

Public Health Expenditures and Population Health

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Healthy population is a valuable resource for socio-economic development of a country. Therefore, almost every country in the world pays significant attention to improving health standards of its people using different policies. Government expenditure on health is a prominent factor that shows the government intention to improve and maintain good health standards of the country.

Even though the main justification of government expenditure on health care is the enhancement of population health via equity provision, there are some arguments that government expenditures have not made such significance influence on improving population health. Therefore, this paper examines the impact of government health expenditures on population health in various countries using data for the year 2011. Life expectancy at birth, infant mortality rate and child under 5 mortality rates are considered as population health indicators and a regression analysis is carried out to capture the impact.

The results show that the high income countries allocate more resource towards public provision of health care, while less developed countries allocate fewer. However, public health expenditures have caused to improve population health more effectively in low income countries than in high income countries. Even though the rationale for government expenditures on health care is equity provision, the empirical data shows that the rich people of the world get more benefits of government expenditure on health care than the poor. However, it is worthwhile to increase government expenditures on health care in developing countries as it increase the population health standards of those countries more effectively.

Key words: *Public expenditure, Health care, Population health*