

Assessing Changes in U.S. Funding for International Health

Kyle Kinner CARE USA

November 5, 2007

OUTLINE

- Health is a critical priority
- U.S. is spending more ...?
- New funding is concentrated
- Crucial sectors have lagged
- Outlook: without policy shift similar trajectory
- Recommendations







CONTEXT

- ODA has increased but ...
- Aid as a percentage of GNI has lagged
- U.S. commitment is substantial
- Still a long way to go





DAC Members' net ODA 1990 – 2005 and DAC Secretariat simulation of net ODA in 2006 and 2010



Source: OECD



Copyright 2007, Kyle Kinner, kkinner@care.org



Copyright 2007, Kyle Kinner, kkinner@care.org

Source: OECD

Health is a critical priority

- Population health status affects development
- Health as a growing dimension of global and U.S. security interests
- Humanitarian impulse (high levels of preventable mortality/ morbidity worldwide)







SOURCE: World Health Report (WHO); 2007: x.

U.S. is spending more?

- 4.3x more than FY65
- As a % of GDP a lot less (.47 in FY65, .11 in FY06)
- Lagged growth rate (Int Asst, -3.6%, versus 0.4%, total outlays, FY65-06 (% of GDP))
- Apparent close correlation with domestic discret. expend.





U.S. Foreign Assistance Outlays (FY65-06), Actual \$ versus % of GDP



Comparing Func 151 to Domestic Discretionary Expenditures (FY76-06, % of GDP)





Source: Tarnoff, Knowles. CRS Pub 98-916, 2004; 8.

New funding is concentrated

- Focusing on 'poverty-fighting' foreign assistance – we see shift in relative aid composition
- ✤ Winners: pepfar, MCC
- ✤ Stuck: PKO, IDFA, CSH (w/o AIDS), TI
- ✤ LOSERS: ERMA, IOP, Food, MRA, DA, ESF





Comparing IA Core Accounts to a More Inclusive Foreign Aid Budget (FY98-06, % of GDP)



Copyright 2007, Kyle Kinner, kkinner@care.org

Decomposing non-IA Budget Objects (FY98-06, % of GDP)



Copyright 2007, Kyle Kinner, kkinner@care.org

Crucial sectors have lagged

- CS/MH
- SRH/FP
- EID/AI
- Basic research
- PH Infrastructure





Comparing Child Survival/Maternal Health with PEPFAR-All (FY98-06, % of GDP)



Comparing RH/FP-All with PEPFAR-All (FY98-06, % of GDP)





Source: Franco, Deitch; Biosec Bioterror. 2007; 5:119.

Trends in Federal R&D, FY 1995-2008 (House)*

selected agencies in constant dollars, FY 1995=100



Source: AAAS, 2007.

Outlook: without policy shift similar trajectory

- FY08 President's Request (OVER FY07: CSH, -9.0%; CS/MH, -3.0%; SRH/FP, -25.4%, PEPFAR, 20.1%)
- FY08-12 OMB Forecast (Int Asst, -3.9%; total outlays, -1.9% (% OF GDP))
- FY08 H/S higher-of number (better, but Presidential veto looming)
- FY08 Int Aff as a % of GDP versus 0.7 target – *long way to go*





OMB Forecast - Int Assistance Programs versus Total Outlays (FY08-12, % of GDP)



Recommendations

- Increase U.S. foreign aid overall
- All boats should rise growth convergence
- Build infrastructure
- Greater focus on the MDGs
- Engage underlying drivers that affect vulnerability/health







Kyle Kinner CARE USA (202) 595-2800 kkinner@care.org



