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The horrors of Covid-19 and the recent Macro-Economy in Ethiopia**Nasir Ababulgu Abasimel***Wollega University, Ethiopia*

The current paper is emphasized on COVID-19 and the recent macro-economy in Ethiopia and therefore, intended to deliver information on the pandemic and its impact on macroeconomic variables. For specification, we aimed at Ethiopian Gross Domestic Product, Unemployment, Inflation and Fiscal and Monetary economic which can cause economic instability or crises in conjunction with coronavirus outbreak in Ethiopia. In terms of methodology, the literature review itself followed a systematic and integrative approach that started with a search for relevant literature in specialized and generic databases (Google search, Google Scholar, Internet, Covid-19 and macroeconomics repository, Harvest Plus Library). The COVID-19 pandemic represents an unprecedented global crisis. Even if the spread of COVID-19 is suppressed in Africa its economic damage will be unavoidable. In spite of the fact that COVID-19 was less expanded during the first three months, the Ethiopia economy showed a significant shock and drastically reduced in major macroeconomic variables. The economy of Ethiopia will shrink between 5.6 and 11% as a result of the coronavirus (COVID-19) pandemic. The general inflation is currently 23%, while food inflation is 26% and the government debt (without including recent pledges by the donors, which is significant) as percentage of GDP is above 55%. A significant proportion of the 162,000 small- and medium-sized enterprises (SMEs) in Ethiopia could come under pressure. The government also predicted that about 30 million (half of this because of COVID effect) people could be food insecure and need help this year alone. A 25-30% drop in exports of goods and services during 2020 is possible. COVID-19 will have a two-fold fiscal impact, pulling in opposite directions. To cope with the pandemic, there is a need to re-bounce back the economy by taking the necessary macroeconomics policy measures while protecting our peoples safe from the pandemic, COVID-19.

Biography

Nasir Ababulgu has his expertise and specialized in Agribusiness and Value Chain Management with background of Agricultural Resource Economics and Management from Haramaya University and Wollega University, respectively. He wrote this paper to identify the impact of COVID-19 on macroeconomics in Ethiopia in the first months of the pandemic outbreak.

nasirababulgu@gmail.com