March 17, 2009

Dear Friends and Colleagues;

The Global Health Program of the Council on Foreign Relations has a large update for you. Much has happened since last we communicated.

As has been the case for many months – certainly since the September 18 stock market crash that propelled the world into what appears to be an endless, downward economic spiral, and since the November 4th election of Barack Obama to the U.S. Presidency – economics and American politics have preoccupied not only our time of late, but that of the entire Council on Foreign Relations. We will endeavor to go beyond those two issues, though they form a backdrop to just about everything presented below.

Today’s Update includes:

- Julio Frenk at CFR
- U.S. FY09 Budget and Global Health
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- April 2nd Looms: What will the G24 Decide on Behalf of the World’s Poor?
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**Julio Frenk at the Council**

The Global Health Program was very pleased to co-sponsor with the Council’s Latin America Program (Shannon O’Neil) a meeting with Dr. Julio Frenk, the new Dean of the Harvard School of Public Health. For anybody actively engaged in global health issues, Frenk is a towering figure whose
impact can be seen on his home country, Mexico, and far beyond. Some of Frenk’s innovations rendered during his tenure as Minister of Health of Mexico (2001-2006), such as *Opportunidades* and *Salud Popular* have been replicated elsewhere, including in New York City. Frenk has proven to be a visionary, and his insights resonate throughout the United Nations system, as well as academic public health. Harvard is lucky.

Those of you who missed this exciting gathering can see and hear the February 26th Council on Foreign Relations meeting with Frenk at:

Audio: [http://www.cfr.org/publication/18656](http://www.cfr.org/publication/18656)


Among the topics covered in the wide-ranging discussion, and materials motivated readers might like to see for further details, were:

- **The Venezuelan/Cuban Oil-for-Doctors program**

- **Health systems strengthening**

- **Philanthropy and health**

- **The need for far better methods and standards for assessing health achievements and programs**

- **Mexico’s experience with expanding access to medical care for the poor, creation of social insurance programs, and incentivizing healthy behavior**

Frenk offered advice for the Obama Administration, as it moves to reform the U.S. healthcare system.

One area not covered in the discussion was the ongoing yellow fever problem in eastern Latin America, and the return of malaria to Jamaica and other Caribbean Islands. In January, the Argentine
government vaccinated 2.5 million people after yellow fever reappeared, as it did last year. Since January, yellow fever has surfaced along a swath stretching from northern Venezuela to Argentina and Paraguay.

When yellow fever reached a crisis point last year in Paraguay, forcing controversial mass vaccination programs (as described in previous CFR updates), many Latin Americans were shocked by the reemergence of a disease few had given thought to since the construction of the Panama Canal and the disease eradication efforts of Walter Reed and Carlos Finlay. The virus, however, is sylvatic: It infects wild monkeys throughout Amazonia. Knowing this, public health experts have long warned that yellow fever could return to human beings in the region if people moved deeper into the Amazon, and if routine mosquito abatement programs were allowed to weaken in urban and peri-urban areas. Both events have transpired, and yellow fever, malaria and dengue – all mosquito-borne diseases – are making comebacks across the region, particularly the Atlantic Coastal areas and Amazonia.

**U.S. FY09 Budget and Global Health**

It was a long haul, and the 2009 fiscal year was nearly halfway over when Congress finally sent President Obama a budget to sign. Along the way from appropriations committee squabbles to ultimate Presidential signing, the budget process wasn’t a pretty picture. Pay heed, global health people: the FY2010 fight is already looking nasty, and the pattern that played out over the last 8 weeks for FY09 will undoubtedly be mirrored.

(Note to foreign readers: The U.S. fiscal year is from October 1st to September 30th, so at this writing the U.S. is five and a half months into its fiscal year. Congress failed to agree on a budget during the final lame-duck months of the Bush Administration, and when the 111th Congress convened in January the distribution of political party power had shifted sufficiently to allow a significant reordering of spending priorities on the House side – where Democrats hold a clear majority – but not on the Senate side. When Congress is unable to reach a budget agreement before October 1st, as has sadly happened several times, the U.S. Treasury takes out loans to cover government expenses in the interim. Typically over the last decade the major buyer of these loan options of the government of China.)

The political dynamics in Washington matter, of course, because they decide the future directions of such global health-related programs as PEPFAR, MCC, USAID, and PMI.
The House passed the FY2009 Omnibus Appropriations Act (H.R. 1105) in February, with the heavy majority held by the Democrats easily sweeping it through. But then it hit the Senate with a thud and the political shenanigans commenced. Though the Democrats hold the majority in the Senate, it is a slim lead with one seat still undecided from the November elections (Minnesota) and likely to be decided by the U.S. Supreme Court. Another seat – Obama’s former Illinois Senate seat - is filled, but caught up in a scandal involving the State’s former, corrupt Governor. Meanwhile the rudderless Republicans, weakened in the polls and scrambling for a new post-Bush identity, have only been able to agree on one political stance for their Party: Opposition. Because Obama enjoys tremendous popularity in America – well exceeding his November election numbers – Republicans are finding it difficult to directly attack the President. For now, they are attacking every single budget item, big or small, that the President and the Democratic Party leadership support.

By March 1st it was clear that the Senate was not going to be able to usher through the House Omnibus Appropriations Act, so the joint houses of Congress passed yet another continuing resolution, essentially borrowing MORE money from China (and others) to keeps salary checks flowing for federal employees and welfare checks valid for the poor. That resolution was due to expire on March 11th, and as D-day approached, Nancy Pelosi, Speaker of the House, announced that the Senate could either immediately approve the House bill in full with no changes, or the Democrats would throw out compromises made with the GOP and craft an altogether new budget, less to Republican liking. The Senate GOP caved, and at the 11th hour on March 11th, a budget for the rest of fiscal year 2009 was passed and sent to the White House.

Before digesting the global health-related details of the FY09 Omnibus, a strategic digression is warranted. Even if the two disputed Senate seats settle decisively in Democrat favor, the bickering inside the Senate will not stop, and the President will continue to face political opposition backed heavily by Rush Limbaugh, Fox News, and other right-wing media outlets. In many ways, the disunity and confusion within the GOP is dangerous: A united Republican Party, no matter what its political flavor may be, is easier to work with, as grounds for compromise between the Parties can be discerned. In the current mess it is hard for anybody trying to push bills through Congress to figure out whom to deal with on the Republican side – even if the bill-pusher is, himself, a Republican. The White House released its FY10 budget proposal and Republicans are already scrambling to find ways to sabotage it.

One of the hallmarks of the Bush years was bipartisan support for major global health initiatives, particularly PEPFAR.

Some key features of the $410 billion FY09 Omnibus Appropriations Act:

- An increase of $150 million for USAID reproductive health and family planning programs, for a total of $545 million;
- The overall USAID budget is increased, with the agency receiving $808.6 million in operating expenses – a $179 million increase over 2008;
- The overall Global Health and Child Survival budget jumps to $7.1 billion, a $757 million increase over 2008. The portion set aside for maternal and infant survival tripled over 2008, to $495 million;
• An increase of $498 million dollars for US global AIDS funding (PEPFAR), over the FY 2008 appropriation of $5.99 billion. This includes $900 million for the Global Fund to Fight AIDS, Tuberculosis and Malaria, a $60 million increase over FY 2008;
• $2 billion for the Food and Drug Administration, $335 million more than in fiscal 2008; $972 million for food safety and inspection, $41 million more than last year amid growing concerns about food-borne illnesses;
• $300 million goes to USAID specifically for clean water programs;
• $30.3 billion for the National Institutes of Health, $938 million more than in 2008. NIH also received some $10 billion in the stimulus program;
• $7.1 billion for global health initiatives, including $5.5 billion for HIV/AIDS prevention and treatment efforts and $1.6 billion for other health programs such as fighting malaria and tuberculosis;
• $875 million for the Millennium Challenge Corporation, $669 million less than 2008, for former President George W. Bush’s signature initiative of providing grants to developing nations;
• An overall $1.8 billion is designated for development assistance;
• $1.5 billion is designated for support of international organizations, such as UN agencies, NATO, IAEA and OECD. This is a $168 million increase over 2008;
• Overall, according to Senator Patrick Leahy (D-Vt.), the Omnibus Act increases health and development spending, despite the nation’s fiscal crisis, to allow foreign assistance programs to save 12 million lives – 2 million more than could have been saved with 2008 levels of spending.

For Democrats in the House, passage of the FY09 Omnibus was merely a prelude to a far bigger fight: President Obama’s FY2010 budget. The White House has proposed a budget that slices and hacks away at many of the pet projects of members of Congress – both Democrats and Republicans. Obama hopes to limit the budgetary crisis that is being produced by the now two massive stimulus acts that aim at bailing the economy out of its Wall Street-inflicted pain. He cannot achieve his goals if Democrats layer on their pet projects. For this reason, every detail of global health spending will need not only bipartisan backing on Capitol Hill, but also Executive Branch support. The latter could be tough in light of the huge number of unfilled positions on the Executive side. (See below for details.)

Maternal health advocates, recognizing how tough the FY2010 fight will be, started lining up forces even before the FY09 budget was passed. On March 10th, Rep. Betty McCollum (D-Minn.) called for renewed commitments to women’s health and chose to issue her plea from the headquarters of the U.S. Agency for International Development. McCollum tied maternal health programs directly to USAID’s more than 30% reduction in budget support during the Bush Administrations (see below).

McCollum, who now sits on the House Appropriations Committee, has chosen to make the health and education of women and girls in poor and emerging market societies a central focus of her tenure. She has introduced a maternal health spending bill that might come up for House debate in the context of the FY2010 process.

Link to text of H.R.1410: http://www.opencongress.org/bill/111-h1410/text

Dissent among women’s health advocates centers around the absence of language specifically addressing family planning and reproductive health in the bill. McCollum defends their absence,
arguing that the bill must have sufficient bipartisan support in the House to swing some GOP votes in the Senate. (Excerpts from McCollum’s speech to USAID are at the bottom of this update.)

After what they perceive as the “dark days” of the Bush Administration, amid gag rules and drastic cuts in reproductive health funding, maternal health advocates are not in a mood to compromise now that they believe they have an ally in the White House. Strategically, however, it may not be the White House they, or any other global health advocates, should think about: It’s more likely to be the Senate.

President Obama has continued to signal strong support for the sort of overall agenda McCollum is calling for, putting women’s issues at the center of policy debates, and perhaps of foreign policy. Secretary of State Hillary Clinton has, of course, made such an approach a hallmark of her political career to date. But in these fiscal crisis times, nothing can be taken for granted, and no dollar can be counted on until it’s in the bank. (This assumes the bank is sound, of course.)

On March 11th – budget D-Day – the White House leaked news of its intent to create a White House Council on Women and Girls. Obama advisor, Valerie Jarrett elaborated: "The mission of the council will be to provide a coordinated federal response to the challenges confronted by women and girls and to ensure that all Cabinet and Cabinet-level agencies consider how their policies and programs impact women and families." Details on this alleged council are vague, but it appears to be domestic-focused. If, however, Sec. Clinton is among the Cabinet members seated to the council, maternal health advocates may discover a new set of potential allies in high places. Stay tuned.

Perhaps the biggest surprise in the FY09 Omnibus Act, from a global health and development perspective, was what happened to the Millennium Challenge Corporation (MCC). Partly because it was a pet project of President George W. Bush, and because MCC has disbursed so little (millions) of the billions of dollars appropriated to it over the years, Democrats have not generally been supportive of the agency. Given the overall budget crisis, most observers predicted the MCC would get whacked. Further, pundits proclaimed the Millennium Challenge Act (MCC is part of) would be severely reduced.

It wasn’t. It was increased, from a 2008 level of $32.8 billion, to $36.6 billion for the MCA. MCC was cut, but not nearly as drastically as expected. MCC lost $670 million, bringing its total FY09 budget down to $875 million. MCC was on death row, but the warden showed up just before the executioner, delivering a judge’s order to review the case. What remains of the MCC budget will keep the agency alive until 2010, but the agency knows it will have to prove to Congress that its money is well spent, and its restrictive requirements on recipient governments broaden the list of qualifying nations well beyond Vanuatu. Failing that, MCC can expect further cuts in 2010, 2011, and dying gasps by 2012.

“This reflects the view of the House and the Senate that the Congress supports the MCC but wants to see a slowdown in new compacts, while $7 billion in previously appropriated funds are disbursed, and while the new Administration decides how it wants to fund the MCC in the future,” Sen. Leahy
explained. “The agreement provides sufficient funds to continue current operations and to commence two new compacts [with developing countries] of $350 million each.”

From the advocates’ point of view, the outcome for PEPFAR-II is a decidedly happier one. The Office of the Global AIDS Coordinator (OGAC) and the President’s Emergency Plan for AIDS Relief (PEPFAR-II) were bumped up from a total package of $5.99 billion in 2008, to $6.49 billion. Though some advocates were aiming at targets as high as $10 billion, this increased spending, amid fiscal crisis, should be taken as a sign of strong support from politicians.

Dr. Michel Kazatchkine, Executive Director of the Global Fund to Fight AIDS, TB and Malaria, was in Washington, D.C. earlier this month attempting to close the Fund’s nearly $5 billion budget shortfall for 2009. (The U.S. Omnibus budget presumably closes that shortfall to $4 billion). At a talk at the Center for Strategic and International Studies, Kazatchkine called for an additional $2.7 billion from the U.S. by 2010. Kazatchkine said that to date the Global Fund has put more than 2 million people on antiretroviral therapy (ARVs). PEPFAR claims credit for 2.1 million, so the combined Fund and PEPFAR claims exceed the estimated global number of 4 million, and imply that no other entity on the planet has played a role in distributing ARVs, including the EU, other major donors, local governments and NGOs. Something doesn’t add up.

Unsatisfied with FY09 funding levels, HIV/AIDS advocates want Congress to appropriate $9 billion for PEPFAR-II and OGAC for FY2010, giving at least $1 billion of that to the Global Fund to Fight AIDS, Tuberculosis and Malaria. This will be a tricky target to attain, as total global health spending in the FY09 Omnibus Act is $7.1 billion: In other words, the target for PEPFAR, alone, is $2 billion more than current spending on all global health issues, combined. But anybody who dismisses the possibility of reaching such high budgetary goals for PEPFAR and the Global Fund has simply not been paying attention to the remarkable successes activists in this arena have realized over the last eight years.

President Obama, this month, released his proposed FY2010 budget, which would cover U.S. spending from October 1, 2009-September 30, 2010. Overall, it increases foreign spending by 10 percent, to $51.7 billion. (Total U.S. foreign assistance for FY08 was about $36 billion, by comparison.) The biggest jump in spending is for reconstruction and development in Iraq and Afghanistan. Details regarding how the remaining $44 billion in foreign assistance spending (after removing Iraq and Afghanistan monies) will be apportioned have not yet been elucidated, and will no doubt be hard-fought. The Global Fund wants $2.7 billion, which would triple U.S. donation to the Fund compared to FY09. AIDS advocates want the overall PEPFAR budget to hit $6.8 billion in 2010, which is also a sizeable increase.
The future of all of these programs, and their funding, will rest heavily on Obama’s appointees to leadership of the respective agencies. Not a single one of those appointments has been made, and even the rumor vine on some of them has dried up.

**Obama Administration Pivotal Appointments (or lack thereof)**

There is some good news: President Obama on March 12th named Dr. Peggy Hamburg his choice as Commissioner of the Food and Drug Administration (FDA), and put her leading contender for the slot, Joshua Sharfstein, in the deputy position. This represents three pieces of good news: A decision was reached that resolves conflict in favor of using two talented individuals; a *decision was reached* at all; and the nominees are likely to breeze through Senate confirmation.

During the Clinton Administration, Hamburg was involved in biological weapons preparedness as Undersecretary of Health and Human Services. Many key officials who were at the Centers for Disease Control and Prevention during the 2001 anthrax mailings credit Hamburg with having pushed Congress and the White House to increase bioterrorism preparedness training and funding, both at the CDC and State levels, which proved pivotal during the anthrax attacks.

Peggy Hamburg has long enjoyed the admiration and respect of most of the nation's leading public health advocates. She served as Commissioner of Health for New York City during one of the metropolis' most challenging times, taking on an outbreak of MDR-TB, witnessing a staggering AIDS death toll (pre-ARVs), and straddling a deep political and racial divide. During her tenure Hamburg served two Mayors - liberal Democrat David Dinkins, and firebrand Republican Rudolph Giuliani. She proved capable of working in a bipartisan fashion, even amid racial conflict and rioting in New York. Following her tenure at HHS, Hamburg continued to work on bioterrorism issues at the Nuclear Threat Initiative (NTI), an organization created by CNN mogul Ted Turner and former Senator Sam Nunn.

Sharfstein, who is Baltimore’s Commissioner of Health, brings less national experience to the table, but has developed close ties with disgruntled scientists within the FDA and helped them to present their grievances to Congress and President Obama in a scathing letter that disclosed a laundry list of scandalous actions taken at the FDA in recent years.

As tough and smart as these two physicians are, they are taking on an agency that is barely on life support. The Bush Administration favored deregulation, as a matter of principle, and removed the regulatory fangs from every agency in the Federal government, from the SEC to the EPA, from USDA to FDA. At the FDA, one outcome of this trend was to push new drugs, medical devices, and food additives into the marketplace without requiring the same level of pre-testing for efficacy and safety as had been the rule during the Clinton years.

The Bush-era FDA offered manufacturers the option of post-marketing surveillance for deleterious effects from their products, relying on the companies to collect product complaints, fairly analyze
them and report problems to the FDA in a timely manner. It was a classic case of telling the chickens not to worry when foxes hovered outside their coops: No problem, because the foxes have promised to watch one another and make sure none of them charges in to devour the hens. Worse, the FDA has come under fire for allowing manufacturers to hire academics to do the safety trials on their drugs, allow the companies to scrutinize the data prior to publication, and then present the results as impartial science.

The result has been a litany of disasters, including thousands of deaths suffered by people who suffered a long list of horrible side effects from a variety of drugs. You name it: toxic lipstick, chocolate filled with petrochemicals, painkillers that cause heart attacks, antidepressants that make kids commit suicide, baby bottles made from carcinogenic chemicals, heart stents contaminated with bacteria, peanut butter loaded with *Salmonella*, cough syrups that kill children, knee implants that make the knees — well, make them fail to function. The list goes on and on and on. (See Susan Okie’s brilliant editorial “The To-Do List for the New FDA Commissioner” Published at www.nejm.org, March 14, 2009 (10.1056/NEJMp0810755)

If there is one thing Americans can agree upon regarding the Government’s responsibility for health, it is to ensure that the food, water, medicines, and medical devices used by people in the U.S. are safe and effective-as-advertised. Americans may not share consensus that the onus is on Government’s to guarantee universal access to healthcare, but they do believe (both in "red" or "blue" America) that Government must keep kids from dying from poisonous peanut butter and jelly sandwiches, or melamine-containing chocolate bars. And most of that job falls on the shoulders of the 11,000 employees of the FDA, operating with a budget of $2 billion.

On the food side, the FDA is responsible for inspecting 150,000 domestic production facilities. Just doing so, once every *four years*, would devour the agency’s entire budget.

On March 14th President Obama formally announced the Hamburg/Sharfstein appointments in his weekly radio address, and promised creation of a White House panel that will review the FDA, and identify core functions of the agency that require immediate improvement.

“When I heard peanut products were being contaminated earlier this year, I immediately thought of my 7-year-old daughter, Sasha, who has peanut butter sandwiches for lunch probably three times a week,” Obama said. “No parent should have to worry that their child is going to get sick from their lunch.”

Twenty years ago the FDA’s job was challenging, but fairly straightforward, as most of the manufacturers, drug makers and medical innovators were located inside the United States, and nearly all of the non-exotic foods set on American tables were produced by American farmers and food processors (or Western Europeans). Further, the technologies used to make those drugs, devices, and
foods were fairly transparent, and their efficacy and safety could be scrutinized through regulatory processes and scientific examinations that were matters of relative routine for the FDA, USDA, CDC, and other government public health players.

None of that is now true.

First: the drugs Americans take, whether obtained over the counter, from a vitamin store, via the internet, or via physician prescription are no longer manufactured in part, or even fully, in the U.S. or Western Europe. The major manufacturer of the elemental ingredients used for production of most essential drugs and medicines is China. The pharmaceutical industry is every bit as dependent on cost-cutting measures as are other U.S. business sectors, and much of its activities and production has been out-sourced all over the world. Food now comes from a global marketplace. Medical devices nearly always contain at least some foreign-made components, if not being fully overseas-made.

Only a handful of inspectors are deployed by FDA overseas, and their tasks are complicated by local political sensitivities. Even if the FDA had thousands of overseas inspectors, they couldn’t just willy-nilly barge into drug factories and slaughterhouses to inspect cleanliness and production standards.

Facing the challenge of globalized food and drug production poses only one layer of considerable challenge for the FDA. The second is scientific.

The agency is bracing itself for an onslaught of entirely new types of medicines seeking safety and efficacy assessment. The innovations are so profound that scientists cannot say for certain how their efficacy and safety for the American people can be measured. For example, nanotechnology offers the possibility of sending out microscopic cancer-seekers, injected into the human body, that drift through the bloodstream like micro-robots, finding -- even destroying -- cancer cells. Narrowly-targeted drugs designed for genetically-specific markets will, by definition, be tough to test because the pool of
human beings they could provide benefit to is minute. Stem cell innovations, which are strongly supported by President Obama, promise cures for everything from traumatic paralysis to diabetes to Parkinson’s disease -- based on the use of living, modified cells. To better protect Americans against influenza, researchers are developing vaccines that can be grown on human or bacterial cells, rather than chicken eggs. Other vaccine innovations are based on DNA. Researchers are looking at the use of certain types of parasites for diet control and weight loss. And a host of labs are working on life extension through use of biological substances that might literally affect the pace at which human chromosomes shorten. The FDA has faced approving vaccines and treatments for bioterrorism.

All of these innovations require-- at the FDA end- brilliant scientific insights into how to determine whether or not a nano-device injected into a healthy person's bloodstream might morph into something dangerous: whether stem cells applied to a lesion in 2009 will still be healthy, normal cells in 2014; whether mechanisms for clearly those anti-obesity parasites will work well enough to guarantee no disease is produced; and so on.....

Good luck to Hamburg and Sharfstein. And good luck to the 11,000 FDA employees they will lead.

At least they have leaders.

A staggering number of key positions in the Obama Administration remain unfilled, however, amid extraordinary standards of vetting imposed by the President. Almost daily, we are learning of individuals under consideration for top positions whose names are withdrawn either because they cannot meet the vetting standards or they choose not to complete the process once they understand what is involved. One excellent candidate had to withdraw her name because the Obama team forbids appointment of “lobbyists” – in her case, serving as a university’s VP for Government Affairs constituted “lobbying.” The financial disclosures required of individuals – and their spouses – are remarkable. Recently one top public health leader confided that he didn’t think he could pass the vetting because ten years ago he had a maid come in weekly to clean – and he didn’t pay into Social Security on her behalf. Another prominent individual who would serve his country well in a top health position tells us that his wife and he have only been married 5 years, and he cannot ask her to divulge all her finances and taxes preceding their marriage.

Our foreign readers may find all of this amusing, as few countries have ever tried to impose such ethics standards for their top government appointments. On the other hand, one can only imagine with jaw-dropping amazement what imposition of such vetting criteria might mean for governance of Nigeria, El Salvador, Ukraine or Egypt, to arbitrarily name four, of probably well over 100 nations struggling with various forms of government corruption.

As well-intended as the vetting obstacles may be, they are not the only reason an array of positions remain unfilled. Several top candidates for positions in the State Department (USAID, PEPFAR, Undersecretaries) tell us that they have been fully vetted, but Sec. Clinton has made no decisions. Over at Health and Human Services, nominations for such things as the Office of Global Health Administration will remain on back burner until Kansas Governor Kathleen Sebelius is confirmed and has time to figure out where the HHS headquarters is. Sibelius’ confirmation will be charged with politics, as she is a Roman Catholic, opposed to abortion, but in favor of individual women’s right to make their own choices. More conservative Catholic leaders see Sibelius as a turncoat and plan to wage an attack on her Senate confirmation. While most observers feel the Obama team will out-flank
her opposition, Sibelius will not be running HHS any time soon, and vital positions throughout the agency, possibly including the Surgeon General and CDC Director, will remain unfilled.

A total of 15 subcabinet-level jobs at HHS require Presidential approval. When asked how long these vital positions will remain open, on March 9th White House Press Secretary Robert Gibbs said, "We are continually looking for good people," adding, "We're continuing to get them through a very rigorous process to serve ... and we're doing it with all involved as quickly as we can."

Of course the largest global health program is not nested inside HHS: It is PEPFAR, and it’s at the State Department, where Hillary Clinton has for weeks been seated as a confirmed Secretary. Rumors regarding Clinton’s likely choice to run PEPFAR have circulated widely, but some names seem to have been dropped. Harvard public health expert Dr. Jim Kim was long favored by AIDS advocacy groups, but he recently accepted the Presidency of Dartmouth University. Former Bill Clinton White House staffer Eric Goosby, now at UCSF, is said to be a contender, as is Dr. Nils Daulaire, former President & CEO of the Global Health Council. And Sen. Kay Bailey Hutchison is pushing appointment of fellow-Texan, Mark Kline, of Baylor College of Medicine.

It’s unclear why the PEPFAR slot remains empty. But many positions are unfilled at the State Department, and one big impact being felt all over the world is on visas – or the lack thereof. The American Association for the Advancement of Science issued this bulletin to its members on March 13th:

“Visa Delays Grow Again for Foreign Students, Researchers. Increasing numbers of complaints are surfacing over growing delays and other problems in visa processing for foreign students and researchers, according to a recent New York Times article. The trend, attributed by a State Department official to "an unfortunate staffing shortage," has U.S. scientists, university officials, and others worried, since foreign students and scientists increasingly have good options for study or work in other nations, and scientific meetings are increasingly being scheduled outside the U.S.”

**April 2nd Looms: What will the G24 Decide on Behalf of the World’s Poor?**

On April 2nd the two dozen most powerful leaders in the world will convene in London, their goal to find a way out of the economic catastrophe that has globalized and seems to only worsen with each passing day. So much is riding on this so-called G20 Summit (actually, G24) that it would be hard to over-state the dangers inherent in failure. At the very least, a summit failure on April 2nd and 3rd would likely usher a Black Monday on April 6th rife with stock market pain from Shanghai to Wall Street.
Britain’s Prime Minister Gordon Brown, third left, speaks during a meeting to discuss financing health systems at 10 Downing Street in London, Friday March 13, 2009. The meeting took place Friday as finance ministers and central bankers from the Group of 20 countries will begin a two-day gathering in Britain starting later on Friday. Also pictured is President of the World Bank Robert Zoellick, third right, from the U.S. (AP Photo/Matt Dunham, Pool)

With so much at stake, Prime Minister Gordon Brown, who will chair the G20 Summit, crossed the Atlantic last week, ardently hoping that America will come to the table prepared to push the world in economic and financial directions few States are likely to follow without a swift kick from Washington. There may be 24 heads-of-state sitting at the London table, but all eyes will be focused on just one: President Barack Obama.

So it is startling, and more than a little anxious-making, that with two weeks to prepare for this epochal gathering, few of Obama’s key economic or foreign policy seats have been filled.

Yes, President Obama has a Treasury Secretary, a close-knit team of economic advisors and a Secretary of State. Fine.

But who is advising them, and in particular how will the Obama Team steer the Summit away from making the sorts of choices that leaders followed in 1931, pushing the world into its second global war? Or, with less militaristic foreboding, who will push world leaders away from selecting the nasty sorts of options IMF and the World Bank followed in 1987, squeezing the life out of the governments of the poorest countries of the world, thereby causing them to virtually shut down health, education and basic social services?

The world, Prime Minister Brown said last Wednesday to a Joint Session of the U.S. Congress, sits on the edge of its seat, waiting
to hear what America will say: "There is no old Europe, no new Europe, there is only your friend Europe. So let us work together."

Really: A united Europe?

The economic crisis has already splintered ties between the wealthier western European nations and their desperately beleaguered eastern counterparts. Most of the southern European nations are in the thralls of double digit negative GNP growth. And when the highly indebted Eastern European countries pleaded for help from the original EU nations, France's Sarkozy made it abundantly clear that little could be expected, and none of the eastern countries would be allowed in the near term to convert their currencies to the Euro. So much for a united Europe.

The biggest concerns going into the London Summit are threefold: Who will look after the poor; what is to be done about “wealthy” states that cannot, or will not, contribute to global stimulus efforts; and how can the Obama Administration lead the entire world through these stormy shoals when its team is so desperately thin?

"The global financial crisis slashed the value of financial assets worldwide by $50 trillion last year,” the Asian Development Bank has concluded. “Financial asset losses in developing Asia, which suffered more than other emerging markets, totaled $9.6 trillion, or just over one year’s worth of developing Asia’s gross domestic product.”

"This is by far the most serious crisis to hit the world economy since the Great Depression. While this crisis originated in the US and some European countries, by now no region or country is insulated," ADB president Haruhiko Kuroda said on March 9th.

The UN Educational, Scientific and Cultural Organization (UNESCO) estimates that the economic crisis will this year obliterate 20% of per capita income in Africa, pushing what is already the poorest population on Earth into starvation-level existence for 390 million people. Some 400,000 more babies will die in Africa this year, compared to last – because of an economic fiasco that started in the rich countries. Social instability spawned by joblessness, poverty and inadequate governance is not a hypothetical threat.

"Owners of capital will stimulate working class to buy more and more of expensive goods, houses and technology, pushing them to take more and more expensive credits, until their debt becomes unbearable. The unpaid debt will lead to bankruptcy of banks, which will have to be nationalized, and State will have to take the road which will eventually lead to communism."

Karl Marx, 1867
World Bank President Robert Zoellick last month pleaded with the wealthy world to set aside the equivalent of 0.7% of their banking and financial stimulus packages for a fund to save the poorest billion people on Earth. He reiterated his plea on Monday [Mar 9], but so far more than $2.2 trillion has been spent on stimulus programs in wealthy nations – and not one penny sits in that Zoellick fund for the poor.

"2009 is shaping up to be a very dangerous year," Zoellick told reporters on the eve of the March 14th G20 finance ministers meeting. "I believe it will be a positive sign if the G20 supports extended IMF resources, condemns protectionism and supports practical solutions."

States are not, by their natures, inclined to give a big, strong helping hand to the poor living outside of their borders, when increasing numbers of their citizens inside are sinking into poverty. On the contrary, States tend to hunker down, look inward, and build trade barriers and tariff systems that compel domestic spending on homemade goods, and therefore, it is hoped, on local job creation. That is called “protectionism”, and it is a very dangerous thing in times like these as it increases tensions between nations and undermines the very premise of globalization. Worse, it deepens poverty in already-poor places, as their goods cannot get into the global marketplace.

The global community will expect America to offer leadership, reaching out its own generous hand to help the poorer countries, and flexing its political muscle to push States out of their protectionist impulses, back on the path of free trade.

Warren recently sent me an excerpt from John Maynard Keynes’ essay “The Great Slump of 1930,” which applies to this crisis as well:

"This is a nightmare, which will pass away with the morning. For the resources of nature and men's devices are just as fertile and productive as they were. The rate of our progress towards solving the material problems of life is not less rapid. We are as capable as before of affording for everyone a high standard of life—high, I mean, compared with, say, twenty years ago—and will soon learn to afford a standard higher still. We were not previously deceived. But today we have involved ourselves in a colossal muddle, having blundered in the control of a delicate machine, the working of which we do not understand. The result is that our possibilities of wealth may run to waste for a time—perhaps for a long time."

- Bill Gates, Bill & Melinda Gates Foundation Annual Report
But the Obama Administration has yet to name a director for the U.S. Agency for International Development, or any of the other 22 programs that deal with combating poverty and disease overseas. Secretary Hillary Clinton won’t be of much help, as she has yet to staff a single one of her regional Undersecretary positions. Congress failed to pass an FY09 budget during the final Bush Administration year, forcing the Obama White House to crank out a FY09 budget in less than five weeks. Congress is already asking for a 2010 budget. This has compelled Clinton and the White House to reject all new thinking about how to shape foreign aid, global health programs, and long term development schemes for the poor, simply accepting the controversial foreign assistance structure left to them by Condoleezza Rice and the Bush Administration. Nobody has been appointed to positions that might stop this steamroller from squashing USAID, PEPFAR and other foreign assistance agencies.

So there isn’t much hope on the State Department side – what about Treasury? There is no Deputy Secretary of the Treasury, nor an Undersecretary for International Finance. Some very good candidates have dropped (or been pushed) out of the picture when confronted with the Obama Administration’s stringent vetting process. Presumably Treasury Secretary Timothy Geithner and economic advisor Larry Summers will be at the London Summit, but beneath them are career civil servants; these are historic decisions being taken on the fly by a new treasury secretary with a skeleton staff.

Prime Minster Brown asked Congress this week, "Should we succumb to a race to the bottom and a protectionism that history tells us that, in the end, protects no one? No.”

Some might argue that the politics of protectionism are best handled by the U.S. Trade Representative – but the Senate only approved Ron Kirk for the job on March 12th, so he is still trying to get his feet on the ground. During the Bush Administration, the Office of Global Health Affairs (OGHA) inside HHS helped to counter some health-related trade problems. Ah! But we haven’t got a Secretary of HHS yet, much less any Undersecretaries.

The ranks are also thin at the National Security Council; the sound of isolated footsteps can be heard echoing in the empty hallways of the Old Executive Office Building.

Sure, we are only weeks into the Obama Administration. Yes, there have been a few IRS-related misfires among the first nominees. But the President has repeatedly reminded us that these are extraordinary, potentially catastrophic times, calling for unprecedented actions.

Is “catastrophe” too strong a word? Well, consider Chinese President Hu Jintao’s statements on the eve of the G20 Finance Ministers meeting. Using unusually strong words, and gesticulations, the usually demure Hu warned that China is just about fed up with taking on America’s debts. China is America’s biggest creditor, holding so much U.S. Treasury IOUs and dollars that the American economy could probably not withstand a sudden unloading by Beijing. Of course former
U.S. Sec. of State Madeleine Albright notes that China could no more withstand the economic shock a sudden sell-off of dollars would cause than could the U.S. After all, if China sold hundreds of billions of dollars, who would buy them? And with what currency would China replace them?

It’s like arrogant-yet-incompetent film comedian Laurel, turning to Hardy and sneering, “This is a fine mess you’ve gotten us into!”

But the sad truth is that the poorer nations of the world have every right to look at the richest ones and shout, “This is a fine mess you’ve gotten us into!”

Leading up to the G20 Finance Ministers’ gathering the World Bank said in a statement that, “129 developing countries face a financing shortfall of $270 to $700 billion this year in [that includes] debt payments...plugging foreign trade deficits, because private-sector financial institutions are refraining from providing funds in emerging markets amid the global financial turmoil....and global industrial production by the middle of 2009 could be as much as 15 percent lower than levels in 2008... and that world trade is on track in 2009 to record its largest decline in 80 years, with the sharpest losses in East Asia....”

The World Bank report is as grim as can be, adding, according to the New York Times, “that nations in Latin America, Africa and East Asia have had not only their growth stifled but their access to credit as well.”

For the first time since WWII the global economy is going to shrink.

“We need to react in real time to a growing crisis that is hurting people in developing countries,” Zoellick said in a statement. "This global crisis needs a global solution and preventing an economic catastrophe in developing countries is important for global efforts to overcome this crisis."

On March 11th, President Obama met in the Oval Office with UN Secretary General Ban Ki-moon, vowing to find ways to guarantee the continuation of programs for poor countries. "We talked about the economic crisis and how that's affecting not only developed countries but very poor countries around the world,” Obama told reporters. And Obama said that the worsening economy is a "potential threat to food supplies if it continues to worsen.”

Until February many economic forecasters projected that Africa, much of Latin America and the southern Asian region would, paradoxically, muddle through the recession/depression relatively unscathed. See, for example: http://allafrica.com/sustainable/resources/00011752.html

But recent data from the World Bank and International Monetary Fund has disabused economists of that optimistic perspective. One “buffer” thought to be protecting African nations was their commodities position, amid vast reservoirs of oil, diamonds, gold, copper, platinum and other precious metals and gems. But as the global economy has worsened demand for all but gold has plummeted. Manufacturing that relies on metals like platinum and copper has fallen off, industrial and transport sector demand for oil is far below 2007 levels, and the rich are no longer buying up luxury jewelry.
In this vein the outcome of the G20 Finance Ministers' summit – a prequel to the heads-of-state gathering in London on April 2\textsuperscript{nd} – is disappointing. The ministers agreed on March 14\textsuperscript{th} to inject more stimulus liquidity into global markets, and to try to stave off protectionism. The language of the Communiqué regarding protectionism was especially heartening:

\textbf{We realize that protectionism is an increasingly real threat to the global economy. We should avoid protectionism of all kinds and not allow it to act as a disruptive force to the global economy. Failure to do so creates risks repeating the mistakes of the past which lead to the Great Depression. World leaders must commit to work towards a prompt and successful conclusion of the Doha round, with an ambitious, comprehensive and balanced result.}

But little more than lip service was paid to the needs of the world's poor, and Zoellick's plea for the 0.7\% commitment fell on deaf ears. In part responsibility for this failure may rest with key emerging market economies – South Africa, China, Brazil, Mexico, and India – which preferred to use the “poor people” chit to parley for seats on the governing boards of the World Bank and IMF. Both institutions agreed to this request, and no doubt a great deal of valuable financial attention will be diverted to handle months of negotiations over how many countries should have seats at those tables, and which countries they should be.

We wonder how much good can come from having a seat at the table, if there is no food on the table. Without commitments –concrete ones – to increase by hundreds of billions of dollars the sizes of the IMF and World Bank pots directed to poor country lending, all that can come of putting more seats at the Board of Directors’ tables is longer meetings, during which a larger cast argues over how to spend inadequate funds.

Nearly all private donors to health and development are also hurting, limiting the potential for nongovernmental support of vital programs. New York Times reporter Nick Kristof, for example, recently posted on the internet the list of 147 philanthropies that have been partially or completely wiped out by the Bernie Madoff $65 billion Ponzi scheme.


Many of the beneficiaries of these foundations were leading American hospitals and medical research centers. Fortunately, however, Madoff-vested foundations do not appear to have underwritten much of the global health effort. But this is only the beginning.

At a forum in New York City in November, Paul Light, a professor of public service at New York University, predicted that "at a minimum" more than 100,000 nonprofit organizations will be wiped out in the next two years.

http://www.alternet.org/workplace/131345/scary_numbers_for_our_safety_net_100,000_non profits_wiped_out_in_the_next_two_years/ 

Among the most important foundations for global health is Rockefeller. While the RF has not publicly posted details regarding its endowment losses, only an extraordinary level of fiscal wisdom and great luck could have prevented Rockefeller from losing about a third of its portfolio since the Crash of September 18\textsuperscript{th} – that is the scale of loss experienced by virtually all U.S. foundations, universities and
nonprofit organization (except those that have been hit harder, thanks to scoundrels like Madoff). It is heartening to hear RF vowing continued commitment to global health efforts.

In January, Dr. Ariel Pablos-Mendez of the RF wrote in *The Lancet*: “The current economic slowdown can be a challenge but also an opportunity to galvanise (sic) social transformation. This crisis, unlike the 1980s, might require boosting consumption, not just cutting it, thus making health a good investment target. However, guidance on health financing in these times can only be meaningful if coupled with normative guidance on health-systems strengthening.”

A similar note was recently struck by Nobel laureate Amartya Sen, writing in the March 26th edition of the *New York Review of Books*. Sen calls for health spending, both domestically and overseas, as the most logical way to simultaneously reduce costs to government and individuals, while boosting economic growth in the health sector. He notes, “It is not clear just why the rich who can freely spend money on yachts and other luxury goods should not be allowed to spend it on MRIs or CT scans instead. If we take our cue from Adam Smith’s arguments for a diversity of institutions, and for accommodating a variety of motivations, there are practical measures we can take that would make a huge to the world in which we live.”

Richard Horton, editor of *The Lancet*, struck a similar chord in January in an editorial in his magazine, “The global financial crisis: an acute threat to health.” After presenting evidence that women and children in poor countries bear the brunt of economic (and survival) pain during financial downturns, Horton searches for hope. He concludes that this economic crisis could spur long-overdue reform of the UN system and its health-related agencies. And, he argues, the G8 might be moved to action.

The Japanese, particularly former parliamentarian Keizo Takemi, and Cabinet science advisor Kiyoshi Kurokawa, have put a great deal of work into the G8 process and health. In particular, Japan wants the 2008 Toyako summit resolution on building health systems to go forward with actionable resolutions at this year’s G8. (See: Kurokawa K et al, “Italian G8 Summit: a critical juncture for global health,” *The Lancet* 373:526-527, and Reich MB and Takemi K, “G8 and strengthening of health systems: follow-up to the Toyako summit,” *The Lancet* 373: 508-514.)

We find little room for optimism regarding the G8 process, for the following reasons:

- If the G20 mechanism is successful in London on April 2nd, none of the large emerging market economies will continue to consider the G8 a credible mechanism. After all, why should economic and population behemoths like China, India, Brazil and Mexico be excluded from a forum that includes among its “8” a puny economies like Italy? Just as the emerging markets are now demanding seats at the IMF and World Bank table, they are fed up with exclusion from the exclusive G8 club.

- The host nation, Italy, has decreased its foreign assistance commitments by 55%: It is hard to imagine Prime Minister Silvio Berlusconi leading calls for investment in poor countries. (Given Berlusconi’s public comment last fall about Obama having a “nice tan” the Italian leader’s sensitivity to non-European issues and, frankly, racism have been called into question.)
• The Italian government is planning such a crowded summit that it is hard to see how any given issue can rise to a dominate position, short of the overall economic situation.

• The G8 is, probably correctly, viewed by the rest of the world as protectionist. Despite its praise of globalization and free markets, all of the G8 nations have tough barriers against entry of foreign competitors into their marketplaces. None are more restrictive than Europe, which makes it nearly impossible for an African farmer to sell his goods on the continent.

(For an excellent summary of the relationship between trade barriers and failed global governance amid economic crisis, see Jeffrey Garten's remarkable piece, “The Dangers of Turning Inward,” Wall Street Journal, March 1, pg. W1-2.)

Many people close to the G8 process say their best hope is that the Italian meeting not prove disastrous, and the process stays alive until 2010 when Canada will host.

Finally, the National Intelligence Council's Global Trends 2025 report offers little hope that the challenges of the next decade can be solved through out-moded mechanisms like the G8, the UN (in its current incarnation) or bilateral U.S. power. According to the NIC, the United States will remain the ultimate hegemonic power well into the 21st century, but will no longer be able to effectively execute power unilaterally, or through the sorts of inherently elitist institutions (aka the G8) it has used for the last decades. Power must shift towards fluid partnerships, spanning rich and poor, North and South, and every economic permutation on the planet. The G8 has seen its day.

Bill Gates’ Continuing Commitment: Surprise! He’s back to the Number One Richest Man Slot

Though the Bill & Melinda Gates Foundation has suffered severe losses in its endowment, as well, Bill Gates vowed in his “First Annual Letter” and in speeches at the World Economic Forum in Davos that he will actually increase support for global health and development programs during the financial crisis.


“Our spending in 2008 was $3.3 billion. In 2009, instead of reducing this amount, we are choosing to increase it to $3.8 billion, which is about 7 percent of our assets,” Gates writes in his Annual Report. “Although spending at this level will reduce the assets more quickly, the goal of our foundation is to make investments whose payback to society is very high rather than to pay out the minimum to make the endowment last as long as possible.”

Gates also called upon Americans and Europeans to increase pressure on their governments, in support of continuing, even increased, foreign assistance.
According to *Forbes* Bill Gates is back in the Number One slot, as richest man in the world, not because he has made more money, but because Warren Buffett and other supremely wealthy individuals have lost more than he has. Given Gates' firm commitment to health and development, his top-dog status is probably a ray of sunshine in the financial storm.

**Frustration Over Outbreaks of Vaccine-Preventable Disease**

On February 13th the U.S. Court of Federal Claims ruled that routine child vaccination does not cause autism, theoretically bringing to an end a saga that has resulted in a serious decline in immunization rates in many wealthy countries, and an increase in resultant disease outbreaks. The judges ruled that the evidence provided by families and their representatives on behalf of the autism claim was so poor, as to have been “absolutely overwhelmed” by contrary evidence in support vaccine safety.

The physician most responsible for claiming proof of a link between autism and vaccines is Briton, Andrew Wakefield. In 2006, the British government pressed charges against Wakefield, which are pending. Wakefield, however, left the UK and resides in Austin, Texas. *The Times* (London) has done a series of investigative reports on Wakefield, most of them authored by Brian Deer. Some highlights:

**From February 8th**: “There were 1,348 cases of measles in the UK last year, according to the Health Protection Agency, up 36% from 2007. In 1998, the year that Andrew Wakefield published his research in The Lancet, there were 56 cases.

Last year 84.5% of two-year-olds in the UK received one dose of the MMR vaccine. By age five, when the second dose is due, the rate is 77.9%. The World Health Organisation (WHO) recommends that 95% be vaccinated to achieve “herd immunity” (in which unvaccinated individuals are too few and far between to allow an infection to spread).

Through herd immunity, the WHO hoped to eradicate measles by 2010, but there are now “serious doubts” that this will be possible. The UK has been identified as one of the worst European countries for measles – along with Romania, Italy, Switzerland and Germany. The high rate of measles in Europe was labelled “embarrassing” by WHO scientists, especially after outbreaks in otherwise measles-free South America were traced back to Europe.”

**From February 9, 2009**: “The doctor who sparked the scare over the safety of the MMR vaccine for children changed and misreported results in his research, creating the appearance of a possible link with autism, a Sunday Times investigation has found.

Confidential medical documents and interviews with witnesses have established that Andrew Wakefield manipulated patients’ data, which triggered fears that the MMR triple vaccine to protect against measles, mumps and rubella was linked to the condition.”

**From February 14, 2009 article**: “Dr Wakefield and two former colleagues at the Royal Free are charged by the GMC with serious professional misconduct in relation to the 1998 *Lancet* paper and a press briefing. In the briefing he suggested that the combined MMR jab could be linked to bowel disorders and autism.

Dr Wakefield denies the charges, but hanging on the wall near his office in Thoughtful House is a poster spelling out the “Wakefield Hypothesis”, which stemmed from the contested research.

“The suggestion that parents should have the option of single vaccines was based on a review of all of the safety studies that were conducted on all of the vaccines from the single vaccine through to the MMR,” he said. “It was not based upon a case report of 12 children with a possible new syndrome. This was made explicit in a communication to my
colleagues in advance of the press briefing. Based upon my review of the literature, the safety studies were totally inadequate.”

The EU funded a large study of vaccination across the continent, which was published in *The Lancet* on January 31st. Surveying data for 32 nations, a Danish research team discovered a significant number of measles cases occurred over a two year period (2006-7), overwhelmingly concentrated in five countries. A total of 12,132 diagnosed measles cases, resulting in seven deaths, were identified in Romania, Germany, the UK, Switzerland and Italy. In 2007, 87% of the measles cases involved children or young adults who had never been vaccinated, and another 10% were cases of inadequate immunization (insufficient dosing). Worryingly, the researchers note that data for 2008 shows the trend of non-vaccination and active measles grew in 2008, though it will be some time before their analysis of recent data is completed.

Outbreaks among school children and college students are now reported with such frequency that they hardly claim European or American headlines any more. Last month, for example, the Swiss health authorities identified 22 measles cases in a single school, in just two days – an incidence the authorities described as “unprecedented”. German authorities recently reported that a 2006 measles outbreak in Duisberg, involving 614 cases and two child deaths, was entirely due to middle class parents refusing to vaccinate their children. More than 80% of the cases involved kids who had never been vaccinated.

The French ministry of Health issued an urgent bulletin in February, when 579 cases of active measles were reported for 2008 – a more than 10-fold increase over 2007. Vaccination rates? Nearly 90% of the children had received no measles immunization.

Similar outbreaks are reported in early 2009 from Australia, New Zealand, Morocco, Taiwan, Burkina Faso, Cameroon, Belgium, Switzerland, Qatar and Equatorial Guinea. Measles vaccines are typically combined with those for mumps, and outbreaks of mumps are also reported in Macedonia, the UK, and Canada.

**HIV Microbicide: Failure and Resistance**

Last month, the government of Swaziland issued a startling assessment of the country’s HIV epidemic. Topping the list of dire data (185,000 of the country’s 1 million people are HIV+) is this: 42% of women who were pregnant last year were infected with the virus. Say what you will about the reliability of antenatal clinic data, forty-two percent is an astonishing number. The government has no choice but to try every type of prevention technique available.

Sadly, Swaziland, like most of high prevalence areas of Africa, suffers especially high rates of infection in young women, and the world is woefully short of prevention technologies that women can control. The most hoped-for solution, short of a universally effective vaccine, is a vaginal microbicide, formulated in a manner that blocks sexual infection but allows impregnation. Until recently, however, every clinical trial of available microbicides has not only failed, the users suffered higher rates of HIV compared to those given placebo formulations.
So perhaps prevention advocates and women’s groups can be forgiven their overly-optimistic spin on last month’s University of KwaZulu-Natal Pro2000 gel results, described at CROI by Dr. Salim Abdool Karim. (“Safety and Effectiveness of Vaginal Microbicides BufferGel and 0.5% PRO 2000/5 Gel for the Prevention of HIV Infection in Women: Results of the HPTN 035 Trial” Salim Abdool Karim, Conf. on Retroviruses and Opportunistic Infections, Montreal, Feb.8-11, 2009. Karim’s presentation can be viewed at: http://app2.capitalreach.com/esp1204/servlet/tc?c=10164&cn=retro&e=10651&m=1&s=20415&&espmt=2&mp3file=10651&m4bfile=10651&br=80&audio=false)

In a study of 3,000 women, randomized to Pro2000, another gel, a placebo or no gel, the Pro2000 group had 30% fewer HIV infections (36 HIV cases among PRO2000 versus 51 in the placebo arm and 54 among BufferGel users). Pro2000 is a polymer with anion charges that capture HIV. In addition to using the gels or placebo, women who participated in the trial were told that their partners should use condoms, and condom use was high.

Most observers at CROI felt that the differences between the study arms were not statistically significant. And skeptics noted that use rates of gels and condoms far exceeded anything seen in prior studies, indicating the researchers did a very good job in educating study participants about HIV risks. But few observers felt that anything close to gel and condom adherence rates seen in the study would occur in the real world, particularly among women with multiple sexual partners.

On March 4th University of Minnesota scientists published in Nature results of a monkey study using glycerol monolaurate, or GML as a microbicide. GML is the active ingredient in K-Y Warming liquid, a popular sex gel. Ashley Haase and Patrick Schlievert used the vaginal gel on five monkeys: four were protected against vaginal SIV (simian form of HIV) exposure. The study has been touted as a breakthrough, but skeptics warn that the GML effect could be the same as that seen with other gel formulations that appeared to be effective in animals, but failed in human use. In those past cases, the problem was that compounds like Nonoxynol-9 had a surfactant, detergent effect on HIV, but did nothing to actually kill the virus. Thus, the compound could be acting merely as a physical barrier, but in a form that deteriorates, releasing live virus after a relatively short time.

The University of Minnesota team insists that GML modulates the vaginal immune response. GML is found in breast milk, and has antibacterial properties.

"We thought if we could modulate the immune response at the portal of HIV entry, we could block sexual transmission," Haase said. "Patrick Schlievert’s work with GML showed that it had many properties that might block HIV expansion and systematic spread."

"GML is presently being considered as an additive to tampons because of its ability to interfere with bacterial growth, including the bacteria that cause toxic shock syndrome," Schlievert said at a news conference. Schlievert proved the link between toxic shock syndrome and tampon use 25 years ago, causing manufacturers to change tampon products.

A serious microbicide will need to contain ingredients that can kill HIV, in a targeted manner, while not damaging sperm or fetuses. That’s a tall order. Researchers colleagues from Case Western Reserve University and the Tulane Primate Research Center have used a CCR5 inhibitor (PSC-RANTES) to block the ability of HIV to attach to the CCR5 molecules on the surface of dendritic and T-cells, thereby infecting the immune system. All human cells that are infected by HIV bear either CCR5 or CXCR4 proteins on the surface of the cells; both are used by the virus like a doorknob, onto
which the virus locks itself, twisting the receptor and opening a membrane doorway into the cell. In theory, inhibiting the ability of HIV to access the CCR5 molecules would prevent infection: full stop.

Sadly, the researchers have found in monkey/SIV experiments that the HIV mutate, developing resistance to the CCR5 receptor.

JVI Accepts, published online ahead of print on 11 March 2009
J. Virol. doi:10.1128/JVI.00055-09
Selection of SHIV resistant to a vaginal microbicide in macaques
Dawn M. Dudley, Jennifer L. Wentzel, Matthew S. Lalonde, Ronald S. Veazey, and Eric J. Arts

Immunologist John Moore, of the Cornell Weill Medical Center, has long warned that resistance would arise, with HIV acquiring a way to get around almost any active compound used in a microbicide. Because of this inevitability, Moore says there is an urgent need for global decisions regarding which anti-HIV compounds should be reserved for patient use – and only for patient treatment. His concern is that widespread microbicide use of anti-HIV compounds could spawn such pervasive resistance against those molecules that the treatment arsenal for AIDS patients would diminish.

Indeed, it appears that drug resistant virus is already circulating widely in some never-treated populations. A disturbing new study out of University College in London looks at more than 14,000 viral samples from newly infected, treatment naïve individuals in the UK. The researchers found five distinct HIV lineages are in circulation now in the UK, each with different patterns of resistance for various HIV drugs. From a treatment point of view this means that the patients carrying resistant viruses will have a narrower set of drug options from Day One of therapy. (See: Hue S, Gifford RJ et al, “Demonstration of Sustained Drug-Resistant Human Immunodeficiency Virus Type 1 Lineages Circulating Among Treatment-Naive Individuals,” J. Virology 83: 2645-2654, 2009.)

The need to conquer female susceptibility to HIV, and emerging drug-resistant strains is serious. There is a sense in some quarters that a time bomb is quietly ticking. For example, in January Dr. David Kihumuro-Apuuli, Director-General of Uganda's national AIDS task force, issued an alarm that HIV incidence is climbing again in his country – especially within married couples.

“We have done well to put more than 150,000 people on anti-retroviral treatment,” Kihumuro-Apuuli said, “but that means we have shifted our priority from prevention. For every two people you put on anti-retroviral treatment, five others are becoming infected. If you wait for people to become infected and you continue treating them, you are missing the point.”

According to the Ugandan government at least 650,000 people in that country are unknowingly living with a HIV+ partner; about 13% of them become infected annually.

Last month, the Chinese Ministry of Health announced that AIDS is now that nation’s Number One infectious disease killer. Though the numbers remain small – especially for a nation of more than a billion people, nearly 7,000 people died prematurely of AIDS last year in China.
South Africa is also coming to grips with its AIDS reality, which is far graver than anything seen in Asia. Two separate studies – one from Harvard and another from the University of Cape Town – have concluded that the Thabo Mbeki government’s years of denying the significance of HIV and preventing access to ARVs for South Africans killed 343,000 people, and allowed the virus to be passed from mother-to-35,000 babies. Hundreds of thousands of people paid with their lives for the inaction (or negative reaction) of their government to the epidemic. (See: Chigwedere P et al, Journal of Acqui. Immun. Def. Synd. 49: 410-415, 2008 and Nattrass N, Afr. Affairs 107:157-176, 2008.)

News this week out of the capital of the United States of America is also grim: 3% of the residents of Washington D.C. are HIV+. That ranks as the highest prevalence in the U.S., on a par with or even higher than the prevalence in some PEPFAR countries (Rwanda, Haiti, Guyana, for example). In a report released March 16th by the City government, which is based on 2007 data, the prevalence is highest among African-Americans, 4% of whom are infected – 7% of black men. Because the data used in this analysis is more than a year old, and only includes individuals who have undergone HIV testing, observers warn that true current prevalence may be considerably higher.

In the Washington Post, Shannon Hader, director of the district’s HIV/AIDS administration and former head of CDC’s work in Zimbabwe, said the city’s HIV prevalence is "higher than West Africa" and "on par with Uganda and some parts of Kenya." Anthony Fauci, director of National Institute of Allergy and Infectious Diseases, called the report's findings "very, very depressing news, especially considering HIV’s profound impact on minority communities."

Finally, back on the international front a momentum is building to fundamentally redefine the HIV/AIDS mission. Last year, the Brown Administration in the UK spurred creation of the International Health Partnership, and the Japanese government pushed health systems strengthening when they hosted the G8 in Toyako. There is considerable discussion, particularly in Europe, regarding transformation of the Global Fund to Fight AIDS, Tuberculosis and Malaria into a broader facility, funding overall health systems development. The Fund already gives modest grants for such purposes, but the emerging vision would transform the Fund into a $40 billion/annual agency that supports everything from HIV treatment to cardiac surgery. For example, the Hélène de Beir foundation sponsored the following paper by Gorik Ooms:


The Ooms paper is well worth reading. It begs many questions, such as:

- If the Global Fund abandons HIV as its primary mission, transforming into a health systems financing mechanism, what is the role of PEPFAR II? Of the World Bank? Of UNAIDS? Of the WHO HIV program?
Should the world community entirely abandon 60 years of development work and apparatuses in favor of adopting the HIV treatment model for all health care, worldwide? Is that, in fact, what Ooms suggests?

About 20% of Global Fund grants currently fail, according to Fund documents. There is no clear mechanism in place for assessing why failures occur, or finding ways to turn failure into success in specific cases. What should those mechanisms be? Should the Fund essentially self-regulate, or should performance assessment, particularly for failed programs, be executed by a separate agency? If so, which one? And if the Fund expands to take on all aspects of health systems development and support, how will "success" and "failure" be measured, and by whom?

The proposed model might be a "fit" for countries like the UK and Norway, which have consolidated all of their foreign assistance programs into a single coherent agency, but how might such a mechanism work with the U.S. foreign assistance chaos? As the CFR Global Health Program has repeatedly pointed out (http://www.cfr.org/publication/18167/future_of_foreign_assistance_amid_globalconomic_and_fi nancial_crisis.html), the U.S. system is chaotic, at best, and the relative roles and responsibilities of the 22 agencies that execute foreign assistance have been disrupted by changes made during the Bush years. Obama has yet to hire people into leadership positions, or signal how he will structure foreign assistance. But surely any change in the international mechanisms of health financing will have a tremendous impact on USAID, PEPFAR, CDC, DOD, PMI, MCC, and the myriad other U.S. programs that dole out global health funds. How will this work?

Good News of MRSA Control in Hospitals

And now for some good news: the U.S. CDC reported last month that hospital-acquired cases of methicillin-resistant *Staphylococcus aureus* (MRSA) due to contaminated central IV lines have been declining for several years. Between 1997-2007 hospitals reported 33,587 cases of bacterial infections caused by contaminated central lines, of which 7.4% were MRSA. Over that time the percentage of MRSA/central line cases fell by 49%.

The bad news is that overall non-contamination rates rose, and MRSA infections inside hospitals, spread by other means, increased. (See the January 17, 2009 JAMA for details.)

The CDC believes this improvement in central line MRSA incidence is due to careful improvements to avoid nosocomial infections.

Hospitals in the US and Europe should consider the back end of nosocomial disease, however: Medical waste.

An outbreak of hepatitis B this month in Gujarat, India has been linked to improperly processed medical waste. According to local newspaper accounts:

http://www.thenational.ae/article/20090312/FOREIGN/97643596/1103/NEWS

"Officials in Gujarat state seized hundreds of tons of recycled medical equipment and arrested more than 100 medical scrap dealers and 22 doctors over the past week, after an outbreak of hepatitis B killed at least 70 people and left about 240
others infected with the deadly virus.

Two of the arrested doctors in the town of Modasa in Sabarkantha district, the centre of the epidemic in Gujarat, were charged with culpable homicide after it was learnt that some victims had been treated in their clinic. The doctors -- father and son -- had used the same syringes and needles on multiple patients, police said.

After raiding underground warehouses in Modasa, police and pollution control officials seized recycled medical waste, most of it packaged and ready for supply to clinics or hospitals. A similar seizure of recycled medical waste took place in other parts of Gujarat, including Ahmedabad. In Modasa, Surat, Rajkot and Ahmedabad, officials discovered makeshift packaging units where recycled needles, syringes, pediatric droppers, intravenous drips and other equipment were being sorted, simply washed and neatly repackaged for sale.

Five Ahmedabad-based pharmaceutical companies were also found repackaging used medical waste in the same unsafe manner, and the Gujarat pollution control board has issued closure notices against them. Investigators found that medical waste pickers collected used needles and other equipment from hundreds of private hospitals, thousands of doctors and some government hospitals and then sold them to underground recycling gangs who traded in them.

Tamiflu Resistant Influenza

Last month researchers in North America and Western Europe reported that what some have characterized as a “wimpy” flu virus – H1N1 – has mutated to be resistant to oseltamivir, aka Tamiflu. This mutational event has stunned scientists because laboratory simulations, creating this specific mutation in influenza viruses, always cripple the microbe. But when the mutation occurs naturally, the virus thrives, losing none of its transmissibility or virulence.

H1N1 is in wide global circulation, causing much of the mild flu burden. This strain is not a virulent one, which is good news given Tamiflu failure. But Anne Moscona of Cornell Weill Medical Center says that the mutation can be shared, from virus-to-virus, raising concern that far more lethal forms of influenza, such as H5N1, could be rendered untreatable. (For a good summary of the Tamiflu mutation, see Ensink M, “A ‘Wimpy’ Flu Strain Mysteriously Turns Scary,” Science 323:1162-1163.)

H5N1 update

The avian flu, H5N1 saga continues. It is remarkable that this virus continues to circulate in about half of the world, showing no sign of waning virulence. It continues to be spread both by bird smuggling, and migrating wild birds. And its territory seems to expand every year, now including Himalayan nations like Nepal. Transmission of the virus within China has recently proven especially perplexing. China vaccinates all livestock poultry against bird flu, and now puts tight controls on the transport of chickens, ducks and geese within the country. Yet outbreaks continue, surfacing over vast tracts of the country, and causing human cases of the disease. Eight human cases in January and February 2009 puzzled investigators, as no clear links to chickens could be found for some of them. Five of the eight have died.

China is experiencing severe drought this year, particularly in the north of the country along the migratory bird flyway. Chinese authorities speculate that two of the mysterious human cases, which
occurred in Shandong Province, were related to the drought. Shandong is severely arid, and migrating birds are forced to land close to human habitation and chicken pens in search of water. Something odd is occurring in China. The drought areas, chicken outbreaks, and human cases are not all coincident. Though dead infected chickens have washed up on the shores of Hong Kong, and flocks have been infected in northern provinces, no real pattern has emerged.

On February 10th, Mao Qunan, spokesperson for the Chinese Ministry of Health, told reporters in a press conference that experts were stumped, adding, “We don’t know where it has come from, but people seem to be infected.”

The Japanese company Panasonic, which manufactures a range of electronics products in China, didn’t like the sound of that: On February 11th the company ordered all its Japanese employees to leave China, amid concerns a flu pandemic was imminent.

Fortunately, Panasonic over-reacted.

A considerably less vigorous response to pandemic threat came this month from another multinational company, Baxter. Somehow, Baxter employees in their Austrian laboratory mixed H5N1 samples into influenza batches being used to make vaccines. Those batches were shipped to facilities in the Czech Republic and 17 other European countries. The Czechs discovered the contamination when they injected lab ferrets with what was supposed to be the milder virus, H3N2: all the animals died immediately. The Czechs swiftly learned two things: Baxter’s samples were contaminated with H5N1; and when H5N1 mixes with H3N2 the result is a super-lethal, highly transmissible virus.

WHO is investigating the Baxter facility to determine how this potentially catastrophic screw-up occurred. Authorities across Europe are taking this incident quite seriously because H5N1 has so far – thankfully – failed to spread efficiently from person-to-person, but H3N2 is quite contagious. A genetic blend of the two viruses could prove both highly contagious and super-lethal – as it did for the ferrets. The result would be a manmade, deadly pandemic.

Skeptics may question the phrase “deadly pandemic,” arguing it is sensationalistic. We would direct you to this month’s Proceedings of the National Academy of Sciences paper by Carole Baskin of the Washington National Primate Research Center and colleagues, comparing Macaque monkey responses to the 1918 influenza and H5N1. Both viruses triggered innate and inflammatory immune responses, which greatly worsened the course of the disease. But the H5N1 infections proved far more dangerous than the 1918 flu. The researchers found that, “H5N1 was the most virulent. Within 24 hours, the H5N1 virus produced severe bronchiolar and alveolar lesions. Notably, the H5N1 virus targeted type II pneumocytes throughout the 7-day infection, and induced the most dramatic and sustained expression of type I interferons and inflammatory and innate immune genes…”

(For details see: Baskin CR et al, “Early and sustained innate immune response defines pathology and death in nonhuman primates infected by highly pathogenic influenza virus,” PNAS 106: 3455-3460, 2009.)
**Davos Disappointments**

This year’s gathering of the World Economic Forum was, for obvious reasons, focused on the global economy. An assessment of the economic news from Davos can be found at: http://www.cfr.org/publication/18503/davos_the_poor_and_the_crash_of_08.html?breadcrumb=%2Fbios%2F1781%2F

But it was disappointing to find that global health and development issues had fallen off the plenary agenda entirely, and most of the health-related sessions were relegated to special dinners, located inside noisy Swiss restaurants. The sole exception was a session financed by the Nike Corporation, “The Girl Effect.” An impressive panel of speakers (UNICEF Director Ann Venneman, CARE CEO Helene Gayle, Nobel laureate Muhammad Yunus, World Bank economist Ngozi Okonjo-Iweala, Melinda Gates, Indonesian Education Minister Mari Pangestu and Nike CEO Mark Parker) regaled a standing-room-only audience with stories and data on the benefits to nations of enhanced education, health and employment of girls and women. It is something of a passion for Nike, as you can see from their Girl Effect website (http://www.girleffect.org/).

Sarah Brown and Cherie Blair hosted an all-female mountain top retreat for the White Ribbon Alliance for Safe Motherhood. And there were side sessions at the WEF looking at the world's demographic and economic trends, predicting rising health costs in all the world. Overall, however, Davos was not the sort of surprisingly joyous experience seen in the past, with movie stars writing checks for malaria bed nets, and rock stars standing beside Bill Gates to declare an end to AIDS. As the picture above, of a champagne bar made from blocks of ice shows, the WEF was still an over-the-top spree for the wealthy. But amid global economic crisis, fewer of the wealthy appeared to be interested in the health and survival of the world’s very poor.

**GSK Tries to Shake up Pharma**

On February 13th GlaxoSmithKline CEO Andrew Witty gave a speech at Harvard Medical School entitle “Big Pharma as a Catalyst for Change.” Witty made four GSK commitments:

1. Create a patent pool for the Least Developed Countries;
2. Cut prices on GSK drugs in poor countries to less than 25% of the European prices;
3. Increase research and development on diseases of the developing countries, and;
4. Reinvest 20% of profits made off sales in poor countries, putting the money into local health infrastructure.

In hopes of spurring public/private partnerships for R&D on neglected diseases, Witty vowed to turn the GSK facility in Spain into an open access research center – even open to employees of rival pharmaceutical companies.

Reactions from the 37 other major pharmaceutical companies ranged from tepid to frigid. Some companies denounced GSK for taking unilateral steps that are allegedly under discussion as multilateral all-pharma programs. Some decried the Witty statement as a publicity stunt.

Médecins sans Frontiers (MSF) leveled a considered critique, noting that GSK excluded all of its HIV drugs from the patent pool idea. MSF believes that only by pooling ARV patents can real world problems with take HIV medicines be conquered. MSF notes, “We desperately need new fixed-dose combination drugs that combine multiple compounds into one pill, especially those including newer drugs. But today, patents on individual compounds can stand in the way of the development of fixed-dose combinations.”

The GSK announcement should be taken seriously. At the very least the company has put itself out on a limb, offering up the very kind of social contract that every pharmaceutical company – including GSK – decried just 7 years ago as anti-capitalist and potentially bankrupting.

Resistant Strain of Malaria Emerges

All pharmaceutical companies dread the day that their drug is rendered useless due to microbial resistance. Hoffman LaRoche has suffered stock hits as a result of the Tamiflu debacle. Perhaps the good news in the artemisinin case is that the antimalarial drug is made, in various forms, by several companies; patents aren’t threatened.

There is, nevertheless, very bad news. WHO has struggled to ensure that artemisinin is not distributed in monotherapy form, and that its use is carefully controlled – all in hopes of avoiding widespread *falciparum* resistance to the vital compound. Sadly, however, resistance has emerged, and it has done so in precisely the same geographic and political setting as prompted other forms of malaria drug resistance: The Thai/Cambodia/Burma border areas.

In a territory rife with perfect ecological conditions for mosquitoes, much of Southeast Asia is a smugglers’ paradise. Trading in opium, human labor, gems, gasoline, live chickens and livestock, cars and motorcycles, smugglers try to live under government radar screens – including those of health officials. Among the items sold on the smugglers’ black market are pharmaceuticals, including illegal mono-drug formulations of artemisinin. In Cambodia health officials say that
the efficacy of artemisinin is weakening – treatments that were successful within 24 hours last year, require 120 hours of therapy to cure malaria today.

Because this appears to be a case of history repeating itself (this is where chloroquine resistance first emerged 60 years ago), the U.S. is negotiating with the Myanmar (Burma) government to set up a resistance surveillance lab in that country. U.S. military scientists published details of the Cambodian resistance problems in the *New England Journal of Medicine* late last year. Other recent studies show that Cambodian malaria patients are more likely to suffer relapses after artemisinin treatment, demonstrating that the drug has failed to eradicate all parasites from their blood.

**Farewell to a San Francisco Gem**

We would like to close with a brief homage to Martin (Marty) Delaney, who recently passed away. Friends and family celebrated Marty’s life in San Francisco last week, and we join them in rejoicing in his achievements. Marty was an AIDS activist who didn’t have AIDS, a scientific advocate who never trained in the sciences, a political player who was never a politician and a cheerleader without pom poms. (Actually, we can’t vouch for the absence of pom poms.)


A new call to defeat the AIDS virus
http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/03/05/BAOA168DQ9.DTL&tsp=1

In the early 1980s, when San Francisco was ravaged by AIDS, Marty Delaney had an idea: Don’t mourn, collaborate. He came at AIDS activism as a seasoned, and angry, victim of the gay community’s prior plague of hepatitis B. Delaney enrolled in an early clinical trial of a hepatitis drug, and responded well to the therapy. But not everybody in the drug trial did as well, and for some the side effects were severe enough that the FDA ordered a halt to all uses of the drug. Marty was livid: He couldn’t understand why a drug that was life-saving for some, should be banned entirely because it harmed others.

When Marty saw the mysterious new disease of HIV devastating fellow San Franciscans, he created a group called Project Inform, which sought treatments for the disease and scientists willing to try them out. In those days, some 25 years ago, Project Inform was considered a direct threat to the FDA, and the agency tried repeatedly to have it shut down. In one of Project Inform’s most outrageous actions the group learned that some people thought Chinese cucumbers contained a chemical that could kill HIV. Working with a Chinese doctor, Project Inform dispensed the “medicine” in its own version of a “clinical trial.” It turned out to be toxic, and Marty nearly landed in jail.

Over the years, Marty and his Project Inform expanded their worldviews, monitoring the effects standard pharmaceuticals were having on AIDS patients, and trying to spread the “Inform” overseas. But the most important contribution Marty made was to push the scientific community to find a genuine cure for AIDS. Marty knew that the world would find it impossibly difficult, and costly, to keep 15-20 million people alive for years on ARVs. Realizing other groups were carrying the ball on the vaccine front, Marty pushed tirelessly for a cure. He formed unusual meetings and coalitions, bringing together smart scientists, biotechnology developers, and activists to brainstorm. And he will be remembered fondly by all of them.
We hope one day a cure will, indeed, be found. We will raise our glasses and say, “Here’s to Marty!”

As always, the Global Health Program will endeavor to keep you posted on these and other issues. Spring is coming to the northern hemisphere: Enjoy.

Sincerely,

[Signature]

Laurie Garrett

Below are two items for your perusal: Excerpts of Rep. Betty McCollum’s recent speech to USAID employees, and “HIV/AIDS & Donor Support: No Free Lunch,” by Namibian writer and Professor Lucy Edwards. And if you can spare another moment, check out the Open Society Institute's Annual Report – it’s 7 minutes of remarkable:

http://www.youtube.com/user/opensocietyinstitute

“This is an exciting time in Washington. There is no lack of work to be done as we all know. As a country we face enormous challenges. And, as we work to meet the needs of the American people, we know the world is looking to our country for continued leadership.

This is why USAID’s mission is so important. This agency does something unique, something our military and our diplomats are not well equipped to do - you execute a foreign assistance strategy that is rooted in an understanding of cultures, the complexities of local conditions, and the needs and hopes of families who lives are directly impacted and improved because of your work.

Today, women around the world are the beneficiaries of your work and the generous spirit of the American people. Mothers are alive, girls are in school, women's groups are giving micro-loans, grandmothers are able to support AIDS orphans, and women are campaigning for political office because of a shared vision to improve the lives of women.

It is the power of women and their work that must be made a priority of the United States in not only in speeches and congressional resolutions, but our policies and the dollars we put behind those policies.

This is my ninth year in Congress and I have frequently met with many foreign ambassadors, some heads of state, and a fair number of ministers. Unfortunately, I cannot remember a single instance in which the focus of a meeting was about women and girls. Not a single meeting about improving their lives or investing more resources in their capacity - nothing. I've had lots of requests for more U.S. military assistance or funds promised under an MCC compact for infrastructure, but not women and girls.

Do you know why they don't ask?

Because improving the status of women and girls has not been a top policy or resource priority of the United States. Until our sisters around the world are made a priority, our foreign policy goals of fighting poverty, disease, and hunger, and promoting democracy, economic opportunity, and human rights will not be achieved.

Maximizing the enormous potential of women and girls to transform societies and economies will, I hope, become a top priority for the Obama Administration.

From the White House to the State Department to USAID to Congress - we need to be sending the message to leaders in the developing world that gender isn't just a project indicator or a niche development activity.

We need to do more than promote the role of women in development. We need to completely reframe the discussion because WOMEN ARE DEVELOPMENT. A commitment to ensuring the survival, safety, success, and full contributions of women and girls must re-shape our bilateral relationships and re-define our foreign assistance investments.”
13 March 2009

• HIV/AIDS and Donor Support: A Double-edged Sword

International donor aid has always been a double-edged sword, for while we receive, we invariably also give away something. This is clear from the recent controversies around the Millennium Challenge Account, the supply of uranium to Iran, Namibia’s position on the Palestinian-Israeli conflict and the influx of surplus Chinese labour that accompany Chinese development aid.

In many instances donor aid is the sweetener or initial building block of a platform from which donor countries launch their commercial, strategic, foreign policy or even ideological objectives.

There is quite obviously no free lunch. Payback may stretch over decades and under different economic systems as Soviet Russia’s exploitation of fish reserves in Angolan waters during the Cold War or Spain’s development aid in exchange for fishing rights in Namibian waters show. Even the European Union’s proposed Economic Partnership Agreements (EPAs) can be viewed in this light.

In the area of HIV/AIDS, the matter is more complex. There is no doubt that donor aid saved Namibian lives. We are grateful to the citizens and governments of donor countries for enabling access to life-saving antiretroviral (ARV) therapies and other care and support programmes. These humanitarian and philanthropic acts provide hope to thousands of Namibians.

But as is the case with all philanthropy, it reinforces power differentials between donor and recipient and accentuates our lack of self-reliance. This is captured in age-old adages like “We cannot bite the hand that feeds the mouth”, or, “He who pays the piper calls the tune”.

In the case of HIV/AIDS, we cannot refuse the assistance for the Namibian Government’s own budgetary allocations cannot provide the life-saving therapy to all who need it. But as we grab the gifts of life with both hands, there is unease. Some central questions emerge: Do these kind philanthropists want something in return? Will we forever be indebted, or beholden to foreign interests as a result of this aid?

Are we against the ropes and so desperate that we have to trade our hard fought sovereignty for this aid?

At AIDS workshops and seminars (and there are many) local activists watch in awe as representatives of donor countries take over programme management, research, set agendas and dominate policy discourse.

In 2003 George W. Bush initiated the US President’s Emergency Plan for AIDS Relief (PEPFAR) and Namibia is one of the 15 countries that benefit generously from this fund.

The list of government, non-government and faith-based agencies that benefit from the fund is long.

Programme support includes prevention, counselling, HIV testing, ARV provision, OVC support, livelihood support and palliative care. Donor emblems dominate job adverts, trade union and NGO newsletters, cars and banners. They serve as constant reminders of donor benevolence to poor and suffering Namibians.

Through the PEPFAR programme, a number of local civil society organisations are tied to US funding
and this does not bode well for self-reliance and may even undermine our democracy as disquiet about a “Yankee” takeover is expressed in muted tones.

“Is this a new imperialism?” some ask. Some critical questions are being posed (albeit not so openly).

There is fear that over-reliance on PEPFAR funds will give the donor future control over ARV supplies and a possible return to previous conditions that only allowed branded drugs from big pharmaceutical firms in donor countries to be purchased with donor funds instead of cheap generics.

There is also concern that the aid could be used to leverage control over strategic resources like uranium, Etosha, possible oil and gas deposits, or worse, to get the much sought after military base in southern Africa.

With the rejection of Namibia’s round 8 funding request to the UN’s Global Fund against Tuberculosis, Malaria and AIDS and the latter’s announcement that renewal of funding agreements are not automatic, there is concern that donor reliance may not guarantee sustainability of future ARV supply.

While Namibia is preparing its round 9 proposal for submission, there are international fears that donor funds may dry up or that donors could change funding priorities. This could lead to drug resistance in those who can no longer afford treatment.

In October 2008, Peter Piot (then Executive Director of UNAIDS) predicted that the global financial crisis would affect treatment support due to an anticipated decrease in donor funds for treatment access and a decreased ability of low- and middle-income countries to fund treatment programmes.

According to BCC reports (Radio News 1/12/08) the global financial crisis has already led to round 9 of the Global Fund being put on hold and that there has been a shift away from global treatment access targets to national targets, thus shifting the treatment burden back to national governments.

We will have to plan for such eventualities. Planners predict that Namibia will require around 12 to 15 percent of government expenditure for its HIV/AIDS response. In 2005, 63 percent of HIV/AIDS related expenditure came from foreign donors (mainly PEPFAR and the Global Fund). Since then, the PEPFAR fund has become more dominant and it is American control over Namibian HIV/AIDS programming.

The time has come for the government and citizens of Namibia to reconsider our reliance on donor funds. We know that prevention is better than cure. So we have to increase our HIV/AIDS prevention efforts.

While donor driven ABC behaviour change prevention campaigns have contributed to some decline in infection rates, there are still high levels of new infections. We must urgently deal with the main drivers of the HIV spread, namely poverty, inequality and all pervasive patriarchy.

Several research reports have provided irrefutable evidence of causal linkages between HIV/AIDS, poverty and inequality.

The latest Namibian Household Income and Expenditure Survey Report shows that Namibia is one of the most unequal societies in the world.

If we want to tackle HIV/AIDS spread and reduce reliance on donors for HIV/AIDS programming, we must both in word and deed seriously embark on a programme of poverty and inequality eradication (not merely reduction).
We must also ask how donor aid has contributed towards these two objectives.

Many Namibians remain desperately poor despite the plethora of donor programmes since Independence. Perhaps we must re-invoke the lofty ideal of self-reliance so that we can set our own agendas and not trade our sovereignty for aid.

• Lucy Edwards is an HIV/AIDS Researcher and Lecturer in the Sociology Department at Unam. She writes in her personal capacity and views and opinions expressed in this article are not necessarily those of Unam.