There is awareness of the acute need to accelerate the development of new technology tools—vaccines, therapies, rapid tests—and much action is under way in each area. Realistically, progress will be slow. There is reason to be hopeful, but new solutions are not expected to become widely available for some time, and are not expected to shape outcomes in this current urgent phase.

Debate over post–Ebola reconstruction has not yet begun, but will become increasingly important. The same is true for what the international community should do to repair a broken WHO that failed at critical moments in 2014 to intervene and sound the alarm, despite prodding from Doctors Without Borders (MSF), the true heroes of this tragic saga, and other witnesses.

In closing, U.S. leadership in response to the Ebola crisis has been bold, ambitious, risky, and quickly evolving. It rests on unprecedented military commitments to answer a dangerous modern plague. It tests our nation’s resolve on two complex fronts that will remain in tension with one another. It requires navigating profound uncertainties.

The Economic Impact of the Ebola Outbreak

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Ebola is quickly moving from a regional public health crisis to a regional economic and political crisis that threatens to overwhelm the fragile development gains made by Sierra Leone and Liberia over the past decade.

Beyond the immediate impact the disease is having on the public health systems of the three countries affected, Ebola is now having a significant economic impact. At the moment this is confined primarily to the tri-country region of Liberia, Sierra Leone, and Guinea, but as borders remain closed, there is a growing possibility that it could threaten the broader West African region’s economic well-being.

The World Bank estimates that in the short term, meaning for the remainder of the year, Guinea will see a reduction in GDP of 2.1 percent, Liberia will see a reduction of 3.4 percent, and Sierra Leone’s GDP will be reduced by 3.3 percent. Moreover, the fiscal impact for each country is significant, with Liberia seeing a loss of $93 million, Sierra Leone $79 million, and Guinea $120 million.

Each of these numbers is significant on its own. What makes the numbers truly startling is that these states are some of the poorest on the poorest continent in the world. Liberia and Sierra Leone are both slowly recovering from disastrous civil wars that were only resolved in the early 2000s. Since then, both have seen significant economic gains.
This has included high GDP growth rates that have helped to generate additional revenues to help fund critical investments. In addition, both have attracted impressive amounts of foreign direct investment (FDI), with Liberia alone seeing $16 billion in FDI since the end of the civil war. These trends are now in danger of being reversed.

On a country level, Ebola is causing commerce to grind to halt. Some of the hardest-hit areas in the tri-country area are the “bread basket” regions and this, combined with the closing of national borders, is causing food prices to spike. This has already caused citizens to horde food, but the worst may be to come if prices continue to rise and may trigger civilian unrest. Liberia’s economy, for example, is dominated by mining, agriculture, and services, all of which are coming under severe strain. China Union, one of two iron ore producers in Liberia, suspended operations at its facilities in Liberia in August. ArcelorMittal, the other iron ore producer, is suspending its expansion plans. On the agricultural side, palm oil and rubber producers are reducing production, which has significant implications for export earners.

International financial institutions such as the International Monetary Fund, World Bank, and African Development Bank have responded with significant support packages for the three countries. In addition, several bilateral donors, including the United States, have pledged financial and material support to help the countries control and stabilize the outbreak. These all represent good short-term support that should help Liberia, Guinea, and Sierra Leone bare the initial costs of this crisis. To be sure, the international community needs to focus on stopping the spread of Ebola, but planning should also begin for helping these countries to recover rapidly once the disease is under control and the crisis passes.

What seems clear from the cases of Liberia and Sierra Leone is how quickly the institutions of state are being overwhelmed by Ebola. The most obvious manifestation of this is the local public health services, which were weak prior to the Ebola outbreak. The danger now is that as the outbreak continues, other government institutions will begin to be affected by the disease. If this happens, then recovery from this crisis will be far more difficult.

The Ebola crisis in West Africa is, unfortunately, a stark reminder that for all of the “Africa rising” stories there are significant challenges remaining at the country level. Liberia and Sierra Leone have been two countries that many have sought to highlight as leading performers on the continent, in spite of their ongoing fragility. And, yet, it appears that these gains were relatively narrow and, as is so often the case, a major crisis is exposing a lack of resilience in existing institutions. The challenge for the governments of these three countries and international donors is to concentrate on building resilient institutional capacity that will help to guarantee that future economic gains are not lost to disease or other crises.