

# AIDS Appointee Shows that Business Still Rules the Roost

By Jim Lobe | July 3, 2003

The appointment of a former top executive of a major U.S. pharmaceutical company and major Republican contributor as President George W. Bush's global AIDS co-ordinator has stunned and outraged AIDS experts and activists. Bush's choice of former Eli Lilly & Co. boss Randall Tobias was announced at the White House on July 1, just a few days before Bush's first trip as president to Africa. The U.S. Senate must confirm the nomination.

Tobias, who retired from Lilly in 1998 and more recently has served as vice chairman of AT&T, where he also worked before going to Lilly in the early 1990s, is supposed to receive the rank of ambassador and report to Secretary of State Colin Powell, a major force behind a five-year, 15-billion-dollar anti-AIDS initiative—called the “Emergency Program”—first proposed by Bush last January and approved by Congress in a somewhat amended form in May.

Implementation of that initiative, which is targeted at 12 sub-Saharan African and two Caribbean countries, will be Tobias' first responsibility, according to Bush. “Randy Tobias has a mandate directly from me to get our AIDS initiative up and running as soon as possible,” he said.

## Surreal Appointment

Prof. Jeffrey Sachs, head of Columbia University's Earth Institute and a special adviser to UN Secretary General Kofi Annan on the AIDS crisis, called the appointment “surreal” and continued that “This is an emergency that requires someone who's worked in the field and knows it thoroughly. We don't need someone who raises all sorts of questions about commitment and agenda.”

Advocacy groups called for senators to closely scrutinize Tobias' credentials and philosophy and determine whether, given his past ties to the industry, he will be able to fight on behalf of the millions of poor HIV/AIDS victims in desperate need of cheap anti-retroviral drugs in the face of opposition from the major western pharmaceutical companies, often referred to as Big Pharma. “This decision is another deeply disturbing sign that the President may not be prepared to fulfill his pledge to take emergency action on AIDS,” noted Paul Zeitz, executive director of the Global AIDS Alliance. “It raises serious questions of conflict of interest and the priorities of the White House.”

“Both the people of Africa and the people of the United States will lose if the president's AIDS initiative fails to use

the lowest-cost, generic medications,” Zeitz said, noting that the pharmaceutical companies have successfully pressed the Bush administration to go back on an earlier pledge to carve out an exception in international patent laws that would enable needy countries to import generic anti-AIDS drugs.

Others were openly scornful about the appointment. “We know he has little experience with AIDS, but lots as a major Republican donor,” said Salih Booker, director of Africa Action, a Washington-based fusion of several long-standing anti-apartheid groups. “This is where U.S. policy on AIDS is; it's with Big Pharma.”

A corporate executive throughout his career, Tobias has no background in public health and little or no experience with working in poor countries. In short remarks at the White House Tuesday, he described the statistics of the AIDS toll taken in Africa—where almost 20 million people have been killed by the disease—as “really nearly incomprehensible.”

At the same time, Tobias is known as a no-nonsense businessman who is particularly close to the recently departed director of the administration's Office of Management and Budget (OMB), a bureaucracy that could play a key role in securing the money to actually fund Bush's \$15-billion program.

“This is clearly a person with tremendous stature and management acumen,” said Sandra Thurman, who served as former President Clinton's global AIDS director and now heads the International AIDS Trust.

## Three Questions

The key test for many activists, however, will lie in how Tobias responds to three major questions regarding the Bush administration's global AIDS policies, of which Emergency Program is the central feature.

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The first concern involves the availability of generic anti-AIDS and other life-saving drugs to poor countries under the Program. While major pharmaceutical companies have sharply cut prices on their brand-name anti-viral medicines for AIDS victims in poor African countries, similar generic drugs produced in India, Thailand, and Brazil, for example, still cost significantly less—as little as under \$300 per person per year for triple combinations of anti-retroviral drugs.

While the administration has suggested it will use generics in the Emergency Program, it has not been made a formal decision. “Tobias will have tough questions to answer about whether the Bush AIDS Plan will make efficient use of funds by maximizing purchases of affordable generic medicines,” noted Eustacia Smith of Health Global Access Project (Health GAP).

A related question is whether Tobias will push the administration to follow through on its promise at the World Trade Organization (WTO) ministerial meeting in Doha in November 2001 to permit poor countries that face public-health emergencies to import generic anti-AIDS and other life-saving drugs.

Under pressure from Big Pharma, the administration has since reversed its position by pressing its bilateral trade partners in Africa to sign agreements committing them to respect international patent laws that, from a practical viewpoint, would make importing generics much more problematic.

“It’s very difficult to believe that a man coming from the U.S. pharmaceutical industry would be willing to respond to the calls from impoverished countries to expedite access to life-saving mechanisms,” said Zeitz. “Purchase of lowest-cost medicines, including generics, is a must,” accord-

ing to Asia Russell of Health GAP. “The pharmaceutical industry calls that piracy. Which side will Tobias be on?”

Finally, activists are particularly worried about the fate of the Global Fund to Fight AIDS, TB, and Malaria, a two-year-old multilateral mechanism to expedite the funding of anti-AIDS work around the world. Although Congress has authorized an annual contribution of up to \$1 billion for the Fund—which is already fast running out of money—the administration has said it intends to provide only \$200 million a year.

Big Pharma has been cited as a major culprit behind the administration’s niggardliness towards the Fund because of its support for making generic anti-AIDS drugs accessible to all needy countries.

“Whether Tobias will push within the administration for the funding the Global Fund really needs to even begin to catch up with the need will be critical test of whether he’s independent,” said Booker.

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