

Global health funding soars, boosted by unprecedented private giving

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Well-heeled donors, private corporations and average citizens sending money to their favorite charities are changing the landscape of global health funding, according to a new study by the Institute for Health Metrics and Evaluation (IHME) at the University of Washington.

The research shows that funding for health in developing countries has quadrupled over the past two decades - from \$5.6 billion in 1990 to \$21.8 billion in 2007. Private donors are shifting the paradigm for global health aid away from governments and agencies like the World Bank and the United Nations and making up an increasingly large piece of the health assistance pie - 30% in 2007. However, health aid does not always reach either the poorest or unhealthiest countries.

The study, *Financing of global health: tracking development assistance for health from 1990 to 2007*, appears in the June 20th issue of *The Lancet* and provides the first ever comprehensive picture of the total amount of funding going to global health projects. It takes into account funding from aid agencies in 22 developed countries, multilateral institutions like the [World Health Organization](#) and hundreds of nonprofit groups and charities. Prior to this report, nearly all private philanthropic giving for health was unaccounted for, meaning that nearly a third of all health aid was not tracked.

Overall, poor countries receive more money than countries with more resources, but there are strong anomalies. Sub-Saharan Africa receives the highest concentration of funding, but some African countries receive

less aid than South American countries with lower disease burdens - like Peru and Argentina.

Of the 30 low- and middle-income countries with the most illness and premature death, 12 are missing from the list of countries that receive the most health aid, including Angola, Ukraine and Thailand.

"With no one tracking this massive growth in spending, it's no wonder that some countries receive far more than their neighbors for no immediately apparent reason," said Dr. Christopher Murray, professor of global health and director of IHME at the University of Washington, and co-author of the study. "We're hoping that this attempt to count money that has never been counted before in a careful and consistent way will lead to greater transparency and better use of health resources."

Some small island nations with relatively healthy populations like Micronesia and the Solomon Islands receive more health aid per capita than disease-stricken countries like Niger and Burkina Faso. Mali and Colombia have about the same level of sickness, but Colombia receives three times as much health funding. The study also found that two of the world's emerging economic super powers, China and India, receive huge amounts of health aid.

"We don't know exactly why some countries seem to be far outpacing other countries, but historical, economic and political ties appear to be a factor," said Nirmala Ravishankar, an IHME research scientist and the study's lead author. "Some of these small islands are former colonies of the countries now giving them aid, and, in other cases, health aid seems to coincide with defense spending or drug interdiction efforts. This is an area that begs for more research."

Where the money is being targeted within those countries also merits more scrutiny. Based on the research for 2007, HIV/AIDS receives at

least 23 cents out of every dollar going into development assistance for health. Tuberculosis and malaria received less than a third of that, even though the combined burden for those diseases is greater than that from HIV/AIDS in developing countries and despite promises by G8 countries that those diseases would receive more funding. At the same time, about a nickel out of every dollar channeled to health assistance goes to system-wide health support - like funding for new clinics, doctor training and prevention programs - which is an area that global health experts have clearly identified as a priority.

The study also reveals other key findings:

- The scale-up of global health funding doubled from 1990 to 2001 and then doubled again by 2007.
- The growth has been driven largely by donations from the U.S. government and U.S.-based private charitable organizations. In sheer volume, the U.S. accounted for over 50% of total development assistance for health in 2007. But, in terms of the fraction of national income that becomes health aid, the U.S. trails Sweden, Luxembourg, Norway, and Ireland.
- The Bill & Melinda Gates Foundation tops the list of private foundations providing global health aid, making up nearly 4% of all health assistance in 2007.
- Food For The Poor, Population Services International and MAP International lead all non-governmental organizations in spending on health aid, each contributing more than \$1 billion in health assistance from 2002 and 2006. Six of the top 10 NGOs are religious organizations.
- In-kind contributions, like donated drugs, make up more than

90% of the expenditures by some of the world's largest health-focused charitable organizations - Brother's Brother Foundation, Direct Relief International, and Catholic Medical Mission Board. But the value of those drugs may be grossly inflated because they are evaluated at U.S. wholesale prices.

More details will be published in IHME's upcoming report, [Financing Global Health 2009](#).

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