

## Impact of HIV/AIDS on Human Capital in Africa: Implications for African Economic Developments

Samuel Akinyemi

Faculty of Education, Lagos State University, Ojo, Lagos, Nigeria

**Abstract:** This study examines the impact of HIV/AIDS epidemic on human capital in relation to economic developments of African societies. It focuses on the incidence of HIV/AIDS epidemic in Africa and argues that the epidemic has posed a serious problem to human capital in the African economies through tragic and untimely loss of productive citizens. The study draws data from the top 15 HIV/AIDS prevalence African countries and notes that by the year 2005, Swaziland, with 33.4% of population infected with HIV/AIDS, topped the list while Kenya, with 6.1% of population infected with the epidemic, had the lowest percentage. This study establishes that epidemic does not only reduce the number of workforce and adversely affect total productivity in key economic sectors in Africa, but also lead to higher government expenditure on HIV/AIDS related health concerns and shift household consumption patterns. The study therefore, justifies the need for undertaking preventive measure, reducing poverty and other health factors that increase workers' vulnerability to HIV/AIDS infection and providing anti-retrovirals to African citizens.

**Key words:** HIV/AIDS, human capital, implications, economic developments, Nigeria

### INTRODUCTION

The HIV/AIDS epidemic is one of the most destructive health maladies ravaging families and communities throughout the world. Ashford (2006) reported that more than 25 m people died and an estimated 39 m were living with HIV/AIDS worldwide as at 2005. In Africa, several countries have been hard hit by this epidemic and thus has resulted in mortality surge and life expectancy drop in the last decade. In Nigeria for example, about 3.5 and 4 m Nigerians were reported infected with HIV (the virus that causes AIDS) in 2004 and 2005, respectively and several thousands have already died of diseases due to AIDS (Family Health International, 2006). Also in Botswana, Lesotho and South Africa, population growth has slowed dramatically or stopped due to AIDS (Ashford, 2006).

The HIV/AIDS epidemic has nevertheless taken a devastating toll on societies and it ranks fourth among the leading causes of death worldwide but first in African Countries. It was estimated that out of 3.1 m adults and children who died of AIDS worldwide, 2.4 m were in sub-Saharan Africa (UNAIDS Report, 2006).

This epidemic has posed a serious problem to human capital in Africa. In countries hard hit by the HIV/AIDS epidemic, the tragic and untimely loss of productive citizens has not only affected families, but also work place, schools, health systems and governments.

It is against this background that this study assesses the impact of HIV/AIDS on human capital in Africa and its implications on African economic development.

### CONCEPTUAL ANCHORAGE

This study inheres its theoretical basis in the Human Capital and the Demographic Transition Theories.

Human capital theory emphasizes how productive capacities of humans (men and women) are increased through education and training.

The formation and utilization of human capital are crucial for a process of economic growth in any country. Umo (1998) stresses that:

Without growth, there can be no prosperity, hence no wealth for sharing. What is available for sharing would then be poverty. What drives growth? The simple answer is that growth is driven everywhere by productivity. The key issue about productivity is that it is brought about by human skills, human motivation and human creativity.

A strategic investment in and utilization of human capital can place any country in a position where it will start exporting professional services and boost its foreign exchange earnings.

**Table 1: Top 15 HIV/AIDS prevalence African countries (2005)**

Countries	Percentage of Population infected with HIV/AIDS
Swaziland	33.4
Botswana	24.1
Lesotho	23.2
Zimbabwe	20.1
Namibia	19.6
South Africa	18.8
Zambia	17.0
Mozambique	16.1
Malawi	11.8
Central African Republic	10.7
Gabon	7.9
Cote d'Ivoire	7.1
Uganda	6.7
Tanzania	6.5
Kenya	6.1

Source: World Population Data sheet (2006)

**Table 2: Top 15 HIV/AIDS prevalence countries outside Africa (2005)**

Countries	Percentage of Population infected with HIV/AIDS
Haiti	3.8
Bahamas	3.3
Trinidad and Tobago	2.6
Belize	2.5
Guyana	2.4
Suriname	1.9
Papua New Guinea	1.8
Cambodia	1.6
Barbados	1.5
Honduras	1.5
Jamaica	1.4
Thailand	1.4
Ukraine	1.4
Estonia	1.3
Myanmar	1.3

Source: World Population Data sheet (2006)

The Demographic Transition theory characterizes stages in Fertility and Mortality levels as derivatives from fundamental economic and social change (Teitelbaum, 1975). The first stage, upon which this study is also anchored, is characterized by high fertility and mortality levels where a high birth rate is required for the population to perpetuate itself in the face of high mortality rate. In the developing countries, high mortality rate persists in the absence of medicine to cure HIV/AIDS while high fertility flourishes due to early marriage.

**Incidence of HIV/AIDS epidemic in Africa and outside African countries:** Table 1 shows the top 15 HIV/AIDS prevalence African countries in the year 2005. Swaziland ranked the highest in the list with 33.4% while Kenya had the lowest percentage of 6.1% in the list.

Table 2 shows, the country that had highest percentage of population infected with HIV/AIDS epidemic in the list was Haiti (3.8%) with Estonia and Myanmar having the least percentage (1.3%) in the list.

In comparison with that of Africa in Table 1, the statistics shows that African countries were hard hit with HIV/AIDS epidemic.

**Table 3: Percentage rate of human capital infected with HIV/AIDS epidemic in Africa (2003 and 2005)**

Countries	Percentage of population of		Percentage of ges 15-49 with HIV/IDS	
	<15	65+	(2003)	(2005)
Swzilnd	------(2005)-----		(2003)	(2005)
	41	3	32.4	33.4
Botswm	38	3	24.0	24.1
Lesotho	39	5	23.7	23.2
Zimbbwe	41	3	22.1	20.1
Nmibi	43	3	19.5	19.6
South fric	33	5	19.3	19.5
Zmbi	45	3	16.9	17.0
Mozambique	43	3	16.0	16.1
Mlwi	47	3	-	11.8
Centrl fricn	43	4	10.8	10.7
Republic				
Gbon	40	4	7.7	7.9
Cote d'Ivoire	41	3	7.0	7.1
Ugnd	50	3	6.8	6.7
Tnzni	44	4	6.6	6.5
Kenya	43	2	6.8	6.5

Source: Population Reference Bureu (2006)

**The rate of human capital infected with HIV/AIDS epidemic in Africa:** Table 3 shows the percentage of population of age groups (<15 and 65+) as well as the percentage of population of ages 15-49 infected with HIV/AIDS in the African countries. It is assumed that it is age group 15-60 that constitute economically active population (Labour Force) in Africa. In Table 3, it is indicated that the population HIV/AIDS affected most falls within age bracket 15-49 and this is part of the labour force. This age group includes unskilled, skilled, professional and managerial labour.

### **ECONOMIC IMPLICATIONS OF UPSURGE IN HUMAN CAPITAL INFECTED WITH HIV/AIDS EPIDEMIC IN AFRICA**

HIV stands for Human Immune Deficiency Virus while AIDS denotes Acquired Immune Deficiency Syndrome. It is the HIV that causes AIDS. According to Family Health International (2006), HIV can only affect human beings by destroying the body's immune system. When a person is infected with the virus, after sometime, his or her body fluids such as blood, semen and vaginal secretions will contain HIV. Once infected, the virus stays in the body and slowly destroys the body's defence system. When the defence system (the body's soldiers) can no longer resist diseases, the infected person becomes sick and is said to have AIDS.

Eze (2003) notes that since HIV/AIDS epidemic is found in body fluids, it can be transmitted when fluid from an infected person enters the body of another person. FHI (2006) opines that HIV/AIDS epidemic can be contracted during sexual intercourse; during blood transfusion; when using unsterilized skin piercing instruments (e.g.,

needles/syringes, razor blades, circumcision and other skin piercing instruments) and from an infected mother to her baby during child birth or after birth through breastfeeding.

Following an infection with HIV, the person will eventually develop AIDS and will begin to manifest some symptoms described as major and minor. These include: prolonged diarrhoea, white coating on the tongue, enlargement of glands in the neck, groin and/or armpits, persistent cough, persistent fever, skin infections and unexplained weight loss (Eze, 2003).

The main channel through which the HIV/AIDS epidemic affects social and economic development of African societies is through its impact on the labour force and its related effects on the level and allocation of savings. The epidemic kills many of the continent's most skilled workers and in so doing reducing the average productivity of those workers who are left behind (Hamourdi and Birdsall, 2001). Relaying its effect on Growth Domestic Product (GDP), Cohen (2002) stresses that the impact on the growth of GDP of the HIV/AIDS epidemic is greatest where losses of labour are concentrated amongst those with scarce skills and higher professional and managerial training. He explains further that the losses of human capital due to HIV and AIDS will have a major impact on the processes of development and impede what countries can achieve in terms of poverty reduction and other development objectives.

The erosion of human capital in African societies due to HIV and AIDS has not only personal costs for those affected, but also significant social costs in terms of cost output due to morbidity and the premature mortality of those who have been educated and trained at great expense. HIV/AIDS epidemic reduces the ability of skilled workers to contribute to overall economic production. It also reduces domestic savings as well as foreign investment and so the epidemic has a negative impact on both the rate of growth and social productivity of the human capital stock in Africa. Cohen's (2002) assertion buttresses this by stressing that in so far as personal and other savings are reduced through pressure on both incomes/sales/tax revenues and increases in expenditures such as health and welfare support, there will be a reduced flow of savings to finance the maintenance of the stock of human capital.

In a nutshell, the impact of HIV/AIDS epidemic on African economies is so great in that it reduces the number of available workers, erodes the health of a nation's labour force, adversely affects workers productivity and total productivity in key economic sectors. It also diminishes public and private savings, discourages investments, leads to higher government

expenditure on HIV/AIDS related health concerns and shifts house hold consumption patterns (Maoulidi, 2005).

#### **POLICY OPTIONS AND RECOMMENDATIONS ON REDUCING THE LOSSES OF HUMAN CAPITALS TO HIV/AIDS EPIDEMIC IN AFRICA**

As HIV/AIDS epidemic continues to spread and neither a vaccine nor cure exists for it, there is need for action that will enable countries to maintain productive capacity in the face of this epidemic. In this light, the following are recommended:

- There should be HIV/AIDS prevention.

Prevention has remained the key strategy for curbing the epidemic. The most common mode of HIV/AIDS transmission is sexual contact, thus HIV/AIDS prevention is closely linked to men's and women's sexual behaviour and reproductive health. Effective prevention programmes include interventions that promote abstaining from casual sex, staying with one mutually faithful partner, limiting the number of sexual partners, consistently and correctly using condoms and counseling and testing for HIV/AIDS (Ashford, 2006).

- Reduce poverty and avoid other health factors that increase workers' vulnerability to HIV/AIDS infection. These factors include sharing unsterilized skin piercing instruments such as needles/syringes, blades and barbing clipers.
- There is need for providing anti-retroviral to African citizens. This is relevant because treatments, such as Anti-retroviral Therapy (HAART), can delay mortality and maintain economic productivity of those living with HIV/AIDS.

Similarly, in health sector, where losses of key human resources due to the HIV/AIDS epidemic are as high as 40% in the worst affected countries, there should be a redefinition of attainable tasks and a realignment of health training that matches a new set of health objectives and different mechanisms of health delivery.

Latex gloves should also be worn if the hands are to come in contact with anything fluids. Such as semen, vaginal and cervical secretions, blood, urine, faeces, saliva and mother milk.

#### **CONCLUSION**

The losses of human capital due to HIV/AIDS epidemic have seriously affected overall growth of

African economies and have taken devastating tolls on all the spheres of societies. It has therefore, become highly imperative for African governments and the agencies concerned to take drastic steps and measures towards preventing further losses of economically active population of their countries.

#### **REFERENCES**

- Ashford, L.S., 2006. How HIV and AIDS affect populations. Washington: Population Reference Bureau.
- Cohen, D., 2002. Human Capital and the HIV epidemic: A discussion and a proposal. <http://www.hivdev.org.uk>.
- Eze, 2003. Transmission of HIV/AIDS. Lagos: National Association of Nigeria Nurses and Midwives.
- Family Health International, 2006. HIV/AIDS Report. Lagos: Country Office of Nigeria. Nurses and Midwives.
- Hamourdi, A. and N. Birdsell, 2001. AIDS and the accumulation and utilization of human capital in Africa. Nairobi.
- Maoulidi, M., 2005. The impact of HIV/AIDS on National Economies in Africa. South Africa, <http://www.unaids.org>.
- Teitelbaum, M.S., 1975. Relevance of demographic transition theory for developing countries. *Science*, 188: 420-425.
- Umo, J., 1998. Reinventing human capital as answer to multiple questions. *The Guardian*, pp: 9.
- UNAIDS, 2006. Report on the global AIDS Epidemic. Geneva: UNAIDS.