

Health Aid and Health Improvements in Developing Countries

Foreign aid to the health sector is an important component of all health spending in many developing countries, but the extent to which this health aid has contributed to overall population health improvements remains unknown. This study examines the relationship between health aid and changes in two measures of population health: life expectancy and under-five mortality. Over the entire period between 1974 and 2011, each 1% increase in health aid was associated with 0.24 months greater increase in life expectancy ($p=0.03$) and 0.14 faster decline in the probability of under-5 deaths (per 1,000 live births, $p=0.02$). If these trends continue, an increase of \$1 billion in health aid (about a 4% increase compared with current levels) would be associated with a decline in under-five mortality of 3.04 per 1,000 live births (95% CI 0.82-5.25), or 364,800 fewer under-five deaths (95% CI 98,400-630,000).