

# Nigeria: COVID-19 compounds economic recession provoked by oil price slump

Stephan McCoy  
12 May 2020

President Muhammadu Buhari has eased Nigeria's lockdown put in place to stop the spread of COVID-19 and ordered a return to work. "No country can afford the full impact of a sustained lockdown, while awaiting the development of vaccines," Buhari declared.

His announcement came even as the rate of new infections has grown and the risks of asymptomatic cases and untested infected persons spreading the disease remain.

Buhari imposed the lockdown on March 30, one month after the first case was confirmed on February 27. Nigeria has so far recorded 4,399 cases and 143 deaths, mostly in Lagos, the commercial centre and Abuja, the capital. These figures are widely believed to be a gross underestimate, with experts saying that the true spread of the virus is unknown, as Nigeria, with a population of 200 million, has conducted fewer than 20,000 tests and has no official system for recording deaths.

The reports of "mystery deaths" or "strange deaths" of 150 people in the northern city of Kano have called the government's figures into question. While the state and federal governments continue to deny that the deaths were from COVID-19, the cases have now officially been linked to the coronavirus, according to *Africa News*.

Medical and other experts in the country are against the easing of restrictions, with the National Medical Association and the Federal Capital Territory Youth Task Force on COVID-19 both asking Buhari not to ease the lockdown. Chairman of the Youth Task Force, Ango Suleiman, condemned the easing of restrictions, warning that the government would face criticism and backlash should the situation spiral out of control. Insisting that public health must come first, he cited examples around the world where the loosening of

restrictions had led to the resurgence of the virus, adding that it was necessary to have a strategy based on scientific principles.

Once again, the streets of densely populated Lagos are busy with cars, buses, tricycle taxis and large groups of people often gathering by the road waiting for public transport packed tight with commuters, largely ignoring social distancing rules.

The lockdowns in Lagos and Abuja have caused untold hardship in a country where tens of millions work as day labourers in the informal economy, leaving many without money to buy food, particularly as the cost of food and transport has skyrocketed since the lockdown began.

Many declared to be "essential workers" have been forced to make the commute during the lockdown even as transport prices have more than doubled. A petrol filling station worker, Teslim Salami, told *Premium News*, "Transport fares have increased, prices of food stuff have increased too. All my salary has been spent on transportation. The moment I collect this month's salary, it will be used for paying back debts."

The spiralling cost of food and transport has led to unrest. Riots broke out in Lagos, where hundreds of workers at a construction site and refinery protested the lockdown and the economic fallout. Police spokesman Bala Elkana reported that at least 51 protesters were arrested, while five policemen were injured and two police posts burned.

The authorities enforced the lockdown with the greatest violence in the world. Security forces killed 18 people, while hundreds reported abusive treatment. A report by the National Human Rights Commission stated that "most of the violations witnessed during the period arose as a result of excessive or disproportionate use of force, abuse of power, corruption and non-

adherence to national laws.”

Health care facilities for the majority of Nigeria’s population are appalling or non-existent. The country has some of the worst health indicators in Africa, including low doctor to patient ratios, and high rates of malaria and infectious diseases, as well as health problems related to road accidents and increasing social conflicts. Even as the lockdown started, doctors were on strike to protest unpaid wages. Most of the population cannot afford professional health care. Fake medications abound. Those who can afford it often travel abroad for health care. Many struggle to follow basic hygiene guidelines to combat COVID-19’s spread.

The death of President Buhari’s chief of staff, Abba Kyari, exposed the double standard existing in the country, sparking outrage. Kyari contracted COVID-19 while on presidential business in Germany and died on April 17. Unable to leave the country, as is typical for the Nigerian ruling elite, he received treatment at the private First Cardiology Consultants Hospital. According to the hospital website, the VIP hospital was prepared over “three months when we saw what was happening elsewhere,” reconstructing and equipping it with “air filtration/purification systems,” while staff received “IPC training [Infection Prevention Control]” and are required to receive testing for the coronavirus twice a day.

Doctors and nurses were furious, citing ministry of health guidelines that private hospitals are not allowed to act as treatment centres for COVID-19. Kyari made the cynical argument that he had been admitted to the hospital to “avoid further burdening the public health system, which faces so many pressures.”

The economic fallout from the pandemic has caused the price of oil, Nigeria’s main export that provides about 90 percent of foreign exchange earnings and more than half of government revenue, to plunge, compounding the country’s already weak economy. In March, the government seized the opportunity to slash petrol subsidies, a move that will only fuel mass opposition as the low prices that masses of people rely on rise in line with “market forces.”

The government secured a loan of \$3.4 billion from the International Monetary Fund, while the central bank devalued the naira from 305 to 360 per \$US. But last week, the naira black-market rate was 427 to the dollar,

indicating that the currency remains over-valued.

Finance Minister Zainab Ahmed said that the budget would have to be trimmed further in line with the slump in oil prices, now around \$25 a barrel, on top of the 15 percent cut made in March. With the economy expected to contract by 3.4 percent this year, even as the population grows by 2 percent, she said that Nigeria was in talks to defer debt servicing, which accounts for approximately 58 percent to 60 percent of the government’s revenues, to “2021 and beyond.”

The Buhari regime sits atop mounting levels of inequality and explosive social tensions. Nigeria is one of the most socially unequal countries on earth, with just 10 individuals controlling a total net worth in excess of \$26 billion while 82.9 million, or 40 percent of the population, are classified as poor, existing on just over one dollar per day. More than 23 percent of Nigerians are unemployed.

Nearly 8 million people need humanitarian assistance in Borno and two neighbouring states that have been devastated by the decade-long Boko Haram insurgency that has caused many to flee their homes. There are now 2.6 million internally displaced people. Some 52 percent of people in rural areas live in poverty, compared with 18 percent in urban parts of the country.

As criticism has mounted of his failure to suppress Boko Haram, end the violent conflict over land between the herders and farmers in Nigeria’s Middle Belt and resolve the mounting poverty, Buhari has responded by clamping down on all opposition, attacking or intimidating the judiciary, the media, the National Assembly and protesters. At the end of last year, the Nigerian Secret Service stormed the Nigerian High Court and kidnapped Omoyele Sowore, the human rights activist and founder of Sahara Reports, after he was released on bail.



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**