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Palliative measures to fight Covid-19 in Nigeria

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Abstract
The coronavirus pandemic has unleashed extraordinary crisis on the entire world since its emergence, the virus has spread to every part of the globe through human to human contact and by the forces of globalization. Although public health remains at the center of the crisis, several other devastating implications have also been unleashed on the social, political and economic space of humans and states due to several policies measures put in place by all relevant authorities and governments in their bid to curb the virus such as washing of hands, social distancing, ban, restriction on inter and intra states traveling and extensive lock down policies. This study examines the palliative measures that are being adopted by relevant authorities to mitigate these devastating implications on all the aspects of the nation's economy. The study adopted a review of related extant literatures to establish what has been reported by researchers as the right actions that can revamp economy in similar situation. While the study observed the inability of the Nigeria government to design reliable mechanism to donate and distribute immediate palliative packages to the entire citizens especially the poor and vulnerable ones. However, adequate palliatives in terms of policies pronouncement were noted as made by relevant authorities and governments to ensure that the country is able to manage the economic effects of the total shutdown of the economy on public and private businesses, household lives, and other sectors of the nation's economy. The study recommends that the government create a formal way to supervise the implementation of these policies across the country to ensure that they are not left on the paper and thereby plunging the country into an avoidable recession as we approach the post COVID-19 era. Also, we recommend a unit for proper accountability of the funds that are being donated and released for the course in order to avoid mismanagement and abandonment of the all exigent policies to avert the looming economic woes. We also recommend further researches in the area of study to concretize the findings and possibly involve empiricisms.

Keywords: Palliatives, COVID-19, measures, policy responses

1. Introduction

Several countries around the world are facing unprecedented challenges due to the ravaging COVID-19 pandemic, with Nigeria also having its share of the situation. It is now, more than ever, that leadership which can unite the spirit of Nigerians and rouse collective action is needed. Nigerian economy is tested today, as it has been in the past and it has the ability and opportunity to mobilize its people to turn the tide against the coronavirus pandemic.

This outbreak which began in the Wuhan province in China in December 2019, has now extended rapidly to almost all the countries of the world, causing a fast declineand uncertainties in the global economy. (Burton, Michel, Sheppard, & Winfree, 2020) [7] reaffirm that the pandemic has made an instantaneous negative impact on various non-industrial businesses, specifically entertainment, transportation, retail sales, schooling, as well as tourism. Also, it has influenced almost all supply chains and goods production from one country after the other until all relative activities came to almost a total halt. In certain industries such as health and groceries, there exists high demand and supply chain concerns, while in other industries with lower economic activity there exists a decrease in demand for a lot of goods and services. (Oxford, 2020) [28] Financial services businesses such as banks that lend to organizations, insurance companies that provide services to individuals and entities are affected, and investors and other funds that invest in affected entities are also likely to be negatively impacted. Procedures taken to improve the probability of containing the COVID-19 outbreak have affected the economic activity around the country and the entire globe, which in turn had a lot of negative implications on financial reporting since accounting is the main method of communication of economic events of an organization, that reflects both the economic and social changes of a nation or its level of development (IFRS bulletin, 2020).

While time remains of the essence, immediate decisive action becomes imperative at the same time as governments around the globe are struggling to implement economic stimulus programs designed to keep the world economy from sinking into depression as what began as a health crisis with grave impact on populations has become an economic and fiscal crisis with a high risk of negative social implications. If concerted efforts are not initiated and rigorously pursued, the post COVID-19 experience would present an endless list of poor and destabilized countries which were doing well before the pandemic. It is with this exigency of need to avoid the negative doom that this study is set out to review the palliative measures and policy responses to fight the effects of the pandemic in Nigeria. To enable a concise review, the study seeks to provide answers to the following questions;

1. What are the palliative measures taken to sustain the economy during coronavirus pandemic in Nigeria?
2. What policy responses have been adopted to fight the effects of COVID-19 shutdown in Nigeria?
3. What are the impacts of these policy measures on the economic stability and growth in Nigeria?

2. Literature Review

Almost every country of the world is currently trying to response and properly manage a fast changing public health crisis due to the coronavirus outbreak as the economic and financial ramifications of the outbreak remains so serious (Hafiz, Oei, Ring, & Shnitser, (2020) [16]. The above working paper discusses these ramifications and identifies three interrelated but potentially conflicting policy priorities at stake in managing the economic and financial fallout of the COVID-19 crisis which includes provision of social insurance and a social safety net to individuals and families in need, management of systemic economic and financial risk and encouragement of critical spatial behaviours to help contain the spread of COVID-19. The confluence of the above policy considerations and the potential conflicts among them make the outbreak a significant and unique regulatory challenge for policy makers, and one for which the consequences of getting it wrong are dire. (Burton, *et al.*, 2020) [7, 8] observed that the economic effects associated with the coronavirus epidemic are potentially significant. In the United States, they represent an economic shock to an otherwise healthy economy. The response to the coronavirus should be targeted, temporary, and transparent. Any emergency fiscal policy response should link directly to the coronavirus in order to address the source of the economic shock while limiting any political abuse that can develop in moments of crisis. As the global outbreak continues to cause significant health challenges with a devastating impact on world economies, most countries continue to implement some level of lockdown to curtail the spread of the disease. This is h

hese measures include; release of contingency funds to the Nigeria's Centre for Disease Control (NCDC), Establishment of Fund to upgrade healthcare facilities, Waiver of import duty on medical equipment, medicines, protection equipment forth, treatment of COVID-19 patients, as well as Donation of salaries by ministers and a number of other measures.

(Lucas, 2014) opined that these measures such as these taken by several other countries all proceed from the urgent need to prevent a catastrophic economic collapse that would have dire human, social, and health consequences in times of troubles economy like the pandemic. While the trade impact of these measures may not be a prime concern of governments at present, experience from the crisis of 2008 suggests that poorly designed stimulus packages can have negative, long-lasting consequences for global trade and national welfare. Although there is an urgent need to deploy measures quickly, care should also be taken to ensure that today's stimulus does not sow the seeds of enduring trade distortions**,** including excess capacity, industrial investment, support that results in windfall gains for particular firms, and duplicative infrastructure projects (Cross, 2016). Also, emphasis could be effectively placed on measures that benefit smaller businesses, including those operating in services sectors, as well as on investments in strengthening broader healthcare and social safety nets from which everyone benefits to kick-start final demand after the immediate crisis, reduce excess savings, and rebalance the global economy (Balassone, Francese, & Pace, 2011) [5].

Managing the economy, addressing unemployment, and keeping commitments to local and foreign creditors will be a key priority (Cruces, & Trebesch, 2013) [10]. It is encouraging to see that multi-lateral agencies like the IMF and the World Bank have started conversations on debt relief for emerging economies, which will somewhat cushion the impact of the projected recession (Hafiz, Oei, Ring, & Shnitser, 2020) [16]. Similarly, the global impacts of COVID-19 on small and medium enterprises are expected to be severe. Governments in both developed and emerging markets are mobilising to support businesses and individuals as they seek to mitigate the economic impact of the COVID-19. Measures vary considerably from country to country. They include fiscal measures aimed at supporting businesses to stay above murky waters and households to survive the crisis. Governments have also made provisions to address the much needed access to finance to ensure these SME's are sustainable and reduce the culling of employees. Nigeria's Federal Government has set-up a Presidential Task Force on Coronavirus to coordinate the country's efforts in dealing with the pandemic. An Emergency Economic Stimulus Bill has been submitted for consideration by the National Assembly. The Fiscal Stimulus Package which comprises of various measures in response to the COVID-19 pandemic and collapse of oil price has been announced. Relevant agencies of government at Federal and State levels have also announced various measures in the area of economic, tax and other fiscal measures targeted at alleviating the economic impact of the COVID-19 pandemic. (Hafiz *et al.*, 2020) [20].

Beyond the tragic health hazards and human consequences of the COVID-19 pandemic, the economic uncertainties, and disruptions that have resulted come at a significant cost to the global economy. The United Nations Trade and Development Agency (UNCTAD, 2020) put the cost of the outbreak at about US$2 trillion in 2020. Most central banks, finance ministries and independent economic experts around the world have taken solace in the prediction that the impacts might be sharp but short-lived, and economic activities would return to normal thereafter. This line of thought mirrors the thinking of the events that shaped the 2007 global financial crisis. However, it is quite instructive to note that the 2007 crisis which emanated from the United States' subprime mortgage crisis was mainly an economic phenomenon, with its fallout spreading across many regions of the world (Adefeso, & Mobolaji, 2010) [1]. When compared to COVID-19, the 2008 crisis could be described as minor and manageable. The tumultuous events that COVID-19 had spread across the globe cut across every facet of human existence and the consequences may linger beyond the second half of 2021.

The slowdown in the global economy and lockdown in all most all countries, such as Italy, Spain and most Eurozone economies and beyond, as a result, COVID-19 has also taken its toll on the global demand for oil. The decline in oil demand is estimated to surpass the loss of nearly 1 million barrels per day during the 2008 recession. This is also coming at a time when two key players in the global oil industry, Russia and the OPEC cartel are at loggerheads on the decision to cut output. The unequivocal oil price war started between these two global oil market giants may have more dire consequences on the oil price that has started to dive. Sector-specific implications and impacts could vary. For example, the impacts on the global aviation and tourism sectors are a result of the implications of the pandemic on global travel. As discretionary spending by consumers continues to decline, cruise companies, hotels, and hospitality are facing declining demand and patronage. For example, in Hungary alone, more than 50% of hotel reservations have been canceled. Also, the pandemic is placing up to 8 million jobs in the leisure and hospitality sector at risk, with travel crashes and cancellations expected to continue. Moody's Analytics, a rating agency, stated that more than half of the jobs in the United States which is about 80 million may be in jeopardy.

The virus is also taking its toll on health facilities and infrastructures across the globe. United State is currently the highest affected country with a number of deaths surpassing Italy and China, since the outbreak of coronavirus. Across the world, the virus has pushed country's National Health Service to a breaking point, emphasizing the test that other countries, especially developing and low-income countries, might face in their approach to contain the virus spread. Most hospitals and health facilities that could not handle the hazards are resulting to operating below their capacity by taking a few regular health-related cases or shutting down. What could be more devastating is the fact that the economic pains that accompanied the virus might not go away soon as envisaged.

The conventional policy measures currently being taken such as reducing interest rates and costs of borrowing, tax cuts and tax holidays are quite remarkable. However, these conventional policy measures are quite potent when there are shocks of the nature of the coronavirus pandemic. There are limitations to the successes that can be recorded when demand shocks are combined with supply shocks. It is already apparent from the emergence of the current crisis that there are implications on the economy from both the demand and supply sides. Some of the demand factors include social distancing with consumers staying at home, limitations in spending and declining consumptions. On the supply side, factories are shutting down or cutting down production and output, while in other instances, staff work from home to limit physical contact.

The decision to close educational institutions and schools around the globe in an attempt to contain the pandemic has also led to a soaring number of children, youth and adults not attending schools. According to (UNESCO, 2020) Monitoring report on COVID-19 educational disruption and response, the impact of school closures in the over 100 countries that have implemented the decisions around the world has impacted over half of the global students' population. These educational disruptions are being escalated particularly for the most vulnerable members of society.

2.1 Managing the consequences on the Nigerian economy

For most developing economies, the odds of sliding into a downturn are gradually expected as the global coronavirus outbreak puts severe pressure on the economy. In the case of Nigeria, the country is still struggling to recover from the 2016 economic recession which was a fall out of global oil price crash and insufficient foreign exchange earnings to meet imports. In the spirit of economic recovery and growth sustainability, the Nigerian federal budget for the 2020 fiscal year was prepared with significant revenue expectations but with contestable realizations. The approved budget had projected revenue collections at N8.24 Trillion, an increase of about 20% from 2019 figure. The revenue assumptions are premised on increased global oil demand and stable market with oil price benchmark and oil output respectively at $57 per barrel and 2.18 Million Barrels Per Day.

The emergence of COVID-19 and its increasing incidence in Nigeria has called for drastic review and changes in the earlier revenue expectations and fiscal projections. Compared to events that led to recession in 2016, the current state of the global economy poses more difficulties ahead as the oil price is currently below US$30 with projections that it will dip further going by the price war among key players in the industry. Unfortunately, the nation has grossly underachieved in setting aside sufficient buffers for rainy days such as it faces in the coming days. In addressing these daunting economic challenges, the current consideration to revise the budget downward is inevitable. However, certain considerations that are expected in the review must not be left out. The assumptions and benchmarks must be based on realizable thresholds and estimates to ensure optimum budget performance, especially on the non-oil revenue components.

Furthermore, cutting expenditures must be done such that the already excluded group and vulnerable are not left to bear the brunt of the economic contraction. The economic and growth recovery program which has the aim of increasing social inclusion by creating jobs and providing support for the poorest and most vulnerable members of society through investments in social programs and providing social amenities will no doubt suffers some setbacks (Anna, 2012) [3]. Besides, the downward review of the budget and contractions in public spending could be devastating on poverty and unemployment. The latest unemployment report released by the National Bureau of Statistics (NBS), ranks Nigeria 21st among 181 countries with an unemployment rate of about 23.1%. The country has also been rated as the poverty capital of the world with an estimated 87 million people living on less than $2 a day threshold.

The decision to cut the retail price of gasoline under a price modulation arrangement is a welcome development. The cut is expected to curb rising inflation, especially food price inflation which will mainly benefit the poor. However, rather than the price capping regime introduced, by which it is expected of the Petroleum Products Price Regulation Agency (PPPRA) to constantly issues monthly guide on appropriate pricing regime. It is expected that the government will use this opportunity to completely deregulate the petroleum industry in line with existing suggestions and reports. In the event that the global economy becomes healthier and crude oil prices increases, the government might return to the under-recovery of the oil price shortfall by the Nigerian National Petroleum Corporation (NNPC). This policy annually costs the government huge revenue and recurring losses to the NNPC.

Basically, the Nigerian government essentially must lead economic diversification drive. It is one practicable way to saddle through the current economic uncertainties and instabilities. What the consequences of COVID-19 pandemic should further offer the Nigerian economic managers and policymakers, is that the one-tracked, monolithic reliance on oil is failing. Diversification priorities to alternative sectors such as agriculture, solid minerals, manufacturing and service sectors should be further intensified.

2.2 Policy responses from selected countries

Country	Fiscal Policy	Monetary Policy
UK	1. The UK government plans to inject £200bn into the economy 2. The UK also implemented a plan to pay 80% of wages up to £2,500 a month for workers who are out of work as a result of the pandemic	1. The BoE has cut its interest rates to 0.1% from 0.25% to provide greater access to credit for individuals and businesses 2. The chancellor of the BoE announced a £350bn package for loans and grants and a £30bn injection into the economy as a means of boosting money supply.
USA	1. US$8.3 billion Coronavirus Preparedness and Response Supplemental Appropriations Act and 2. US$104 billion Families First Coronavirus Response Act which together provide 0.5% GDP for health care, sick leave, small business loans, and international assistance. 3. Agreement has also been reached on a US$2 trillion stimulus bill (around 10% of GDP) that is expected to pass Congress in the coming days	1. Federal funds rate lowered by 150bp to 0-0.25bp 2. The Federal Reserves is introducing a US$700 billion quantitative easing program. The QE program is split between $500bn of Treasury bills and $200bn of agency backed mortgage securities.
Canada	1. About $52 billion (2.3 percent of GDP) in direct aid to households, including payments to workers without sick leave and access to employment insurance, an increase in existing GST tax credits and child care benefits 2. $1.125 billion (0.05% of GDP) to the health system to support increased testing, vaccine development, medical supplies, mitigation efforts, etc. 3. About $85 billion (3.7% of GDP) in direct support to businesses, including tax deferrals and wage subsidies	1. The Canadian Central Bank reduced its interest rates to 0.75% to increase access to cheaper loans for its citizens. 2. It has also lowered its Domestic Stability Buffer by 12.5% to enable its deposit banks inject $300 billion into the economy to boost money supply 3. In addition, the government has launched an insure mortgage purchase program to further boost liquidity in the market.
Germany	1. The German government released a €156bn fiscal impulse to support small business owners who have been affected by the pandemic and to boost spending on its health sector. 2. The government is expanding the volume and access to public loan guarantees for firms of different sizes, with an allocation of at least €825billion (25% of GDP).	1. The German Central Bank introduced the unlimited loans to businesses affected by the pandemic by reducing its interest rates to 0%. 2. The Bank also released an additional €100 billion to refinance short-term liquidity provision to companies through its public development bank KfW
China	1. The government approved a sum of Y1.3 trillion to aid in the increased spending on disease prevention and control, production of medical equipment for the coronavirus and part of the fund is meant for its unemployment insurance and fiscal stimulus for individuals.	1. The Central bank reduced its reverse repurchase rates and its 1 year medium term lending facilities by 10 basis points to provide greater access to loans 2. In addition the apex bank also implemented a reserve cut rate of between 0.5% and 1%.
Idian	1. The government announced a sum of 150bn rupees to boost spending on healthcare infrastructure needed for the COVID -19. 2. Individual states like Kerala released fiscal stimulus packages of 200bn rupees to support poor households.	1. RBI introduced regulatory measures to promote credit flows to the retail sector SMES during this pandemic.
South Africa	1. The government is assisting companies facing distress through the Unemployment Insurance Fund and special programmes from the Industrial Development Corporation. 2. Within the realm of the budget, workers with an income below a certain threshold will receive a small monthly payment during the next four months. 3. The government plans to cut $10.5bn from civil-servant pay in the next three years to halt rapid rise in public debts between 2020 and 2021.	1. The central bank reduced the policy rate by 100 bps to 5.25 percent on March 19. 2. On March 23, the government announced the launch of a unified approach to enable banks to provide debt relief to borrowers.
Ghana	1. The government committed US$100 million to support preparedness and response. Additional funds have been earmarked to address availability of test kits, pharmaceuticals, equipment, and bed capacity	1. The Monetary Policy Committee (MPC) cut the policy rate cut by 150 basis points to 14.5% on March 18 2. Announced several measures to mitigate the impact of the pandemic shock, including: 3. lowering the primary reserve requirement from 10 to

		8%, lowering the capital conservation buffer from 3 to 1.5%, among others
Kenya	1. The government earmarked funds for additional health expenditure, including enhanced surveillance, laboratory services, isolation units, equipment, supplies, and communication. 2. The government also earmarked funds for expediting payments of existing obligations to maintain cash flow for businesses during the crisis. 3. The President and his deputy will take an 80% pay cut, while the ministers and their assistants will take pay cuts ranging from 20% to 30%.	1. On March 24, the central bank lowered its policy rate by 100 bps to 7.25%; 2. Lowered banks' cash reserve ratio by 100 bps to 4.25% 3. Increased the maximum tenor of repurchase agreements from 28 to 91 days 4. Announced flexibility to banks regarding loan classification and provisioning for loans that were performing on March 2, 2020, but were restructured due to the pandemic, among others

2.3 Fiscal and Monetary Policy Responses in Nigeria
The numbers of people living with the Coronavirus Disease (COVID-19) and deaths from it have been on the increase daily. The Federal Government and its relevant agencies, especially the Central Bank of Nigeria, have responded with policies to cushion the economy, restore investors' confidence, and support Small and Medium Enterprises (SMEs) and households.

2.3.1 Fiscal responses in Nigeria
i. Contingency funds of NGN984 million ($2.7 million) were released to Nigeria's Centre for Disease Control and an additional NGN6.5 billion ($18 million) is planned.
ii. Establishment of a N500bn COVID-19 Crisis Intervention Fund which will be channeled to the upgrade of healthcare facilities at the national and state-level, as well as provide intervention for states.
iii. The President approved the employment of 774, 000 Nigerians to ameliorate the suffering caused by COVID-19 in the country. The 774,000 youths will be engaged in Special Public Works Programme aimed at cushioning the effects of economic downtown. Each of the 774 local government areas in the country will be allotted 1,000 slots.
iv. Three-month repayment moratorium for all Trader Moni, Market Moni and Farmer Moni loans with immediate effect. Similar moratorium above to be given to all Federal Government-funded loans issued by the Bank of Industry, Bank of Agriculture and the Nigerian Export Import Bank.
v. NGN15 billion grant from Federal Government to the Lagos State Government.
vi. Conditional cash transfers for the next two months to be paid immediately to the most vulnerable at internally displaced persons camps.
vii. Also, due to the reduction in global oil prices, the government reduced the petrol pump price from NGN145 per liter to NGN123.50 per liter on April 1, 2020.
viii. Suspension of the proposed increase of electricity tariffs by the electricity distribution companies (Discos).
ix. Waiver of import duty on medical equipment, medicines, protection equipment forth treatment of COVID-19.
x. All 43 Cabinet Ministers donated 50% of their March 2020 salaries to support the Federal Government's efforts
xi. IMF Loan the executive board of the International Monetary Fund (IMF), approved $3.4 billion as Rapid Financing Instrument (RFI) as fiscal support to Nigeria during this period of coronavirus pandemic.

2.3.2 Monetary policy responses in Nigeria
1. Reduction of interest rates on all applicable CBN interventions facilities per annuum from 9% to 5% for one year
2. Liquidity injection of ₦3.6 trillion (stimulus package in the form of loans) into the banking system
3. Extension of Moratorium: that all apex bank's intervention facilities were granted a further moratorium of one year on all principal repayments, effective march 1 2020. This means that any intervention loan currently under moratorium is granted additional period of one year.
4. Creation of ₦50 billion targeted credit facility through NIRSAL Microfinance Bank for households and SMEs that had been particularly hit by COVID -19 including but not limited to hoteliers, airline service providers, and healthcare merchants among others.
5. Credit support for the healthcare industry: Provision of ₦100 billion loan to pharmaceutical firms as well as to hospital and healthcare practitioners who intend to expand/ build health facilities to first -class centre's. Also, ₦2 trillion to the manufacturing sector, and ₦1.5 trillion to impacted industries in the real sector
6. Regulatory forbearance: The CBN granted all deposit money banks DMBs leave to consider temporary and time limited restructuring of the tenor and loan terms for businesses/ households affected by the outbreak of COVID particularly Oil & Gas, Agriculture and manufacturing.
7. Strengthening of the CBN LDR policy: with the success of the Loan to Deposit ratio (LDR) policy in growing credit to the economy and reducing interest rates, the CBN offered support to industry funding levels to maintain DBMs' capacity to direct credit to individuals, households, and business. It added additional incentives to encourage the extension of longer- tenured credit facilities.
8. The monetary policy committee unanimously voted to; retain the MPR (Monetary Policy Rate) at 14%, CRR (Cash Reserve Ratio) at 27.5% and liquidity ratio at 30%.
9. Following the request by the Association of Bureau De Change Operators of Nigeria (ABCON) to declare market holiday on its members' weekly bidding. The CBN suspended the sale of foreign currency to members of (ABCON).
10. Devaluation of naira: as a response the CBN set in devaluation of the naira by 15% moving from N307/$1 to N360/$1. Depreciation at the market determined investor and exporter (I&E) window at 5% having moved from N360/$1 to N380/$1. Also the sale of

dollars to bank at N380/$1 in a move signifying a devaluation of the currency.

2.4 Nigeria Palliative measures in discourse

The extension of deadlines for filing and payment of taxes without penalties and interest being incurred by the Federal Inland Revenue Service (FIRS) is one of the policy responses by the Nigerian government to cushion the economic effects of the coronavirus pandemic shutdown on businesses and other aspects of the economy. In its working paper, (Delloite, 2020) related the xxxx action to what has been implemented in other Caribbean islands where extensions have been granted for business tax payments, even though the timeline for these deferrals are limited to 15 - 30 days. It can be argued that this limited deferral time may not benefit companies in the context of the present economic conditions but merely defer the payment of tax to a further date when the effects of the crisis have worsened, and business activity has not returned to pre-COVID-19 levels. Meeting tax payment obligations will be a challenge for many companies and individuals where cash flows are disrupted by the abrupt halt to business activity. (Martinez, & Sandleris, 2011) [20] avows that it is critical that tax policy is designed in such a way that any negative effects on business continuity are minimized and simultaneously, that it does not allow the tax revenue base to be eroded to the extent that economic stability and funding for social security is jeopardized. The final determination on whether these measures are achieved will be known during the post COVID-19.

The Central Bank of Nigeria also granted all Deposit Money Banks leave to consider temporary restructuring of loan terms for businesses/ households that are affected by the COVID pandemic. Meanwhile extant literatures have established different positions as regards how loan restructuring impacts the economy. (Forni, Palomba, Pereira, & Richmond, 2016) [15] avow in their studied that the impacts which loan restructuring has on the economic growth using the gravity model is a negative effect of official debt restructuring on trade. However, this conclusion may have been influenced by a host of other factors in a deferent economic terrain unlike the economy that wasn't in recession but only suffering from lock down and could therefore recover in a short while, given the right combination of policy instruments. On the other hand, (Martinez & Sandleris, 2011) [20] explained that there is no effect on trade coming from official sector debt relief after controlling for debt relief with private creditors. (Marchesi, & Masi, 2017) [19] and that episodes involving official creditors damage debtor countries' access to capital markets more than those involving private creditors. Das *et al*. (2012) present evidence of serial defaulting, showing that official sector debt restructuring has been widespread both in time and across countries. Reinhart and Trebesch (2016) study the effects of official debt relief for European nations during the 1930s, and the private debt relief for Latin American countries via the Brady Plan in the 1990s. Reinhart and Trebesch (2016) conclude that debt restructuring is more beneficial for growth when it provides nominal debt relief than when relief is delivered in Net Present Value (NPV) terms (i.e., through maturity extensions or interest rate reductions). The paper is also closely related to Forni *et al*. (2016) [15] and Marchesi and Masi (2017) [19], who studied the impact of Paris Club agreements on growth. Forni *et al*. (2016) [15] observe that debt relief has the largest growth impact for countries that exit restructuring with relatively low debt levels. In turn, Marchesi and Masi (2017) [19] compares the growth effects of private and official sector debt restructuring, and that while private sector restructuring has a negative effect on growth official sector debt relief can foster long run growth. As highlighted by Cruces and Trebesch (2013) [10] in the context of debt restructuring of privately held sovereign debt, a limitation in previous studies (see, for instance Forni *et al*. 2016) [15] is the absence of information regarding the features of Paris Club treatments. Forni *et al*. (2016) [15] mainly focus on the restructuring of privately-held claims (PSI); Paris Club agreements are represented by a simple dummy variable. Instead, (Marchesi, & Masi, 2017) [19] use information on the amount of debt treated.

Monetary policy can be described a deliberate effort by the monetary authority to control the money supply and the credit conditions for the purpose of achieving certain broad economic objectives which might be mutually exclusive (Arteta, & Hale, 2008) [4]. For most economies, the objectives of monetary policy include price stability, maintenance of balance of payments equilibrium, promotion of employment and output growth, and sustainable development. (Onyeiwu, 2012) [24] added that these monetary policy measures are necessary for the attainment of internal and external balance, and the promotion of long-run economic growth. For example, an expansionary monetary policy designed to stimulate economic growth will lower the rate of interest and may generate higher inflation which the level of growth may not be able to prevent (Dias, Richmond, & Wright, 2014). The effectiveness of monetary policy in achieving its target objectives, therefore, depends strongly on the operating economic environment, the institutional framework adopted, and the choice and mix of the instruments used. Fiscal policy, on the other hand, involves the use of parameters such as taxation, budget and quotas that will influence government revenue and expenditure with a view to achieving macroeconomic objectives which monetary policy also stands to achieve. For instance, tax revenue will increase when an economy is expanding, all things being equal, even when there is no change in fiscal policy. (Enahoro, Jayeola, & Onou, 2013) [13] added that the increase in tax revenue could further increase government spending, thus promoting more expansion given the fact that such spending are channeled into provision of basic infrastructures that complement private investment. Government can therefore use fiscal policy to stimulate the economy through manipulation of taxes and expenditure.

The recent global financial crisis has now led further credence to the debate on the relative effectiveness of monetary and fiscal policies among economic analysts. Indeed, the issue of appropriate mix of the two policy options is still controversial especially in developing countries (Hafiz *et al*., 2020) [20]. The issue of appropriate mix of policy measures is not yet addressed in Nigeria. Thus, the paper fills this gap by determining the appropriate policy mix instruments of monetary and fiscal policy in achieving satisfactory and sustainable economic growth in the country.

Several authors have examined the relative impact of monetary and fiscal policy on various macroeconomic aggregates and economic activities in both developed and developing countries. The earlier studies on developed countries confirm that monetary rather than fiscal policy impacted greater influence on economic growth. (Effiong, Igbeng, & Tapang, 2012) [12]. (Ezigbo, 2012) [14] also, affirm that the response of economic activity to monetary actions compared with that of fiscal action was larger, more predictable and faster in the U.S. in another related study by (Hagan, & Gruen, 2010) [17] observed that the monetary influence on investment and economic activity was more important than that of fiscal influence in Canada, Germany, Japan and England. The earlier evidence from developed countries, thus, strongly supports monetary policy while fiscal policy has little role, if any, to play in enhancing economic activities in these economies. In a more recent study on developed countries, (Senbet, 2011) [27] criticized the single equation model used in most of the previous studies in testing the relative importance of monetary and fiscal policy on nominal GNP stabilization. The author opined that there is possible endogeneity between both policies and economic activity and misspecification of the model coupled with the wrong use of nominal instead of real economic growth. The results further confirmed that monetary policy is relatively better than fiscal policy in affecting the real output. Contrary to the finding above, some other studies on developed countries have found fiscal policy performing better than monetary actions. For instance, (Mahmood, & Sial, (2011) [18] added that fiscal rather than monetary measures were more powerful and quicker-acting on economic activities in Canada and UK respectively. (Medee, & Nenbee, 2011) [21] however, reaffirm that monetary policy and fiscal policy play only a small role in varying investment, consumption and output in Canada. Irrespective of this finding, the general consensus remains that monetary and not fiscal policy impacted stronger influence on nominal and real economic activities in developed countries which therefore calls for proper implementation of monetary policies in these countries. In the case of developing countries, however, the bulk of empirical research has not reached a consensus concerning the relative power of fiscal and monetary policy to promote economic growth. For instance, (Munongo, 2012) [22] agree that both the monetary and fiscal variables are significant in all the regression equations, but concluded that the changes in government expenditures exert a larger, more predictable and faster impact on Pakistan's and Bangladesh’s economy respectively than do changes in money stock or the monetary base.

(Saheed, 2018) confirmed that monetary policy is a powerful tool than fiscal policy but appreciated a combination of the tools to reposition economy that experiences shock. The result of (Sanni, Amusa, & Agbeyangi, 2012) [26], however, showed that the combination of fiscal and monetary expansion boosts economic growth of Indonesia effectively. Similar result by (Mahmood, & Sial, 2011) [18] showed that monetary and fiscal policies both play significant role in the economic growth of Pakistan. This shows the instrumentality of the policies and hence if given the right implementation, the Nigerian economy can avoid the looming post COVID-19 crises.

The study of (Anna, 2012) [3], however, suggested that monetary influence is relatively stronger and more predictable than fiscal policy in determining economic activity in Zimbabwe. Nevertheless, (Munongo, 2012) [22] found no significant role for monetary policy but has support for fiscal policy. Contrary to this finding, (Ezigbo, 2012) [14] revealed that monetary policy in a developing country plays an important role in increasing the growth rate of the economy by controlling inflation and maintaining equilibrium in the balance of payments. In the case of Nigeria, (Ajisafe, & Folorunso, 2002; Adefeso, & Mobolaji, 2010) [2, 1] found that monetary policy impacted greater influence than fiscal policy while (Philip, 2009; Medee, & Nenbee, 2011) [21] argued that fiscal policies are more crucial for economic growth in the country. (Broda, & Parker, 2014) [6] also denounced the classical preference of monetary policy over fiscal policy on the basis of their empirical evidence and predicted that it would only work for a developed economy. (Effiong, 2012) [12], however, investigated accounting implications of fiscal and monetary policies on the development of the Nigerian stock market. It was discovered that only a mixture of monetary and fiscal policy exerted a significant impact on the development of Nigerian stock market. Also, (Enahoro, 2013) [13] reported that fiscal and monetary policies had enhanced operational efficiency in the Nigerian financial institutions, by reducing financial indiscipline in the financial and fiscal systems. The paper concluded that fiscal and monetary policies had galvanized government to commit budgetary management which would also address anomalies in the financial system. (Ogege, & Shiro, 2012) [23], however, investigated the dynamics of Nigeria’s monetary and fiscal policies, focusing specifically on their effects on the growth of Nigerian economy. The paper revealed that both monetary and fiscal policy contributed to the growth of Nigerian economy. Similarly, (Sanni, *et al.*, 2012) [26] found that none of the policies can be said to be superior to another and that a proper mix of the policies may enhance a better economic growth. The review of the existing literature from developed countries indicates a general support for monetary rather fiscal policy while the general consensus is that there should be policy mix in the developing countries. However, the issue of appropriate policy mix as suggested by many authors is not yet addressed. The present study, thus, fills the gap by examining the appropriate policy mix that is necessary for economic sustainability in Nigeria.

3. Conclusion

This paper examined the palliative measures and the policy responses to fight effects of the economic shutdown due to the coronavirus pandemic in Nigeria. The study made a holistic review of palliative measures and policy responses by federal and state governments as well as other authorities.

We observed that the inability of the Nigeria government to design reliable way to ensure that short term stimulus packages get to every citizen especially those who are more vulnerable, being poor. Since there was a shutdown of workplaces, it was necessary to ensure that such relief items were sent to every individual and household living in Nigeria. However, we also noticed adequate palliatives in terms of policy responses by governments and relevant authorities to ensure that the country is able to manage the economic effects of the total shutdown of the economy on public and private businesses, household lives, and other sectors of the nation’s economy. A couple of policies have been initiated in this regard.

It is upon these observations that we recommend that the government establishes a body to supervise the implementation of these policies across the country to ensure that they are not left on the paper and thereby plunging the country into an avoidable recession as we approach the post COVID-19 era. Also, there is need for a unit for proper accountability of the funds that are being released for the course in order to avoid mismanagement and abandonment of the all exigent policies to avert the looming economic woes. We also recommend that researchers who would want to carry out research in this area prepare for empirical analysis of the impact of these policy responses on pandemic-troubled economies.

4. References

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