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**Name:** Mohammed Rabi Aliyu

**Question:** From late December 2019 to January 2020, the world was struck unawares by a new coronavirus with rapid spread and devastating consequences. Attempt a critical assessment of the impacts of the pandemic.

On December 31st 2019, China reported a cluster of pneumonia cases in Wuhan, a city in Hubei province, to the World Health Organization (WHO).

By January 7th, Wuhan authorities announced that they had identified the virus as a new strain of Coronavirus.

By January 11th, the Wuhan health commission announced the first death caused by the Nobel coronavirus; a 61 year old man who had died on January 9th from respiratory failure.

January 21st saw the first confirmed case on United States soil

On January 23rd, Chinese authorities put a partial lockdown on transport in and out of Wuhan.

On the 30th the first case of person to person transmission was confirmed. The WHO declared an international public health emergency (a Public Health Emergency of International Concern).

On February 11th, WHO named the coronavirus COVID-19.

On February 14, Egypt announces its first case of Wuhan coronavirus on Friday. The confirmed case marks the first in Africa since the virus was detected.

On March 9, [Conte announces that the whole country of Italy is on lockdown.](https://www.cnn.com/asia/live-news/coronavirus-outbreak-03-09-20-intl-hnk/h_63ed4631f2c63f74f0135c0b43daa56c)

March 11, 2020 - [The WHO declares the novel coronavirus outbreak to be a pandemic. WHO says the outbreak is the first pandemic caused by a coronavirus.](https://www.cnn.com/2020/03/11/health/coronavirus-pandemic-world-health-organization/index.html)

Confirmed [cases of COVID-19 have now hit nearly 2.5 million](https://coronavirus.jhu.edu/map.html) globally. Businesses are coping with lost revenue and disrupted supply chains as [factory shutdowns](https://www.reuters.com/article/us-china-health-scale/under-chinas-coronavirus-lockdown-millions-have-nowhere-to-go-idUSKBN2081DB) and quarantine measures spread across the globe, restricting movement and commerce.

Unemployment is skyrocketing, while policymakers across countries race to implement fiscal and monetary measures to alleviate the financial burden on citizens and shore up economies under severe strain.

The International Monetary Fund (IMF) on 9 April said the coronavirus pandemic had instigated an economic downturn the likes of which the world has [not experienced since the Great Depression.](https://www.reuters.com/article/us-health-coronavirus-imf/imf-chief-says-pandemic-will-unleash-worst-recession-since-great-depression-idUSKCN21R1SM)

Here are some of the ways the outbreak is sending economic ripples around the world.

**Predicted Slump for Asia**

On 15 April, the IMF warned [economies in Asia would see no growth](https://www.bbc.co.uk/news/business-52305258) this year, for the first time in 60 years, with the service sector particularly under pressure.

National lockdowns across the region have meant airlines, factories, shops and restaurants have suffered the greatest economic shocks.

Just a day after the IMF warning, official [data showed the Chinese economy had contracted in the first quarter](https://www.reuters.com/article/us-china-economy-gdp/hobbled-by-coronavirus-chinas-first-quarter-gdp-shrinks-for-first-time-on-record-idUSKBN21Z08Q) - the first time since quarterly records began in 1992.

GDP in the world's second largest economy fell 6.8% in January-March year-on-year - more than the 6.5% forecast by analysts and the opposite of the 6% expansion in the fourth quarter of 2019.

The Chinese economy is likely to be hit further by reduced global demand for its products due to the effect of the outbreak on economies around the world.

Data released on 16 March showed [China's factory production plunged](https://news.trust.org/item/20200316071843-1rb9t/) at the sharpest pace in three decades in the first two months of the year.

For 2020, the country's [economic growth is expected to fall to 2.5%](https://www.reuters.com/article/us-china-economy-gdp/hobbled-by-coronavirus-chinas-first-quarter-gdp-shrinks-for-first-time-on-record-idUSKBN21Z08Q), according to a Reuter’s poll - its slowest in almost 50 years.

**Monetary Policy: Central Banks Act But Stocks, Oil Continue To Come under Steep Pressure**

To combat the economic fallout, the US [Federal Reserve](https://www.reuters.com/article/us-global-oil/u-s-crude-falls-below-30-as-fed-move-fails-to-calm-markets-idUSKBN2121FT) on 15 March cut its key interest rate to near zero.

But the move, [coordinated](https://www.reuters.com/article/us-health-coronavirus-economy-policy-fac/factbox-the-economic-remedies-for-the-coronavirus-idUSKBN2121C4) with central banks in Japan, Australia and New Zealand in a joint-effort not seen since the 2008 financial crisis, has failed to shore up global investor sentiment. As of 9 April, the S&P 500 stock index is down more than 13% since the start of the year, while global oil prices have plummeted more than 47% year-to-date.

The Fed on [9 April unveiled a new batch of programs](https://www.wsj.com/articles/fed-announces-new-facilities-to-support-2-3-trillion-in-lending-11586435450?mod=hp_lead_pos4), saying it plans to provide $2.3 billion in loans to small and midsize businesses, as well as US cities and states. The US central bank also expanded its corporate lending program to include some classes of riskier debt.

Meanwhile, the European Central Bank (ECB) also took action, launching on 18 March a [€750 billion Pandemic Emergency Purchase Programme](https://www.google.com/search?safe=strict&rlz=1C1GCEB_enCH861CH861&biw=1266&bih=559&tbm=nws&ei=2v11XqntK-yr1fAPiZWn-AE&q=oil+price+corona+economy&oq=oil+price+corona+economy&gs_l=psy-ab.3...14605.16703.0.16822.18.13.1.3.3.0.115.877.10j3.13.0....0...1c.1.64.psy-ab..1.9.368...0j33i10k1.0.G_g-FkQQJsM) that is expected to last until the end of this year.

**A Fiscal Response**

On 20 March, the UK announced radical fiscal spending measures to counter the economic impact of a worsening crisis. The government said it would [pay up to 80% of the wages of employees across the country](https://www.bbc.co.uk/news/business-51982005) unable to work, as most businesses shut their doors to help fight the spread of coronavirus.

Earlier in the month, the Danish government announced it would help private companies struggling to manage the fallout from the pandemic by covering [75% of employees' salaries](https://www.euractiv.com/section/coronavirus/news/danish-corona-hit-firms-get-state-aid-to-pay-75-of-salaries/), if firms agreed not to cut staff.

[Denmark has announced restrictions on companies that are registered in tax havens from accessing financial aid](https://news.trust.org/item/20200420125942-rk945/). Companies applying for state aid will also have to commit to not paying dividends or make share buy-backs this year and next. Dividends would be allowed if the aid was repaid.

Poland had already announced restrictions on access to state aid based on whether large firms pay taxes in the country.

The European Union more broadly has implemented fiscal measures to shore up the economy [worth more than €3 trillion.](https://www.weforum.org/agenda/2020/04/european-union-finance-fiscal-money-support-covid-coronavirus/)

Meanwhile, the US Senate on 25 March approved an unprecedented [$2 trillion stimulus plan](https://edition.cnn.com/2020/03/25/politics/stimulus-senate-action-coronavirus/index.html), including direct payouts to millions of Americans. The House of Representatives is expected to pass the rescue package on Friday.

**The Impact on Employment**

In the UK, the government's independent economics forecaster, the Office for Budget Responsibility (OBR), warned on 14 April that [the country's economy could shrink by a record 35%](https://www.bbc.co.uk/news/business-52279871) by June 2020.

It also estimates UK unemployment could to rise by 2.1 million, to 3.4 million, by the end of June.

More than 5 million Americans filed new claims for unemployment benefits in the week ended 10 April, according to the US Department of Labor, bringing the total number of Americans who have lost their jobs in four consecutive weeks to [over 22 million.](https://www.nytimes.com/2020/04/16/business/stock-market-today-coronavirus.html?action=click&module=Spotlight&pgtype=Homepage)

Data from Spain shows nearly [900,000 people have lost their jobs since its lockdown started in mid-March](https://www.bbc.co.uk/news/world-europe-52131756). The official unemployment figure has risen to 3.5 million - the highest level since April 2017.

Meanwhile, [Bloomberg reports](https://www.bloomberg.com/news/articles/2020-04-02/supply-chains-latest-virus-threatens-half-of-all-jobs-in-africa-k8inetqv) that around half of jobs in Africa are at risk as a result of the outbreak, according to the United Nations Economic Commission for Africa.

**Disruption to Commerce**

The initial shortage of products and parts from China affected companies around the world, as factories delayed opening after the Lunar New Year and workers stayed home to help reduce the spread of the virus.

Apple’s manufacturing partner in China, Foxconn, faced production delays. Some carmakers including [Nissan and Hyundai](https://www.bbc.com/news/business-51441344) temporarily closed factories outside China because they couldn’t get parts.

By March, countries such as Italy had closed all but [the most essential factories](https://www.politico.eu/article/italy-closes-all-nonessential-factories-to-halt-spread-of-coronavirus-giuseppe-conte/).

The pharmaceutical industry, [bracing for disruption to global production](https://theconversation.com/the-silent-threat-of-the-coronavirus-americas-dependence-on-chinese-pharmaceuticals-130670) since February, reported fears of drug shortages as India faced l[ockdowns 24 March](https://www.cnbc.com/2020/03/24/us-drug-shortage-fears-grow-as-india-locks-down-due-to-the-coronavirus.html). India supplies nearly half of the generic drugs for [countries such as the U.S.](https://www.cnbc.com/2020/03/24/us-drug-shortage-fears-grow-as-india-locks-down-due-to-the-coronavirus.html)

Most trade shows, cultural and [sporting events](https://www.reuters.com/article/us-health-coronavirus-sport-factbox/factbox-sports-events-hit-by-the-coronavirus-epidemic-idUSKBN20S1ZD) across the world have been cancelled or postponed.

**Psychological Effects**

Working from home while taking care of kids, standing at least two meters apart from the next person if you step out to buy groceries, covering your face to the extent that you’re not recognizable, spending more hours online trying to interact with people when before this you were trying to limit your screen time, all begs the question: How are you coping?

Weeks into self-isolation with signs that the coronavirus pandemic is not anywhere near ending has even the most optimistic person wondering, just how long will this last?

In the [latest Global Advisor survey](https://www.ipsos.com/en/more-concerned-those-vulnerable-covid-19-their-own-health) of nearly 14,000 people across 15 major countries, more than two in five (43%) of the respondents said they are impatient to get back to normal life. Another third (34%) are anxious about their health, while 15% are lonely, and 12% are angry about restrictions to their freedom.

At the same time though, more than half (55%) are concerned for those who are vulnerable or weak, while just under a third (31%) are happy to spend time with family. Another one in five (22%) are inspired by how people are adapting.

This mixed bag of emotions could reflect how isolated people really are, according to experts, who say the more severe the isolation, the more severe the psychological impacts.

For extroverts who are used to more active social engagements, phone calls and video conferencing might not be enough. They’re going to struggle a lot with the substitute.

Regardless of people’s social preferences, experts still agree there could be lasting impacts on all of us as we are forced to put up with barriers that most of us have never encountered before.

**Conspiracy Theories**

A lot of conspiracy theories surrounding the virus and its origin have also come about. For example:

“Bill Gates saw the coronavirus outbreak coming and since it hit has been working to try and inform the public and invest in finding a vaccine.”

However, the Microsoft co-founder who now runs the Bill & Melinda Gates Foundation has become the target for a multitude of Covid-19 conspiracy theories. That Gates created the pandemic to profit from a vaccine or that the outbreak is his way of ‘culling’ humanity are just two of the ridiculous theories doing the rounds.

Addressing a TED Talk five years ago, Gates, 64, warned the next ‘global catastrophe’ would not be caused by war, but by a virus. He said: ‘If anything kills over 10 million people in the next few decades, it’s most likely to be a highly infectious virus rather than a war – not missiles, but microbes.’ ‘Part of the reason for this is we have invested a huge amount in nuclear deterrents, but we’ve actually invested very little in a system to stop an epidemic. ‘We’re not ready for the next epidemic.’

Hoaxes surrounding Gates and Covid-19 have spread across Facebook, YouTube and Twitter so much that they outnumbered the 5G coronavirus conspiracy theory- a scientifically impossible conspiracy theory linking the deployment of 5G radio antennas to the coronavirus pandemic- by 33% from February to April.

The conspiracy theorists say the [coronavirus](https://news.sky.com/topic/coronavirus-8483) pandemic is an illness caused by exposure to radio emissions from the new 5G antennas - despite these antennas not being present in countries such as Iran, which has seen a deadly outbreak.

To support their claim, the theorists have pointed out that these antennas have continued to be deployed during the lockdown in the UK. They ask why network engineers aren't staying at home like everyone else.