

Negative view of foreign aid for health is based on flawed analysis: experts

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The evidence underlying the current widely-held view that foreign aid for health in a recipient country leads to a displacement or diversion of government funds from that country's health sector is unreliable and should not be used to guide policy, according to experts writing in this week's *PLoS Medicine*.

Rajaie Batniji and Eran Bendavid from Stanford University, USA question the robustness and validity of a previous analysis (by Lu and colleagues, which was published in *The Lancet* in 2010) on which the current scepticism towards [health aid](#) is based and which, according to the authors, is referenced frequently in conversations with decision-makers at aid agencies as a cautionary note about foreign aid for health.

The authors argue: "while in some settings aid likely is displaced from the health sector, we call into question the assertions that donor health funds are being systematically displaced and misused."

The authors re-analysed the data from *The Lancet* analysis using a different [statistical model](#) and found that after spurious results (outliers) and other factors reflecting the real world situation (such as how donors interact with governments) were taken into account, there was no straightforward [negative relationship](#) between government spending on health and foreign aid for health, thus challenging the previous findings.

Batniji and Bendavid say: "In sum, any linear relationship that exists among the data is too tenuous to be a basis for policy."

They continue: "Of course, some displacement of aid from the health sector may occur. It would be rational for governments seeking to improve the distribution of limited national resources, and seeking to avoid interruptions in health service provision with annual fluctuations in aid, to avoid a rapid rise in health sector spending. However, our findings should relieve donors of the need to make unrealistic demands on recipient governments, and of the pressure to divert resources to NGOs."

More information: Batniji R, Bendavid E (2012) Does Development Assistance for Health Really Displace Government Health Spending? Reassessing the Evidence. PLoS Med 9(5): e1001214.
[doi:10.1371/journal.pmed.1001214](https://doi.org/10.1371/journal.pmed.1001214)

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