



**RESEARCH PAPER**

**COVID-19 Pandemic and Proliferation of Ponzi Schemes in Nigeria Cyberspace**

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It appears that in any tensed situation criminal elements initiate ways of taming or enriching their insatiable desire for materialism. This paper examines COVID-19 pandemic and proliferation of Ponzi Schemes in Nigeria cyberspace. The Routine Activities Theory (RAT) was used in explaining the salient issues surrounding Ponzi schemes in COVID-19 era. The ex-post factor design which dwells on documented evidences was used. The findings revealed that poverty, lockdown, lack of palliatives, corruption, insensitivity of the government and porous cyberspace are factors that aided proliferation of Ponzi schemes in Nigeria during COVID-19 pandemic. This paper concluded that many Nigerians without palliatives were rendered vulnerable by the lockdown and government's negligence or poor mitigation approach exposed them as suitable targets for criminals (motivated offenders) to exploit, especially on the nation's porous cyberspace. It recommended amongst others that the nation's cyberspace should be tightened and adequately secured to ensure that influx of unregulated or unregistered e-businesses is minimized. This can be achieved through sending Information Technology (I.T) inclined citizens abroad to learn cyber policing or contract a renowned cyber security outfit to manage the space. The operational structure of the National Orientation Agency (NOA) should be reviewed and revived as to be responsive to issues that require public awareness or sensitization.

**Introduction**

It appears that in any tensed situation criminal elements initiate ways of taming or enriching their insatiable desire for materialism. They see any major event as an opportunity for sabotage or manipulation and the global spread of COVID-19

is a prime example (Cyware, 2020). The rampaging and aggressive onslaught of Ponzi schemers since the COVID-19 pandemic can only be imagined.

COVID-19 is an acronym for the new dreaded coronavirus disease that was discovered in December 2019. It is an infectious disease that was unknown before the outbreak in Hubei province of Wuhan, a major commercial city in China (Gralinski & Menachery, 2020; World Health Organization -WHO, 2019). Due to deep concern over alarming levels of inaction over the virus, W.H.O declared COVID-19 a global pandemic on March 21<sup>st</sup>, 2020 (Ghebreyesus, 2020). According to the British Broadcasting Corporation (BBC, 2020), a pandemic describes an infectious disease where there is significant and increasing person-to-person spread in multiple countries around the world at the same time, especially when the virus is novel (new).

As at Monday 8<sup>th</sup> September, 2020, statistics show that about 27,519,433 cases of coronavirus have been confirmed globally, with 19,611,037 recovery and 897,492 deaths. Out of which about 7,010,904 are active cases (currently infected patients) (World Metrics, 2020). In the same period, the African Centre for Disease Control (ACDC) puts the total number of confirmed cases at 1,306,817; out of which 1,045,434 and 31,526 cases have recovered and confirmed dead respectively. As a result active confirmed cases are put at 229,857 (ACDC, 2020; BBC, 2020). In addition, report from the Nigeria Centre for Disease Control (NCDC, 2020) shows that about 426,803 samples of suspected coronavirus have been tested, out of which 55,160 cases were confirmed and 43,231 persons have been discharged from various treatment centers across the country. Regrettably, 1,061 deaths were recorded and about 10,868 active cases are being contained with (NCDC, 2020). This implies that Nigeria has witnessed about 78% confirmed cases of COVID-19 and about 2% deaths, with 20% active cases presently. In generally, these figures suggest that the battle is not yet over, but indicates that there is hope for sound of victory.

A recent report by W.H.O indicates that 1 out of every 5 people who contracted COVID-19 becomes seriously ill and develops difficulty in breathing. Older people and those with underlying medical issues like high blood pressure, heart and lung problems, diabetes or cancer faces higher risk (WHO, 2020). Aside health related issues; the pandemic has disrupted different businesses and threaten jobs of millions of people (Idris, 2020; Nnabuife, Okoli & Anugwu, 2020). This puts a serious strain on household income and causing prices of food items to surge. As anxiety increases, scammers take advantage to prey on people's gullibility and financial uncertainties. Idris (2020) argued that the virus created a fertile environment for unhealthy business investments targeted at vulnerable members of the public to flourish as there was no availability of palliatives for many.

Although the state and federal governments announced intervention relief support to cushion the effects of COVID-19 lockdown and stay-at-home directives on households, millions of Nigerians still did not receive anything (Eranga, 2020). He noted that lamentations trailed the palliatives distribution by the masses. While

some reports alleged that a tiny fraction (1.2%) of the citizenry benefitted from the palliatives, others argued that the process of distribution was politicized (Oluwabunmi, 2020; Eranga, 2020). Whichever way, the fact remains that there was outcry of vulnerable citizens that starved for days and in dire need of food. As many could not lay hands on any palliative as a result of the sudden shutdown of the economy by the government, they sought for succor at every available means (Idris, 2020). Unregistered or illegal digital lending and investment platforms (like Ponzi schemes) became their quickest resort, thereby leaving them with bitter stories to tell.

Ponzi schemes have been in existence in Nigeria and just like legitimate businesses they adopt the internet in increasing their reach. The Nigeria Security and Exchange Commission (SEC) recently raised alarm over the operation of unlawful and fraudulent investment schemes that are promising huge but unjustifiable returns and warned Nigerians to stay away from them (Ndubuisi, 2020). SEC pointed out that by virtue of the provisions of section 39(1) of the Investments and Securities Act (ISA) 2007, only persons or investment platforms registered with the commission can engage in capital market activities (Olisah, 2020). In spite of the warnings many unsuspecting individuals, especially tertiary institution students' patronize swindling activities of Ponzi schemers during the pandemic (Osah & Adewumi, 2020). A digital-asset intelligence firm (Cipher Trace) puts the value of funds stolen through Ponzi related crimes over the first five months of 2020 at \$1.4 billion. The report argued that the largest contributor to this loss has been Wotoken's billion-dollar Ponzi scheme that emerged from China (Adesina, 2020). Other reports have it that millions of Nigerians are chasing after Ponzi schemes such as Now-Now Alert, Loom Money, Flip Cash, Helping Hand and other illegal investment platforms that are making waves on social media (Adegboyega, 2020; Ndubuisi, 2020; SEC, 2020). It is in view of this backdrop that this paper examines COVID-19 pandemic and proliferation of Ponzi Schemes in Nigeria cyberspace.

## **Conceptual Clarifications**

### **The Concept of Coronavirus or Covid-19**

Coronaviruses are large family of viruses which may cause illness in animals or humans. In humans, it causes respiratory infections ranging from common cold to more severe diseases such as Middle East Respiratory Syndrome (MERS-CoV), Severe Acute Respiratory Syndrome (SARS-CoV) and COVID-19 (also called SARS-CoV-2) which is still new (WHO, 2019). The MERS-CoV usually progress to severe pneumonia and has a scary mortality rate of 30% to 40%, while SARS-CoV which has an estimated mortality rate of 9.6% causes fever, chills, body aches, pneumonia and often progresses to a severe condition that inflame the lungs or fill it with pus (Cirrincione, Plescia, Ledda, Rapisarda, Martorana, Moldovan, Theodoridou & Cannizzaro, 2020). They argued that the most recent which is SARS-CoV-2 or COVID-19 has an estimated mortality rate of about 2.3%. This minimal chance of death substantiate the repeated messages from W.H.O and various Centers for

Disease Control (CDC's) that COVID-19 is not a death sentence when adhered to prescribed guidelines.

However, concerted efforts have been made to conceptualize the novel coronavirus disease as to give proper meaning or understanding to it. The Chinese Center for Disease Control and Prevention (CCDC) cited in Nnabuife, Okoli and Anugwu (2020) describe COVID-19 as corona 2019 virus disease that is caused by severe acute respiratory syndrome 2 (SARS-CoV-2, formerly called 2019-nCoV), which was first detected in the wake of respiratory illness in Wuhan, Hubei Province China. In the views of Cirrincione *et al* (2020), coronaviruses (CoV) are a large family of positive-stranded RNA respiratory viruses that its name is owed to the crown-shaped tips present on their surface. COVID-19 affects different people in different ways and most infected persons usually develop mild to moderate illness (NCDC, 2020). The most common symptoms of COVID-19 are fever, dry cough and tiredness. Other symptoms that are less common and may affect some patients include aches and pains, nasal congestion, headache, conjunctivitis, sore throat, diarrhea, loss of taste or smell, rash on skin or discoloration of fingers or toes (WHO, 2020). It posits that these symptoms are usually mild and begin gradually.

Currently, there is no approved medication for the cure of COVID-19; rather, some guidelines are prescribed by appropriate authorities. These are comprised of regular washing of hands, use of alcohol based hand sanitizers on the palms and surfaces (such as office desk, door handles, car doors etc), wearing of nose masks when going out, physical distancing of about 2 meters, avoidance of crowded places, self isolation when showing signs or in contact with a symptomatic person, etc (NCDC, 2020; WHO, 2020). Moreover, it is instructed that where symptoms are observed professional health care providers or COVID-19 taskforce should be contacted for immediate attention. In the absence of a safe or effective antiviral vaccine, some guidelines aimed at mitigating the effects are prescribed and they include regular washing of hands, use of alcohol based hand sanitizers on the palms and surfaces (such as office desk, door handles, car doors etc), wearing of nose masks when going out, physical distancing of about 2 meters, avoidance of crowded places, self isolation when showing signs or in contact with a symptomatic person, community lockdown for ease of contact tracing, etc (NCDC, 2020; WHO, 2020). The adherence to these safety precautionary guidelines is considered the bane for winning the war against the virus.

### **Concept of Ponzi Schemes**

Historically, evidence has shown that Ponzi schemes have existed before the Charles Ponzi's scheme of 1912 that popularized this form of fraud and continue to exist after him (Garber, 1990). The first extensively recorded scheme was conceived by a Scotsman, John Law in France in 1719 and was immediately followed by the South Sea Bubble in Britain in 1720 (Mackay, 1841 as cited in Bhattacharya, 1998). However, in most African countries and Nigeria in particular, the long history of such illegal investment schemes was poorly documented, hence, often difficult to

ascertain the exact origin and source. Notwithstanding, Ndukwe (2016) believes that they are not new in the country and identified Pyramid and Green World that existed in the 70's. Business Post (2017) identified Umana-Umana that existed in the 80's in Calabar, Plan-well in Edo from 1991 to 1992 and Nopecsto that operated in Lagos between 2002 and 2007. No matter the name or form, the fact remains that there has existed fraudulent ventures purported to offer one form of gain or returns that ended in swindling unsuspecting Nigerians of their hard earned resources.

The Federal Bureau of Investigation (FBI, 2017) conceived a Ponzi scheme as essentially an investment fraud wherein the operator promises high financial returns or dividends that are not available through traditional investments. According to Azim and Azam (2016), a Ponzi scheme is a serious financial crime where an individual or organization pays returns to its financiers from new capital paid by new financiers, rather than from any profit earned. It is also a financial investment that yields uncharacteristically high return on investment based strictly on conscious and serious hunt for incorporation of new members while portraying no risk at all (Asogwa, Etim, Etukafia, Akpanuko & Ntiedo, 2017). Drawing from these views it is pertinent to state that a Ponzi scheme is any unregistered business or investment platform that proposes abnormal or high returns to entrants or investors. In other words, the operators pay high dividends to initial investors using the principal amounts of subsequent investors and as the circle continues they disappears with funds of later entrants.

### Patterns of Ponzi Schemes Operation during COVID-19

Since COVID-19 pandemic Ponzi schemers have been casting their nets randomly to catch big fishes. Critical investigations and observations have revealed the following examples from three different social media platforms;

#### 1. Example one: Facebook Page

“Wow **congratulations** to me again, I have just been credited again from this investment platform RICH CONNECT INVESTMENT. It gives you double of what you invested in not less than 45min time and I have been doing it and its very real and genuine.



Interested participants should message me privately so that i will tell you more about it and guide you on how to invest.

- \*NO
- \*NO
- \*NO
- \*NO
- \*INSTANT PAYMENT\*

- REFERRALS\*
- PONZI\*
- STRESS\*
- DOWNLINERS\*

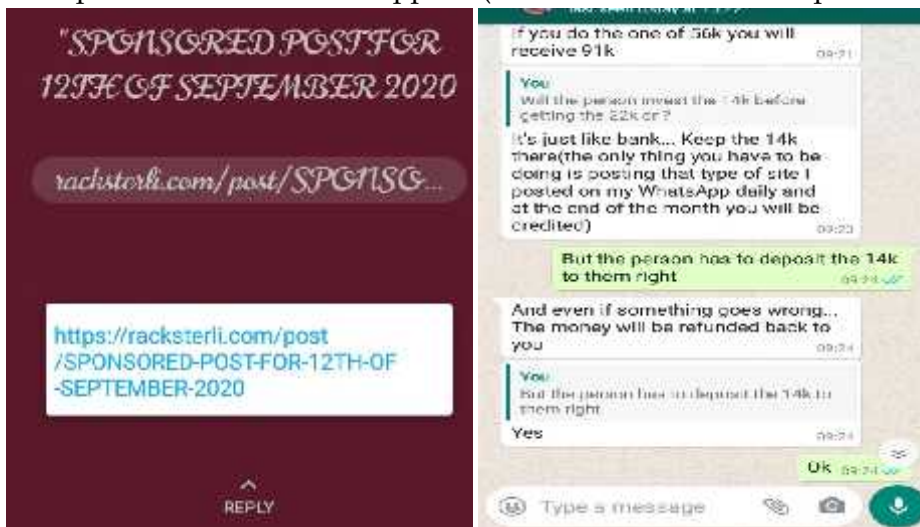
(Culled from Facebook: Watch Chief Imo Comedypage, 11<sup>th</sup> September,2020).

2. Example two: Messenger



(Screenshot from Messenger, 3<sup>rd</sup> September, 2020).

3. Example three: WhasApp (Screenshot 12<sup>th</sup> September, 2020).



Example one is a Ponzi scheme format that was posted by a scammer on Facebook page of a popular Nigeria comic actor. A critical mind would wonder how a sane person will display bank credit alert derived from an investment on social media and soliciting public to join in the fortunes when he has family members or relatives. The second is a screenshot message from a Ponzi schemer who hacked someone's Messenger account and tried convincing his target to invest in the United Capital Platform. Interestingly, his target was smart enough to point that the proposal was a Ponzi scheme and the criminal blocked him. Perhaps he took the action as to prevent the target who had failed his trap from signaling others about the gimmick. The third was an effort made by a Ponzi scheme beneficiary to convince his friend to invest in Racksterli Ponzi scheme using his referral link. What this entail is that the more people that register through him, the more referral bonuses he derives.

### **The Concept of Cyberspace**

The term cyberspace was first coined by William Gibson in his 1982 short story of 'Burning Chrome' and was used to refer to a computer generated virtual reality. The Gibsonian cyberspace was conceived as an urban thin space, dealing with urban experiences and problems such as crime, social exclusion and poverty. It mirrors socio-economic conflicts and geographical divisions that occur in enormously enlarged and highly polarized cities, in which speed and movements over the virtual world of cyberspace are key metaphors for new spatial experiences (Kneale, 1999 in Fourkas, 2004). Though it is sometimes tantamount to the notion of internet or digital virtual realm, there has not been a globally accepted definition of the concept. Mbanaso and Dandaura (2015) described cyberspace as the merger of internet, information systems and people. In addition, cyberspace was conceived as the boundless space known as the internet (Makeri, 2017).

The emergence of internet as well as increasing use of information systems have brought about extraordinary changes to human lives. It is transforming many countries growth, dismantling barriers of commerce and allowing people across the globe to communicate, collaborate and exchange ideas regardless of the traditional barriers of class, geographical location and time (Mbanaso & Dandaura, 2015). They argued that cyberspace is redefining a new world packed with uncertainties that span negatively and positively into the realm of human enterprise.

Globally, security has assumed heightened importance as criminal activities appears to increase in scale. Goel (2015) argues that many cyber users are insecure and mitigating the risk of security breaches is one of many concerns that need pragmatic approach. It has been asserted that inventors of internet had very little ability to explain either where the internet arose or where it could go (Cerf in Fourkas, 2004:1). This assertion, though heavy could have been conceived on the ground that at its inception no one could have clearly foreseen that internet would someday become a veritable platform for globalized criminal activities.

Due to the new normal of doing virtually every day transactions on cyberspace (banking, study, worship, tax computation, health care, examination, social activities, etc.), an enormous security effort is needed to protect users and transmitted data from potential attackers (Fenz, 2015). The challenge thrown by COVID-19 is a call for total overhauling of cyber security of many nations, especially Nigeria.

### **Theoretical Orientation: Routine Activities Theory**

The Routine Activities Theory (RAT) is a theory of crime events. This theory was first propounded by Criminologists Lawrence E Cohen and Marcus Felson in 1979 (Cohen & Felson, 1979). The theory posits that crime occurs in the presence of three elements which are motivated offender, suitable target and lack of suitable guardian (Argun & Dağlar, 2016). These three elements constitute a tripod that holds the platform upon which crimes occur (Delice, 2011). In other words, if one is broken the plot fall and crime cannot emerge. The theory further posits that organization of routine activities in a society create opportunities for crime. The daily routine activities of people in different social settings like school, work place or shops they frequent, group they associate or socialize with or even the routes they travel often strongly influence when and who fall victim of crime (Criminal Justice, 2017).

Gaetz (2004) used routine activities theory to study high level of crime victimization against homeless youths in Canada and submitted that people who are outside of their homes are most likely to fall victim of crimes than those in their homes. Similarly, the Ontario Ministry of Children, Community and Social Services (2016) argued that the theory conceive crime as a normal occurrence that depends on available opportunities to happen. This suggests that where there is an unprotected target and sufficient rewarding evidence, a motivated offender will commit a crime.

In application to this paper, the tripod of motivated offender, availability of suitable targets and lack of capable guardians perfectly depict the situations presented by COVID-19 pandemic. In this era, the motivated offender could be the individual whose business or source of income was abruptly blocked as a result of governments' placed curfew or lockdown order which restricted movement within and across borders. Such a person that was left with nothing and no palliative support would be left with option of devising means of preying on unsuspecting targets. The motivation would be the desire to beat hunger (starvation) and survive the dreadful season. In addition, availability of suitable targets would be those individuals that were desperate of 'giveaways' on social media. The concept of 'give away' was popularized within the lockdown period through the benevolence and kindheartedness of some prominent Nigerians that gave out foodstuffs, medics, cash transfers and airtime to vulnerable individuals, especially social media users. The fraudsters utilized the opportunity to clone social media accounts of those well-meaning personalities and hunt for their suitable targets. They usually post their intention to do 'give away' on popular social media pages and requests those in need to indicate. Moreso, it is no longer news that the Nigeria cyber space is porous, with



increasing reports of bullying, identity theft, digital kidnap, hacking etc. All these and many more are clear pointers that there is lack of capable guardian or inadequate security in the nation's internet space. It has been noted that since the declaration of coronavirus a pandemic, Nigeria's cyber space witnessed upsurge in internet criminality of various forms (Aladenusi, 2020; Osah & Adewumi, 2020). Again, aside the Nigeria Security and Exchange Commission (SEC) and Central Bank of Nigeria (CBN) that often raises alarm about Ponzi schemes in operation, the National Orientation Agency (NOA) saddled with the responsibility of public sensitization is hardly heard. This lack of suitable guardian has led many Nigerians to involve and fall victim of criminality. In sum, the daily routine activities of people, especially youths in surfing the net (social media) create opportunity for crime. Where there is no adequate guidance or proper sensitization to discourage involvement, gullible and uninformed members of the public would be left at the mercy of fraudsters.

### **Factors that aided Ponzi Schemes during COVID-19 Pandemic in Nigeria**

The COVID-19 pandemic has necessitated an upsurge in Ponzi schemes and other related internet fraud in Nigeria (Osah & Adewumi, 2020). The Nigeria Cyber Security Outlook 2020 clearly stated that there is a spike in spam mails, phishing and ransom-ware attacks in internet space since the emergence of COVID-19 (Aladenusi, 2020). The cyber criminals resorted to using COVID-19 in impersonating brands, thus misleading employers, defrauding customers and discomforting the internet users. It is pertinent to trace and identify the precipitating factors to Ponzi schemes proliferation in the country within the period under review. In doing this the following are considered;

#### **Poverty**

A 2019 World Poverty Clock indicates that about 40.1 per cent of Nigeria's population lives in poverty (NBS, 2020; Varrella, 2020). The report puts urban and rural poverty rate at 18.4 and 52.10 percent respectively. With this figure the Nigeria Bureau of Statistics (NBS) posits that about 82.9 million Nigerians live in abject poverty (NBS, 2020). Nigeria is rich in oil and other notable natural resources, but bad leadership has deprived majority of her citizens the dividends of these endowment. As a result many Nigerians live below \$1.90 and struggle beyond limits to make ends meet (CNN, 2020).

The President Muhammadu Buhari led federal government had on May 29<sup>th</sup>, 2019 in his second term inauguration speech promised to lift 100 million Nigerians out of poverty within a ten year period and on June 30<sup>th</sup>, 2020 launched the Alliance for Poverty Eradication (Vanguard, 2020). How feasibility or laid down approach to the actualization of this promise appears uncertain to many. In a country with such alarming number of poor people it is common knowledge that anything that appear as a means of getting money will be embraced. Hence, Ponzi schemes are flourishing in the country.

## **Lockdown**

This is a state of confinement or isolation from not just socio-economic activities, but general interaction with the polity. One month after confirming first case of COVID-19 in Nigeria, the federal government issued a total lockdown order across the nation as a measure to curbing the spread of COVID-19, especially in epicenter states of Lagos, Ogun and Abuja (Mbah, 2020). It was initially scheduled for 14 days beginning from March 30<sup>th</sup> through April 14<sup>th</sup>, 2020, but as the COVID-19 curve continues to rise the order was extended through May (Osah & Adewumi, 2020). The directive saw the closure of businesses, offices, schools, worship centers, hospitality industry, entertainment and restriction of movements. Law enforcement agents were positioned in strategic places to enforce the order and only those on essential duties, such as health workers, security personnel, food vendors, etc were allowed to move. Many Nigerians, especially artisans that live on daily pay were frustrated as the lockdown took them unawares and left majority without food (Human Right Watch, 2020). The vulnerable members of the society who could not lay hands on any income were left at the mercy of hunger. Osah and Adewumi (2020) argued that the lockdown and stay at home order of the government quashed sources of income of many people and provided safe haven that skyrocketed nefarious activities such as kidnapping, rape, armed robbery, internet fraud and Ponzi schemes which have bedeviled the nation for sometimes. Hardly would one long on to social media platforms within the period without stumbling on one investment message or another.

## **Lack of Palliatives**

In the United States of America and notable other countries, citizens received periodic cash and foodstuffs as COVID-19 palliatives. As a country that has accurate data about her citizens, Americans received direct bank transfers from the government at different times to cushion the hash effects of the socio-economic lockdown (CNN, 2020). In Nigeria, the reverse seems to be the case. A survey by Agbedo, Anazia, Awodipe, Thomas-Odia, Diamond, Adeowo and Ezeilo (2020) in selected communities in Lagos, Ogun, Imo, Ebonyi and Kogi states showed that vulnerable residents did not receive any form of government's COVID-19 relief stimulus. They noted that the only relief package a few number of people in these areas got during the lockdown came from privileged individuals and Non-Governmental Organizations (NGO's) that were kind enough to help the less privileged.

However, the pioneer Minister of Humanitarian Affairs, Disaster Management and Social Development claimed that over 2.5 billion naira worth of foodstuffs and cash were distributed as federal government's palliatives to the poor and vulnerable citizens during the lockdown (Agbedo et al, 2020; Oluwabunmi, 2020). The Blueprint (2020) noted that the ministry was accused of failure in reaching out to the poorest of the poor and vulnerable persons locked down without palliatives in different homes across the nation. How the palliatives were shared and

those that received them have been a billion dollar question on the lips of many Nigerians.

### **Corruption**

In Nigeria, there is dark figure or inaccurate data on almost everything. This generated heated concern and worry amongst Nigerians on where or how the ministry generated data used in distributing the alleged palliatives. The bulk of Nigeria's populace, mostly the poor and vulnerable members of the society are unbanked. It was observed that more than 50 per cent of adults in the poorest households in the country are unbanked (Abifarin & Bello, 2015; World Bank, 2017). It is worthy of note that people in this category were those mostly targeted by the proposed government palliatives and how the purported cash transfer gets to them might require deep inquiry.

However, where some things that appear like palliatives were sighted, they ended in politicians home (Chijioke, 2020). He noted that many residents of Enugu State alleged that corruption and diversion marred the state's government palliatives distribution. In Nigeria, it appears that the privileged few that made their way to corridor of power feast on the nation's wealth to the detriment of the masses. During the recent Niger Delta Development Commission (NDDC) probe by national assembly on alleged missing 40 billion naira, the world witnessed the drama that ensued. The commission's leadership became a laughingstock over the claim that they shared over 1.32 billion naira earmarked for development of the oil rich but neglected region as COVID-19 palliatives (Iroanusi, 2020; Salem, 2020). This scenario depicts one of the unfortunate realities in Nigeria.

### **Insensitivity of the Government**

The glaring frustration, especially on what to eat led many youth to the streets in search of what would turn to food or where to get at all cost. As a result there emerged in Lagos state a new crop of robbery gang (burglars) called 'one million boys' that dared and looted residents (Thisday, 2020). The story was not different in some areas in the North through South. Within the period the Ministry of Humanitarian Affairs, Disaster Management and Social Development disengaged the five hundred thousand N-Power beneficiaries that are made up of unemployed graduates (Blue Print, 2020). This ill-timed move generated mixed reactions and exacerbated the state of frustration faced by many families that were sustaining from the N-power monthly stipend. As appropriate quarters were struggling to calm the already heated polity and contend rising issues, fraudulent internet activities surged in the nation's cyberspace (Idris, 2020).

### **Porous Cyberspace**

Cyber security is the body of rules, technological tools and guidelines put in place for the protection of cyberspace. It is geared towards ensuring the safety and protection of users against security risks in the cyber arena. Makeri (2017) observed

that as we become more dependent on cyberspace we undoubtedly face new risks. The security architecture of many countries including Nigeria was badly challenged by COVID-19 pandemic (Osah & Adewumi, 2020).

The porosity of Nigeria's cyberspace will not be overemphasized. Statistically, Nigeria was recently ranked 3<sup>rd</sup> among ten nations that commits cyber-crimes in the world (Eze in Makeri, 2017). He argued that the victims continue to show increasing naivety and gullibility at the prospects incited by cyber criminals. In other words, many Nigerians are naïve and gullible when it comes to internet gimmicks. Ponzi schemers happened on this and the porosity of the nation's cyberspace in reaching out to millions of persons at a time (Idris, 2020; Osah & Adewumi, 2020). Between April and August, 2020 SEC identified the following Ponzi schemes as operational in the Nigeria cyberspace, Loom Nigeria Money, Box Value Trading Company Ltd, Now-Now Alert, Flip Cash Investment, Giftal World, Result Investment Nigeria Ltd, Helping Hand and Investment, No Failure Development and Empowerment Nigeria Ltd, MBA Forex and Investment Ltd, Federate Investors and Trading Company, Jamalife Helpers Global Ltd, Flexus Global Solutions and Investment Ltd and United Capital Investment Company Ltd (Adegboyega, 2020; SEC, 2020). This suggests that users of Nigeria cyberspace are prone to fraud, cyber attack, and hacking and Ponzi schemes.

## **Conclusion**

In the face of the struggle to provide effective military and political response to insurgency, agitations for secession, revolution activism and other vices that are threatening the Nigeria project, cyber criminality emerged to challenge the economic and socio-political existence of the country. This was exacerbated by the coronavirus pandemic that is ravaging the world and posed a destabilizing threat to structures of socialization, economic prosperity, political stability, food security and regional cooperation. The government authorities saddled with the responsibility of welfare and protection of citizens, especially the poor or vulnerable ones left them at the pandemic's peril.

The palliative measures proposed to cushion the effects were greeted with mixed reactions and widespread belief that the country is bereft of good policies to make life better for citizenry. This is not unconnected to the fact that those targeted for the palliatives did not receive anything, thus exposing them to various degrees of danger amongst which is Ponzi schemes. Therefore, this paper concludes that many Nigerians without palliatives were rendered vulnerable by the lockdown and government's negligence or poor mitigation approach presented them as suitable targets for criminals (motivated offenders) to exploit, especially on the nation's porous cyberspace.

## **Recommendations**

Based on the findings this paper recommends the following;

1. Instead of one hundred million in ten years, the President should strive and use about three years left for him in office to work towards lifting at least three million Nigerians out of poverty. He can actualize this goal through massive jobs creation in virtually all the sectors and ensure transparency in the recruitment process.
2. In time of need for lockdown the government should consider the fundamental rights to life and freedom of movement in pre-informing citizens of her plans. This will help many people store food that would sustain them for a while and minimize avoidable effects.
3. Nigeria is overdue for another census. The government should try to conduct a census that will capture accurate information of citizens which could help in identifying the poor or vulnerable group. Through this it can map out measures on how to reach out to them directly whenever there is need for palliatives.
4. The present administration should intensify its war against corruption and probe every sector or player involved in COVID-19 relief stimulus distribution. This will not only show that there is no sacred cow in the cabinet but attracts public support.
5. The nation's cyberspace should be tightened and adequately secured to ensure that influx of unregulated or unregistered e-businesses is minimized. This can be achieved through sending Information Technology (I.T) inclined citizens abroad to learn cyber policing or contract a renowned cyber security outfit to manage the space.
6. The operational structure of the National Orientation Agency (NOA) should be reviewed and revived as to be responsive to issues that require public awareness or sensitization.

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