## BUILDING RESILIENT HEALTH SYSTEMS THROUGH THE COVID-19 PANDEMIC AND BEYOND

# AS CALLED FOR MY SOLVE MASSACHUSETTS INSTITUTE OF TECHNOLOGY IN DEVELOPING COUNTRIES

#### A COMPILED ACCOUNT OF THE COVID-19 PANDEMIC IN NIGERIA

#### **A PAPER WRITTEN**

BY

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#### INTRODUCTION:

The outbreak of the coronavirus disease (Covid-19) has raised global health concerns and in the process exposed the state of public hospital buildings and their services in Nigeria. Health experts have equally raised alarm over the impact of the coronavirus outbreak, warning that the country's healthcare system could quickly become overwhelmed if the disease get to Nigeria.

One of the major factors that could be responsible is the neglect of maintenance of Nigeria's public hospital buildings, which are in deplorable structural and decorative state.

Nigeria is one of the Less Developed Countries (LDCs) of the world where poverty is endemic. Consequently, the main problem facing majority of her people is how to survive economic hardship in the midst of abundant natural resources.

#### The arrival of COVID-19 pandemic in Nigeria

On 27 February, 2020, Nigeria confirmed its first case in Lagos State, an Italian citizen who works in Nigeria had returned on 25 February from Milan, Italy through the Murtala Muhammed International Airport, Lagos, fell ill on 26 February and was transferred to Lagos State biosecurity facilities for isolation and testing.

On 9 March, the second case was confirmed, a Nigerian citizen in Ewekoro, Ogun State who had contact with the Italian citizen.

On 13 March, Nigeria confirmed that the second case no longer had the virus in his system and thus tested negative.

#### Surge In COVID-19 Pandemic In Nigeria

The number of cases of Covid-19 in Nigeria is rising rapidly. As at Thursday 11<sup>th</sup> June 2020, the total number of confirmed cases had reached 13,873, while 4,351 has been discharged and 382 people had died. This data is gotten from the Nigeria Centre for Disease Control (NCDC), by Asabe Shehu Yar'adua Foundation for the purpose of this write-up. Of the 37 Nigerian states, 35 have recorded at least 382 cases. Most have been in Lagos with 6,266 confirmed cases as at 11<sup>th</sup> June 2020 and the capital, Abuja, 1,097 as at the aforesaid date but more are still underway since the Task Force set up by the government is expected to give an update of the Pandemic on Monday the 15<sup>th</sup> of June. On 17 April, many were shocked when President Buhari's Chief of Staff, Abba Kyari, died from the virus.

But Nigeria may have an advantage in responding to the pandemic. It recently effectively addressed an Ebola outbreak but one will wonder if Nigeria can adopt the same Ebola approach against Covid-19 just so the fatality of this deadly pandemic does not exceed 400 compared to its current 380 recorded deaths.

The outbreak of Ebola Virus Disease began in Guinea in December 2013 and quickly spread to Liberia and Sierra Leone, causing devastation in all three countries. In July 2014, a case of Ebola was identified in Lagos, Nigeria, and there were fears that an outbreak in such an internationally connected city would soon spread the disease far beyond West Africa. Yet, the Nigeria government acted quickly and decisively and only 19 further cases were identified before Nigeria was declared Ebola free.

Arguably, Nigeria's success in stopping Ebola demonstrates that its state has significant capacity to deal with particular problems when there is political commitment to mobilise it. Despite Nigeria's very low level of public health spending, and its health system that repeatedly fails the poor, it was able to stop a very deadly and contagious disease. Has the same capacity and commitment reappear in time to tackle Covid-19? This question is yet to be answered considering the continuous surge in covid-19 cases!

Nigeria's public health system is ordinarily debilitated by poor coordination, a lack of accountability, few incentives to improve performance and a lack of resources at the frontline. These problems can be traced back to Nigeria's competitive clientelist political settlement. For a country that is known for corruption, the political elite frequently use state resources to maintain the support of their allies and to co-opt potential rivals into accepting the current power sharing arrangement. While this enables relative political stability, it undermines the effectiveness of the public sector and leaves the poor without access to quality or affordable healthcare. Nigeria has recently had Lassa Fever and Avian flu epidemics, but these were not addressed with the kind of technical, coordinated and efficient leadership seen during the Ebola outbreak.

### Why was there such a difference between the Nigerian government's approach to basic public health and Ebola?

The critical difference seems, sadly, to have been the threat that Ebola posed to the interests of the elite. The disease spread to Nigeria when a senior Liberian diplomat flew into Lagos. Ebola could no longer be dismissed as a disease only affecting the poor in low-income countries. Unlike many other illnesses, Ebola threatened the health and wealth of political leaders and their networks. Suddenly, political and technical interests aligned and an Ebola Emergency Operations Centre (EEOC) was created, led by highly qualified public health practitioners. A special fund was approved to finance the federal and state governments' response efforts. The then Minister of Health bridged the political and technical leadership, while also being the public face of the government's response. Nigerians' confidence in the government's ability to manage public health is usually low. The health minister, however, was quickly able to gain the public's trust and cooperation in adopting measures to prevent the disease from spreading.

Covid-19 presents a similar, if not greater, threat to the elite than Ebola did. With international travel largely suspended, the wealthiest Nigerians are no longer able to seek healthcare abroad. The elite are now dependent on domestic healthcare and cannot escape poor sanitation, densely populated cities, a large and vulnerable informal economy and weak public health.

Accordingly, the political commitment to stop Covid-19 is high. Lockdowns have been announced in the states experiencing the highest cases and the NCDC is led by a much-respected physician, Chikwe Ihekweazu.

#### BUILDING RESILIENCE: WHAT WILL NIGERIA NEED TO DO TO COMBAT COVID-19?

Although Covid-19 has a lower mortality rate than Ebola, it is also more contagious and less easily detected. The capacity of the state throughout the public sector must be very high if Nigeria is able to effectively track, test, contain and treat the disease. While the centralised and well-resourced NCDC was able to contain Ebola, containing Covid-19 requires coordinated, effective state capacity in all 37 states and at all levels of government. Here, Nigeria's legacy of an underfunded healthcare system, poor public water and sanitation provision and very limited social protection may be a serious stumbling block.

Covid-19 is far from a 'leveller'. As in other countries, the wealthiest are most able to adapt to the crisis. Able to stop work and still feed their families. Able to use the internet for information, communication, services and entertainment. And able to pay for the best healthcare, even if it is not the healthcare they would have otherwise chosen. After Ebola, the Nigerian health system did not, unfortunately, transform into a better coordinated or funded public service.

#### Stopping Covid-19: What might sub-national state governments do?

Yet, there may be reason to hold out some hope for small changes. Tragically, Covid-19 is affecting Nigerian society much more broadly and deeply than the Ebola outbreak did. To respond effectively, Nigeria will need to strengthen the capacity of the public sector across the board. State governments, as well as the overarching federal government, must each lead their populations through the health and economic crisis. The legacies of past governors will be significant, but each state can chart its own course through the epidemic. Some may generate narratives of unity, such as in Ekiti State, where the governor has announced a 50 percent pay cut for his political appointees in order to fund the state's crisis response. Others may blame, perhaps justifiably, the federal government for abandoning its responsibility to the states, as the governor of Kano State has.

The epidemic may reveal how political incentives and ideas vary across Nigeria. The states differ enormously, and this creates different challenges and strengths. Lagos, for example, has the highest internally generated revenue and many private hospitals, but it is also densely populated and has large informal settlements, where people have little access to clean water. How each state manages to create public trust in its government and balance the competing needs for food, security, income generation and disease control will matter greatly. Unlike with the Ebola outbreak, sub-national politics are critical in confronting this public health emergency.

#### THE IMPACT OF COVID-19 IN NIGERIA

COVID-19 has affect Nigeria in four major ways:

#### 1. Trade and investment disruptions

Nigeria's investment and trade are mostly with China, Europe, and the US, which have all been hit hard by COVID-19. The slowdown and or total lockdown of economic activities in these locations has affected trade and investment globally and has resulted in a sharp decline of investment in Nigeria, raising the risk of an economic recession. Manufacturers relying on imported inputs in Nigeria are facing production challenges, while reduced importation of food and pharmaceutical products to the country has put a heavy burden on households and the healthcare system.

#### 2. Lower government financial capacity

According to information released to the public by the Ministry of Trade and Investment, Nigeria has lost up to US\$20 billion from crude oil sales — which represent about 90% of its export — as fuel prices continue to fall. Oil revenue is expected to account for one-third of public revenue in 2020, and with the decrease, governments will have limited capacity to support the economy. A revenue shortfall will worsen Nigeria's debt burden — around 60% of the federal government's revenue already funds debt obligations. Sub-national governments will struggle to pay employee salaries and related costs, similar to what happened during the 2014-16 oil price crisis.

#### 3. Lower social spending

Typically, Nigeria underfunds social sectors, such as health, education, and social safety nets. Approximately 4% and 6% of the 2020 federal budget went to health and education respectively, far below the recommended thresholds of 15% for health and 20% for education. Lower revenue means less money available to spend on health, education and critical infrastructure, as overhead and debt payments are usually prioritized during crises. The decrease in spending could be very bad for a country that already has one of the worst health outcomes worldwide, and where 4 out of 5 persons aged 15-24 are unable to read a full sentence.

#### 4. Elevated poverty

Nigeria currently has the largest number of extremely poor people in the world today at 95 million — and an average of four people fall into poverty every minute. Unemployment and poverty will worsen as workers in trade-sensitive businesses — particularly tourism, transport, hospitality, and non-essential manufactured goods — are disengaged due to restricted movement of goods, services, and people. Remittances from abroad, which support many households, may also fall and worsen economic hardship. Around US\$25 billion of remittances — equivalent to Nigeria's federal government budget — came into the country in 2019.

#### How the Nigerian government should respond: Building Resilience in times

The government's response should come in two approaches: focusing on immediate priorities and implementing reforms to boost resilience beyond the crisis. Beyond international travel restrictions and stimulus for businesses, more must be done to protect vulnerable households.

#### Here's how the government should respond to minimize the impact of COVID-19:

#### Adequately support the healthcare system

Prior to COVID-19, healthcare institutions were already overburdened and struggled to cope with poor medical supplies, shortage of medical workers, and poor infrastructure. To have a fighting chance against COVID-19 and in treating those requiring intensive care, Nigeria's healthcare sector must be supported through adequate funding, incentives for health workers, and healthcare subsidies for the most vulnerable people.

#### Provide incentives and safety nets to the most affected

Through targeted tax incentives, social transfers, and regulatory support, the Nigerian government could help minimize the impact of COVID-19 on the most vulnerable businesses and citizens. The adoption of social distancing measures and lockdowns in the most affected cities are crucial to limit the spread of the virus. In addition, the government should partner with informal groups such as trade associations, which have a wider reach, to deliver monetary support to people in vulnerable employment.

#### **Enable vulnerable sub-national governments**

Sub-national governments have improved their resilience to oil-related crises by improving internally generated revenue. But even still, many would struggle to pay salaries given the crisis. Therefore, the federal government and the Central Bank of Nigeria should expand loans to states to enable them to pay workers and support the healthcare sector.

#### Reduce cost and improve transparency

The government should reduce the cost of governance by reducing administrative costs and prioritizing the most effective development programs. This will free up more money for health and education spending, as well as infrastructural spending and the build-up of fiscal buffers to improve the country's resilience. Similarly, reducing the misuse of public finances through commitment to transparency, opening up budgets, and strengthening anti-corruption institutions should be a priority during and post COVID-19.

Now more than ever, policymakers must be responsive to lessen the effects of the impending social and economic crises and better prepare Nigeria for the future. The United Nations Economic Commission for Africa is currently coordinating African finance ministers to mobilise US\$100 billion financial support across Africa.

This is a step in the right direction and we hope to see more efforts to tackle the pandemic proactively.

