

Socio-economic Impact of Coronavirus on Livelihoods in Makurdi, Benue State, Nigeria

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ABSTRACT: *The whole world is faced with a pandemic that threaten not only the health of humanity but also the economic and social aspect of life especially for a disadvantage City like Makurdi. The central issue the paper address is the socio-economic impact of coronavirus with focus on protecting livelihoods of the urban poor. The paper investigated the socio-economic impact of coronavirus on livelihoods in Makurdi using primary sources of data. Socio-economic impact rating by respondents was analyzed using weighted sum and weighted mean to rank impact of coronavirus on livelihoods in Makurdi. The result shows that, loss of business capital was rank 1st on impact of coronavirus on livelihoods, follow by reduce income generation 2nd, education expenses affected 3rd, difficulty to pay bills 4th, reduce standard of living 5th, increase crime/violence 6th, result to livelihood lost 7th, low productivity 8th, create more debt 9th, and create social distance was ranked 10th and last on the hierarchy list of impacts. The paper concluded that, the pandemic has both social and economic impact on people's lives and livelihoods and it has push many people into poverty and many have lost their sources of livelihoods. The paper recommended suspension of taxes on small scale businesses, provision of soft and long-term loans to small and medium scale businesses, and provision of scholarship to both primary and secondary schools to reduce out of school children in order to protect the future of the younger generation.*

KEYWORDS: *Coronavirus, Livelihoods, Socio-economic impacts, and Makurdi.*

INTRODUCTION

The world today is literally threaten by a reasonable panic in the face of the covid-19 or coronavirus pandemic. Never since the Second World War has death posed a threat to the whole world at the same time as it has done in the present situation. The desire to survive is fast increasing and the propensity for rebellion is invading the human mind in many places under the destructive ideology of survival. The present situation and collapse of life system has no equal in the history of man in terms of geographic spread and sustained anguish inflicted on the people and economy worldwide. The world Health Organization is certainly overwhelmed and frustrated by its inability to tackle the pandemic. The super powers of the world that should be helping the less developed or developing countries are the major victims of this pandemic and a state of near anarchy at world level is beginning to emerge as a result of the coronavirus pandemic which have been described by the International Monetary Fund as a dual crises (health and economy), annihilating the world system.

According to World Health Organization, the disease broke out on 31st December 2019 in Wuhan, a city in eastern China with a population of over 11 million people. What started as an epidemic in China was designated a public health concern by World Health Organization on 30th January, 2020. And on 11th March, 2020 the World Health Organization officially declared Coronavirus

outbreak a pandemic which needed to be taken serious by the whole world. According to John Hopkins University Covid-19 dashboard which collects information from National and International health authorities, the world has already recorded 19,024,700 confirmed cases, 11,594,817 recovered cases and 709,282 deaths globally as of 7th August, 2020. The disease has been detected in more than 180 countries and territories with United States of America, Brazil, India, Russia and Mexico experiencing the most widespread outbreaks worldwide. Nigeria, unfortunately, confirmed its first case on 27th February, 2020 and Makurdi the study area recorded its first confirmed case on 28th March 2020. And since then, the town has seen the number of confirmed cases rise rapidly.

Economically, coronavirus has been described by the IMF as humanity darkest hour as the world economy have witnessed a standstill worldwide. The virus has placed a heavy burden not only on the national and international economies but also on individual business and family finances. The Managing director of the International Monetary Fund, Kristalina Georgieva in a press release on 23rd April 2020, on the economic impact of coronavirus stated that, nearly \$90 billion has flown out of emerging markets and developing economies due to the coronavirus pandemic. According to Kristalina (2020), the same way the virus hits vulnerable people with medical preconditions hardest, the economic crises hits vulnerable economies the hardest, increasing the vulnerability of developing economies and pushing their people into more poverty and loss of individual livelihoods.

In developing economies like Nigeria with 69 percent of people living below poverty level, it is important the impact of coronavirus should not only be seen from the angle of health and economic crises but also the social crises which impact can only be imagine from a position of a profound disadvantage society. The UNDP have predicted that, income losses in developing economies are expected to exceed \$220 billion with an estimated 55 percent of the global population with no access to social protection to suffer the impact of this pandemic more on education, human rights and in most severe cases, basic food security and Nutrition. Also, according to the Sun newspaper of Monday, June 29th 2020, the World Bank has predicted an estimated 95.7 million Nigerians would be joining extremely poor countries across the world by 2022 due to the impact of coronavirus pandemic. This is in addition to a previous report stating that before covid-19 outbreak, 90 million Nigerians were already living in extreme poverty of less than a dollar per day. While there is much focus by analyst and researches in assessing the impact of coronavirus at National, and global level, Ortserga (2017), have argued that such analysis hardly capture the real impact on the people who form the foundation on which the economy stands and is supported, as both National economic growth and development are products of a localize system that cannot be effectively analyze and understood at the topmost level without understanding the foundation on which such economy structure is formed. It is on this bases that the study analyzes the socio-economic impact of coronavirus using aggregate data to bring out issues of concern to both policy makers and planners. The central issue the study address is the socio-economic impact of coronavirus with focus on protecting livelihoods of the urban poor in Makurdi, Benue State Nigeria.

Concept of Livelihood

The concept livelihood is a multifaceted concept centered on economic activities carried out by people to earn a living. Many authors present different arguments about what livelihood entails in various ways but certain things are the same. (Chambers and Conway, 1992) define livelihood as a source of income generation that an individual is involved in to provide his basic needs. Engberg, (1996) on the other hand defined livelihood as individual involvement or participation in market or non-market economic activities that generate income. (Thompson, 1995) grouped these economic activities into formal and informal activities.

When relating socio-economic impact of coronavirus pandemic on livelihood, it is important we understand how coronavirus have affected the social and economic life of people and their sources of livelihood. The increase in urban population has comes with major challenges such as few jobs for a large population. According to Engberg, (1996) the limited jobs have pushed many people to employ a number of livelihood strategies to survive the harsh economy condition. However, threat to these livelihoods brings about individual and family hardship as well as economic backwardness on individual and nation's economy, (Farrington et al., 1999). The paper examines the impact of lockdown on economic activities that has threatened the livelihoods in Makurdi Metropolis. .

Materials and method

Study Area

For a better understanding of socio-economic impact of coronavirus on lives and Livelihoods in Makurdi, it is important to have a thorough understanding of the town. In this section, the location, population, social and economic setting and measures taken by the state authorities to fight the pandemic are discussed. Makurdi town is located between latitude $7^{\circ}37'$ and $7^{\circ}47'$ North and longitude $8^{\circ}27'$ and $8^{\circ}40'$ East (see fig 1). Makurdi is the Capital of Benue state with a population of 297,398 according to the 2006 National population census. Using growth rate of 3.54%, the UN World Urbanization Prospects have projected the population of Makurdi to be 407,257 by 2020. Makurdi covers an area of 803.84 square Kilometers (16km radius) with eleven council wards housing more than 20 neighborhoods shaped by formal and informal settlements.

Makurdi has joined other developing urban centers in developing countries by sustaining itself through a bit of formal and informal activities in which urban centers in developing countries are usually associated with. Under the formal sector, a fraction of the population is employed in the civil service comprising of the Federal, State and Local Government establishments, while a few are employed in the Banking sector and few private outfits in the town. The bulk of the population depends on informal activities such as trading, commercial motorcycling, unskilled manual labour and taxi driving. While at the outskirts of the town a number of people are involved in urban agriculture as a source of livelihood. Makurdi town have 57% of its population concentrated in slums or informal dwellings with no access to running water facilities and other basic amenities essential for a decent urban life.

On measures taken by the authorities to fight against the coronavirus pandemic, the state government in a state broadcast on 29th March 2020 took the following measures to fight the pandemic. These measures include but are not limited to

1. Civil servant on grade level 12 and below to work from home except those on essential duties such as medical, fire service, security agents, water and sanitation workers.

2. Closure of all nursery, primary, secondary, vocational and tertiary institutions of learning all over the state.
 3. Closure of all entry points into the state.
 4. Restriction of movement, except those on essential services.
 5. Suspension of all public gatherings.
 6. Closure of all markets and motor parks in the State, just to mention but a few are measures taken by the state government in the fight against coronavirus pandemic.
- This information's are significant to the study and issues of livelihoods deprivation and the challenges face by the people during the coronavirus pandemic in the study area.

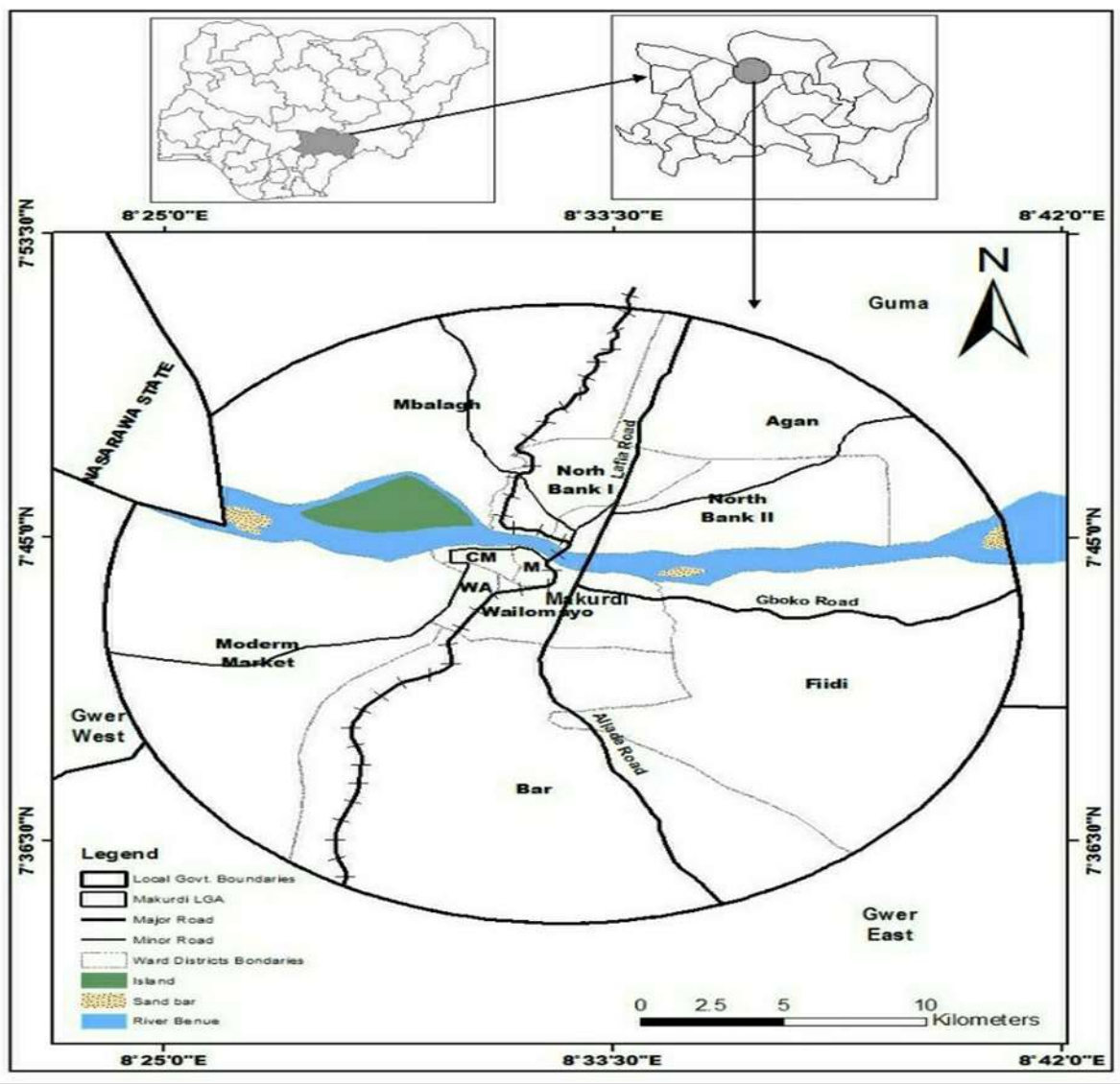


Fig 1: Map of Makurdi Town.

The design of the research

Much about socio-economic impact of coronavirus on livelihoods involves field survey and firsthand information from individuals directly involved. This is because only those directly involved can truly know the socio-economic impact of the pandemic on their lives and livelihoods in their respective localities, based on this awareness therefore; the study employed mainly survey design which permitted interaction with the people of Makurdi who are likely to have knowledge of pertinent issues to the study. Field observations, distribution of questionnaire and interviews were conducted from field survey in Makurdi.

Study population

The study population covers 20 neighborhoods in Makurdi metropolis. Both formal and informal settlements were targeted to provide information for the study. These neighborhoods include, High Level, Mission ward Northbank, Wadata, Fiidi, Ankpa quarters, Gyado Villa, Agan, Federal Housing, Apir, Old GRA, New GRA, Logo, Judges Quarters, Gaadi, Low level, Kanshio, Owner Occupier, Nyima Layout, Nyon layout, and Welfare quarters

Sample Frame and Method of data Analysis

The total number of the sample frame is as follows

Population of Makurdi as projected is 407,257

Now, using Yamane's formula $n = N / 1 + (Ne^2)$

Where

n = population simple frame

N = total population of a particular study area

e is the level of significant = 0.05

The questionnaire was administered in Makurdi (being the study area), therefore the population sample frame was determined as follows

$$n = 407,257 / 1 + (407,257 \times 0.05^2)$$

$$n = 407,257 / 1 + (407,257)0.05^2$$

$$n = 407,257 / 1 + (407,257)0.0025$$

$$n = 407,257 / 1018$$

$$n = 400$$

So based on Yamane's Formula used in the above calculation, 400 population was used as sample population for the study. A sample of 20 people was chosen from each of the 20 Neighborhoods in Makurdi metropolis, this brings the total number of questionnaires distributed to 400. Simple random sampling method was used for the selection of few individuals that represented the population under study. This was done in a fair way that ensured all people in the selected Neighborhoods for the survey to have a fair chance of being picked for the study.

The data was analyzed to assess the impact of coronavirus on people in Makurdi. The socio-economic impact rating by respondents was analyzed using weighted sum and weighted mean to rank impact of coronavirus pandemic on livelihoods in Makurdi.

RESULTS AND DISCUSSION**Table 1.1 Socio-economic Characteristics of Respondents**

Variables	Categories	Frequency	Percentage
Gender	Male	258	64.5
	Female	142	35.5
Age	18-35	247	61.8
	36-60	144	36
	61 years Above	9	2.2
Education Status	Secondary Education	114	28.5
	Tertiary Education	286	71.5
Employment Status	Formal sector	94	23.5
	Informal sector	171	42.7
	Unemployed	126	31.5
	Retired	9	2.3
Monthly Income	Below 30,000 Minimum wage	270	67.5
	31,000-100,000	96	24
	101,000-160,000	22	5.5
	Above 160,000	12	3

Source: Authors field survey 2020

Table 1.1 represents information about the study sample size in Makurdi metropolis. On gender, a total of 64.5% of respondents were male and 35.5% were female. On age, all respondents were matured enough to understand and answer questions pertaining to their lives and livelihoods as it relates to coronavirus pandemic, as 61.8% of respondents were between 18-35 years, 36% of respondents between 36-60 years and 2.2% above 61 years.

On education, 28.5% of respondents have secondary education which is the minimum qualification needed for employment, while 71.5% of respondents have tertiary education. This is to say 100% percent of respondents are educated and assured to have average knowledge of the coronavirus pandemic and how it has affects their lives and livelihoods.

On employment status of respondents, 23.5% are employed in the formal sector, 42.7% in the informal sector, 31.5% unemployed and 2.3% retired from active service. The data on employment indicate that about 74.2% of respondents in the study area have their livelihood from the informal sector/activities which is heavily affected by the lockdown of the town and economic activities. This is because a good number (74.2%) of people depend on informal activities such as trading, commercial motorcycling, hawking, unskilled manual labour and taxi driving to earn a living. The data for employment shows that a large percentage of the people in the study area are involved in livelihoods that can be easily affected by the lockdown.

On income/allowance level of respondents, 67.5% of respondent's monthly income/allowance is below the ₦30,000 minimum wage set by the Nigeria government/Labour union as monthly pay, 24% of respondents have monthly income of ₦31,000- 100,000, 5.5% of respondents have a

monthly income of ₦101,000-160,000 and 3% of respondents with a monthly income of above ₦160,000. The data indicate that majority of the sample population are low income earners that live from hand to mouth and the lockdown aim at fighting coronavirus pandemic will affect their and livelihoods strategies and security immensely.

Table 1.2: Socio-economic impact of Coronavirus Pandemic on Lives and Livelihoods

IMPACT	SD	D	SWA	A	SA	SUM	WS	WM	RANK
Reduce income generation	22	22	117	196	43	400	1416	3.54	2
Result to livelihood loss	29	104	172	76	19	400	1152	2.88	7
Reduce standard of living	27	88	136	113	36	400	1243	3.10	5
Low productivity	49	121	131	89	10	400	1090	2.72	8
Create social distance	135	55	100	79	31	400	1016	2.54	10
Increase crime/violence	44	92	120	103	41	400	1205	3.01	6
Create more debt	107	58	119	91	25	400	1069	2.67	9
Difficulty to pay bills	40	69	121	138	32	400	1253	3.13	4
Education expenses affected	32	59	113	154	42	400	1315	3.28	3
Loss of Business capital	6	8	34	201	151	400	1683	4.20	1

Source: Authors field survey 2020

The data in table 1.2 shows the perception rating of the “socio-economic impact of coronavirus pandemic on livelihoods in Makurdi metropolis by respondents. In order of hierarchy, the most felt impacts are discussed below;

Loss of business capital: loss of business capital is rank first with a weighted mean of 4.20 as indicated in table 1.2 above. A large number of people in the study area who earn their livelihood from informal activities such as trading, hawking and small scale production lost their business capital as a result of the lockdown which shutdown economic activities in the study area. According to respondents, business capitals were lost during the lockdown to feeding and payment of other essential bills to keep life moving.

Reduce income generation: reduce income generation was rank second with a weighted mean of 3.54 as shown in the data above. One of the major impacts of the coronavirus pandemic on livelihood is that it brought about reduction in income generation. A lot of people especially those in the informal sector experience reduction in income generation because of the lockdown that brought economic activities to a shutdown. This according to respondent have worsen their poverty level and brought more hardship to their lives and livelihoods.

Education expenses affected: education expenses was rank third on impact of coronavirus pandemic on livelihoods. A lot of people experience hardship paying school fees for their children to resume to school. Some parents had no option that to keep their children out of school for the time been, pending when things will get better.

Difficulty to pay bills: difficulty to pay bill is rank fourth on impact of coronavirus pandemic. Paying bills became very hard for a lot of people during the lockdown since economic activities were shut down in Makurdi, these bills include but not limited to accommodation, electricity, cable TV etc.

Reduce standard of living: reduce standard of living is rank fifth on impact of coronavirus pandemic. A lot of people in Makurdi have experience reduction in the quality and quantity of goods consume during the pandemic. According to respondents, standard of living is most affected by the quality of food and nutrition taken during the coronavirus pandemic. A lot of people/families that normally have three-square meal a day before the pandemic presently find it hard to have low quality two-square meal a day as a result of the lockdown.

Increase crime/violence: increase crime/violence during the pandemic is rank sixth on impact of coronavirus on lives and livelihoods. Some respondents have experience theft, robbery and domestic violence. This is because a lot of unemployed youth who were actively engaged in informal activities to earn a living find it hard to survive under the lockdown. This has pushed most of them to indulge in criminal activities which has brought more hardship to the people.

Result to livelihood lost: livelihood lost is rank seventh on impact of coronavirus in Makurdi. A lot of jobs are lost as a result of the pandemic especially those from the private sector. Private schools, commercial banks and small companies did a lot of staff downsize during the coronavirus pandemic resulting to job lost which has worsen the poverty situation in the town.

Low productivity: low productivity is rank eighth on impact of coronavirus in Makurdi. Producers have recorded low productivity as a result of the pandemic. This according to producers, have made it hard for their companies to survival post-coronavirus pandemic, because of income losses are much and it place a heavy burden on emerging small companies to survive and compete in future.

Create more debt: create more debt is rank ninth on impact of coronavirus in Makurdi. The pandemic have pushed some people into more debt. A lot of people continually went into more debt to feed and pay bills. This was because of the reduction in income generation and loss of livelihoods by many respondents.

Create social distance: create social distance is rank tenth and last on a list of impact of coronavirus in Makurdi metropolis. This is because; it is hard for people mostly living in slums and informal settlements to observe social distancing.

CONCLUSION AND RECOMMENDATIONS

The study investigated the socio-economic impact of coronavirus pandemic on livelihoods in Makurdi and the result reveal that, the pandemic has both social and economic impact on people's lives and livelihoods and it has push many people into poverty and many have lost their sources of livelihoods. The coronavirus pandemic if not properly manage, it short and long-term effects can lead to increase number of poor people, criminality, and social disorder that will make life difficult and ungovernable. Policy makers and government agencies responsible for protecting lives and livelihoods should embark on the following recommendations;

- I. Government at all level should suspend taxes on small scale businesses and other informal economic activities like, taxi driving, commercial motorcycle operators, and other emerging small businesses to recover from the impact of the coronavirus pandemic on their business before taxes will be reintroduce.
- II. Government should provide soft and long-term loans to small and medium scale businesses for the informal sector to recover from the impact and losses suffered during the coronavirus pandemic.
- III. Government should at least provide scholarship to both primary and secondary schools so that the number of out of school children will not increase.
- IV. Finally, as the study reveals, there is high unemployment which have resulted to unsustainable economic activities in Makurdi, which makes the people vulnerable to the crises. There is need for sustainable economic empowerment by government so that people will be taken out of poverty.

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