

Through the Looking Glass



A CAGW Special Report

WHO: Taxpayers Won't Get Fooled Again *An Exposé on the World Health Organization*

By Elizabeth Wright
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1301 Connecticut Avenue, NW Suite 400 Washington, D.C. 20036
(202) 467-5300
Internet Address: www.cagw.org

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Elizabeth L. Wright, Vice President for Government Affairs

Thomas A. Schatz, President

David E. Williams, Vice President for Policy

Citizens Against Government Waste

1301 Connecticut Avenue, NW

Suite 400

Washington, DC 20036

Phone: (202) 467-5300

Internet Address: www.cagw.org

Executive Summary

The World Health Organization (WHO) was established in 1948 as the specialized agency for health at the United Nations. Since its inception, the WHO's mission has been to help all people obtain the highest possible level of health. The organization's greatest strides in improving public health have been in successfully fighting diseases like smallpox and polio. These results were achieved through international cooperation among governments, medical charities and non-governmental organizations.

Yet, despite the early successes of the WHO, its performance in recent years in fighting diseases like malaria and HIV/AIDS raises serious concerns. Medical policies that prioritize a "one size fits all" approach, together with a greater concern for publicity and political correctness rather than health standards, leaves many outside observers and experts worried.

These problems also concern U.S. taxpayers, since the United States has always been the WHO's largest contributor, currently providing 22 percent of the WHO's regular budget. In 2006-2007, that amount will be approximately \$201 million.

The promise by the U.S. to fight global diseases does not stop at the WHO. President Bush has committed an unprecedented \$15 billion over five years to increase access to medical services and bring life-saving treatments to the poor and sick living with HIV/AIDS throughout the world. Yet, WHO's procedures are often influenced by non-governmental organizations with agendas that are in conflict with our nation's policies.

This report provides a glimpse into the WHO's failed policies in addition to some possible solutions. More importantly, the facts and circumstances necessitate a close examination of the WHO by the U.S. Congress.

Introduction

Since its founding 61 years ago, the United Nations (UN) and its numerous agencies, including the World Health Organization (WHO), have been supported with billions of U.S. tax dollars. Our nation has been its largest contributor every year since 1945. For calendar year 2003, total U.S. contributions to the UN system was more than \$3 billion, amounting to approximately 22 percent of the UN regular budget. This total includes \$762 million in assessed contributions to the UN regular budget and its agencies, approximately \$1.1 billion in assessed contributions for UN peacekeeping activities, and

about \$72 million for war crimes, tribunals; and voluntary contributions (cash and in kind) to UN affiliated organizations.¹

Since the 1980s, as the result of criticism during the Reagan Administration, there have been a series of reform efforts made by UN leaders and threats of withholding of U.S. funds by Congress and/or the White House to assure those reforms are made. Following the latest and most significant financial boondoggle in UN history, the oil-for-food scandal, calls for change at the UN are louder than ever.

While comprehensive reform is essential, specific agencies in the UN and secretariats themselves also require strict scrutiny. As the bird flu spreads into Europe and there is more concern about a possible bird flu pandemic, it would fall on the shoulders of the UN's health agency, WHO, to respond to such an outbreak.

The WHO has had a good past but a checkered present in regard to international medical problems. If the world is going to depend on the WHO to protect it from the bird flu, there are significant issues that must be addressed. Since U.S. taxpayers provides 22 percent of the WHO's budget, our elected officials must take the lead in such an examination of the WHO.

What is WHO?

The WHO, a health agency of the UN, was established in 1948 and headquartered in Geneva, Switzerland. The organization is administered by the 192 Member States of the UN through the World Health Assembly. The Assembly usually meets in Geneva in May every year and delegations from all 192 Member States attend. The Assembly's primary function is to determine the policies of the WHO. The Assembly appoints the Director-General, supervises financial matters, reviews and approves the proposed program budget. It similarly considers reports of the Executive Board, which is composed of 32 members "technically qualified in the field of health" that are elected for three-year terms, meet at least twice a year, and have their main meeting in January. While the Board provides direction on certain matters and facilitates the Assembly's work, the Secretariat of WHO, staffed by 3,500 health and other experts and support staff on fixed-term appointments, carries out WHO's policies on a day-to-day basis. These individuals work at headquarters, in the six regional offices, and in various countries.²

The six regional offices are in the Republic of the Congo, Denmark, India, Egypt, the Philippines, and Washington, D.C. Unlike other UN agencies, the regional offices are autonomous and they elect their own regional director. Each regional director sets the guidelines for carrying out WHO's policies in that region.³

¹ CRS Issue Brief for Congress, *United Nations Funding: Congressional Issues*, November 30, 2005, pp. CRS1, 2.

² World Health Organization (WHO), *Governance*, Web sites accessed January 26, 2006, <http://www.who.int/governance/en/>; <http://www.who.int/governance/eb/en/>.

³ Wikipedia, *World Health Organization*, Web site accessed February 23, 2006, http://en.wikipedia.org/wiki/World_Health_Organization.

There are 147 country and liaison offices and their presence is determined by need in the host country. The country office is headed by a WHO representative, who is not a national of the host country, and holds rank and privileges similar to an ambassador.⁴

The present Director-General is Lee Jong-Wook, who was elected to his position in 2003 for a five-year term. He is a physician from the Republic of Korea and has worked for WHO in a variety of capacities for 20 years.⁵

The current make-up of the 32-member Executive Board is as follows:⁶

AFRICA

- Guinea-Bissau 2003-2006
- Kenya 2004-2007
- Lesotho 2004-2007
- Liberia 2005-2008
- Madagascar 2005-2008
- Namibia 2005-2008
- Rwanda 2005-2008

AMERICAS

- Bolivia 2004-2007
- Brazil 2004-2007
- Canada 2003-2006
- Ecuador 2003-2006
- Jamaica 2004-2007
- Mexico 2005-2008

EASTERN MEDITERRANEAN

- Bahrain 2004-2007
- Iraq 2005-2008
- Libyan Arab Jamahiriya 2004-2007
- Pakistan 2003-2006
- Sudan 2003-2006

EUROPE

- Azerbaijan 2005-2008
- Czech Republic 2003-2006
- France 2003-2006
- Iceland 2003-2006
- Luxembourg 2004-2007
- Portugal 2005-2008
- Romania 2004-2007

SOUTH-EAST ASIA

- Bhutan 2005-2008
- Nepal 2003-2006
- Thailand 2004-2007

WESTERN PACIFIC

- Australia 2004-2007
- Japan 2005-2008
- Tonga 2004-2007
- Viet Nam

WHO's stated mission is to obtain the highest possible level of health for all people. The organization's definition of health is being absent of disease or illness, as well as complete physical, mental, and social well-being and not merely the absence of disease or infirmity. WHO's constitution states that a high standard of health is a

⁴ Ibid.

⁵ WHO, *Director General's Office*, Web site accessed February 23, 2006, <http://www.who.int/dg/lee/en/index.html>.

⁶ WHO, *Composition of the Executive Board*, Web site accessed January 26, 2006, http://www.who.int/governance/eb/eb_composition/en/index.html.

fundamental right of every human, regardless of race, religion, political belief, economic, or social condition, and good health for all must be obtained to secure peace and security. According to WHO, this can only be accomplished by full co-operation of individuals and nations and that unequal development in different countries for addressing health and the control of disease is a danger.⁷

Health Successes

WHO has had some remarkable successes in its history. One such example is the virtual elimination of smallpox. In 1967, WHO undertook a campaign to eradicate this disease and by 1977, the last known natural case occurred in Somalia. Since then, just one person was killed due to a laboratory accident in England in 1978. By 1979, the disease was declared to be officially wiped out.⁸

Another well-known success is the global campaign WHO undertook in 1988 to eradicate polio. Prior to this decision, the polio virus was widespread in more than 125 countries and was paralyzing 1,000 children a day. But, as a result of the Global Polio Eradication Initiative, the largest public health initiative ever undertaken, spearheaded by WHO, national governments, and others, polio had been eliminated from all but 6 countries by 2003. In that year, fewer than 800 children were paralyzed by polio.⁹

But these successes are lately being countered by questionable budget practices, policies, and undertakings. WHO, and the UN in general, have been known more recently for major ethical problems and scandals. American taxpayers need to be concerned about how their money is being used in both the assessed and voluntary budgets. As Congress considers passing measures to reform the UN, it also needs to pay closer attention to several of its sub-agencies, such as the WHO.

Health Failures

WHO's two most recent major undertakings, controlling and reducing the incidences of malaria and HIV/AIDs, have received much-deserved criticism. The problems associated with these projects are feeding concerns about WHO's ability to respond to other major health disasters, such as a bird flu pandemic.

⁷ WHO, *About WHO*, Web site accessed Jan. 26, 2006, <http://www.who.int/about/en/>; WHO Constitution, p 2. Web accessed March 9, 2006, http://w3.whosea.org/LinkFiles/About_SEARO_const.pdf.

⁸ WHO, *Small Pox—Historical Significance*, Web site accessed January 26, 2006, <http://www.who.int/mediacentre/factsheets/smallpox/en/index.html>.

⁹ Global Polio Eradication Initiative, *The History*, Web site accessed January 26, 2006, <http://www.polioeradication.org/history.asp>.

Roll Back Malaria Campaign

In 1998, WHO undertook the Roll Back Malaria campaign with a goal of halving malaria deaths by 2010. But by 2004, halfway through the project, WHO's own statistics showed that malaria deaths had increased.¹⁰

WHO's malaria effort was roundly criticized in the January 17, 2004 prestigious British medical journal *Lancet*. Researchers who authored the critical piece argued that WHO should be held accountable for medical malpractice with regard to malaria treatment. The authors pointed out that many African countries grudgingly use the off-patent drugs chloroquine and sulfadoxine-pyrimethamine because a more effective treatment, Artemisinin Combination Therapies (ACT), is too expensive. Unfortunately, it has been shown that the deadly malaria parasite, *P. falciparum*, has developed a resistance to chloroquine and sulfadoxine-pyrimethamine and continued use of these older drugs only exacerbates the resistance problem, leading to unnecessary deaths.¹¹

The authors noted that although WHO officially supports the use of ACT, there is a disconnection between official policy and reality. When poorer countries seek funding for the more expensive ACT medications, WHO and the Global Fund for AIDS, Tuberculosis, and Malaria (GFATM) – an international, independent public-private partnership designed to raise and manage money to fight the diseases – are often pressured out of providing it by other governments, including bureaucrats at the U.S. Agency for International Development (USAID), and succumb to the pressure to cut costs.¹²

The authors claimed that WHO had failed to define medical norms for malaria treatment, unlike carefully crafted and comprehensive treatment guidelines for HIV/AIDS and tuberculosis. To remedy the situation, the authors made several recommendations, including that WHO publish malaria treatment guidelines, make sure that GFATM only funds effective treatments, and see to it that the standard of care for malaria is routinely updated so as not to continually fund ineffective procedures or medications.¹³

The Wall Street Journal pointed out that while off-patent drugs are certainly cheaper, the whole purpose of providing funding to organizations like WHO and the GFATM is to pay for new medicines that work well but may be more expensive and therefore difficult for people in poor countries to purchase. The *Journal* questioned whether WHO willingly chose the cheaper, off-patent drugs because of ideological reasons. Organizations like WHO frown on patent laws and instead, often influence

¹⁰ Amir Attaran et al, "WHO, the Global Fund, and Medical Malpractice in Malaria Treatment," *The Lancet*, Vol. 363, January 17, 2004, p. 237.

¹¹ *Ibid*, p. 238.

¹² *Idem*.

¹³ *Ibid*. p. 239.

health professionals to use questionable, cheaper generics produced in countries like India or Argentina.¹⁴

WHO believes that innovation in public health means new ideas, policies, methods, and programs to improve public health but laments that a significant portion of the world's population has not gotten much benefit from new technologies. A 2003 report, entitled "Intellectual Property Rights, Innovation, and Public Health," by the WHO Secretariat, concluded that there is "clearly no universal solution to promoting innovation in public health while protecting intellectual property rights."¹⁵ Clearly, WHO's confusion over how improving health can go hand-in-hand with protecting patents adds credence to the *Wall Street Journal's* opinion.

WHO recently called for manuscripts on intellectual property rights and public health. The bulletin stated "this theme issue will expand on the debate surrounding intellectual property and drug development, genetic databases, copyright and the access to the results of publicly-funded research." WHO further asked, "how can research be funded when the object of its study is the people who cannot afford to buy its results," and "are there viable alternatives to intellectual property rights that could be used to reward innovation?"¹⁶ This issue bears continued surveillance since American pharmaceutical and biotech research companies produce some 60 to 70 percent of the world's new medicines¹⁷ and any changes to patent laws will affect mainly U.S. firms.

Pharmaceutical companies have demonstrated they are willing to provide drugs to poor people and nations that are suffering from a devastating disease so there is no need to steal intellectual property. However, WHO has already participated in such theft.

3 by 5 Campaign

In late 2003, WHO began a campaign to treat 3 million HIV/AIDS patients with life-prolonging antiretroviral drugs by December 2005. By June of 2005, WHO knew it was unlikely it would reach that goal and by December its failure was obvious when WHO announced that approximately only half of the goal was met.¹⁸

One continuing and questionable tactic in controlling HIV/AIDS is WHO's encouragement for the production of generic HIV/AIDS medications begun in 2001

¹⁴ "WHO's Bad Medicine," *Wall Street Journal*, January 21, 2004, p. A14.

¹⁵ WHO, *Report by the Secretariat: Intellectual Property Rights, Innovation, and Public Health*, May 12, 2003, p. 6.

¹⁶ WHO, *Bulletin Theme Issue on Intellectual Property Rights and Public Health*, Web site accessed January 31, 2006,

http://www.who.int/bulletin/volumes/83/intellectual_property_theme_call_for_papers/en/index.html.

¹⁷ Astara March, "Study Renews Call for Drug Price Controls," UPI, January 5, 2006; Web site accessed January 31, 2006, <http://www.upi.com/HealthBusiness/view.php?StoryID=20060105-044414-7511r>.

¹⁸ WHO, *3 by 5 Initiative, 3 by 5 Progress Report – June 2005*, Web site accessed February 8, 2006, <http://www.who.int/3by5/publications/progressreport/en>; WHO, *Message from the Director-General*, December 1, 2005, Web site accessed February 12, 2005,

<http://www.who.int/dg/lee/speeches/2005/worldaidsday2005b/en/index.html>.

through its Essential Medicines Prequalification Project. At that time, WHO added generic AIDS drugs made in India to its list of prequalified drugs. The essential medicines is a recommended list, developed for use by UN agencies, of drugs that WHO claims are the most safe, efficacious and cost-effective for priority conditions, like HIV/AIDS or malaria.

However, since India doesn't recognize patents, WHO was encouraging the theft of private property when it prequalified or approved such drugs. Furthermore, WHO is not a regulatory body, like the U.S. Food and Drug Administration (FDA), and therefore, does not have the experience and expertise to decide whether a drug is safe or effective.

This was demonstrated in May and August 2004 when WHO removed from its prequalified list several AIDS "generic" antiretroviral drugs after questions arose regarding the bio-equivalency, or the similarity, to the brand name drugs the generic companies were copying. WHO began to backtrack from its claim that its list of prequalified drugs were perfectly safe, effective, and could be used with confidence by health care providers. WHO officials defended their action by stating that "it is not a supranational regulatory authority" and that "full responsibility for authorizing, marketing, and use of medicinal products in public health programs rests with the national drug regulatory authority" and "these products may or may not be bio-equivalent."¹⁹

Another WHO venture that has raised eyebrows is its endorsement of the drug Triomune. This is the first 3-in-1 or fixed-dose combination (FDC) AIDS drug that has been produced, and it is manufactured by the Indian generic drug maker Cipla. It is a combination of the antiviral drugs nevirapine, stavudine, and lamivudine. However, there is no FDC drug that the generic manufacturer is copying. In other words, WHO has essentially approved and encouraged the use of a new drug that has not gone through rigorous clinical trials to determine if it is safe and effective.²⁰

The U.S. government does not recognize the WHO prequalification process and has said it will not use tax dollars to pay for HIV/AIDS drugs that have not gone through the FDA's approval process.²¹ The U.S. does have, however, an expedited review process for drugs to assure they are safe and effective while also ensuring that President Bush's taxpayer funded emergency \$15 billion AIDS relief package is not spent on useless or dangerous medications.²²

¹⁹ WHO, Department of Essential Drugs and Medicines Policy – HIV/AIDS, "Removal of Antiviral Products from WHO List of Pre-qualified Pharmaceuticals," September 1, 2004, Web site accessed February 10, 2006, http://mednet3.who.int/prequal/news/pq_news_01Sep2004.htm.

²⁰ Jeremiah Norris, "What Mine is Mine – What's Yours is Negotiable," The Hudson Institute, August 12, 2004, Web site accessed February 12, 2005, http://www.hudson.org/index.cfm?fuseaction=publication_details&id=3453.

²¹ Ellen Nakashima and David Brown, "U.S. Rule on AIDS Drugs Criticized," *Washington Post*, July 14, 2004, p. A12.

²² Dept. of Health and Human Services, "HHS Proposes Rapid Process For Review of Fixed Dose Combination and Co-Packaged Products," Press Release, May 16, 2004, Web site accessed February 14, 2005, <http://www.hhs.gov/news/press/2004pres/20040516.html>.

While some critics of U.S. policy speciously claim the only reason for this decision is because the Bush Administration is in the pocket of pharmaceutical companies, there is a sound, scientific reason for its strategy. Pharmacologists know that when drugs are combined, they can behave differently than when taken separately. Furthermore, Terrance Blaschke of the Stanford Medical School said that inferior FDCs can accelerate the emergence of a drug-resistant HIV.²³

Political Correctness Affects Policy

Infant Formula vs Breast Milk

Few would argue that breast milk is not the best way to feed a newborn. Even Henry Nestlé, founder of the Nestlé company, which manufactures infant formula, recognized that breast milk was the best approach to feeding a child, if the mother is able to do so.²⁴ But WHO seems to have an ongoing opposition to commercially-produced infant formula. For example, it considered the health implications of direct advertising of infant formula to the general public. Because of the “hazards” of using infant formula, WHO stated it was no ordinary consumer product and therefore, should be treated more as nutritional medicine that is only used under the advice and supervision of a health professional.²⁵

Last year, WHO undertook a campaign as to whether to require warning labels that pathogenic microorganisms may be in commercial infant formula. On May 25, 2005 at WHO’s national assembly meeting in Geneva, Switzerland, the organization adopted a resolution calling on Member States to “ensure that caregivers of infants are informed about the risks associated with the potential contamination of powdered infant formula,” and “further urges Member States to ensure that nutrition and health claims are not permitted on breast-milk substitutes except where specifically provided for in national legislation.”²⁶

Dr. Henry Miller, former FDA official and current research fellow at the Hoover Institute, noted that infant formula is not sterile and already carries explicit information about the storage, preparation, and handling of infant formula. He argued that WHO’s decision is nothing more than a continuation of its anti-corporate bias and that the main effect of a warning label about the “danger” of infant formula will be to discourage the use of this valuable product, particularly in situations where it is needed.²⁷

²³ James K. Glassman, “Bush Critics Imperil Africa’s AIDS Victims,” *Newsday* (City), April 13, 2004, p. A38.

²⁴ Nestlé Corporation, “Baby Milk Issue Facts: Frequently Asked Questions,” Web site accessed January 31, 2006, <http://www.babymilk.nestle.com/FAQ>.

²⁵ WHO, *Infant Formula and Related Trade Issues in the Context of the International Code of Marketing Breast-Milk Substitutes*, Web site accessed January 31, 2006, http://www.who.int/nutrition/infant_formula_trade_issues_eng.pdf.

²⁶ WHO, *World Health Assembly (WHA) 2005: Resolution on Infant and Young Child Nutrition*, Web site accessed January 31, 2005, <http://www.who.int/foodsafety/publications/newsletter/15/en/>.

²⁷ Henry I. Miller and Gregory Conko, “The UN’s Silent Scandal,” *National Post*, June 29, 2005, p. A19.

Dr. Scott Gottlieb, Deputy Commissioner for Medical and Scientific Affairs at the FDA and former resident fellow at the American Enterprise Institute, also noted that WHO is engaged in anti-formula activities. For example, WHO and the United Nations International Children's Fund (UNICEF), have developed a set of codes governing the promotion of infant formula by manufacturers in order to limit the promotion and distribution of their products. Such restrictions include limits on advertising and prohibiting companies from giving free samples of infant formula.²⁸

Dr. Gottlieb pointed out that the International Baby Food Action Network, which acts as an official nutritional advisor to WHO, has taken even more hard-line stands against infant formula manufacturers. They conduct activist campaigns against manufacturers, attempt to prohibit manufacturers from making donations of formula to hospitals in poor countries, and claim manufacturers promote their products at the expense of people's health.²⁹

Dr. Gottlieb argued that WHO's action against infant formula is in line with its approach to other public health issues and solutions. While breast feeding is certainly a preferred approach for most people, there are women that may need an alternative. Women with HIV/AIDs, recurrent mastitis, yeast infections of the skin, or other physical conditions may find breast feeding difficult or risky. But WHO's objective of achieving easily reproduced public health strategies – the minimum standard necessary to produce the widest impact – leads to a cookie-cutter approach. At a minimum, WHO's approach denies choice which can be detrimental to many women and their infants. Governments and women should know there is a healthy alternative if breast milk is not a viable option.³⁰

Obesity

WHO calls the prevention of obesity in infants and young children a high priority. The agency's main strategies include "promoting exclusive breastfeeding, avoiding the use of added sugars and starches when feeding formula, instructing mothers to accept their child's ability to regulate energy intake rather than feeding until the plate is empty," among others. For children and adolescents, WHO states that promoting an active lifestyle, limiting television viewing, eating fruits and vegetables, restricting the intake of energy-dense, micronutrient-poor foods (e.g. package snacks), and restricting the intake of sugary foods and sweetened soft drinks, are ways to reduce obesity. For the whole world, WHO encourages a total of one hour per day of moderate activity such as walking.³¹

²⁸ Scott Gottlieb, MD, *When Population-Wide Politics and Personal Medical Care Collide*, Independent Women's Forum Position Paper, May 2005, p. 2.

²⁹ *Idem*.

³⁰ *Ibid*, pp. 6-7.

³¹ WHO, *Health Topics-Obesity*, Web site accessed February 13, 2006, http://www.wpro.who.int/health_topics/obesity/general_info.htm.

While the above activities are certainly useful and helpful, CAGW questions whether funding obesity initiatives should be WHO's concern, considering the millions of people who are literally starving in the world. Wouldn't these valuable funds be better used to feed Sudanese refugees or people in the Horn of Africa?

According to John Luik, a management and public policy consultant for government, professional organizations and corporations, WHO focuses too much on non-communicable, chronic diseases such as obesity and should do more to help the truly sick and the poor. WHO is prepared to spend at least \$198 million on health concerns such as high blood pressure, elevated cholesterol, cardiovascular diseases, and cancer compared to \$153 million on communicable disease prevention. Luik said WHO will spend money on diseases that disproportionately affect the old of the industrialized world as opposed to the desperately poor who routinely wish for a scrap of food or to simply live long enough to see old age.³²

Bureaucratic Obesity

Many have argued that WHO's own bureaucracy is large, cumbersome, elitist, too focused on health problems in highly developed countries, and more concerned with its own health than the desperately poor it claims to serve.³³

John Luik pointed out that too much is spent on WHO's salaries and that rich countries receive help at the expense of impoverished countries. For example, in the past, per capita spending in Haiti amounted to 12 cents, while oil-rich countries Saudi Arabia and Kuwait received 9 cents and 28 cents, respectively.

According to Luik, in the 2006-2007 WHO proposed budget, approximately \$188 million is used to support WHO's 140 country offices and bureaucrats. Of the \$153 million for communicable disease prevention and control, which should be WHO's primary mission, only 42 % is spent at the country level while 58% is spent on the bureaucracies at regional and headquarter levels. Human resources management will eat up \$51 million and infrastructure and logistics will use another \$130 million.³⁴ These are valuable funds that could be used more effectively to provide health treatment to the world's desperately poor.

WHO's Budget

When the World Health Assembly meets in Geneva this May, it will approve the WHO biennial budget. For years 2004-2005, WHO's total budget was \$2.8 billion and

³² John Luik, "Can This Patient be Saved?," TechCentral Station, May 24, 2005, p. 2, Web site accessed February 13, 2006, <http://www.techcentralstation.be/052505H.html>.

³³ Brian Doherty, "WHO Cares?," Reason On Line, January 2002, Web site accessed February 28, 2006, <http://www.reason.com/0201/fe.bd.who.shtml>; Luik, "Can This Patient be Saved?," pp. 1-2.

³⁴ Luik, "Can This Patient be Saved?," pp. 1-2.

its proposed budget for 2006-2007 is approximately \$3.3 billion, an increase of 17 percent.³⁵

WHO's budget is composed of two parts, its regular budget and a budget entitled "voluntary contributions," often referred to as the "other" budget. When broken down into these separate entities, WHO's regular budget, funded by assessed contributions by Member States, was \$880 million for 2004-2005 and the proposed amount for 2006-2007 is \$915 million. Surprisingly, the voluntary contributions, monies provided by Member States but also private donors, is more than twice the assessed amount. For years 2004-2005, the voluntary contributions were \$1.9 billion and for 2006-2007, the amount is expected to be \$2.4 billion, an increase of 23 percent.³⁶

The United States is the largest contributor to these budgets. U.S. taxpayers will be charged for 22 percent of WHO's assessed budget or approximately \$201 million.³⁷ In 2004, the U.S. provided approximately \$100 million more to support WHO's voluntary budget.³⁸

Although the U.S. contributes the biggest portion of WHO's total budget, it is not represented on its current 32-member Executive Board. Of the other countries who donate large amounts, including Japan at 19.5 percent, Germany at 8.7 percent, and the United Kingdom /Northern Ireland at 6.1 percent, only Japan is currently on the board.³⁹

Some argue that WHO, and the UN in general, should continue to rely more on voluntary contributions. In his September, 2005 testimony before the House Committee on International Relations, U.S. Ambassador to the UN John Bolton provided ideas on how to push UN reform, particularly since our large assessment carries a lot of weight. He noted that performance can change based on whether the agency relies on voluntary or assessed contributions. He remarked how a former UN official said voluntary contributions force agencies in the organization to be more efficient and more responsive to the priorities of major contributors, whether an NGO or a government.⁴⁰

But concerns have also been expressed that the reliance on voluntary or supplemental funding for the WHO is unwise. For example, some have recently argued that excessive reliance of U.N. agencies on supplementary funding "could undermine the credibility of the United Nations as a universal and neutral body, tying it to the vagaries

³⁵ WHO, *Proposed Programme Budget 2006-2007, Notes on Revision to the Proposed Programme Budget 2006-2007 Since the 115 Session of the Executive Board*, p. 12, Web site accessed January 26, 2006, http://www.who.int/gb/ebwha/pdf_files/PB2006/P1-en.pdf.

³⁶ Ibid, pp. 12-13.

³⁷ WHO, *Report by the Director-General, Assessed Contributions – Assessments for 2006-2007*, pp. 1-5, Web site accessed February 24, 2006, http://www.who.int/gb/ebwha/pdf_files/EB115/B115_17-en.pdf.

³⁸ Department of State, *Report by the Secretary of State to Congress for the Year 2004: United States Participation in the United Nations – Part 3*, p. 89, Web site accessed January 26, 2005, <http://www.state.gov/documents/organization/54456.pdf>.

³⁹ WHO, *Report by the Director-General: Assessed Contributions, Assessments for 2006-2007*.

⁴⁰ Statement of John Bolton, U.S. Permanent Representative to the United Nations, "Lessons Learned from the September 14-16 United Nations High Level Event," House International Relations Committee, Washington, D.C., September 28, 2005, p. 13.

of donor preference and priorities.” Still others have stated that supplementary funding for U.N. agencies was “increasingly tied to conditions” and that “regular budgets were being starved to keep them at zero or nominal growth, despite increasing demands for assistance.”⁴¹

“Other Budget” Influences

Some notable voluntary organizations that either provide or receive funding from WHO are well-known within philanthropic circles to support left-of-center causes, such as the Rockefeller Foundation and the Tides Foundations. Other donors include the Open Society Institute (OSI) and the U.N. Foundation that are run by George Soros and Ted Turner, respectively.

According to its Web site, the OSI, is “a private operating and grant making foundation, aims to shape public policy to promote democratic governance, human rights, and economic, legal, and social reform.” OSI is part of the George Soros Foundation Network. A quick review its Web site shows that the Soros-funded foundation has filed a lawsuit against the U.S. Agency for International Development (USAID) for requiring grantees to sign a pledge opposing prostitution, claiming our government’s policy is dangerous.⁴²

USAID’s Acquisition and Assistance Policy Directive points out that while our government requires a foreign NGO or public international organization to have a policy explicitly opposing prostitution and human trafficking, it does not “preclude the provision to individuals of palliative care, treatment, or post-exposure pharmaceuticals,” and other health supplies. Furthermore, organizations such as the Global Fund to Fight AIDS, Tuberculosis, and Malaria, the WHO and any United Nations agency are exempt from this obligation.⁴³

Since the United States has promised to provide \$15 billion over five years to fight HIV/AIDS, one would think opposing an activity that is hazardous and contributes to the trafficking of human beings would be the more sensible and prudent thing to do, rather the other way around as OSI claims. If OSI and other NGOs believe it is offensive to oppose prostitution, they can use George Soros’s billions for their activities outside of WHO and not put U.S. tax dollars at risk.

In 2004, the Tides Foundation received \$1 million from WHO for HIV treatment education and advocacy projects around the world. One example where Tides Foundation interests collide with U.S. policy is needle exchange for drug users. The Tides Foundation supports expanded access to clean syringes through syringe exchange

⁴¹ UN General Assembly, “Delegates Voice Concern Over Growing Reliance of U.N. Agencies on Supplementary Funding,” Dept. of Public Information, News Division, N.Y., N.Y., November 11, 2005, Web site accessed January 9, 2006, <http://www.un.org/News/Press/docs/2005/gaef3127.doc.htm>.

⁴² Open Society Institute, “OSI Sues USAID over Dangerous Public Health Policy,” Press Release September 23, 2005, Web site accessed February 28, 2006, http://www.soros.org/initiatives/health/focus/sharp/news/usaaid_20050923.

⁴³ USAID, *Acquisition & Assistance Policy Directive (AAPD)*, Issued June 9, 2005, pp. 4-5.

programs.⁴⁴ This should be of special concern to Congress and taxpayers since the U.S. provides 22 percent of WHO's funding.

The United Nations Foundation (UNF) was created in 1998 with a \$1 billion gift from Ted Turner. The UN Secretary-General established the United Nations Fund for International Partnerships (UNFIP) in March 1998 to coordinate, channel, and monitor contributions from the UNF. UNFIP also identifies and selects projects for UNF funding. In addition to its activities of receiving and distributing UNF funds, UNFIP monitors and evaluates the use of the foundation's funds and builds and implements public-private partnerships to address the world's most pressing problems.⁴⁵ Obviously, Ted Turner's foundation and the UN have a close, symbiotic relationship.

In its recent budget proposal, WHO admitted that simply increasing assessed contributions is "not sufficient to achieve a better balance between the two sources of funding" but an important first step to assure "the credibility and integrity of an Organization comprising of Member States, with a global responsibility."⁴⁶

Some argue that outside organizations or personalities have too influence over WHO's activities, directing funds and policy toward their particular pet project or agendas to the detriment of being able to address major global concerns. Conversely, one can ask if there should be more pressure on the UN to use private funding to bring more efficiency to the international body. As Congress and others ponder reforming the UN and its agencies such as WHO, it behooves senators and representatives to heed Ambassador Bolton's assessment that, "it is worth a careful study, on a results-oriented basis, of agencies funded by assessed versus voluntary contributions."⁴⁷

Conclusion

The World Health Organization is an important institution in the fight against global diseases. Sadly though, it appears the WHO is too often focused on political correctness or an "issue-du-jour" and is straying from commonsense health policy that can help bring basic medical services to those in need. WHO's attitude toward patented drugs, warning labels on infant formula, and fighting obesity are representative of larger philosophical problems. The organization often appears to be more concerned about ideology than actual health concerns.

We recommend the following actions be undertaken by Congress through oversight hearings:

⁴⁴ Tides Foundation, "Tides Foundation Receives \$1 Million from the World Health Organization for Collaborative Fund for HIV Treatment Preparedness," Press Release, December 16, 2004, Web site accessed January 31, 2006, http://www.tidesfoundation.org/press_rel_09.cfm.

⁴⁵ UN Foundation Web Site, "About Us, Our Relationship with the UN," Web site accessed January 31, 2006, <http://www.unfoundation.org/about/relationship.asp>.

⁴⁶ WHO, *Proposed Programme Budget 2006-2007*, p. 13.

⁴⁷ Hearing on United Nations Reform, U.S. House Committee on International Relations, September 28, 2005, Political Transcripts by CQ Transcriptions.

- Examine whether the WHO has misused American tax dollars through its policies and initiatives, including the promotion of drugs that violate patent laws;
- Decide whether large donors like the United States should have a permanent seat on the WHO Executive Board;
- Scrutinize the WHO's "other budget" and its influence on policies and initiatives, including the need to for greater transparency in the budgetary process to ensure it meets the stated mission of the WHO;
- Evaluate the best way to fund the WHO, either through assessments or voluntary contributions; and
- Determine the need for greater partnerships between the WHO and professional medical and public health organizations, including the ability to work in close cooperation with pharmaceutical and medical device organizations to assure that the best technology at the most affordable cost is being made available to improve the health of people around the world.

It is time for our nation's activity in WHO to be thoroughly reviewed and to advocate for change to make sure the agency's structure and mission can quickly and effectively address the severe health consequences that face our world today. If WHO cannot, it is time to put our tax dollars to better use.