

Does \$2,000 save a life? Conditionally, yes

By Robin Davies
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Tim Costello's [response](#) to the Coalition's aid cuts was grist to the fact-checkers' mill. He said the \$4.5 billion to be cut from the aid program between this year and 2016-17 will cost 450,000 lives because it costs around \$2,000 to save a life. He had made a [similar](#) statement in relation to earlier cuts by Labor, as had [Oxfam International](#) last year (though with a €1,000 price tag) in response to the 2012 fall in OECD aid. The ABC's fact-checking unit duly [mobilised](#) and reached this verdict: 'Mr Costello's claim is not credible'.

Actually, it is conditionally credible. Conditionally because its truth depends on that of a prior claim by the Global Fund.

World Vision Australia told the ABC they based the \$2,000 figure on two numbers in the Global Fund's [results report for 2011](#) [pdf]. The Global Fund states that it has spent a total of \$13 billion over the period 2002 to 2010 and also claims responsibility for saving 6.5 million lives over the same period. If the latter claim is true, it is quite definitely true that it costs \$2,000 to save a life. (Actually, based on numbers in the [most recent](#) [pdf] results report, for 2012, the price has dropped to \$1,800.)

Given the information that about one-fifth of Australia's aid falls under the 'saving lives' strategic objective, and the numbers above, arithmetic alone yields the conclusion that \$4.5 billion could have saved 450,000 lives.

An important qualification here is that the Global Fund's claim relates to lives saved through three specific interventions: antiretroviral therapy for HIV/AIDS, DOTS (the basic package that underpins the Stop TB strategy) and the distribution of insecticide-treated nets to prevent malaria. In other words, it costs an average of \$2,000 to save a life by means of these interventions. This doesn't fundamentally alter Costello's point.

The ABC contacted the Global Fund for comment. Strangely, a spokeswoman said:

No dollar value can be put on an individual human life.

Far more important than any estimate of the number of lives that can be saved is the broader impact of good health that spreads through every affected family, community and nation.

That is more real than any numbers can show.

The second and third sentences are certainly true but the first is disingenuous. By claiming responsibility for saving 6.5 million lives through its expenditure of \$13 billion, the Global Fund has in fact put a dollar value on an individual human life, and it's \$2,000.

What really cries out for checking, while being quite safely uncheckable, is the claim that the Global Fund was responsible for saving 6.5 million lives. This is of a piece with claims made in the former Australian government's [Comprehensive Aid Policy Framework](#)—that Australia would, by 2015-16, vaccinate more than 10 million children, have more than one million additional births attended by a skilled birth attendant, provide more than 8.5 million people with increased access to safe water, and so on.

There's a lot of pressure to produce numbers of this kind and, once they're abroad, it's futile to hope they will be used with caution. The interesting thing is that much of the pressure to speak in terms of quantified aid results comes from those with a disposition to question and cut aid. When they do cut, the arithmetic turns against them.

About the author/s

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