This paper analyzes the degree of correspondence between health investments and disease incidence. We focus on the cases of Peru and Bolivia. These countries are show some of the worst health indicators in Latin America despite being some of the largest recipients of aid for health.

Investigating if aid resources are allocated efficiently is relevant because resources are scarce and there have been cases of allocation of too many resources to one disease (e.g. in the early 2000's HIV received more than 1/3 of all official aid to health despite it just represented a 5% of mortality in developing countries) exceeding the entire budget for health of the recipient countries (Shiffman, 2009). Such large investments can displace investments in other conditions that are equally important.

The main data sources used have been the Credit Reporting System and the World Bank to see investments on malaria, tuberculosis and malnutrition. And, reports from the World Health Organization, the Pan American Health Organization, and the ministers of health for the disease incidence over the period 2001-2015. The methodology of this paper is to review the official aid received by both countries to malaria, malnutrition and tuberculosis incidence and make a cross-examination with the burden of the diseases in both countries over the period of the 2001-2015.

The analysis suggests that investments on malaria are larger than the ones on malnutrition despite the larger incidence of the last one. In Bolivia it doesn’t occur. Possible reasons for the allocation of resources are discussed.