

RECENT OBSERVATIONS ON THE STATE OF THE GLOBAL FUND

In the past few weeks, a number of observers have commented on the current state of affairs at the Global Fund. Below, we provide excerpts from three of these commentaries.

<u>Sisonke Msimang</u>, "The Disastrous Effects of Global Fund Slashing" The Independent, Zimbabwe, 9 February

When the Global Fund was established in 2001, it was heralded as an innovative new institution – the creation of a movement that was coalescing around the idea that poor people need not die of preventable and treatable diseases simply because they happen to have been born on the wrong side of the planet or on the wrong side of town. Indeed, many thought that is was as close to an activist entity as was possible for an international body because it was created as a response to three devastating and somewhat interconnected epidemics, which had economic and social inequality as their common denominator...

Today, despite the Global Fund's track record of managing its funds well, demonstrating impact and acting swiftly to deal with corruption, donors have cited "bad governance" – as is the case with Zimbabwe – as an excuse for withholding further commitments. Others have blamed the global financial crisis. The irony of this has not been lost on activists who deal with the drivers of AIDS, TB and malaria on a daily basis. In the last two years, the Global Fund's biggest donors – the U.S. and the U.K. – have been able to bail out badly managed banks and other lending institutions, despite overwhelming evidence of unethical

behaviour, abuse of power and "bad governance" by senior management. Furthermore, as the economist Jeffrey Sachs has pointed out, the U.S. defence budget amounts to \$1.9 billion a day – just three days of that would plug the gap facing the Global Fund.

The reality is that the Global Fund – and I suspect, other development aid programmes – will bear the brunt of the rage of Western publics, incensed that good money has been thrown after bad to bail out large banks and then to save the Eurozone, which irresponsible countries have brought to its knees. In the end, rich or poor, we all lose if the Global Fund is not supported to live up to its full potential.

Sisonke Msimang is Executive Director of the Open Society Initiative for Southern Africa (OSISA).

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J. Stephen Morrison, "Reflections on Righting the Global Fund" Blog, Center for Strategic and International Studies (CSIS), 28 February

As 2011 wound to a close the drama around the Global Fund intensified, as did the angst and uncertainty of its future, and prospects for a durable recovery... The Fund had become inherently prone to crisis as it moved towards the end of its first decade, and as the global economic recession persisted. Most observers were slow to recognize these vulnerabilities. The Fund's abrupt transition proved rocky – strategically, psychologically, managerially – as it moved from the hubris of its heady expansionary phase into the current era of scarcity, heightened scrutiny and accountability. Many key decisions on what would be needed to repair and sustain the Fund were ultimately bundled and advanced in the midst of a worsening crisis of confidence and trust at the end of 2011.

Those decisions altered the Fund's fundamental outlook and methods of operation, and they were accompanied by a change of senior leadership...

In this next phase, a delicate challenge will be managing expectations, insisting upon a realistic appraisal of the complex challenges of righting the Fund, and ensuring in the Washington context that a bipartisan foundation of support is preserved.

J. Stephen Morrison is Senior Vice President and Director, Global Health Policy Center at CSIS. Mr Morrison has co-authored a report for CSIS, with Todd Summers, called "Righting the Global Fund," available here.

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<u>Richard Feachem</u>, "Fund to Fight Key Diseases Running Low" Providence Journal, 1 March

Unless we make a concerted and immediate effort to support the Global Fund, the tremendous gains it has made in the past decade will be lost...

The news of malaria's revised death toll, and the striking downward trend in annual deaths, show that we need the Global Fund now more than ever. Yet instead of planning to end malaria, we are praying that our families and friends survive the next rainy season.

Instead of creating the AIDS-free generation that President Obama envisions, we face scenarios in which millions now on treatment may be left for dead. Instead of modeling the elimination of tuberculosis, we are worrying about the rising tide of drug resistance.

It is time for governments to take an honest look at their foreign-aid programs. They would be hard-

pressed to find a better return on investment than what we have seen from the Global Fund. After 10 years, the Global Fund has unequivocally proven to be responsive, innovative and highly effective in its approach to aid. The United States should convene an emergency donor conference to mobilize new resources for the Global Fund. This is an investment we must continue to make.

Richard Feachem is Director of the Global Health Group at the University of California at San Francisco, and was the founding Executive Director of the Global Fund. Concerning Mr Feachem's reference to news of malaria's revised death toll, see GFO article.

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