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1a.) I support the theory that public expenditure increases as population increases is true and applies to Nigeria. For example; as seen in during the current situation, up to 60% of the country's populace are poor and currently unable to sustain themselves through the lockdown period and the number of the poor in the society keeps going up because most people depend on the day-to-day buying and selling to be able to feed themselves and their families for that day and sometimes throughout the week. As such the government has set up funds and unlocked it's food storage in order to provide parliatives and ensure that it's citizens comply with the isolation orders.

1b.) CHALLENGES OF CORRUPTION

- GREED: in the quest to gain as much wealth as possible, most people when they finally get to any seat of power are willing to kill, terrorize, threaten and destroy properties just to ensure that they secure their positions and wealth.

- Unemployment

- not all working citizens pay tax.

- Bias Governance: This is a situation whereby the people in power look after their own people (either from the same tribe or religion) and favour them when distributing or allocating funds.

- Mismanagement Of Funds: when incompetent people are placed in positions of power, there's bound to be mismanagement or funds because most of them seek to enrich their own pockets at the expense of others.

- Search for Greener Pastures: due to the lack of good governance, security and jobs, citizens look for different mediums to leave the country in search of better living conditions . A lot of citizens have died trying to cross the desert in search of a better life, some have been sold, some actually managed to go abroad and live well there.

2.)Government failure is commonly defined as a situation where government intervention in the economy creates inefficiency and leads to a misallocation of scarce resources.

Scenarios in which it could occur:

-DISTORTION OF THE PRICE MECHANISM:

Intervention through taxation, through subsidisation, or via other interventions can result in a distortion of markets and a weakening of the operation of the price mechanism. Taxes and subsidies on goods and services can artificially raise or lower prices and distort how markets work to allocate scarce resources.Governments can also fix prices, such as minimum and maximum prices, but this can create distortions which can lead to:

Shortages, which may arise when government fixes price below the market rate. Because public healthcare is provide free at the point of consumption there will be long waiting lists for treatment.

Surpluses, which may arise when government fixes prices above the natural market rate, as supply will exceed demand. For example, guaranteeing farmers a high price encourages over-production and wasteful surpluses. Setting a ‘minimum wage’ is likely to create an excess of supply of labour in markets where the ‘market clearing

equilibrium’ is less than the minimum.

-COSTS OF ADMINISTRATION:

Excessive bureaucracy is also a potential government failure. This is caused by the public sector when it tries to solve the principal-agent problem. Government must appoint bureaucrats to ensure that its objectives are pursued by the managers of public sector organisations, such as the NHS.

Intervention through the imposition of taxes, or through legislation incurs various administration costs. Taxes must be collected through government departments, including Her Majesty’s Customs and Excise (HMRC) and laws must be enforced through the legal system. Both of these incur considerable

-IMPERFECT KNOWLEDGE:

Information failure is also an issue for governments, given that government and policy makers do not necessarily ‘know’ enough to enable them to make effective decisions about the best way to allocate scarce resources.

Government intervention requires decisions to be made about the degree of intervention and its timing. In order to prevent or reduce market failures, tax rates need to be set and level of subsidies and minimum prices must be decided. However, governments and agencies do not have access to all the knowledge that it required to set the necessary rate or level to achieve the desired outcome. For example, if the government wishes to get 3 million students to attend university each year it may decide to subsidise tuition fees, but it is highly unlikely that it could achieve such a target with precision.

-LAW OF UNINTENDED CONSEQUENCES:

Finally, and related to the idea of information gaps, is idea that intervention can result in outcomes which were entirely unplanned and unpredicted. Traffic calming measures may encourage drivers to speed up in areas or stretches of roads between speed bumps, cameras or warning signs with a result that ‘average’ speeds increase. This resulted in new systems which track average speeds. However, in an average speed area drivers may drive a below the speed limit so that they can speed up along other parts of the journey.

When assessing any intervention in the micro or macroeconomic government failures are a common source of evaluation points.

2b.) Yes, I support for the same gesture to be done in Nigeria. This is because:

Firstly, the virus is easily contactable. If economic activities are allowed to continue as usual most of the population would get infected(e.g if an infected person goes to work during the incubation period they'll end up infecting his/her fellow employees who in turn would spread the disease without knowing that they have it) and the government would have to spend so much more trying to contain the spread and also to search for a cure for those who are ill which will increase public expenditure . There's also the problem that if the government loses most of it's citizens who contribute to the country's GDP, the situation would take a turn for the worse.

Secondly, unlike some economies across the world, the Nigerian economy thrives on human intervention. Even our online trading depends on either the post office or any other transport agency to get the package to the final consumer. Unlike some countries abroad whose goods are delivered with the help of drones.