Little historical evidence to support cutting global health aid during recessions

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The World Bank and World Health Organization have voiced fears that policymakers will break their commitments to support desperately needed global health services in low- and middle-income countries because of the ongoing global economic downturn. Yet, according to a new study from the Harvard School of Public Health, there is surprisingly little historical evidence to justify reversing these commitments.

"In order to achieve a sustainable economic recovery, governments must first take care of people's most basic health needs," said David Stuckler, assistant professor of political economy at HSPH and lead author of the study. "Our findings remind us that there are alternative ways to finance recovery than by cutting vital health services to the world's poorest and most vulnerable groups."

The study appears February 25, 2011, in an advance online edition of the *Bulletin of the* World Health Organization.

To identify whether donating countries reduced their health aid in response to prior recessions, Stuckler and colleagues Sanjay Basu at University of California at San Francisco, Stephanie Wang at Caltech, and Martin McKee at the London School of Hygiene & Tropical Medicine, studied data on health aid and economic downturns from 15 European Union (EU) countries covering the past three decades, from 1975 to 2007. The study investigated the relationship of health aid to recessions, measured in three ways: episodes of recession, percentage changes in per capita gross domestic product, and changes in unemployment rates in donor countries.

The researchers found that there was surprisingly little evidence that economic downturns were associated with large cuts in aid, at least within the first several years of a financial crisis. Similar to present circumstances, they found that some countries appeared to reduce aid, while others increased it in a manner that did not seem to depend on the scale of the financial crisis they faced.

Global health aid is critical to support ongoing health-care infrastructure development and to sustain existing health programs in developing countries. According to 2009 reports of global aid budgets, Italy and Ireland have reduced development aid by 56% and 10%. On the other hand, the United Kingdom has protected its aid budget from cuts and Australia, Germany, and the U.S. have all made strong commitments to increasing their support to protect vulnerable groups from the impact of the crisis.

There are concerns that donor agencies will reduce aid in response to a political climate that calls for fiscal austerity in their countries, say the authors. "In particular, there is a risk that if the U.S. and EU countries reverse course on their commitments, donor countries will be viewed as 'bad samaritans'—withdrawing support at a time when people need their help the most," said McKee.

"The financial crisis has given politicians ample excuses to break their aid promises," said Stuckler. "We found that such a political choice cannot simply be justified on the basis of the past."

More information: "Does Recession Reduce Global Health Aid? Evidence from 15 High-Income Countries, 1975-2007," David Stuckler, Sanjay Basu, Stephanie W. Wang, Martin McKee, Bulletin of the World

Health Organization, online February 25, 2011

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