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Effects and benefits of covid-19 on Nigeria's economy: A case study of the health sector in the new normal

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Abstract:

This Paper discusses COVID-19 Pandemic in the New Normal especially as it affects Nigeria's Health Sector positively and negatively. Though the Health Sector was overburdened within the first few months of COVID-19, there are some achievements made in the sector in terms of increased funding, equipment, personnel as well as improvements in the Water, Sanitation and Hygiene (WASH) Sector where intensive public education and collective actions were adopted to reduce the negative impact of the Pandemic. This Paper therefore highlights the need to build on the key successes made during the COVID-19 era and find practical ways to address emerging challenges within the Health Sector.

Keywords: Health; Nigeria; WASH; New Normal; COVID-19

Introduction

The outbreak of COVID-19, a severe acute respiratory syndrome virus (WHO, 2020), caused great emergency and havoc in the world. The pandemic, which began in December 2019, overwhelmed so many critical aspects of modern life across the globe, including politics, education, economy, tourism, socialization, and of course, public health (Quadri, 2020). With the absence of

neither a cure nor a vaccine for the first twelve months of its emergence, the threat to global welfare was palpable (Poonam and Rathi, 2020). According to the World Health Organization (WHO), there were 169 million confirmed cases of COVID-19 infections and 4 million deaths globally as of 28 May 2021, while there have been 583 million confirmed cases and 6 million deaths as of 10 August 2022 (WHO, 2022). To tackle the crisis, differing phases of lockdowns, as well as restrictions on sharing of social spaces and physical contact, were affected by governments the world over on the advice of medical experts (Ajide, Ibrahim and Alimi, 2020). The global lockdown was unprecedented (Crossley, 2020) but it was necessitated by the lack of available clinical vaccines and was an inevitable reponse given what was an alarming rise in global spread (Ajide, Ibrahim and Alimi, 2020).
COVID-19 pandemic has had a severe negative impact all over the world. There has been dramatic loss of human life as well as huge economic downturn, with many businesses folding up, workers getting downsized, and millions of people falling into extreme poverty (Tandon et al., 2020; Mohialdin, 2021). The United Nations Development Programme predicts a $220 billion-reduction in revenue in developing countries due to the impact of COVID-19, a downturn which may last for years (Palumbo, 2020). Education suffered with the introduction of lockdown, with most students turning into passive learners on the hastily arranged online classes, educational facilitators being inadequately prepared for the new mode of teaching, and underprivileged students having poor or no access to digital technology for online learning (UNESCO, 2020). In the healthcare sector, medical resources of countries were strained and pushed to their limit, and health and care workers were exposed to a fast-spreading disease, resulting in many infections and deaths among them and their households (WHO, 2021).

In Nigeria, the impact of COVID-19 has been heavily felt on the economy and the health sector. At the peak of the pandemic, there was an unprecedented collapse in oil revenue, with prices falling dramatically (Wheeler et al., 2020). This negatively impacted national revenue, already significantly reliant on oil income. Besides, the onset of the virus in Africa revealed the depth of the deficiencies in the Nigerian health sector. Some of the problems include (1) improper funding, as evidenced by the allocation of meager percentages (less than 4%) of the national budget to the health sector; (2) inadequate facilities, with only 350 Intensive Care Unit (ICU) beds to serve a population of upwards 200 million; and (3) poor remuneration of medical workers, leading to mass emigration of qualified medical personnel (Ejukonemu, 2021). Consequently, vast populations are catered for by very few medical professionals, with a ratio of one

doctor to 22,000 people, whereas the WHO has recommended a balanced ratio of one doctor to 600 persons. These issues had been plaguing the country for decades before coronavirus and have led to a phenomenon of medical tourism. Despite a slight increase in national allocation to the health sector in 2020 to cater for the presence of the virus, the figure was still relatively low, 4.14% of total budget (Ejukonemu, 2021). Moreover, since 2020, the allocation to the health sector has progressively dropped (Uche, 2020; Elebeke and Esiedesa, 2021).

In the midst of these prevailing circumstances, there have been significant positives. While the health sector was stretched embarrassingly by the pandemic, some reorganization was effected and improvements made to cater for the situation. These include the expansion of treatment centres, training of healthcare workers, distribution of important healthcare tools and instruments and the revitalization of dormant but existent healthcare systems (Tozan, 2021). While research has perused the subject of COVID-19 and its impact on both the economy and the public health sector in Nigeria and around the world (Oyadiran et al., 2020; Odubanjo 2020; Wheeler et al., 2020; Kaye et al. 2020) as well as examined the care strategies vis-à-vis the burdens on a diverse population (Adeteju et al., 2020; Lancett, 2022; Aregbeshola and Folayan, 2022), there is still more work to be done. There is not, for instance, adequate investigation into the national adjustment processes in the health sector during the pandemic and the benefits they bring to the country. The current inquiry will attempt to discover the positives within all the problems at the height of the COVID-19 era and the adjustments during the new normal, as well as the foundation which the nation can build on to turn around the fortunes of millions within the African giant.

Nigeria's Health Sector and the Pandemic

Nigeria's response to the pandemic was manifold. At the time of the announcement of the pandemic in the country, there were only 350 Intensive Care Unit (ICU) beds in the entire country, with estimates from the Nigerian Centre for Disease Control (NCDC) showing that there was a ratio of one bed for 285,000 people (Ogundipe, 2020), and less than 500 ventilators were available in the entire country. This is in comparison to the 8000 ventilators that were available in the United States, with only 50% more people than Nigeria. The United States no doubt had a far greater number of cases at the time, with nearly 2000 confirmed cases and 43 deaths (BBC, 2020) to Nigeria's 111 cases and one death; however, this only sparked fears that the country was too

inadequately prepared to handle what was seen as an almost inevitable spread, and would be overrun (Ogundipe, 2020).

The limited resources and infrastructure in the West African giant were evident (Adeteju et al., 2020), especially in lieu of the fact that even arguably the most funded hospital in the country, the health clinic at the Presidential Villa, could not be relied upon to treat the president's ear infection (Ogundipe, 2020). Admittedly, prior to the reporting of the first COVID-19 case in Nigeria on 27 February 2020 (NCDC, 2020), there were already preparations for potential epidemic outbreaks. There were 23 public health emergency operations organized by the NCDC, and four testing centres were kept in the country (Ejukonemu, 2021). However, this number is embarrassingly low, even without considering the fact that none of the testing centres were available in the entire northern part of the country, a very vast region.

Poor funding was also a significant problem. Nigeria has consistently flouted the Abuja Declaration by African leaders on allocation of fifteen percent of the federal budget to the health sector. Despite signing this Declaration at its own capital, Nigeria has fallen far short of the stipulated figure, allocating only an average of 5.0% to the health sector in its national budget between 2012 and 2018, in contrast to its counterpart in the southern part of the continent, South Africa, which allocated an average of 11.7% (Kazeem et al., 2021). As a result of poor funding for the health sector there is little to no health insurance. The National Health Insurance Scheme (NHIS) established in 1999 to aid health service delivery has been far from adequate. Most Nigerians have to pay out-of-pocket for medical services, a system that endangers vast majorities within the country (Ola et al., 2020). Plaguing the country also was the issue of poor remuneration of medical workers as well as poor welfare provisions. This has led to a "brain drain" where many medical doctors and healthcare workers are leaving the country for better opportunities in countries in North America and Europe (Ejukonemu, 2021). Moreover, Nigeria's health sector has struggled from a poor system of federalism that actually sees constituent regions, including local governments, robbed of their authority, resulting in over-centralization (Alubo and Akintunde, 2018). This inevitably leads to poor healthcare in local clinics and vast regions of the 923,769-square kilometre country remaining underserved.

With such a background, experts were rightly worried about Nigeria's future when the first case of COVID-19 was reported in the country. The government followed the example of their counterparts in many other major countries and reacted by introducing gradual restrictions that culminated in a total lockdown. The news from the NCDC

concerning the grossly inadequate number of ICUs and ventilators raised consternation (Ogundipe, 2020), but the government responded by providing grants and emergency intervention funds for Lagos State (Omilana, 2020), the country's largest region and the highest-risk area, and the NCDC (Iroanusi, 2020). However, this response was slow in coming, not to mention inadequate (Ogundipe, 2020; Aregbeshola and Folayan, 2021). Various water, sanitation and hygiene (WASH) policies were implemented during this period. These services are an essential part of keeping vast populations safe and healthy, and securing Infection Prevention and Control (IPC) in communities (World Bank, 2020). They are effectively designed to prevent the spread of infectious diseases during an outbreak, and COVID-19 was no exception. WASH policies include constant supply of safe water, soap and hand sanitizers to health care facilities to ensure constant presence of such items. Communities of people are also sensitised and encouraged to adopt hand washing behaviour, Enabled by the provision of both fixed and portable facilities for hand washing and sanitising in public spaces such as schools, businesses, stores and transport stations. All of these were enforced by the government at the onset of the pandemic in the country (Odubanjo, 2020).

The introduction of WASH services for IPC purposes was not wholly taken in by the population at the initial stages, especially because so few were conscious of the risks, or familiar with such attentive health practices. However, with continuous public education and sensitization, compliance levels rose as more and more of the population began to adhere to these measures. Noteworthy is the fact that there was a lack of support for many WASH service providers. The government focused on promoting the scale of hand washing with soap and other IPC through public information, rather than facilitating or improving the delivery of water and other sanitation services (UNICEF, 2020). The likely reason is unavailability of funds rather than gross negligence. Nevertheless, the problem remained.

The country made a lot of progress in this period in terms of improving facilities and equipment. The number of treatment centres were expanded from just one treatment centre in Lagos with only 35 beds to 121 centres with 6550 beds across the country, while laboratories equipped to handle COVID-19 testing were increased from an initial three to 13 in 10 states. Isolation units were established in selected hospitals across the country and these hospitals were accordingly designated for COVID-19 response (Ogoina et al. 2021). Medical equipment, personal protective equipment, test kits and other necessary response materials were also accessed and distributed

across the country by special commissions set up by the government. Moreover, improvements were made in the training of personnel as more than 13,000 health and care workers were trained on IPC (Dan-Nwafor et al., 2020).

Though the country was greatly assisted by different local and international organizations, a lot of its relative success in curbing the spread of the virus contrary to initial anticipation was down in no small part to its existing preparedness to a potential epidemic (Dan-Nwafor et al., 2020). The purchase of new health equipment, training of health workers, expansion of clinics and testing centres across the country, and the sensitization of great parts of the population towards WASH services are all significant achievements, and the country can build on them to increase the quality of its healthcare, while moving closer to achieving the United Nation's third Sustainable Development Goal (SDG 3).

National Economy and the Health Sector in the New Normal

New forms of social behaviour have emerged with respect to the adaptations that were made necessary by the pandemic, and they have collectively been tagged the "new normal". Social distancing, hand washing and sanitising, mask wearing, and avoidance of public spaces and large gatherings all continued through to the early months of 2022. A lot of the former routine in people's lives has been moved to the Internet. Many people now work from home and connect with colleagues and friends through digital spaces (Maikomo, Targema and Obun-Andy, 2021).

While the world has battled in the new normal to get through some of the harsher consequences of the virus, slowly relaxing the restrictions that were necessitated by the spread of the pandemic, educating people on the need for vaccination, and trying to set the global economy back on its feet, developing countries like Nigeria have struggled more with the effects of the pandemic (Tozan, 2021). National policy towards COVID-19 remained largely unaffected by the rise of variants such as Delta and Omicron in the second half of 2021, but the country's economy has been left reeling due to multiple factors. One of them is the fall in oil prices at the peak of the virus, which dealt a significant blow to national revenue given that the country relies on oil for nearly 30% of its total income (Ejukonemu, 2021). Another is the negative effects of the lockdown, which, although slowing down the spread of the virus and giving the government time to combat it in accordance with international guidelines, brought undesirable effects on the economic endeavours

of many within the country, especially low- to mid-income earners. Small and medium enterprises also suffered greatly, with many even closing down completely (Dan-Nwafor et al., 2020).

According to estimates, millions of Nigerians are expected to be thrown into poverty due to the effects of the virus and the subsequent lockdown (Tozan, 2021; Adeyemo et al., 2021). In the health sector, although there have been significant advances such as the purchase of medical equipment in some health centres, and the provision of personal protection equipment and facilities for WASH services, some of the progress which was being made has been abandoned. At the onset of the virus, funds were provided by the federal government – aided by private and international organisations, and philanthropists – for the acquisition of vital healthcare equipment as well as to cater for the costs of healthcare for individuals with COVID-19 (Aregbeshola and Folayan, 2021). This financial provision to the health sector was key to tackling the pandemic. However, some of these means of funding such as the government's COVID-19 fiscal stimulus package, and the donations from private individuals and international organisations, e.g. the United Nation's (UN) basket fund, were a one-off. The national allocation for health, 4.14% of the total budget in 2020, remains disappointingly low – less than 5% (Fatunmole, 2022). With COVID-19 seemingly gone, the country looks set to remove its attention from its health sector once more.

After the ebola outbreak in 2014, Nigeria established a series of measures that increased its readiness to tackle health challenges and potential epidemic outbreaks, which was mostly responsible for its epidemic preparedness level of 38.9% before the outbreak of COVID-19 (Ajisegiri, Odusanya and Joshi, 2020). Some of these measures include scaled-up diagnostic capabilities in clinics, training of key public health staff towards response actions, and the establishment of the National Centre for Disease Control, which was tasked with creating a national network of reference laboratories (Tozan, 2021). A host of problems, most of which were centred around funding, prevented the full maturity of these developments, a situation which no doubt limited the country's ability to properly tackle the pandemic. Those same problems seem to be at play again as the overall policy of the country's federal government indicates that it believes it can safely compromise on health in the face of dwindling revenue and a downward economy.

Conclusion

The spread of the pandemic into Nigeria had experts worried about the fate of the country, mostly because it was perceived to be more than ill-prepared to handle a major outbreak. Though the country had had experience battling epidemics and, on the back of the successful fight against the ebola virus, set up its health system to be ready to tackle potential outbreaks, poor financing of the health sector prevented these systems from fully maturing. However, the country's rapid response upon discovery of the virus within the country, the imposition of restrictions, provision of vital equipment, training of health workers, establishment of more testing centres across the country and commencement of WASH services all helped to curb the spread of the virus.

Recommendations

There are many lessons about the health sector that Nigeria can learn from the COVID-19 pandemic, and they are mostly about governance. The fact that poor governmental policy constantly leads to a degeneration in the country's health sector is supported by WHO's 2017 IHR-JEE assessment, which identified Nigeria's national policy, financing, and general legislation on health as at-risk areas that needed rapid attention. Moreover, as Ejukonemu (2021) asserts, it is evident that increased funding is necessary in the health sector in order to address the problems that reared their heads at the height of the pandemic.

These problems include huge out-of-pocket costs for healthcare and next to no health insurance for the poorer citizens. Success in the health sector during this period was also greatly hindered due to poor Infrastructure (Adeyemo et al., 2021) and the pitiful number of quality clinics. Part of this was remedied by the establishment and equipment of more testing centres in only a few months. This achievement needs to be built upon. Rather than become complacent in the gradual disappearance of the virus, stakeholders need to build on the existing structure. More quality clinics should be built and adequately equipped. Besides, proper care and attention should be paid to the newly established centres to ensure that they do not fall into decay. The government should also take care to ensure constant and open communication, which will increase much-needed transparency and reduce fake news and rumour-mongering. Further, legislation in Nigeria needs to be improved; members of the law-making arm of the country need to study and enlighten themselves on their place in governance and up their game. In addition, WHO has established the

goal of universal access to basic WASH services by 2030, in line with SDG 6 of Clean Water and Sanitation for All (WHO, 2020b). Nigeria is well on its way, having made significant WASH investments at the peak of the pandemic. This progress should not be allowed to falter. Active effort and planning should be made to include WASH in health plans, budgets, and implementation efforts, as recommended by the WHO (2020b). Putting all these systems in place will ensure the increase of the country's capability to withstand adverse health challenges without much external support.

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