

# COVID 19 and Health Systems' Economy in Western Balkan Societies

Ermir Shahini<sup>1</sup>, Fabiola Bali<sup>2</sup>

*Vice Dean of Business Faculty, Economics Lecturer, University of 'Aleksander Moisiu', Durres 14,2001,Rruga Currila, Durres, Albania, <sup>2</sup>Medical Doctor, General Practitioner, University of Medicine, Tirana, Rruga e "Dibrës" Nr. 371, AL1005 - Tiranë*

## Abstract

The researcher is outlined to have a beginning stage for an exploration plan for health financing for COVID-19, recognizing a preliminary addressing four thematic areas, namely mobilization of results, allocation and buying, monetary danger insurance (financial risk protection) equity, and maintaining and empowering advancement for UHC. Every question would require further elaboration and unpacking, with an improvement of proper exploration approaches utilizing a combination of quantitative and qualitative methods. While there is a requirement for fitting of research questions and country-specific analyses to advise local decision-making, there will likewise be incredible worth in bigger cross-country similar examination activities to address these inquiries, permitting finding out about how various frameworks, settings, qualities, and reactions to the plague have shaped health financing results and how these can be reinforced. The results show that heterogeneous effects across occupations and workers in the Western Balkan Societies show that health care occupations that have a higher share of workers working remotely were less affected by COVID-19. Those who did take full measures were more affected.

On the other hand, occupations with relatively more workers working in proximity to others were more dramatic. The investigation also dove into the research related to the financial matters of COVID-19 that has been delivered in a relatively short time. The aim is to carry rationality(coherence) to the academic and strategy banter and help further examine.

**Key terms:** *Monetary, Equity, Dramatic, Dove, Banter.*

## Background

The pandemic has affected significant health system responses. All nations have expected to concentrate more on their medical care frameworks, including obtaining ventilators, oxygen, and individual defensive gear; scaling up COVID-19 testing; building and preparing new brief medical services offices or reconfiguring existing offices; setting up virtual systems for administration arrangement; repaying and boosting health works to work additional hours under testing conditions<sup>1</sup> Also, general health administrations have been increasing, as nations have tried to build up new units of health laborers reliable for contact following and isolate requirements, just as data arrangement to the overall population and the oversight of disease control gauges out in the open and private spaces<sup>2</sup>. Past these health speculations,

there has been a need to fund the general health-related reaction of different areas, from supporting COVID-19 related controls at boundaries to giving sufficient food supplies to networks under lockdown and reorienting the instruction framework to oversee far off learning<sup>2</sup>. According to WHO The COVID-19 health crisis has transformed into a worldwide financial emergency, putting in danger the wellbeing, occupations, and income of millions of individuals throughout the planet<sup>8</sup>. The exacting control estimates embraced by numerous nations' first 50% of 2020 to straighten the ascent in infection put a significant brake on generally financial and social exercises<sup>8</sup>. The breakdown of incomplete hours worked, and the decrease in cooperation have not been found in peacetime since the Great Depression.

## Material and Research Methods

While the research addresses distinguished were primarily experimental, the researcher also supports the health financing local area to think about how the pandemic may challenge our current health and the frameworks and ideal models used. Unmistakably, priorities for research differ across and inside nations, contingent upon the health framework's plan<sup>12</sup> It is a more extensive setting, and the hidden qualities that it reflects, making it amazingly testing to build up an all-inclusive arrangement of priorities. In any case, the researcher contends that there is a lot to be acquired by scoping out the expansive scope of applicable inquiries that would then be customized to each setting. The researcher trusted that by making this reasoning unequivocal, public, and open for a comment, he/she could advance the conversation, request extra thoughts, invigorate excellent research and stimulate high-quality research and funding for this area, and through an organized methodology, augment the potential for cross-country comparative work Such a collection of research will empower exercises to be drawn for (I) dealing with the momentum emergency; (ii) guaranteeing flexibility of health frameworks to future shocks; and (iii) upgrading medium-term progress towards UHC<sup>4</sup>. Like this, a more extensive gathering of researchers was locked in with an essential point of guaranteeing that various nation viewpoints educated this record. While the paper expands upon our insight into the current literature, it has not profited by a systematic review nor consultative cycles inside individual countries.

### Findings

The dataset shows varieties across policy measures. The policy most governments have executed in response to COVID-19 is "external border restriction," which is the one that looks to restrict access to enter through ports<sup>8</sup>. Ten nations have forced the researcher to track down that external border restriction. Essentially, the second most normal policy measure, carried out by eight countries, is "school closures." Nonetheless, regarding

policies that have carried out the best number of times, "obtaining or securing health resources" start things out<sup>13(p1)</sup>. This incorporates face veils, faculty like doctors or medical caretakers, and framework, for example, clinic. The second most carried out policy is "closure of non-essential businesses" as far as the requirements of regulation enforcement, "emergency declaration" and formation of "new team" or "regulatory reconfiguration to handle pandemic" are carried out with 80% stringency<sup>32(pp1-11)</sup>. Because of these quirky contrasts between policy responses across nations over the long run, the researcher utilized a Bayesian dynamic item-response approach to quantify the inferred economic, social and political expense of carrying out a specific policy long run. He further built up a 'Policy Activity Index.' Naturally, the record gives a higher position for policy activity to nations that could execute an 'expensive' policy that meets the suggested cost<sup>12</sup>. Because of the 'Policy Activity Index,' the authors verify that school closure is the costliest to carry out across the 11 Western Balkan nations<sup>13</sup> Mandatory business closure and social removal policies come next. Moreover, inward border restrictions are believed to be more exorbitant contrasted with external border restrictions. The table is represented in the table 1

**The graph below shows how individuals use money in public hospitals than private hospitals during the Covid 19 pandemics.**

### Chart 1

A lot of people have dropped and abandoned public hospitals and went for treatment in private hospitals. The passenger medicine is expected to decline rapidly due to lack of transportation and many patients moving to private hospitals; this is due to assisting countries that had cut financing the real economy and moved to the worldwide monetary emergency. The helping nations had cut Fed Funds rates and siphoned it in help of the pandemic. The People's Bank of those Societies has additionally siphoned a more incredible amount of their cash in the monetary framework.

**Table 1 Summary Statistics of COVID-19 Government Response Dataset out of 11in Western Balkan**

Type of Policies	Cumulative Total Number of Implemented Policies	Number of Countries which have Implemented Policies	Stringency of Policy Enforcement (%)
Obtaining or Securing Health Resources	8	7	50
Restriction of Non-Essential Businesses	4	3	92
School Closures	10	9	70
quarantine/Lockdown/Stay-at-Home Measures	6	6	23
External Border Restrictions Public Awareness Campaigns	7	7	45
restrictions on Mass Gathering	5	2	68
Social Distancing Distancing (Voluntary)	3	4	71
Restrictions on Non-Essential Government Services	7	0	23
Configuration of Administration to Tackle Pandemic	10	10	40
Emergency Declaration	11	11	6
Internal Border Restrictions	5	3	20
Curfew	0	2	15
Health Testing	0	8	30

Source: Cheng et al. (2020)

## Discussion

Toward the emergency start, the government reacted rapidly and effectively towards the pandemic's first period, assigning resources and preparing clinical faculty, alleviating the most exceedingly awful potential health impacts. In any case, the facilitating of physical distancing and different limitations was untimely and prompted a resurgence of the infection, especially in May 2020 and July 2020, as the condition was contained inside generally reasonable limits. The discoveries by the researcher were confronted with two key challenges.

- Insufficient capacity of the public health system to identify, isolate, test, and treat all cases of COVID-19 that emerged and trace and

quarantine valuable contacts of those infected people.

- Insufficient capacity to dual-track efforts and provide regular health services while at the same time aggressively treating and addressing COVID-19 as an overarching national health crisis

Moreover, all unimportant health strategies, including diagnostic or treatment, just as elective surgeries, were temporarily suspended during the State of Emergency. Just step by step once again introduced as macro-health conditions improved. Patients got some distance from such diagnostic and treatment services during this time. They were significantly influenced, as

they were kept from utilizing public healthcare services and needed to go to private health services, which at last additionally expanded the weight on private households for “cash-based installments” and costs. The researcher found that 40% of women and 20% of men experienced difficulties accessing health services. These barriers were even more pronounced among young people, 70% of whom confirmed that they had limited access to wellness services because of the crisis.

### **Experienced difficulties in accessing health services**

Global medicine and health care services are anticipated to reduce by 19% during the 2020 period from around 90m sales recorded in 2019 to an estimated 73m sales in 2020.

The passenger medicine shift and services are projected to decline by 11.0%. The international financial system stands more resilient and better placed to sustain the real economy; thus, the crisis shifted to a worldwide financial crisis.

Further, as the COVID-19 pandemic hampers revenue-based collections, the negative outlook on those communities’ financing dangers turns out to be more exposed<sup>27</sup>. As such, the enormous gross borrowing necessities, which entail the external bilateral debt’s amortization and the need to refinance a large stock of short-term domestic debt, have seen rating agency Moody’s change the Western Balkan Societies sovereign credit outlook to “negative” from a previous perspective of “stable”<sup>32</sup>. In light of the COVID-19 pandemic, development is anticipated to reduce to 1.0%. This is primarily due to:

- Declines in household and business spending (about 50%) due to liquidity constraints;
- Disruption in supply chain for critical inputs in machinery and chemicals (about 30 percent);
- Decline in transportation from other countries (about 3.1% estimated decline in total import value);
- A decline in trading activity and movement (about 20 percent) because of a standstill state within the international aviation sector; and
- A reduction in government spending in different

sectors due to a shortfall in revenue collection.

Children and young people were not recognized as a group, particularly in danger, however, as potential infection transmitters that could immediately spread COVID-19 among those they communicated with. Kindergartens, schools, and universities were closed early in the crisis to try and prevent this. The entire education system was required to switch to remote teaching and learning, within the limited resources available to it, affecting over 1.2M children’s the nation over henceforth coming about to helpless training framework and absence of qualified specialists.

During the health crisis, the already unequal access to safe water, sanitation, and power in inadequate settlements created extra wellbeing and social dangers for the general populace living in them.<sup>27</sup> The reaction didn’t adequately address these dangers and effects. Additionally, the broad lockdown negatively affected homeless people’s already vulnerable position, with insufficient shelter capacities and discontinuation of the community’s services. The rights of persons with disabilities, their access to personal assistance, and assistance for their community inclusion and visibility were also disrupted to some degree.

### **Conclusion**

The global spread of COVID-19 has affected countries’ health and economic condition, with significant health setting effects. There has been a sudden need to invest in clinical services to treat patients and mount an effective public health response, requiring substantial health spending. But the effect of the crisis on the global economy also raises challenges for future health spending, with potential implications on commitments to universal health coverage. This working paper outlines a comprehensive research plan that would help countries deal with the health financing challenges they face and emerge from the COVID-19 crisis with more robust health financing systems. While recognizing that research priorities must be tailored to specific countries’ needs, we recommend a lot to be deduced by starting from a standard plan, enabling a coordinated approach, and maximizing the potential for cross-country comparative work. Such a body of research will allow lessons to be drawn for:

(i) Managing the current crisis,

(ii) Ensuring the resilience of health systems to future shocks, and

(iii) Enhancing medium-term progress towards UHC. The global spread of covid-19 has affected both the health and economic condition of countries.

In low- and middle-income countries (LMICs), where health resources were already scarce, policymakers face unprecedented difficulties in financing health. Even relatively affluent countries have faced significant financing challenges, with governments having to pivot resources rapidly and bring in extra protections for groups at risk of financial hardship while seeking care for COVID-19, with mixed success. Given the sudden spread of COVID-19, countries across the world have adopted several public health measures to curb its reach, including social distancing measures<sup>12</sup>. As a portion of social distancing, businesses, schools, community centers, and non-governmental organizations (NGOs) have been called to shut down their operations, public gatherings have been banned, and lockdown regulations have been incorporated in many nations, allowing commutation only for basic needs<sup>12</sup>. The goal is that through social distancing, governments will be able to “flatten the curve,” that is, reduce the number of new cases related to COVID-19 from one day to the next to halt exponential growth reduce pressure on medical services. The study delved into the research related to the economics of COVID-19 that has been released in a relatively short time. The aim is to bring coherence to the academic and policy debate and to aid further research. Before diving into the effects of COVID-19 and government reaction on the economy, the researcher reported the most famous information sources to quantify COVID-19 known cases/deaths and social distancing<sup>15</sup>. The researcher pointed out that COVID-19 cases and deaths experience the ill effects of estimation mistakes because of numerous components, including testing limits<sup>15</sup>. Versatility measures organize from mobile phones have been utilized broadly to gauge social separating. The paper additionally explored distinctive exploration identified with social distancing itself, especially concerning its determinants, its adequacy in moderating the spread of COVID-19, and its consistency. Going ahead, social distancing and its

measurements will keep on assuming a vital part in academic exploration and policy development.

These actions, which have shifted both in terms of scope and implementation, are relied upon to yield a significant monetary and social effect. The study attempted to adhere to these issues by covering diverse health and economic stimuli just as ideal lockdown measures, influencing lockdown and others' lifting. The people group, especially in those social orders, should work rapidly, steadily, and in a closely coordinated effort with leaders and key partners across areas at the public and worldwide level to get its position. Doing so may upgrade the chances of getting a handle on possible freedoms to get to a portion of the enormous assets that are presently accessible as commitments from corporate establishments, trust reserves, credits, obligation mitigate plans, and other monetary components, as a feature of the progressing and future financial improvement plans and general health needs determined by the COVID-19 pandemic.

**Conflicts of Interest:** Covid-19 brought Marginalized population and the same time, Psychosocial impact.

When the pandemic emerged, different governments reacted differently in curbing its spread. From the various cases analyzed in this study, other subcommittees started by the governments to discuss the measures to implement in preventing the spread of Coronavirus crises tend to prose different agents who can be trusted in offering essential services to the citizens. Such announcements tend to bring a conflict of interest between the government agencies and the pharmaceutical companies, especially when it concerns the delivery of medication services.

There is also a conflict of interest between Bilateral donors and local-based donors as, in most cases, conflicted on who should be mandated with overseeing the utilization of funds and other resources set aside to support the vulnerable communities during the pandemic.

#### **List of abbreviation**

UHC: Universal health coverage

WHO: world health organization

## References

1. Akesson J, Ashworth-Hayes S, Hahn R, Metcalfe RD, Rasooly I. Fatalism, beliefs, and behaviors during the COVID-19 pandemic. National Bureau of Economic Research; 2020 May 21.
2. Alstadsæter A, Bratsberg B, Eielsen G, Kopczuk W, Markussen S, Raaum O, Røed K. The first weeks of the coronavirus crisis: Who got hit, when and why? Evidence from Norway. National Bureau of Economic Research; 2020 May 7.
3. Aum S, Lee SY, Shin Y. COVID-19 doesn't need lockdowns to destroy jobs: The effect of local outbreaks in Korea. National Bureau of Economic Research; 2020 May 28. World Health Organization. New perspectives on global health spending for universal health coverage. World Health Organization; 2017.
4. Kaitelidou D, Katharaki M, Kalogeropoulou M, Economou C, Siskou O, Souliotis K, Tsavalias K, Liaropoulos L. The impact of economic crisis to hospital sector and the efficiency of Greek public hospitals. *Ejbs*. 2016 Jan;4:111-25.
5. Battersby B, Lam WR, Ture E. Tracking the \$9 Trillion Global Fiscal Support to Fight COVID-19. 20 May.
6. Barrero JM, Bloom N, Davis SJ. Covid-19 is also a reallocation shock. National Bureau of Economic Research; 2020 May 7.
7. Béland LP, Brodeur A, Wright T. The short-term economic consequences of Covid-19: exposure to disease, remote work and government response.
8. World Health Organization. Coronavirus disease 2019 (COVID-19): situation report, 82.
9. Fazekas M. Assessing the quality of government at the regional level using public procurement data. European Commission, Directorate-General for Regional Policy: Working Papers No. WP. 2017;12:2017.
10. Cicala S, Holland SP, Mansur ET, Muller NZ, Yates AJ. Expected health effects of reduced air pollution from COVID-19 social distancing. National Bureau of Economic Research; 2020 May 7.
11. Montresor A, Mupfasoni D, Mikhailov A, Mwinzi P, Lucianez A, Jamsheed M, Gasimov E, Warusavithana S, Yajima A, Bisoffi Z, Buonfrate D. The global progress of soil-transmitted helminthiasis control in 2020 and World Health Organization targets for 2030. *PLoS neglected tropical diseases*. 2020 Aug 10;14(8):e0008505.
12. Bashevaska M. the impact of the COVID-19 pandemic on women in the Western Balkans. women in Western Balkans: rights and fights. 2020 Oct:38.
13. Thome J, Deloyer J, Coogan AN, Bailey-Rodriguez D, da Cruz E Silva OA, Faltraco F, Grima C, Gudjonsson SO, Hanon C, Hollý M, Joosten J. The impact of the early phase of the COVID-19 pandemic on mental-health services in Europe. *The World Journal of Biological Psychiatry*. 2020 Dec 22:1-0.
14. Jusufi G, Gashi-Sadiku F. Impact of Fiscal Policies on Western Balkan SMEs' Growth: Evidence from Kosovo. *Central European Public Administration Review*. 2020 Nov 30;18(2):135-64.
15. Ivanov Z. Ramifications of Covid-19 in the Western Balkans. Creţan R, Light D. COVID-19 in Romania: transnational labour, geopolitics, and the Roma 'outsiders'. *Eurasian Geography and Economics*. 2020 Sep 2;61(4-5):559-72.
16. Kuqja K. Impact of COVID-19 in Albania-How Will Banks Change the Way They Operate Now? Focus on Customer Service Channels. *Focus on Customer Service Channels* (June 19, 2020). 2020 Jun 19.
17. Kaushik M, Guleria N. The impact of pandemic COVID-19 in workplace. *European Journal of Business and Management*. 2020 May 31;12(15):1-0.
18. Ilyas A. Covid-19 Pandemic: Emergence of A New Geopolitical Perspective.
19. World Bank. Europe and Central Asia Economic Update, Spring 2020: Fighting COVID-19
20. Smith A. Imagining geographies of the 'new Europe': geo-economic power and the new European architecture of integration. *Political Geography*. 2002 Jun 1;21(5):647-70.
21. Šaćirović D, Džogović SA, Ajdarpašić S. COVID 19: SOME COGNITION OF ECONOMIC AND POLITICAL UNCERTAINTY AND ITS CONSEQUENCES ON THE GLOBAL LEVEL. *Knowledge International*

- Journal. 2020 Dec 16;43(1):97-101.
22. Arsenijevic J, Pavlova M, Groot W. Measuring the catastrophic and impoverishing effect of household health care spending in Serbia. *Social science & medicine*. 2013 Feb 1;78:17-25.
  23. Mendola M, Bredenkamp C, Gragnolati M. The impoverishing effect of adverse health events: Evidence from the Western Balkans. *The World Bank*; 2008 Jan 4.
  24. Amos OO, Nwakuso UM, Baba MA, Olamide OE. Effect of Out-of-Pocket Health Expenditure on the Welfare of Rural Households in Kwara State, Nigeria. *International Journal of Health Economics and Policy*. 2016 Nov 22;1(1):1.
  25. Gotsadze G, Zoidze A, Rukhadze N. Household catastrophic health expenditure: evidence from Georgia and its policy implications. *BMC health services research*. 2009 Dec;9(1):1-9.
  26. Cooper L, Aitchison G. The dangers ahead: Covid-19, authoritarianism and democracy.
  27. Marin N. COVID Pandemic and its Influence as Fragmentation of EU Market and Security. In *International conference KNOWLEDGE-BASED ORGANIZATION 2020 Jun 1 (Vol. 26, No. 2, pp. 193-198)*. Sciendo.
  28. World Bank. Western Balkans Regular Economic Report No. 18, Fall 2020: An Uncertain Recovery.
  29. World Bank. Western Balkans Regular Economic Report No. 18, Fall 2020: An Uncertain Recovery.
  30. Kostrytsia VI, Burlay TV. IMBALANCES AND DIVERGENCE IN EMPLOYMENT: EU AND UKRAINE'S APPROACHES TO OVERCOME IT1.
  31. Bastian J. Southeast Europe in Current Chinese Foreign Economic Policy. *Südosteuropa Mitteilungen*. 2020(03):13-28.
  32. Maris G, Sklias P, Maravegias N. The political economy of the Greek economic crisis in 2020. *European Politics and Society*. 2021 Mar 9:1-21.