

U.S. International AIDS Programs:  
A New Model of Humanitarian Initiatives?

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In his January 2003 State of the Union Address, President George W. Bush called for the United States to commit \$15 billion over five years to address the international HIV/AIDS epidemic. The President's Emergency Plan for AIDS Relief (PEPFAR) was greeted with surprise from many since much of the world's attention was focused on the impending war in Iraq, and few officials in either the countries to receive aid or existing assistance providers had advance warning of the announcement. Additionally, the sum of money involved was unprecedented and dwarfed previous administration commitments to fighting AIDS internationally.

For many observers, surprise was then replaced with excitement tempered by skepticism. Excitement came not only from the amount of money involved, but from a hope that the tragic scope of the AIDS epidemic and its potential impact on U.S. and global interests was now being acknowledged as a security issue. If so, funding and high level government attention could be expected to continue for years to come. Also, support from both parties in Congress and an unusual mix of liberal and conservative nongovernmental groups raised the possibility that PEPFAR could be a model for further U.S. aid initiatives and focus on humanitarian objectives.

Skepticism stemmed from a fear that the announcement was simply a rhetorical effort to build America's image and soft-power at a time that its use of military power in Iraq was opposed by many in the international community. There also were questions of whether Congress would ever appropriate such a large figure given other spending priorities and mounting fears of a budget deficit. And, if Congress did appropriate the money, whether other important medical and humanitarian programs would be reduced. Finally, there was worry that political calculations and moral agendas would carry more weight than best practice medical experience in shaping specific program goals.

Three years later, it seems that both some excitement and some skepticism were warranted. The administration and Congress have stuck to their spending commitments and U.S. funded programs are now showing signs of success. The early shape of the program also, though, provides important clues on whether AIDS will be treated as a security issue in the future, whether the United States will act bilaterally or channel future aid programs through the UN, how U.S. economic interests remain a factor in developing aid programs, and whether the liberal-conservative coalition will hold together or split over programmatic limits designed to please Bush's conservative Christian constituency. These clues are significant not only for PEPFAR's future, but for U.S. aid programs and North-South relations more generally.

#### An Overview of PEPFAR's Origins and Actions

Although unprecedented in its scope and scale, Bush's 2003 announcement was not the first U.S. action on international AIDS, or even the first of Bush's administration. The full magnitude of the AIDS crisis became apparent to government officials in the 1990s. In 1996, a UN program was created to coordinate global efforts, but funding was minimal. In time, Clinton administration officials came to speak of AIDS as a national security issue and gave it increased prominence. Funding of U.S. programs to combat the disease was gradually increased. Still, in 2000, a Clinton signed bill authorized only \$150 million for fiscal years 2001 and 2002 to be administered by the World Bank and \$300 billion in bilateral spending.

In 1999, Clinton took another subtle, but important, step. He announced that the United States would no longer seek sanctions against countries that produced cheaper generic versions of AIDS drugs, even if foreign companies had broken U.S. patent laws to produce those drugs. Bush's first action on AIDS was his February 2001 decision not to alter Clinton's policy on enforcing patent rights. This decision was controversial among Bush supporters. Some were

suspicious about anything Clinton had done, but also U.S. pharmaceutical companies were aggressively lobbying for a firmer stand.

In the spring of 2001, UN Secretary General Kofi Annan put new pressure on world governments by suggesting a Global Fund to Fight AIDS, Tuberculosis and Malaria. UN experts suggested the fund would need \$7-8 billion annually to have a significant impact. On May 27, 2001, Bush announced that the United States would make a founding contribution of \$200 million to the Global Fund and pledged to add more once programs proved to be effective. At this time, administration officials pressed the UN to spend most of its money on prevention rather than treatment. For example, Agency for International Development (USAID) administrator Andrew Natsios testified to Congress that sending antiretrovirals to African countries would be ineffective given their lack of trained doctors, limited infrastructure, and Africans' inability to follow a complicated treatment regimen because of their insufficient knowledge about watches and clocks.<sup>1</sup> In June 2002, Bush announced a new U.S. prevention initiative of \$500 million to reduce mother-to-child transmission of HIV.

Within the administration, support for increased AIDS programs came from a number of cabinet members, other top aides, and from Bush himself, who reportedly came to see it as a moral matter, but feared that money would not be spent effectively.<sup>2</sup> Meanwhile in Congress, support was mounting from both liberal Democrats, who had long pushed for greater action, and key Republicans. Senator Bill Frist, the majority leader after 2003 and a heart surgeon who volunteered for medical missions in Africa, and Senator Jesse Helms, formerly a sharp critic of most U.S. aid programs, were particularly crucial players. The liberal-conservative alliance in Congress was mirrored in nongovernmental groups ranging from traditionally liberal

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<sup>1</sup> For Natsios' comments and reaction to them, see Miles A. Pomper, "U.S. Agonizes Over Commitment to Fighting AIDS in Africa," *CQ Weekly*, June 23, 2001.

<sup>2</sup> Mike Allen and Paul Blustein, "Unlikely Allies Influenced Bush to Shift Course on AIDS Relief," *The Washington Post*, January 30, 2003; and Sheryl Gay Stolberg and Richard W. Stevenson, "Bush AIDS Effort Surprises Many, But Advisers Call It Long Planned," *The New York Times*, January 30, 2003.

humanitarian and medically-focused groups to conservative Christian groups. The role of evangelical Christian groups is intriguing since early in the AIDS epidemic they at times suggested that AIDS was God's punishment for immoral behavior, but, by the late-1990s, key leaders such as Billy Graham's son Franklin argued that Christians had a religious responsibility to assist the sick.<sup>3</sup> It is an overstatement to suggest that Bush moved forward simply to placate his Christian conservative base, sharp decreases in antiretroviral prices and encouraging data on Uganda's programs were certainly at least as important, but, as Bono, the Irish rock star and longtime AIDS activist, commented, "The administration isn't afraid of rock stars and student activists—they are used to us. But they are nervous of soccer moms and church folk. Now when soccer moms and church folk start hanging around with rock stars and activists, then they really start paying attention."<sup>4</sup>

The stage was therefore set for Bush's January 2003 announcement:

The Emergency Plan for AIDS Relief -- a work of mercy beyond all current international efforts to help the people of Africa. This comprehensive plan will prevent 7 million new AIDS infections, treat at least 2 million people with life-extending drugs, and provide humane care for millions of people suffering from AIDS, and for children orphaned by AIDS. I ask the Congress to commit \$15 billion over the next five years, including nearly \$10 billion in new money, to turn the tide against AIDS in the most afflicted nations of Africa and the Caribbean. This nation can lead the world in sparing innocent people from a plague of nature.<sup>5</sup>

The \$15 billion commitment included \$5 billion for existing bilateral programs throughout the world, \$1 billion for the Global Fund, and \$9 billion for new programs in 14 targeted countries.<sup>6</sup> The target countries were home to roughly half of the world's 40 million people living with HIV/AIDS. It was noteworthy that Bush established specific targets for

<sup>3</sup> Holly Burkhalter, "The Politics of AIDS," *Foreign Affairs*, 83 (Jan/Feb2004): 8-14; and Helen Epstein, "God and the Fight Against AIDS," *The New York Review of Books*, April 28, 2005.

<sup>4</sup> Bono, as quoted in Sheryl Gay Stolberg, "The World: A Calling to Heal; Getting Religion on AIDS," *The New York Times*, February 2, 2003.

<sup>5</sup> "State of the Union, 2003" available at <http://www.whitehouse.gov/news/releases/2003/01/20030128-19.html>.

<sup>6</sup> The original target countries were Botswana, Cote d'Ivoire, Ethiopia, Guyana, Haiti, Kenya, Mozambique, Namibia, Rwanda, South Africa, Tanzania, Uganda and Zambia. Vietnam was added in 2004 after Congress mandated that a country outside of Africa and the Caribbean be added.

prevention, treatment, and care before any of the programs details were established. Also, important was the new idea of going beyond prevention to treatment, which would eventually represent a little more than half of all PEPFAR spending. A major portion of the prevention spending was to be modeled on Uganda's highly regarded ABC program- Abstinence, Be faithful to your partner, use a Condom.

In May 2003, not coincidentally just before Bush traveled to a G8 meeting where he would meet some of his European critics, Congress passed the necessary authorizing legislation. The legislation largely mirrored Bush's plans, but included three important limits. On the House floor, an amendment, supported by considerable administration lobbying, passed requiring that at least one-third of all prevention funds, which constituted 20 percent of overall funding, be spent to promote sexual abstinence until marriage. A second amendment allowed faith-based groups to reject strategies they considered objectionable, such as condom distribution. Third, the law authorized up to \$1 billion per year for the Global Fund, five times what Bush had favored, but it did not require that amount and also stipulated that U.S. contributions could be no more than one-third of total contributions to the Fund in any given year. These limitations had less support in the Senate, but Frist led the Senate to adopt the House bill by arguing that in this case, "We can't let the perfect be the enemy of the good."<sup>7</sup>

Money for PEPFAR was not appropriated until November 2003 and the need to develop a new program bureaucracy the further delayed activity, so little funding was dispersed the first year. Even through March 2005, only three percent of the authorized funds had been spent.<sup>8</sup> By the spring of 2006, however, the administration was able to provide impressive numbers in its second annual report to Congress. Overall U.S. spending on international AIDS was \$2.3 billion in FY2004, \$2.6 billion in FY2005, \$3.2 billion in FY2006, and was projected to be \$4.0 billion

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<sup>7</sup> Frist as quoted in Niels C. Sorrells, "Political Expediency Takes Over As Senate Passes AIDS Relief Bill," *CQ Weekly*, May 17, 2003.

<sup>8</sup> Laurie Garrett, "The Lessons of AIDS," *Foreign Affairs*, 84, (July/Aug2005): 51.

in FY2007.<sup>9</sup> Thus, the administration, with some prodding from Congress which increased early funding levels, appeared on track to reach its goal of \$15 billion in 5 years. More than 1,200 prime or subcontractors had received funds. Just under half of the prime contractors were indigenous organizations. Roughly 80 percent of all contractors were nongovernmental organizations and, by FY2005, a quarter of all contractors were faith-based.

Prevention funding had supported outreach activities to over 40 million people. An estimated almost 50,000 infant HIV infections had been prevented through mother-to-child programs. Abstinence and fidelity programs received \$75.6 million in 2005, 7 percent of overall spending, while programs that support condom distribution and related programs received \$65.7 million or 6 percent of overall funding. The administration thus argued that it was well on its way to the goal of preventing seven million infections.

Antiretroviral treatment had been supported for 401,000 people in the targeted countries and another 70,000 people worldwide through September 2005. These figures kept the program well away from its target of 2 million receiving treatment in part because of the slow approval of generic drugs using PEPFAR funding and in part because of significant logistical difficulties in some countries. It also should be noted that there is much controversy over how the United States reached these figures. Almost half of the people worldwide said to be receiving U.S. supported treatment were benefiting from the Global Fund and thus only indirect U.S. funding. Also, the United States has released various figures of 20,000 to 32,000 for patients in Botswana using the idea that patients receiving treatment after the country received funds for general “system strengthening” should be included. The manager of Botswana’s treatment program

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<sup>9</sup> These and the following statistics are found in *Action Today, A Foundation for Tomorrow: The President’s Emergency Plan for AIDS Relief, Second Annual Report to Congress*, February 2006.



called the U.S. figures “a gross misrepresentation of the facts” and several Botswanan officials have said that not a single person is receiving treatment as a direct result of U.S. funding.<sup>10</sup>

Overall, PEPFAR’s first years have far exceeded the expectations of its critics and it should not be forgotten that, even if one adjusted the disputed numbers downward, the recent figures are several fold better than before 2003. PEPFAR has not, though, reached the bold goals of its supporters and its legacy on several policy disputes has generated much controversy.

### AIDS as a Security Issue

In its first years, AIDS was thought of largely as a medical problem. As the scope and impact of the disease became more clear, discussions centered on AIDS as a social and economic challenge for certain countries. Beginning in the late-1990s, the terms of discussion shifted once more and the AIDS epidemic came to be described as a security issue. This shift was apparent in the academic literature as articles on AIDS appeared in several major journals in the field of security studies.<sup>11</sup> It also was evident in government discussions.

By 1999, key members of the Clinton administration, particularly ambassador to the UN Richard Holbrooke and Vice-President Al Gore, were committed to putting AIDS on the security agenda. Their efforts led to an unprecedented January 2000 discussion of the issue in the UN Security Council. There, and elsewhere, supporters made the case that the epidemic’s impact on social systems, economies, governing capacities, militaries, and peacekeeping operations meant that it would affect not just individuals, but institutions, and thus it was a “security threat of the greatest magnitude.”<sup>12</sup> There also was an argument based on the emerging idea of “human

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<sup>10</sup> Segolame Ramotlwa, as quoted in Craig Timberg, “Botswana’s Gains Against AIDS Put U.S. Claims to Test,” *The Washington Post*, July 1, 2005.

<sup>11</sup> J. Stephen Morrison, “The African Pandemic Hits Washington,” *The Washington Quarterly*, 24 (Winter 2001): 197-209; Stefan Elbe, “HIV/AIDS and the Changing Landscape of War in Africa,” *International Security*, 27 (Fall 2002); Nicholas Eberstadt, “The Future of AIDS,” *Foreign Affairs*, 81 (Nov/Dec 2002): 22-45; Gwyn Prins, “AIDS and Global Security,” *International Affairs*, 80 (2004): 931-52.

<sup>12</sup> Gore’s speech to the UN as quoted in Prins, 941.

security” that, even if AIDS somehow did not affect broad institutions, it would affect the core individual right of life and therefore should be seen as a security concern. In July 2000, the Security Council passed Resolution 1308, which declared that action was necessary before the HIV/AIDS pandemic could threaten world stability and security. At that same time, Clinton announced that AIDS would now be considered a threat to U.S. national security.

The advantages of defining AIDS in security terms are complex, but a few points stand out.<sup>13</sup> One major advantage is that security issues are like playing trumps. They immediately rise to the top of the policy agenda. They also tend to get long-term commitments of leaders’ time and country resources. Additionally, if AIDS contributed to acceptance of the concept of protecting human security, that could have major implications for issues such as global warming, famine, or human rights abuses.

There also were potential disadvantages of putting AIDS on the security agenda. To make the case of a security threat, there has to be fear of a clear and present danger. This has the potential to further stigmatize individuals who suffer from AIDS, or countries with large numbers of infected citizens. Many African countries were therefore hesitant about, or even opposed to, defining AIDS in such sweeping terms. Generating fear of an imminent threat also raises the question of how you know when that threat has receded sufficiently to declare it eliminated. Many observers also worried that defining an issue as a security threat meant it would now be controlled by state responses and political calculations rather than by private groups making medical and scientific judgments. A problem reminiscent of how development aid came to be seen primarily as a tool of anticommunism during the Cold War.

Intriguingly, under Bush, as AIDS rose on the U.S. agenda and funding surged, talk of AIDS as a security problem greatly receded. The countries targeted for most U.S. aid did not include China, India, and Russia, three strategically important countries that analysts suggest

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<sup>13</sup> Some of the following discussion is based on Prins, 940.

might be shaken by the second wave of the pandemic. AIDS receives only passing mention in Bush's National Security Strategy released in 2002. In his major comments on the issue, for example a detailed speech given days after the 2003 State of the Union introduced PEPFAR, his comments at the signing ceremony of the authorization law, his remarks while visiting Africa, and speeches delivered on annual World AIDS days, Bush never used the word security.

Instead, those speeches repeat themes first enunciated in January 2003:

We have a chance to achieve a more compassionate world for every citizen. America believes deeply that everybody has worth, everybody matters, everybody was created by the Almighty, and we're going to act on that belief and we'll act on that passion.<sup>14</sup>

The first major idea is that action should be taken from pure compassion and a desire to preserve human dignity. In essence, "compassionate conservatism" brought to the international arena. Second, Bush often argues that the U.S. has a special role on issues of human dignity because of its long history of compassionate policies such as the Marshall Plan, the Berlin Airlift, and the Peace Corps. Third, Bush frequently ties AIDS relief to a religious obligation to help the suffering because all humans are God's creations.

Continued attention and funding after the switch from security to humanitarian and religious justifications can be read in a positive light as showing that the United States and the broader world community are finally acting for the betterment of humanity rather than for pure national interests. However, if international politics have not been so revolutionized, it may mean that, in time, AIDS programs will lose the priority they would have received as a security issue. So far, they have withstood focus on the war on terrorism and competing humanitarian focus on aid for tsunami and hurricane Katrina victims, but whether they will continue to withstand such pressures, especially under a less religious focused administration, is in doubt.

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<sup>14</sup> "Fighting Global HIV/AIDS, January 31, 2003" available at <http://www.whitehouse.gov/news/releases/2003/01/20030131-4.html>.

Also, it is now clear that few Americans ever fully accepted the security arguments. As long as the epidemic remains centered in Africa, the economic and security interests at risk are too small and too remote for the average American to be concerned. The concept of human security remains, but is not widely used outside of academic or UN circles. In the future, the United States may choose to continue action against AIDS, and may choose to act in other humanitarian cases, but it does not feel compelled to act on security grounds. Continued talk of AIDS as a security issue may in fact bring more negatives in terms of stigma and politicized programs than any small gain.

#### Bilateral versus Global Action

Almost as soon as Bush announced the major U.S. initiative under PEPFAR, observers began to question what relationship the bilateral program would have with the recently created UN Global Fund. Bush was careful to announce plans to continue donations to the Fund and noted that U.S. Secretary of Health and Human Services Tommy Thompson had just been elected Chair of the Fund's Board. From the UN, as well, the official view was that the programs were complementary, not adversarial.

There were, though, clear signs of friction from both sides. The day of Bush's State of the Union address Anil Soni, adviser to the Global Fund's executive director, commented that the United States "taking a unilateral approach" could hamper care for victims.<sup>15</sup> Subsequently, Ambassador Stephen Lewis, the UN Secretary General's special envoy for HIV/AIDS in Africa, became a frequent and blunt critic of U.S. funding priorities and prevention strategies. Other top UN officials also pressed for sharp increases in U.S. support for the Fund. Meanwhile, administration officials criticized the Fund's management and effectiveness. Bush's initial five year plan called for donating \$1 billion to the Fund a fraction of the \$14 billion to be spent on

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<sup>15</sup> Soni, as quoted in Allen and Blustein.

bilateral programs. The president's budget requests repeatedly targeted only \$200 million annually for the Fund, but Congress increased the donations in each year from FY2003 to FY2005, so total U.S. funding was more than double the president's requested figure.

Among those interested in AIDS policy, a fierce debate has raged over whether in the long-run UN, or U.S., programs are preferable. Some support for the UN comes from baseline anti-U.S. and pro-multilateral sentiments, but Fund supporters raise several other points. In a world where AIDS is creating massive problems and where resources to combat the epidemic are finite, it is crucial to pool funds and knowledge, rather than set up multiple programs each with their own bureaucratic overhead and own expertise. The UN has existing institutional ties in many countries and, generally, those programs do not trigger the same domestic opposition as programs led by specific richer countries like the United States. Working through a multilateral forum also decreases the chance that the political interests or moral preferences of any one country will dominate decisions. Finally, the Fund's money is disbursed in grants to local groups, so more of the money goes to citizens of those countries, not large international NGOs, and there is greater potential for local capacity building.<sup>16</sup> Supporters of working through the Fund also suggest that it could help U.S. interests if the United States was perceived as the leader of a global humanitarian effort and if other countries shared the financial burden of AIDS activism.

Those favoring channeling most, or all, of the money through bilateral programs argue that the UN agencies are not the right vehicle for a major health program. Historically, the UN had placed little emphasis on programs that directly provided medical care, plus multiple agencies shared responsibility for AIDS responses. These problems have been lessened with expertise gained in recent years and a consolidation of offices under UNAIDS, but doubts about

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<sup>16</sup> Some of these points are detailed in J. Stephen Morrison and Todd Summers, "United to Fight HIV/AIDS?" *The Washington Quarterly*, 26 (Autumn 2003): 177-193.

capacity remain. There are also long-standing questions about the UN's financial practices and supervision of those receiving grants. In contrast, U.S. programs could be guided by professionals with years of experience in health management and treatment programs. A bilateral program would have a single central bureaucracy and tight monitoring of dispersed funds. Furthermore, although the United States would likely be the largest financial contributor to a multilateral effort, it would have to share planning and operational responsibility. In contrast, a U.S. program could be fully guided by U.S. interests and perspectives, which would also make it easier to hold together the domestic coalition supporting the program.

Of course, decisions between multilateral and bilateral programs are not made entirely through debates of their theoretic benefits. In this case, the Fund's performance to date has reinforced many of the worries expressed by its critics and therefore lessened the likelihood of multilateral efforts in the future. Even those generally favorably inclined to the Fund have been sharply critical of its slow disbursement of money. Through the spring of 2005, virtually no funds had been used to buy antiretrovirals, despite the fact that millions of dollars in grants had been approved. In many cases, the money remained in bank accounts while UN and local bureaucracies slowly established programs. There also have been problems in financial accountability. The Fund had to suspend grants in Ukraine in January 2004 and Uganda in August 2005 when mismanagement was reported. The Fund has also suffered from a severe lack of international financial support. Although the United States has committed the vast majority of its money to bilateral efforts, it still has provided close to 30 percent of the Fund's contributions in most years. In 2003, the United States exceeded the congressionally mandated limit of 33 percent of funding, so \$87.8 million had to be held back in contributions the following year. The Fund is so short of money that, in September 2005, it approved 26 grants totaling \$382 million over the first two years, but had to only provisionally accept another 37 grants costing \$344

million in hopes that new funds would become available. The combination of slow disbursements, suspended programs, and limited funding of new grants has left the UN far behind its goal of treating 3 million patients by 2005.

Even had the Fund not stumbled, it is unlikely that the United States would have chosen to funnel the majority of its money through the UN. The arguments for a coordinated global response would convince most countries, but the United States simply is not the same as most countries. Although historically it has been a global leader for human rights and humanitarian action, the United States has been hesitant to commit to multilateral initiatives. It has stayed on the outside of UN conventions, numerous human rights treaties, and now the international criminal court, because of the country's self-confidence that it knows best and should thus be a leader not a joiner, and a strong determination to preserve U.S. sovereignty. These factors have now been reinforced by the U.S. role as the world's only superpower. The United States can afford to pursue many of its international goals unilaterally and thus sees multilateral initiatives not as burden sharing opportunities, but as constraints on its policy control. America's tendency to unilateralism was heightened by Bush's views of the world and then again by international disagreements over the war in Iraq, but it was not created by this administration and likely will not end with this administration.<sup>17</sup> Therefore, while some observers may prefer that humanitarian actions, and AIDS programs specifically, come from the UN, they are likely wasting their breath and possibly missing any chance they had to shape U.S. bilateral efforts.

### Factoring in Economic Interests

International aid programs are generally described in humanitarian or, at times, security terms, but it is also important to remember that they are big business. The contract to oversee

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<sup>17</sup> For more on how U.S. preferences and global power shape its human rights policies, see John W. Dietrich, "U.S. Human Rights Policy in the Post-Cold War Era: Continued Structural Constraints Across Time and Administrations," *Political Science Quarterly* (Summer 2006).

distribution of U.S. assistance is worth hundreds of millions of dollars. Increased spending on condoms means major new orders for condom producers. Most clearly, though, the move to spend significant U.S. money on treatment would have a huge impact on the pharmaceutical industry. One small indication of this was the creation of two lobby groups, the Corporate Task Force on AIDS and the Coalition for AIDS Relief in Africa, which brought together major pharmaceutical companies such as Bristol-Meyers Squibb, Abbott Laboratories, Pfizer and others to lobby Congress in support PEPFAR funding.

Through the spring of 2004, the administration held that to protect patent rights PEPFAR funds could only be spent on name-brand U.S. produced drugs. Bush still allowed companies in countries like India and Brazil to make generic versions of U.S.-patented drugs, but those companies were not supposed to export those drugs. Bush also sent an interesting signal on the issue by appointing Randall Tobias, the former chairman of Eli Lilly & Company who had no specific experience on AIDS or African politics, as U.S. Global Aids Coordinator overseeing the entire PEPFAR bureaucracy. While traveling in South Africa in 2004, Tobias commented about generics:

Patients . . . in Africa deserve to have assurances about the safety and effectiveness of drugs in the same way that people in the United States do. Maybe these drugs are safe and effective. Maybe these drugs are, in fact, exact duplicates of research-based drugs. Maybe they aren't. Nobody really knows.<sup>18</sup>

Others, however, argued that the generics were indeed safe because they had been approved through the World Health Organization's (W.H.O.) prequalification program and were being distributed by several governments, international NGOs, and groups financed by the UN Fund. They also argued that generics should be a crucial part of any major treatment strategy because their cost was only one-third, or less, the cost of U.S. brands. Furthermore, patient

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<sup>18</sup> Tobias as quoted in Nina Siegal, "No Experience Necessary: A Profile of Bush's AIDS Czar," *The Progressive* (November 2004): 33.



compliance with drug regimens could be increased by using 3-in-1 combination pills that were at the time not available from any U.S. manufacturer.

Pressure to change U.S. policy came from a host of players. AIDS activists argued that the President's comments on human dignity would ring hollow if the United States did not take every action possible to increase treatment numbers. Pressure also came from U.S. allies as representatives of the European Union's drug regulatory authority did not attend a U.S. led conference on generic medications and from U.S.-based service providers who hoped to buy drugs at the lowest available price. In May 2004, the administration shifted policy to permit PEPFAR funding of 3-in-1 pills and other generics, but only after they had Food and Drug Administration (FDA) approval. To facilitate approval, the FDA would waive the usual \$500,000 application fee and expedite the approval process.

Critics of U.S. policies argued that requiring FDA approval would not only slow delivery of drugs, but also was redundant given W.H.O. prequalification, and therefore was really a political move to once again assert U.S. independence. The administration maintained that careful approval procedures would decrease the chance of later problems. No generics completed the FDA process until January of 2005 and it was not until the end of 2005 that significant generics were being purchased. Additionally, U.S. companies remained the main providers of drugs for children and of second generation drugs used once drug resistance builds up.

Overall, the generic drug issue is an unusual example of a U.S. administration reversing policies in a way that put humanitarian objectives above economic gains for U.S. companies. Still, it appears likely to be the exception rather than the rule for future cases. This issue saw a particularly strong coalition of actors pushing for change, a rare case of a direct comparison between a U.S. and an equivalent foreign product, and a situation where lives potentially hung in

the balance. In most cases, one or more of those conditions will not exist. Therefore policy is more likely to resemble Bush's original plan that would have quietly pumped billions of dollars into U.S. corporations.

### Ideological Disputes

One of the main domestic constituencies supporting PEPFAR is Christian conservatives and President Bush supports many of their policy positions, so it is hardly surprising that some of the conservatives' preferences have been built into PEPFAR programs. On several issues, that conservative lean now threatens both programmatic success and the conservative-liberal coalition that worked together to initiate PEPFAR. There are several smaller issues in dispute and large controversies over the roles of abstinence, condom distribution, and faith-based programs.

By law, the U.S. government does not fund programs that exchange used needles for clean ones, although it does allow money to go to groups that use other funds to administer needle exchange programs. The argument against needle exchanges is that they support or encourage drug use. This policy has not been a major factor to date in U.S. AIDS efforts, because drug use is not a significant source of infections in Africa. It could grow in importance as the epidemic moves to Russia and China where needles are a major source of infection.

On abortion policies the U.S. government has even more restrictive rules. Under the Mexico City policy, no international aid may go to a group if any of that group's activities promote abortion. As PEPFAR legislation was moving through Congress, Bush announced that this rule would be somewhat relaxed for groups fighting AIDS, as long as they kept AIDS funds separate from other funds. Still, in August 2003, the administration terminated funding for a well regarded AIDS program run by a consortium of seven groups, because Marie Stopes

International had worked with the UN Population Fund that in turn had worked with the Chinese government that promotes abortion.

A third policy that has triggered debate is a legislative requirement that prohibits funding of any group that does not have an explicit, written policy opposing prostitution and sex trafficking. DKT, a firm that markets and distributes condoms, has sued the U.S. government arguing that the requirement is a violation of free speech. In May 2005, the Brazilian government refused \$40 million in U.S. assistance because it felt that the requirement would further stigmatize sex workers and make it difficult to provide AIDS information and outreach to an important target group. Most countries cannot afford the loss of U.S. dollars, so, if they choose not to sign the pledge, they may scale back programs rather than risk losing U.S. funds.

Much greater controversy has surrounded U.S. backed abstinence programs. Under the amendment added to the authorization legislation, at least one-third of all funds spent on prevention activities must go to abstinence and fidelity programs. This number is somewhat deceiving because mother-to-child transmission and blood safety programs are also included under prevention. Therefore, only 50 percent of prevention funds go to prevent sexual transmission, so two-thirds of those funds must go to abstinence and the remaining one-third covers all other counseling programs, condom distribution, and other activities. The President and PEPFAR strategy documents defend this focus with the idea that abstinence is the only guaranteed way to prevent infection and evidence from Uganda and elsewhere that sexual practices and infection rates were altered once the government began promoting the Abstinence and Be faithful parts of the ABC strategy.<sup>19</sup> Others, such as Edward C. Green, a medical anthropologist at the Harvard School of Public Health, argue that the fact that conservatives may

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<sup>19</sup> *The President's Emergency Plan for AIDS Relief: Five-Year Global HIV/AIDS Strategy*, Department of State, 2004.

favor this approach for social, as well as medical, reasons does not mean that the strategy does not work.<sup>20</sup>

Critics point out that, while abstinence promotion has a place in AIDS prevention, such a large focus is unwise. New data from a study conducted by Ugandan scientists in collaboration with Columbia and Johns Hopkins University shows that the effect of educational messages in Uganda seems to have peaked and that, in the last decade, the number of men in the study having two or more nonmarital sex partners has increased significantly.<sup>21</sup> More broadly, the Center for Health and Gender Equity reports that a survey of the available literature suggests “that abstinence-only programs have high rates of failure in terms of both infection and other adverse outcomes, such as unintended pregnancy.”<sup>22</sup> Furthermore, the large percentage of money going to abstinence programs crowds out funding for more general sexual education programs that can inform participants about how the infection spreads and contraceptive options. Given that the median age for first sexual encounter among women is just over 16 in many African countries and that over 50 percent of adolescent women are married in parts of Africa and Asia,<sup>23</sup> an abstinence focus is targeting only a small percentage of those at risk of infection.

On condoms, PEPFAR’s strategy documents propose rapid increases in condom distribution targeted at specific high-risk populations such as prostitutes, soldiers, sero-discordant couples and substance abusers. Distribution outlets should be placed near areas where high-risk behavior takes place, so that the general population receives a clear message that avoiding risk is the best mean of preventing infection. Under these guidelines, the administration has increased both funding for condoms and the numbers of condoms distributed per year.

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<sup>20</sup> Edward C. Green, “The New AIDS Fight; A Plan as Simple as ABC,” *The New York Times*, March 1, 2003.

<sup>21</sup> Lawrence K. Altman, “Study Challenges Abstinence As Crucial to AIDS Strategy,” *The New York Times*, February 24, 2005.

<sup>22</sup> Center for Health and Gender Equity, *Debunking the Myths in the U.S. Global AIDS Strategy: An Evidence-Based Analysis*, March 2004, 8.

<sup>23</sup> Center for Health and Gender Equity, 6.

The problem with targeting only high risk populations is twofold. First, reports from targeted countries indicate that condom users are now becoming stigmatized as promiscuous and irresponsibly pro-sex.<sup>24</sup> In societies that have long avoided open discussions of sexual topics, policies that encourage negative views of those who take steps to protect themselves could lead to more misinformation and unsafe sexual practices, and therefore more infections. Second, in countries with adult infection rates as high as 20 or 30 percent, it is difficult to argue that anyone sexually active is not at high risk. There are the sexually active single youth discussed above, but also married women, who remain at significant risk if their husbands have other sexual partners, and neither abstinence education nor condoms for high risk populations address this group.

A third major point of debate has been the role of faith-based organizations. The administration argues that in many rural areas faith-based organizations are the only established institutions providing aid and that, in general, religious organizations are deeply passionate in their commitments. Bush also feels that in both domestic and international settings faith-based groups should not be discriminated against based on their organizing principles. Administration critics point out that there now appears to be reverse discrimination, favoring faith-based over secular groups. In several cases, major funds have gone to religious groups with little or no experience in AIDS programs or in Africa. Conservative religious groups such as Focus on the Family have sent Members of Congress lists of organizations, including non-evangelical Christian organizations, which they feel are not fully committed to anti-abortion, anti-prostitution, pro-abstinence messages and therefore should be denied funding in the future.

In an incident highlighting the overall issue, USAID's Natsios approved a grant in the fall of 2004 for the Children's AIDS Fund, a Washington based group that promotes abstinence education and is led by Anita M. Smith, who has close ties to President Bush. In the earlier

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<sup>24</sup> Beatrice Were, "The Destructive Strings of U.S. Aid," *The International Herald Tribune*, December 15, 2005.

review process, an expert committee had judged that the request was “not suitable for funding.”<sup>25</sup> Natsios approved the project in part because the Children’s AIDS Fund has ties with the Uganda Youth Forum led by Janet Museveni, the first lady of Uganda and an evangelical Christian. This relationship shows that a simple view of the U.S. pushing religious and moral values on the rest of the world misses the facts that there has been a major rise of evangelical Christian groups in Uganda and that the first lady’s influence has played a major part in the Ugandan government’s recent criticism of condoms and promotion of abstinence. Still, it should be noted that many faith-based groups openly acknowledge that they share their religious perspectives as they distribute education and assistance.

The exact impact of Bush’s choices on abstinence, condoms, faith-based agencies, and other issues is difficult to assess. In politics, though, perceptions often matter as much as hard facts. In many eyes, U.S. programs are not following established best practices and are using money as leverage to spread conservative moral and religious views. Stephen Lewis of the UN commented that a shortfall of condoms in Uganda was “being driven and exacerbated by PEPFAR and by the extreme policies that the administration in the United States is now pursuing.”<sup>26</sup> In PEPFAR’s early days, there were tense meetings between U.S. officials and leaders in Mozambique who perceived U.S. policies as arrogant and neocolonial.<sup>27</sup> Top U.S. officials are aggressively booed and heckled at International AIDS Conferences. Clearly, if one goal of the administration was to improve its world image through humanitarian efforts, this has not worked and, instead, administration policy choices have reconfirmed views of the U.S. as a unilateral power imposing its views on others.

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<sup>25</sup> David Brown, “Group Awarded AIDS Grant Despite Negative Appraisal,” *The Washington Post*, February 16, 2005.

<sup>26</sup> Lewis as quoted in Jeevan Vasagar and Julian Borger, “Bush accused of AIDS damage in Africa,” *The Guardian*, August 30, 2005.

<sup>27</sup> Deborah Sontag, “Early Tests for U.S. in Its Global Fight on AIDS,” *The New York Times*, July 14, 2004.

Critical perceptions have also increased within certain U.S. nongovernmental groups. To some degree, this may reflect the fact that by definition activists are rarely satisfied with existing policies and tend to express their views in sharp language. This baseline distrust was shown when critics held a conference call to denounce a Bush speech, even though none of the group had actually listened to the speech.<sup>28</sup> The criticism also, though, reflects the view that, when the conservatives became interested in what previously had been a liberal issue, they effectively took programmatic control leaving the liberals on the outside of decisions, but in an awkward position since Bush is providing far more funding and attention than any previous president. It is an interesting question whether liberal groups would have been so supportive of the PEPFAR initiative in 2003, if they had known what policies would be implemented by 2006. Certainly, in the future, it will be harder to build conservative-liberal alliances on humanitarian issues.

### Conclusion

Overall, PEPFAR remains a historically unparalleled effort to address an epidemic ravaging the developing world. Its practical impact should grow in coming years now that programs are established and generic drugs can be purchased with PEPFAR funds. The way that PEPFAR has been justified and implemented also gives interesting clues about its future and the future of other humanitarian and aid programs. The idea of AIDS as a security issue has receded. U.S. programs remain an optional effort to address other countries' crisis, so may be cut in the future. Also, there seems little to be gained by supporters of other programs in trying to play the security card. Multilateral AIDS efforts will continue, but they will not be as large as U.S. efforts. Economic interests remain a factor in U.S. aid programs, but can under certain conditions be superseded by humanitarian goals. Finally, as long as conservative Christian

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<sup>28</sup> David E. Sanger and Donald G. McNeil Jr. "Bush backs Condom Use to Prevent Spread of AIDS," *The New York Times*, June 24, 2004.

groups remain a major force at the White House, U.S. programs will be criticized internationally and liberal domestic groups will be wary of supporting administration initiatives.