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Wealthier Is Healthier: A Better Way to Aid Africa

by Christa Bieker

It is increasingly clear that economic freedom, good governance and rule of law are key drivers in promoting economic growth and reducing poverty. In Sub-Saharan Africa, unfortunately, economic freedom and growth have trailed the rest of the world. One result is that the health of Sub-Saharan Africans is among the worst in the world. According to the World Economic Forum, a child born in Niger is 40 times more likely to die before her fifth birthday than a child born in the United Kingdom. A 15-year old born in Swaziland has only an 18 percent chance of living to 60. In fact, the average life expectancy in all of Sub-Saharan Africa is only 46 years!

Given current knowledge, most of the premature deaths in Sub-Saharan Africa could be prevented. For example:

- More than a million people die from diseases that could be eliminated with vaccines.
- Nearly a million malaria deaths could be prevented by using insecticide-treated bed nets.
- One-fourth of deaths due to diarrhea could be prevented if clean drinking water were available.

Most Sub-Saharan Africans do not have access to childhood vaccines, bed nets or clean water. This lack of resources reduces life expectancy to a level far below that of rich countries (see the figure). Princeton University economist Angus Deaton says poverty is the leading cause of mortality in developing countries.

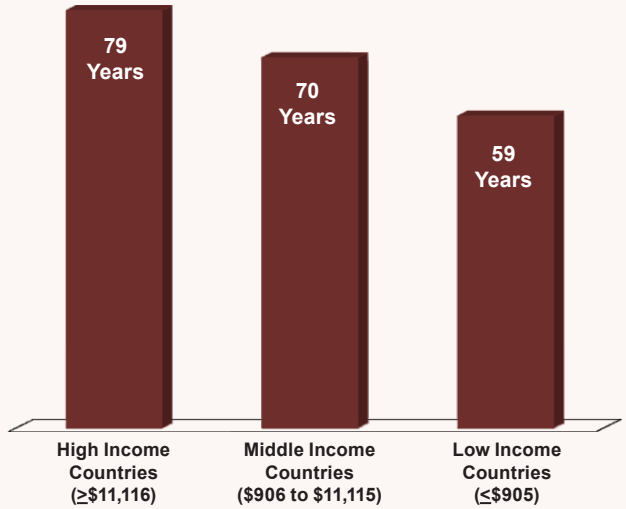
Poverty and Disease. The African continent has been dubbed "the worst economic disaster of the 20th century." While the rest of the world's economy grew at an annual rate of close to 2 percent from 1960 to 2002, Africa's gross domestic product (GDP) shrank:

- From 1974 through the mid-1990s, economic growth in Africa was negative, reaching a low point of -1.5 percent annual loss of GDP in 1990-1994.
- Today, per capita GDP for Sub-Saharan Africa is fully $200 less than it was in 1974 (after adjusting for inflation) — a decline of 11 percent over the last quarter-century.

Africa's negative economic growth is troubling because of the correlation between poverty and high disease rates. World Bank economist Lant Pritchett and former U.S. Treasury Secretary Lawrence H. Summers studied the relationship between income and health worldwide and found that infant mortality falls as income rises. According to their research, a developing country would avert one death per 1,000 live births if the average income were raised 1 percent. In 2005, for example, over 30,000 infant deaths would have been prevented in Sub-Saharan Africa if incomes were raised by about $5 per person per year.

Wealthy populations live longer and are healthier than poor populations because higher incomes open the door to literally thousands of opportunities to improve health and safety that are not available to the poor, as the following examples show.

Poor Living Conditions. Many families in countries throughout the Sub-Saharan region lack adequate housing, clean water, sanitation and nutrition. They often live in housing that is substandard by any defini-



Source: World Bank, Development Indicators Database, 2007.

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tion — without, for example, window screens to keep out disease-bearing insects. Unsanitary water provides a breeding ground for parasites, amoebas and bacteria, causing disease and death. And malnutrition is pervasive throughout the region. According to the United Nations Children's Fund (UNICEF), more than a quarter (28 percent) of all children in Sub-Saharan Africa are underweight. This exacerbates the spread of disease because malnourished individuals are less able to fight off infection or recover from illness.

Weak Health Care Systems. In addition to poor living standards, impoverished regions like Sub-Saharan Africa lack resources to provide health care and prevent the spread of disease. Drugs, medical personnel and clinics are in short supply. In fact, the World Economic Forum notes that more than half the population of Sub-Saharan Africa lacks access to basic health care services, either because they cannot afford them or because such services simply do not exist in their communities.

Even donated drugs and supplies are often rendered useless because Sub-Saharan countries lack the networks to deliver the medicine to those who need it and the health personnel to administer treatment. In Botswana, for example, Merck, Bristol-Myers Squibb and the Gates Foundation created a program to give antiretroviral therapy (ART) to everyone with AIDS. Merck donated its AIDS drugs, Bristol-Myers Squibb discounted its AIDS drugs, and the Gates Foundation subsidized the effort with $100 million. However, with no medical school, Botswana lacked a sufficient number of health care workers to implement the program. The program could not reach all patients with severe HIV until Botswana recruited health care workers and built the necessary laboratories and clinics.

Even in countries with medical schools, doctors often move to Britain, the United States or other developed countries once they graduate, a phenomenon called "brain drain." There are few incentives for physicians to practice in Africa due to the shortage of funds to build clinics or pay doctors. As a result:

- About 50 percent of medical school graduates from Ghana emigrate within 4.5 years and 75 percent within 9.5 years.
- During the 1990s, 1,200 physicians were trained in Zimbabwe; only 360 were still practicing there in 2001.

Poor Education Systems. Lack of education is a prominent reason for the spread of disease in Sub-Saharan Africa. Many Africans have inaccurate information about safe health practices and do not understand how infections like HIV and malaria are transmitted. For example, when the Ebola epidemic hit Zaire in 1995, many Africans believed it was the work of an exceptionally evil spirit and held ceremonies to exorcise the spirit.

Education is a powerful tool for reducing the incidence of disease because it teaches people how to avoid illness and empowers them to make better personal choices about health issues. Unfortunately, in such conditions of extreme poverty, Sub-Saharan Africa's education system is inadequate. In fact, 42 million children in Sub-Saharan Africa are not enrolled in school.

Economic Freedom: A Development Strategy. Economic growth in Africa must improve significantly for standards of living in the region to rise to adequate levels. The key question for these countries and their development partners is how to spur economic growth. The answer is the implementation of sound public policies.

The Fraser Institute in Canada publishes an annual "Economic Freedom of the World" report that examines key components of economic freedom. According to the report, countries with more economic freedom have higher economic growth:

- Nations in the top quartile of the economic freedom index have an average per capita GDP of $26,013, compared to $3,305 for those nations in the bottom quartile.
- The top quartile has an average per-capita economic growth rate of 2.3 percent, compared to 0.4 percent for the bottom quartile.

Not one Sub-Saharan African country ranks in the top quartile of economically free countries. Decades of political corruption, government-controlled monopolies, high inflation, excessive regulation of businesses, and stringent import and export restrictions have led to Africa's current economic state. Adopting economically freer policies would increase the rate of economic growth in African countries and thus raise incomes.

Conclusion. The stagnation of African countries is a direct consequence of public policy choices made by their governments. African nations would benefit by adopting policies that free their economies and promote growth. Sadly, they are among the least free in the world. Instituting economic policies that promote growth would improve the health of Africans over the long term.

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