this means by implication is that given the effects of the COVID-19 crisis, the national poverty headcount rate is to jump from the current 40.1 percent to 42.9 percent in 2022, further implying that the number of poor people in Nigeria will be about 95.7 million in 2022.

Specifically, the pandemic threatens Nigeria’s attainment of United Nations Sustainable Development Goal number 1 which is to end poverty in all its forms by 2030. Obviously, the threat swells with each passing day. For instance, with 40.6 percent of the Nigerian workforce employed in the non-farm enterprises and

42.7 percent employed in agriculture – activities that suffer as demand contracts, markets are disrupted, social-distancing measures are implemented and with real per capita gross domestic product growth for Nigeria projected to be negative in all sectors in 2020 - poverty was to deepen for the poor while those households that were just above the poverty line prior to

the COVID-19 crisis were to fall into poverty (World Bank, 2020a). By implication, the COVID-19 pandemic rate in Nigeria threatens the ability of some households to generate income and consequently cater for their basic consumption needs. Figure 2.1 provides further proof on how COVID-19 has adversely affected Nigerian households’ welfare.

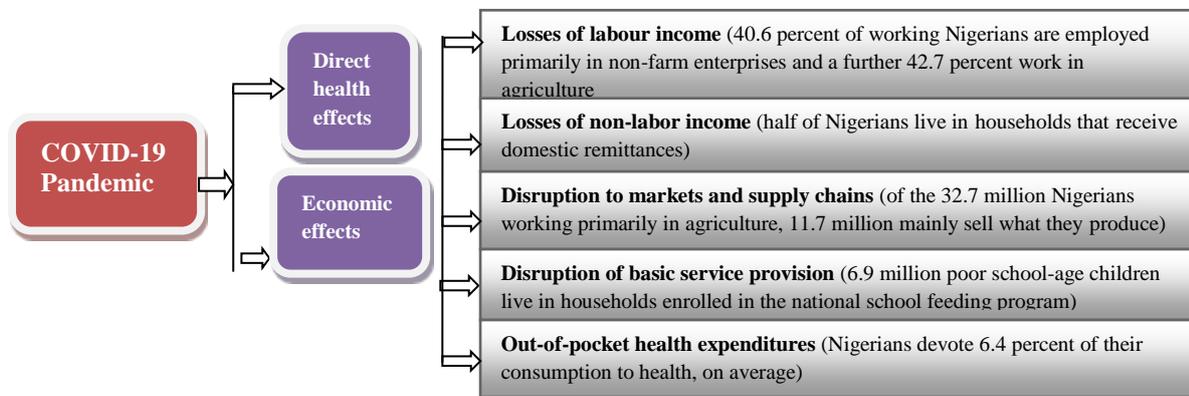


Figure 1. Economic Impacts of COVID-19 on Nigerian Households

Source: World Bank (2020a).

It is obvious, from the table, that the COVID-19 has had several economic impacts on Nigerian households. These are losses of labour and non-labour income, disruption to markets and supply chains, disruption of basic service provision and out-of-pocket health expenditures. Obviously, the onset of COVID-19 crisis has made the task of poverty alleviation much more challenging and urgent because of the severity of the economic downturn and the decline in fiscal resources (World Bank, 2020c). Asobie (2004) as well as Azom & Shaibu (2016) drew attention to inequitable allocation of adequate funds, just as Eme *et al.* (2015) rightly pointed out that the Nigerian economy is characterized by dismal infrastructure and high level of poverty, a weakness not unrelated to the dependence of the economy on oil which generates about 90 percent of foreign exchange earnings and 75 percent of government revenues.

Historically, the obvious inability of the Nigerian economy to engender poverty alleviation has been linked to pre-independence era when the colonial power at the helm of political cum economic administration in the country pursued capitalist-oriented economic blueprint which assigned Nigeria the role of production and exportation of essential primary commodity while amassing the role of an industrial producer. That situation continued up to the post-

colonial era, causing monumental economic crises which Jega (2002) argued was borne out of the introduction of structural adjustment programme. Thus, he vehemently argued that the programme created mass poverty in Nigeria which is so perturbing that Igbuzor (2006) observed that whereas the proportion of the population living in relative poverty was expected to have fallen to 28.78 percent in 2007 if the millennium development target was to be met in 2015, however among every ten Nigerians in that year, five were still living in poverty. Of course, it has been established that achieving the millennium development goals failed in Nigeria as a result of her sick economy and in the face of the poor performance of the indicators used in measuring the health of an economy listed by Ezeibe (2015) to include the gross domestic product, human development index, quality of life index, genuine progress indicator, index of sustainable economic welfare, sustainable society index, sustainable national income and environmental performance index.

Be that as it may, Nigeria spearheaded some internal responses in order to address the effects of the COVID-19. These include monetary policy, immediate fiscal measures and measures to mobilize external support and funding. The detail is presented on table 2.2.

Table 2: Some Economic Responses by Nigeria towards COVID-19 Pandemic

Policy	Measures
Monetary Policy	<ul style="list-style-type: none"> •Financial institutions were directed to engage international development partners and negotiate concessions to ease the pains of the borrowers; •The CBN provided credit support for the health industry to meet the potential increase in demand for health services and products; •The CBN initiated the Healthcare Sector Research and Development Intervention Scheme

	(HSRDIS);
	<ul style="list-style-type: none"> ▪The CBN coordinated CA-COVID – private sector intervention scheme- which had mobilized over N32 billion to support the economy, lives and livelihoods; ▪Provided N1 trillion in loans to boost local manufacturing and production across critical sectors; ▪Took steps to unify the exchange rate; ▪Invoked partial risk guarantees for SMEs; ▪Granted additional moratorium of one year on CBN intervention facilities; ▪Reduced interest rate on intervention facilities from 9.0 percent to 5.0 percent; ▪Created N50 billion Target Credit Facility for affected MSMEs; ▪Granted regulatory forbearance to banks to restructure terms of facilities in affected sectors; and ▪Directed oil and oil service companies to sell foreign exchange to the CBN rather than the NNPC to improve foreign exchange supply to the economy.
Immediate Fiscal Measures	<p>Unlock available funds in Special Accounts to create a N500bn intervention fund;</p> <p>Specific measures to support the private sector:</p> <ul style="list-style-type: none"> ▪Activate the provisions of the Finance Act 2020 in support of MSMEs; ▪Structure and launch a Tax Resolution and Settlement Unit; ▪Extend deadlines and suspend penalties for filing tax returns; ▪Incentivize employers to retain and recruit staff during economic downturn; ▪Provide targeted tariff reduction and trade finance facilities to support strategic imports and serve as a boost to economic activity; and ▪Support strategic industries affected by the pandemic, such as the aviation, hospitality and road transport sectors <p>Measures to support the health sector:</p> <ul style="list-style-type: none"> ▪Convert World Bank REDISSE program to support COVID-19 interventions in the states; ▪Provide funding to pharmaceutical sector to support the procurement of raw materials and equipment required to boost local drug production; ▪Provide N86bn intervention fund for health infrastructure; ▪Accelerated procurement of medical supplies and equipment; and ▪Develop incentive package for frontline healthcare workers <p>Accelerate Infrastructure Completion:</p> <ul style="list-style-type: none"> ▪Expand the scope of the Road Infrastructure Tax Credit Scheme (RITCS) ▪Accelerate the construction of 794.4km of approved roads and bridges under RITCS
Measures to Mobilize External Support and Funding	<ul style="list-style-type: none"> ▪Engage with multilateral and donor agencies to access additional funding for crisis response, i.e. IMF - \$3.4bn; World Bank - \$2.5bn; AfDB - \$0.5bn, African Export-Import Bank - \$0.5bn, Islamic Development Bank - \$113m; ▪Seek moratorium from official partners on bilateral and multilateral debts; and ▪Support arrangements to secure commercial debt relief.

Source: IMF (2021b). Researcher excluded some policies from original data to reflect focus of the study.

As can be seen from the table, Nigeria opted for certain measures as responses to the pandemic. They include extension of deadlines and suspension of penalties for filing tax returns, incentives for employers to retain and recruit staff during economic downturn, provision of targeted tariff reduction and trade finance facilities to support strategic imports and serve as a boost to economic activity; and support for strategic industries affected by the pandemic such as the aviation, hospitality and road transport sectors. The country equally converted the World Bank Regional Disease Surveillance Systems Enhancement program launched in 2016 to support COVID-19 interventions in the states. In addition, she engaged with multilateral and donor agencies to access additional funding for crisis response, i.e. International Monetary Fund - \$3.4bn; World Bank - \$2.5bn; AfDB - \$0.5bn, African Export-Import Bank - \$0.5bn, Islamic Development Bank - \$113m; sought moratorium from official partners on bilateral and multilateral debts; and support

arrangements to secure commercial debt relief. The details of the engagement with donor agencies are discussed next.

Foreign Donors’ Response to COVID-19 and Poverty Alleviation in Nigeria

The COVID-19 outbreak in Nigeria attracted some foreign responses. For instance, the World Bank Group quickly considered a five-year Country Partnership Framework (CPF) which was scheduled to however come into effect from 2021 to 2024, focused on supporting Nigeria’s efforts to reduce poverty and promote sustained private sector-led growth in the bid to help build a resilient economic recovery post-COVID-19 in Nigeria (World Bank, cited in Proshare, 2020). The framework focuses on four areas of engagement. One is investing in human capital by increasing access to basic education, quality water and sanitation services, improving primary healthcare and additional investments in promoting women’s

empowerment and youth employment and skills, especially for young women. The second is promoting jobs and economic transformation and diversification by supporting measures to unlock private investment and job creation and increasing access to reliable and sustainable power for households and firms. The third is enhancing resilience by strengthening service delivery and livelihood opportunities in the Northeast and other regions grappling with insecurity, as well as modernizing agriculture and building climate resilience. The fourth is on strengthening the foundations of the public sector by improving public financial management and strengthening the social contract between citizens and government through improved fiscal and debt management (World Bank, cited in Proshare, 2020).

In the overall, World Bank in 2020 approved US\$1.5 billion for social protection and strengthened state-level COVID-19 response for the country, specifically targeted to increase access to social transfer and basic services as well as provide grants to poor and vulnerable households encapsulated under Nigeria COVID-19 Action Recovery and Economic Stimulus programme (World Bank, cited in Proshare, 2020). On the other hand, the International Monetary Fund approved US\$3.4 billion in emergency financial assistance to Nigeria under the Rapid Financing Instrument to support the country's efforts in addressing the severe economic impact of the COVID-19 (International Monetary Fund, 2020b). In the same vein, the African Development Bank in June 2020 approved a US\$288.5 million loan to help Nigeria tackle the COVID-19 pandemic and mitigate its impact on people (African Development Bank Group, 2020b). So far, International Monetary Fund's assistance stood at US\$3.4 billion, World Bank US\$2.5 billion, African Development Bank US\$0.5 billion, African Export-Import Bank US\$0.5 billion and Islamic Development Bank US\$113 million (IMF, 2021b).

In spite of the intervention, there is no clear evidence that poverty rate in Nigeria is slowing. What that means is that yet another poverty reduction effort supported by international financial donors, has failed woefully. And this serial failure of poverty alleviation efforts has a history and pattern.

As Taiwo & Agwu (2016) put it, it is sad to observe that the efforts to alleviate poverty in Nigeria have not produced the desired results as they have only achieved modest successes while the level of poverty still remains high. In fact, as observed by Aliyu (cited in Aluko, 2003), several reasons have been given for the failure of the institutions and programmes, first of which is that some of the functions of the agencies and programmes have been duplicated, leading to unnecessary plurality of influences and interests. Second, in some cases, the implementation agencies have been wrongly identified and as such roles and

functions have been wrongly allocated. Besides, there is the problem of poor management, poor accountability, high level of corruption and dishonesty, pursuit of parochial interests, poor staffing, incompetence and lack of commitment among the rank and file of the workers in many of the implementation agencies. All or part of these could have also clogged efficient utilization of the donors' funds.

Presenting his view on the subject matter, Anibueze (2018) observes that the increasing incidence of poverty, both within and among locations, was in spite of the various resources and efforts exerted on poverty-related programmes and scheme in the country, thus suggesting that the programmes and schemes were ineffective and ineffectual. In fact, he argues that particularly worrisome is the fact that the country earned over US\$300 billion from one resource-petroleum-during the last three decades of the twentieth century but rather than record remarkable progress in national socio-economic development, Nigeria retrogressed to become one of the 25 poorest countries at the threshold of twenty-first century whereas she was among the richest 50 in the early 1970s. Notably, the slow poverty reduction rate in Nigeria is directly linked to the weak resilience and high vulnerability of livelihoods, particularly in the agricultural sector (World Bank, 2016). It is the contention of the Bank that half of all Nigerians work in the agriculture sector where growth of 2 percent per annum since 2010 has barely kept up with the population growth, and it unequivocally revealed that stagnating production and productivity in the farm sector where half of the population works is a key reason for continued high poverty levels. As it is in Nigeria, half of the people working in agriculture belong to the poorest 40 percent of the population (World Bank, 2018). The implication is that in Nigeria today, there is a glaring poverty reality despite the various policies and programmes targeted at poverty reduction as well as the numerous aids received from foreign donors.

Ajakaiye (2003) identifies the problems that perpetuate the condition to include policy inconsistency and poor governance, ineffective targeting of the poor (leading to leakage of benefits to unintended beneficiaries), unwieldy scope of the programmes resulting in resources being thinly spread among projects, and overlapping of functions which ultimately led to rivalry and conflicts. Others are lack of complimentaries from beneficiaries, uncoordinated sectoral policy initiatives, lack of involvement of social partners and stakeholders in planning, implementations, and evaluation; and poor human capital development and inadequate funding. In the same vein, Taiwo & Agwu (2016) listed the factors that have contributed to the failure of past poverty alleviation programmes to include lack of targeting mechanisms for the poor, political and policy instability, severe budgetary, management and governance problems, overextended scope of activities of

most institutions resulting in resources being spread too thinly on too many activities and lack of accountability and transparency: these made the programmes to serve as conduit pipes for draining national resources. Others are inadequate coordination of the various programmes, lack of vision for sustainability of most of the programmes, absence of agreed poverty reduction agenda that can be used by all concerned, lack of cooperation among the three tiers of government, capacity underutilization and

heavy taxation from all tiers of government, among others.

From the foregoing, it is evident that the rate of poverty in Nigeria as represented by rate of unemployment is yet to decline despite foreign donors' assistance to the country following the outbreak of COVID 19. Table 2.3 shows the labour force statistics for fourth quarter of 2020, as data for 2021 is yet unavailable.

Table 3: Nigeria's Labour Force Statistics Q4 2020

	Labour Force Population	Work 40 Hrs+	Work 20 -39 Hrs	Work 1 -19 Hrs	Work 0 Hr (Did Nothing)	Total Unemployed	Unemployment Rates			Under Employment Rate			
							Fully Employed	Under-employed	Unemployed		OL D Nigeria	NE W Nigeria	International
Total	69,675,468	30,572,440	15,915,639	11,027,211	12,160,178	23,187,389	56.1	33.3	17.5	22.8			
Educational													
None	20,652,597	8,414,119	6,378,368	3,839,639	2,020,472	5,860,110	59.3	28.4	9.8	30.9			
First School Leaving Certificate	9,240,842	4,191,875	2,197,042	1,642,647	1,209,280	2,851,926	54.6	30.9	13.1	23.8			
Middle School Leaving Certificate	326,025	162,474	82,671	49,129	31,750	80,880	50.2	24.8	9.7	25.4			
Vocational/Commercial	233,535	96,993	66,592	46,598	23,352	69,950	58.5	30.0	10.0	28.5			
Junior Secondary School Certificate	3,351,293	1,477,931	719,264	529,298	624,799	1,154,097	55.9	34.4	18.6	21.5			
Senior Secondary School Certificate	22,031,170	9,686,538	4,165,532	3,140,116	5,038,984	8,179,100	56.0	37.1	22.9	18.9			
A' levels	748,228	272,915	95,978	169,570	209,766	379,336	63.5	50.7	28.0	12.8			
NCE/OND/Nursing	5,779,243	2,766,061	1,163,199	679,592	1,170,392	1,849,984	52.1	32.0	20.3	20.1			
BA/BSc/HND	5,940,546	2,817,286	741,208	672,334	1,709,718	2,382,052	52.6	40.1	28.8	12.5			
Tech/Prof	187,033	82,660	51,537	25,075	27,760	52,835	55.8	28.2	14.8	27.6			
Masters	349,306	189,592	62,518	56,748	40,448	97,196	45.7	27.8	11.6	17.9			
Doctorate	73,859	46,054	15,323	12,483	-	12,483	37.6	16.9	0.0	20.7			
others (specify)	761,792	367,942	176,408	163,985	53,456	217,441	51.7	28.5	7.0	23.2			
Age-Group													
15-24	9,853,103	2,644,138	1,949,921	1,466,94	3,792,50	5,259,44	73.2	53.4	38.5	19.8			
25-34	20,091,695	8,285,527	4,342,080	2,852,45	4,611,44	7,464,89	58.8	37.2	23.0	21.6			
35-44	19,268,957	9,490,477	4,546,061	2,934,61	2,298,59	5,232,420	50.7	27.2	11.9	23.6			

45-54	13,302,064	6,682,000	3,240,239	2,295,907	1,083,918	3,379,825	49.8	25.4	8.1	24.4
55-64	7,159,648	3,470,299	1,837,338	1,478,305	373,707	1,852,012	51.5	25.9	5.2	25.7
Gender										
Male	39,523,050	18,333,745	8,612,770	6,349,980	6,226,555	12,576,536	53.6	31.8	15.8	21.8
Female	30,152,418	12,238,695	7,302,869	4,677,231	5,933,623	10,610,854	59.4	35.2	19.7	24.2
Place of Residence										
Urban	26,459,732	13,893,541	4,280,005	3,216,856	5,069,331	8,286,186	47.5	31.3	19.2	16.2
Rural	43,215,736	16,678,900	11,635,634	7,810,356	7,090,847	14,901,203	61.4	34.5	16.4	26.9

Source: NBS (2020)

The table shows that unemployment rate during the reference period, Q4, 2020 was 33.3%, an increase from the 27.1% recorded in Q2, 2020. The unemployment rate among rural dwellers was 34.5%, up from 28.2% in Q2, 2020, while urban dwellers reported rate of 31.3% up from 26.4%. For the period under review, Q4, 2020, the unemployment rate among young people (15-34years) was 42.5% up from 34.9%. These rates were the highest when compared to other age groupings. The implication therefore is that poverty, as represented by unemployment indicator, was not positively impacted by foreign donors' assistance following the outbreak of COVID-19 in Nigeria.

FINDINGS

This study made some findings. It found that the foreign assistance for mitigating the economic impacts of COVID-19 has so far not been positively accounted for, in view of the negative effects they have had on poverty rate in the country. Finding is that the unemployment rate, for instance, during the reference period, Q4, 2020 recorded an increase to 33.3%, from the 27.1% recorded in Q2, 2020 against all hopes.

Recommendations

In view of the findings, the study therefore recommended strong monitoring measures for the donors' funds against the impact of COVID-19 pandemic in Nigeria. It equally recommended greater focus on home-grown economic development plans to the poverty malaise.

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