

Your job or your health? Analysis of unemployment issues and health outcomes in Nigeria

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Abstract

This study investigates the impact of unemployment on health outcomes in Nigeria. Prevalence of disease (morbidity) was used as health outcome indicator. Adopting the Classical Linear Regression Model and estimation technique, the results show that government health expenditure has a significant negative relationship with prevalence of morbidity, while high unemployment rate also contributes to negative health outcomes in Nigeria. Furthermore, prevalence of HIV and Malnutrition were found to contribute negatively to health outcomes in Nigeria. The study therefore recommends that the government and private sector players should create decent jobs and enhance job security for the citizens in order to reduce deaths that occur as a result of employment in certain sectors of the economy. Occupational hazards should be minimized in earnest to safeguard the health of the masses. Again, there is need for an effective National Food and Nutritional Policy in order to improve health and reduce morbidity among the populace.

Key Words: Unemployment, Public, Health, Spending, Outcomes

JEL Classification: E24; H51; H75; I15

1. Introduction

One of the numerous responsibilities of the government of any economy remains to invest in the various sectors of the economy which includes the health sector (van den Berg, Paul, and Reinhold, 2020; Johansson, Bockerman and Lundqvist, 2020; Oluwatoyin, Folasade and Fagbemiiniyi 2015). According to World Health Organization statistics (2016), Nigeria is ranked 187 out of 191 countries in its ranking of the world's health system performance. Nigeria is just better than 4 countries (Democratic Republic of Congo, Central African Republic, Myanmar and

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Sierra Leone) out of 191 countries. Countries like Chad (178th), Cameroon (164th), Botswana (169th), Niger (170th), South Africa (175th), and Ghana (135th) are all ranked ahead of Nigeria. Thus, Nigerian government seems not to be making enough investment necessary to improve health outcomes in the economy as the burden of health care financing in Nigeria rests heavily on individuals and households. Moreover, comparing Nigerian public health spending to that of other developing countries of the world also show that Nigerian government needs to put in more effort in its contribution to health in order to achieve a broader positive health outcome. Figure 1.1 (in appendix) shows the public health expenditure as a percentage of total health expenditure in Nigeria and some sub Saharan African Countries.

Available data from World Development Indicators (2016) as depicted in figure 1.1 shows that, Nigeria is among the lowest country in public health spending (% of total health spending) with 25.1% as compared to some other countries. Country like Niger which is concentrated around subsistence agriculture with little export of agriculture and uranium ore, is one of the lowest ranked (188th) according to the United Nations human development index (HDI 2014) yet they invest more in health with public health expenditure % of total of 55.2 compared to Nigeria despite our abundant human and natural resources. That explains why Niger is higher than Nigeria in terms of life expectancy. Also, other countries like South Africa, Ghana, Burkina Faso, Senegal, The Gambia, Benin, etc. contributed more of their public resources to health than Nigeria and thus have a better health outcome. It is important to note that country like Guinea Bissau spent less than Nigeria (20.5%) and yet they have a higher life expectancy than Nigeria which implies that they are more efficient in spending than Nigeria (see figure 1.2 below in appendix). According to Lambo (2014), Public health expenditure in Nigeria is less than \$8 per capita compared to the \$34 recommended internationally. This explains why it is very important and urgent for the Nigerian government to pay attention to the health sector of the economy.

Figure 1.2 (in appendix) shows life expectancy values (female and male) in some developing countries. From the figure, Nigeria is the third lowest in life expectancy with 55.6 for female and 53.4 for male (WHO 2015). Countries like South Africa, Cameroon, Ghana, Niger, Egypt, etc. are all better than Nigeria in terms of life expectancy.

One way in which health outcomes can be affected in Nigeria is through unemployment and general economic conditions. According to the National Bureau of Statistics (2016), the economically active population or working age population (persons within ages 15 and 64) increased from 106.69 million in the second quarter