Global Health 2035: The World Development Report 1993 at 20 Years

**The World Bank’s World Development Report 1993**
- Demonstrated that evidence-based health expenditures are an investment not only in health, but in economic prosperity
- Argued for additional resources for cost-effective interventions to address high-burden diseases

**The Lancet Commission on Investing in Health**
- 25 economists and global health experts re-examined the case for investing in health, chaired by Lawrence H. Summers, former Chief Economist at the World Bank and Undersecretary for International Affairs of the U.S. Department of Treasury
- Proposes a health investment framework for low- and middle-income countries
- Provides a roadmap to achieving gains in global health through a ‘grand convergence’
1993-2013: Extraordinary Economic Progress

Movement of populations from low income to higher income between 1990 and 2011
2013-2035: Global Health Challenges

Child deaths and infectious diseases by country income level, 2011

**A Child deaths**
- High-income countries: 1%
- Upper-middle-income countries: 10%
- Low-income countries: 34%
- Lower-middle-income countries: 54%
- India: 24%
- Total deaths: 6.9 million

**B Tuberculosis deaths**
- High-income countries: 1%
- Upper-middle-income countries: 14%
- Low-income countries: 27%
- Lower-middle-income countries: 57%
- India: 31%
- Total deaths: 0.98 million

*Worldwide distribution of child deaths and TB deaths by country income level*
Global Health 2035: Key Messages

There is an enormous payoff from improvements in health.

A ‘grand convergence’ in health is achievable within our lifetime.

Fiscal policies are a powerful and underused lever for curbing of non-communicable diseases and injuries.

Progressive pathways to universal health coverage are an efficient way to achieve health and financial protection.
Full Income: A Better Way to Measure the Returns from Investing in Health

- Across LICs and LMICs, health contributed to **annual growth in full income by about 1.2% per year** of the initial value of GDP for the period 1990–2000 and **1.8% per year** in the period 2000–2011.

- The **economic benefits of convergence** would exceed costs by a factor of about 9 in LICs and around 20 in LMICs.
A Grand Convergence is Achievable by 2035

With enhanced investment, we could achieve a **grand convergence** in global health in the next generation – bringing deaths from infections and RMNCH conditions in LICs and MICs down to rates in the best-performing MICs.
Interventions Included in Convergence Model

**RMNCH**
- Pregnancy related interventions;
- Abortion & complications;
- Family planning; Diarrhoea management; Pneumonia treatment; Immunisation; Nutrition

**HIV**
- Prevention activities;
- Management of opportunistic infections; Care and treatment;
- Collaborative tuberculosis-HIV treatment

**Malaria**
- Treatment with appropriate drugs; Long-lasting insecticidal bed nets; Intermittent presumptive treatment in pregnancy

**Tuberculosis**
- Diagnosis, care and treatment of drug-sensitive TB;
- Diagnosis, care and treatment of multidrug-resistant TB

**Neglected Tropical Diseases**
- Interventions to control: lymphatic filariasis, onchocerciasis, schistosomiasis, trachoma, soil-transmitted helminths
Progressive Universalist Pathways to UHC
Protect the Poor from the Outset

Pathways toward universal health coverage
## Financing Convergence

<table>
<thead>
<tr>
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<th>Scenario 1 (realistic scenario)</th>
<th>Scenario 2 (optimistic scenario)</th>
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<tbody>
<tr>
<td><strong>Growth in domestic health spending from now to 2035, as a proportion of GDP</strong></td>
<td>2% → 3%</td>
<td>2% → 4%</td>
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<td><strong>Allocation of this increase to the convergence agenda</strong></td>
<td>2/3</td>
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<td><strong>Incremental cost of convergence in the year 2035</strong></td>
<td>US $30 billion</td>
<td>US $30 billion</td>
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<td><strong>Contribution of domestic versus external financing in the year 2035</strong></td>
<td>Domestic: US $21 billion</td>
<td>Domestic: US $30 billion</td>
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<td>External: US $9 billion</td>
<td>External: US $0</td>
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Economic Growth

• During 1990 to 2011, economic growth averaged between 3.9% and 5.1% for different country groups

• Going forward, growth above 4% is forecast. At 4.5% growth, there is more than a doubling of revenues in 20 years

GDP and Revenue
(GDP = 100 for t = 0, a constant revenue share of 14% and 4.5% real growth annually)

THE LANCET
Mobilization of Domestic Resources

Government Revenue (without grants) by Country Group* 1990-2011
(percent of GDP)

Upper middle income
(GNI per capita $4,086 to $12,615)

Lower middle income
(GNI per capita $1,036 to $4,085)

Low income
(GNI per capita $1,035 or less)

*The World Bank Country Classification
Government Revenue Composition
1990-2011 (percent of GDP)
Budgetary Reallocations and Efficiency Gains

• Reallocate fiscal resources from unproductive to productive/high-priority spending, including health

  – Large energy subsidies on air-polluting fuels (e.g., 3.5% of GDP in sub-Saharan Africa; governments there spend more on subsidies than on health)

• Scope for efficiency gains within health sector

  – Some potential for increasing efficiency in the sector; this could free resources for expanding critical health services, thus improving health outcomes
External Resources

• Need for external resources to finance convergence will depend on the increase in health spending from current levels

• Two scenarios: public health spending rises to 3% of GDP or 4% of GDP
  – Only under 3% scenario would LICs need external support. In lower-middle-income countries, domestic resources and non-concessional loans from World Bank and regional development banks are likely to suffice
Conclusions

• UHC is technically possible

• UHC is financially possible

• Even in LICs.. not an aid agenda

• Institutions, Incentives and Politics
Dr Emmanuel Gasakure

1958-2015