

JUNE 5, 2012 / 8 COMMENTS

WHO'S FUNDING WHO?

Michael Day posed this question as the title to [a piece](#) he wrote in the BMJ five years ago. Then, Day was reporting on a relatively modest sum of money (\$10,000) finding its way to the World Health Organisation (WHO) from the pharmaceutical company GlaxoSmithKline (GSK) via a third party charity. I pose it now not because I have a new scandal to report, but to draw your attention to two documents circulated as background reading for the just-concluded World Health Assembly – documents enticingly titled [A65/29 Add.1](#) and [A65/30](#). These documents tell you how much money the WHO received during 2010-2011, and from whom. They were also the subject of a bit of a spat last year in the magazine [Foreign Affairs](#) between Sonia Shah and Christy Feig. So, I approach a summary of the data with some caution. As Susan Strange once warned: Cave! Hic dragones!

You might think that the WHO is a wholly publicly funded organization. As an inter-national organization, you might imagine that its 194 member states give it the money it needs to do its job properly. You might also expect that WHO would be free to do what it wanted with that money: after all, WHO has health experts a-plenty, has a strategic plan, knows what the world's health priorities are. So it should be trusted to do what it thinks best with its donations, right? Wrong.

Assessed vs Voluntary contributions

WHO's approved Programme Budget for 2010–2011 was US\$ 4.5 billion. That money comes from two separate sources of funding: assessed contributions from WHO's 194 member states (means tested) and voluntary contributions

from member states and non-government funders such as foundations, investment banks, multi-national corporations, and non-government organisations. Assessed contributions (AC) are wholly flexible, they are agreed in advance and are thus predictable. This makes it easier for the WHO to plan what it wants to do with the money. Voluntary contributions (VC) are, well, voluntary. They don't have the same predictability as ACs (although there are no guarantees even with ACs, as Italy's recent shortfall in funding attests) and so make it difficult for the WHO to plan a realistic budget. Furthermore, only a tiny percentage of VCs are wholly flexible, meaning that the WHO is not free to do as it pleases with that portion of its money. For the two-year period 2010-11, US\$ 944 million (20%) was AC; US\$ 3600 million (80%) was VC.

Gates and Chan at WHA 2011

The Foundations are coming!

I was genuinely surprised to see who is funding WHO. First up, it gets a lot, I mean a LOT, of money from private foundations. At least 38 foundations provide 18% of WHO's VC funding, according to one [estimate](#). Just one foundation, the Bill and Melinda Gates Foundation (yes Bill Gates, the man who gave the world Microsoft and his wife) donated most of that – slightly more than \$446m in fact. That's more than any other donor except the United States and 24 times more money than Brazil, Russia, India, China and South Africa combined (the so-called newly-emerging economies). As with other voluntary contributions, BMGF doesn't just give its money to the WHO and say 'here's our donation, do what you like with it'. No, its voluntary contribution is "specified", it can only be spent on specific things decided by Bill and Melinda (and they really do decide themselves – their Foundation is very hierarchical).

A Robin Hood tax for health?

What about private industry – pharmaceutical companies for example? Do they fund WHO too? Pharmaceutical companies mostly contribute Schedule 5 'in-kind or in-service' VCs, donating drugs rather than cash. For example, GSK

donated almost \$80m under this category for the two year period. But they also contribute to Schedule 2 VCs too. Not much, peanuts in fact, but just reading down the list I can see all the big names: Bayer (\$1.12m), Bristol-Myers Squibb (\$1.2m), Eli Lilly (\$2.9m), GlaxoSmithKline (\$1.3m), Novartis (\$1m), Johnson and Johnson, Merck, Novartis, Pfizer, Sanofi-Aventis, etc. What's that? \$10m in total? I would get out of bed for less, but not much less. You might well be thinking that, given the huge revenues that pharmaceutical companies command, they should be compelled to contribute much more to the WHO than they do – in cash, as Assessed Contributions, and with no strings attached. A Robin Hood tax for health on pharma profits, anyone?

But currently they don't contribute much, so why all the hoo-ha about WHO's relationship with the private sector? After all, WHO has guidelines (albeit antiquated) for receiving cash donations from commercial enterprises:

“Funds may be accepted from commercial enterprises whose business is unrelated to that of WHO, provided they are not engaged in any activity that is incompatible with WHO's work”

There are a couple of issues here. First, some of the donors listed above have done things (and continue to do things) that have detrimental consequences to our health. I've already blogged about Novartis' attack on the generics industry in India, and there are too many cases of pharmaceutical malpractice to mention – but consider Johnson and Johnson's \$1.2 billion fine in April 2012 for seeking to conceal the dangers associated with an antipsychotic drug, or GSK's January 2012 400,000 pesos fine in Argentina for clinical trial malpractice, or Eli Lilly's \$1.415 billion fine in January 2009 for promoting its drug Zyprexa for uses not approved by the Food and Drug Administration (FDA), or Pfizer's \$2.3 billion fine in Sept 2009 for illegally promoting its Bextra painkiller and other drugs.

It's not who you are but who you also fund

Second, it's not who you are but who you also fund that matters. If we go back to

the Gates Foundation for a minute, an eye-opening [study](#) in 2011 summarised BMGF's stock portfolio.

*BMGF Stock portfolio (Stuckler, Basu, and McKee
2011)*

Remember, BMGF is the second biggest single donor to the WHO after the United States and yet, here it is, investing heavily in the likes of Coca Cola, McDonald's, Kraft, Nestle – manufacturers of notoriously calorific products, and pariahs in the eyes of many public health activists. The WHO knows that the world is getting heavier – it says so in its 2012 [World Health Statistics Report](#) – so you can see why civil society groups are crying foul over WHO's unashamed delight at receiving fat wadges of Gates' cash.

Spending time navigating your way around the budgets of health organisations may not be a high priority for most, but it is important. It is particularly important to understand the budget of the World Health Organisation, and to appreciate just how little funding that organisation receives. The WHO needs more Assessed Contributions if it is going to do what it does effectively and in the public interest. Voluntary Contributions are preventing the Organisation from doing its job, and it is becoming more vulnerable to the temptation of private financing. Fortunately, the WHO is also one of the very few remaining politically accountable international health organisations, which means we/you can put pressure on your elected officials to change the way they support it.

Andrew Harmer



LITSIOS SAYS:

Message: Nestlé's anti-health policies

Please find below a press release and a letter which is self-explanatory. I am also sharing with you the link of a Swiss French TV News report (broadcasted 15th of May) and an article in the French newspaper Le Monde (published 17th of May) on the subject. The letter to Mr Brabeck, President of Nestlé can be downloaded from the website of Swiss TV News (see the link below). These are what have been published so far; more will come.

<http://www.rts.ch/info/economie/3988696-une-ex-responsable-de-la-securite-alimentaire-depose-plainte-contre-nestle.html>

http://www.lemonde.fr/economie/article/2012/05/16/une-ancienne-sous-directrice-de-nestle-denonce-la-gestion-defaillante-du-groupe-en-matiere-de-securite-alimentaire_1702182_3234.html?xtmc=motarjem&xtcr=1

I would like to also highlight that as opposite to what it may be understood from the TV report, the court case is not about compensation. It is about documenting the case and reporting it legally as the burden of memories is so painful that I could not carry them in my heart. Also, I need to get some answers from the Management of Nestlé. So far, I have received no answer except lies. Indemnity asked is “one franc”. Otherwise I am asking compensation for the financial expenses and damages.

What I would like to communicate to the world is:

Today I am fighting for a “cause” and not for myself only. My case is given as a symbol and an example of this cause, as I know it well and have personally witnessed and experienced the suffering of the victims of harassment and have an in-depth understanding of the root cause of organisational/societal accidents . In this cause, I have multiple points:

a) The irresponsible and toxic management of companies is a risk for the society: risk for the environment, health of employees and their family, safety of products and consumers (food, drugs, cars etc), safety of services (e.g. transport) or finance. With international trade, the risk is global.

b) Psychological harassment equals “psychological torture” but without blood and without wounds; if not leading to suicide (over 30 cases in France Telecom), it torments and kills the soul of people. As such it is a crime and not a simple conflict as considered in the law of some countries. Such practices are not in line with the societal values of a civilised country and it should not be allowed in any country. It is a crime and against the human right. The problem of the victims is that they are all individual cases, here and there, and not a cluster of people to attract the headline of media. As a result, no one is caring about their case. While, this is a widespread societal problem. A civilised society cannot preach to other countries on human right issues when the human right is not respected on its own territories. Recognition of the torture of the soul is as important as the physical torture.

For individuals who have witnessed both problems as demonstrated in this case with Nestlé, it is essential for them to be able to speak openly about their experience and/or observations, short of which the pain will drive them to illness. Presently, the law in certain countries prohibit victims to disclose their information from the private sector. There is a need to protect whistleblowers.

🕒 JUNE 6, 2012

LIZ WINDSOR SAYS:

A point worth making (and certain you are very much aware of), is that while private sector companies may ‘donate’ relatively little, the big donor governments and now the foundations very often promote the interests of companies like those in the pharma sector (as seen in the negotiations establishing the WTO TRIPs etc). those fat wadges of Gates cash are only the tip of the iceberg when it comes to who promotes the interests of the private sector.



ANDREW HARMER SAYS:

Thanks for the comment Liz. My favourite quote on this, perhaps apocryphal, is an exchange between a lobbyist for pharma and a US senator. The lobbyist informs the Senator that 'industry' (meaning the pharmaceutical industry) doesn't have to lobby the Whitehouse because it is already there. In the UK, the revolving door between those senior ConDem cabinet members, HoC and HoL pushing for the disastrous NHS 'reform' AND private health companies has been well-documented – sadly to no effect

📅 JUNE 7, 2012

LIZ W SAYS:

I have been following the ConDem 'reform' alright. Seems that evidence (from the likes of the Equality Trust for example, though that may show my leanings) should never trump ideological commitment or interest politics. On interest politics and the promotion of corporate agendas in the Global Fund, the fishy appointments since the ousting of Kazatchkine appear to be moving to a new level of stink if this post by KEI is to be believed:

<http://www.keionline.org/node/1439>

Sarah Boseley asked in a Guardian blog post if the Fund was now saved and wrapped in the American flag following the HLP reforms, and that it would at least have a slightly less European flavour. Valid, yes. But the assumed ideological hue of a country or region misses an important point. Its more about who has captured the state as a vehicle to pursue their interests. Europeans are as likely to be captured by/acquiesce/facilitate corporate interests – your ConDem example is a case in point, as are recent FTA negotiations with the European Commission, with the data exclusivity chestnut, among a range of other proposed measures, proving this point. I've struggled to come up with a metaphor pile-up to express the ongoing servility of some donors in advancing the corporate acquisition of global health. Steve

Bell or Zapiro would do a better job at any rate using a simple old cartoon.

📅 JUNE 21, 2012

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