

Chapter 5

Conclusion

5.1 Summary on findings

The economic repercussions of the HIV epidemic is explained in the previous chapter. It is rather inconclusive. The available data indicates that Malaysia is still a low-prevalence country and the impact of AIDS on the country's economy has been minimal so far. Furthermore, the epidemic in Malaysia can be said as very much under control as the reported number of cases is declining over the years.

Nevertheless, the continual need for preventive and control measures cannot be overlooked and must be strengthened so as to avoid the epidemic from creeping in and getting out of control as in the case of the South African nations as well as in India, China and other Asian countries.

As noted by many experts on this issue, the characteristics of the disease in Malaysia and the country's proximity to Thailand suggests that its consequences will become significant unless the government implements control and preventive measures seriously.

The direct and indirect cost of the illness is extremely large, hence there is going to be an impact on increased expenditure on the government's allocation of budget on this

matter. This would mean that, the government would have to cut its budget on other productive projects to sustain the high cost of medical and preventive efforts to contain the epidemic. This will then halt economic development and retard nation building efforts. Due to limited government resources, the increased burden of preventive, control and treatment of that the aims and goals set by the government will not be met. Even where HIV prevalence rates are low, that is, in countries, which are in the first stages of the epidemic, costs of extensive prevention programs are likely to stretch already overburdened health budgets beyond their limit. Programs addressing issues important for prevention, yet beyond the health sector, also promise to be extremely expensive (Peter Godwin, 1997)

The increasing number of cases would also spell trouble for the private sector, as it would mean more absenteeism and increased medical costs and also a loss of productivity.

The private sector's loss of productivity can be reflected through decreased profit and hence lower investment and again the spiral affect that retards economic growth sets in.

As for the household, an increased expenditure on medical costs would mean decreased savings and lower consumption on other productive goods, which again leads to a negative growth impact. AIDS hinders a country's economic growth by reducing the level of domestic and foreign savings available to it. (Cohen,1991)

As the HIV/AIDS affects the most productive age group in Malaysia, it would then affect economic growth, as there would then be a lack of productive labor supply.

The government's aim to improve economic performance and upgrade the industrial sector would be adversely affected if the country experienced incidence of HIV/AIDS. AIDS in Malaysia has a great impact on the most productive age group. The reduction in the size of the labor force is an extreme case, but can happen as the disease can increase infant mortality rate, as is happening in certain African countries and reverse the decline in the adult mortality rate. (Lim, 1992)

5.2 Economic Justifications for Government's Role in Fighting HIV/AIDS

1. Externalities

When the action of one party produce benefits on others, it is referred to as positive externalities. However, if the action of one party causes the others to be negatively affected, then it is referred to as negative externality. When there is a negative externality present, then there is a need for government intervention.

AIDS create a negative externality in the case when people engage in unprotected sex with many partners and in cases of injecting drug use, which exposes others to the risk of infection.

2. Public Good

Only governments can provide public goods. Public goods are those that benefit society and that their production is done by the public sector and not the private sector because it is not profitable. Hence, the need to disseminate information on HIV, the control and preventive measures, the need to monitor risky behaviour falls entirely on the government.

3. Redistribution

The government has the ability and the incentive to carry out redistribute actions and it is the moral responsibility of the government to help those in need.

5.3 Policy recommendations

It is widely known that HIV/AIDS is a disease very unlike the others in the sense that it can go unnoticed and undetected as the infected person may not be tested positive but may be still carrying the virus and infecting others unknowingly. Hence, there is need for every individual to live life in a healthy and non risky manner. As it commonly affects those in the risky behaviour group (as only the risky behaviour get noticed), there is a high stigmatization of the whole HIV/AIDS issue. As such, many cases go unreported and hence the spread of the virus is difficult to contain.

Driving the epidemic underground by stringent measures makes matters worse and creates a more difficult situation to overcome. The recommendations by certain quarters that mandatory testing will help curb the spread of the HIV/AIDS epidemic has been refuted by others as an infringement of human rights and has an issue yet to be resolved. Regular raids on prostitution and drug addicts also creates a problem in the sense that they may be driven to operate underground and hence make the situation more complex.

Besides the conventional strategies of prevention such as promotion of safer sex behaviour, condom use and the management of STD, massive education campaigns and wider range of interventions are necessary to reduce the chances of transmissions.

According to a UNDP statement, behaviour change is said to be the most essential strategy in overcoming the epidemic. Behaviour change at the individual and community level in the presence of the HIV epidemic is a complex and on-going process. It is inextricably linked to such basic human values such as care, love, faith, family and friendship, respect for people and cultures, solidarity and support (UNDP, 1991).

Unless significant behavior changes occur, the AIDS epidemic is likely to alter the performance of the Thai economy. (Viravidhya, Obremsky, and Myers, 1991)

In yet another UNDP paper presented at the 9th International Conference of HIV/AIDS education, it is contended that an education system should include the instillation of basic human values such as empathy.

Empathy is a skill or capacity and thus can be instilled, taught and developed. It is the skill through which compassion, as distinct from pity can be exercised. It creates the possibility of solidarity and solidarity allows for the mutual respect and trust whilst recognizing and accepting difference. (UNDP, 1995)

HIV education should not only be about transmission of knowledge about prevention but about the allaying of fears and creation of tolerance and compassion and the ability to help those who need our assistance (Elizabeth Reid, 1995)

Hence, a complete revamp of the existing education system, which primarily focuses on academic excellence, is needed. An education system with a more holistic approach emphasizing human values especially empathy is needed to cultivate a healthy human race with a healthy attitude and behaviour.

Open-minded forums and discussions are to be continually encouraged so as to avoid fear of stigmatization, discrimination and ostracization hence, making it difficult to reach out to those infected and reduce the risk of them infecting others.

Although the government is taking a serious approach in dealing with the HIV/AIDS situation in the country, there is a lot more to be desired. In the first place, there is a need for the government to stop denying that HIV/AIDS is a serious and pressing issue that must be given top priority.

The signs were not encouraging when the government published the Sixth Malaysian Plan, 1991-1995, in 1991, because AIDS was mentioned only once in the document (Malaysian Government 1991a, p.357) and the issue was not discussed (Lim, 1992).

Health officials and health care providers must be trained very professionally to handle this sensitive issue and educators especially in higher primary levels must be able to discuss issues related to sexual behaviour and sexually transmitted diseases in a tactful manner.

The interventionist measures not only should touch on the monetary responsibility of the government in tackling the situation, but also need a comprehensive approach to see what are the underlying causes for the transmission of the disease. The common underlying causes of HIV/AIDS transmissions are

- a) Poverty
- b) Depressed but burgeoning youth population
- c) Rural-urban population
- d) Migrant labor patterns

These common causes are the reasons for the rampant risky behaviour patterns such as those involved in prostitution and drug abuse.

Elizabeth Reid, in her paper entitled, *The HIV and Development: The Unfolding of the Epidemic*, 1993, said that the free working of the global market tends to increase the disparities between the rich and poor nations. National governments try to offset such

tendencies by redistributing income through systems of progressive income tax. They also supplement this with social safety nets to prevent people into absolute destitution. However the system is so fatally flawed, not only in the inadequacy of its extent but because its allocation at present is unrelated to the level of poverty.

5.4 Recommendations for further studies

It is necessary that a more profound research must be done to obtain a better picture of the economic implications of the HIV/AIDS.

A more elaborate modeling technique must be used for this purpose such as the cost benefit analysis of government's effort in containing the disease and effective policy formation. This is necessary to generate adequate means of coping and responding to the epidemic as well as effective health planning. To enable this to be done, Desmond Cohen in his paper "Economic Impact of the HIV epidemic" reiterates that there is much that the social sciences can offer in analysis, in presentation of data and policy formulation and its evaluation. This is most obvious in seeking to understand the economic and social factors that include risky behavior such as the role of poverty in forcing women into commercial sex workers. Economists, he says, must be involved in the development of HIV policy interventions, so that their relative effectiveness is fully understood. For those persons infected with the HIV, the object of the policy has to be full integration and non-discrimination, so that they can live constructively within the society. It would take little by way of public expenditure to enable those infected with

HIV to make a full economic and social contribution for many years. The challenges posed by the HIV for the economies of the developing countries are easier to identify in theory than to measure quantitatively. Much applied work needs to be done to fill in the huge gaps in understanding and to identify the scale and scope for policy response. But research to be useful, must be founded on insight into how economic and social structures function and interact in practice, and not on some assumed theoretical constructs. (Cohen, 1993).

Studies on the socio-economic implication of the HIV epidemic in Malaysia are considered to be limited. To date, there has not been an extensive study on this issue as compared to the studies undertaken by other countries in the region for example, Thailand and Korea. Comparative studies on the techniques on modes of control and preventive measures and their cost benefit analysis also need to be done. Sectoral impacts that is, the implication of the disease on the different economic sectors also need to be done. Such studies however is time consuming and relevant information may be difficult to access.

Furthermore, future research on this and similar topics should include comparative studies of urban households to ascertain whether rural-urban differences exist in the economic impact of the HIV/AIDS cases. A longitudinal study of the affected households from the time an adult member becomes ill with HIV/AIDS until the time of death should be attempted to obtain more accurate information on the impact on a household's socio-economic condition.

Conclusion

Malaysia can be concluded as a low prevalence HIV country. Nevertheless, from the experiences of the other countries which had at one time also being low prevalence but overlooked the importance of policy measures seriously, the immediate and serious response to the situation has be taken at all costs to prevent greater losses in the future. Hence, the need to take responsibility and the will to live a healthy and productive life, to stay together, to cope and survive at all levels – individual, families, communities, and nations and internationally should be our utmost goal in life.

However, the final challenge to overcome the epidemic rests with us. As Elizabeth Reid points out, by changing our lives and our behavior, we can create a world in which we can peacefully coexist with the virus.