

Contents

| | | |
|----------|---|-----------|
| 1 | Introduction to the Economic, Financial, Political and Legal Implications of Global Pandemics..... | 1 |
| 1.1 | The Threat of Global Pandemics..... | 1 |
| 1.2 | The Origins of the HIV Virus..... | 6 |
| 1.3 | The Nature of HIV/AIDS..... | 7 |
| 1.4 | HIV/AIDS Strategies in Developed and Developing Countries..... | 9 |
| 1.5 | Insurance, Mortality, Treatment Costs and the Business Impact of HIV/AIDS..... | 11 |
| 1.6 | The Economics of HIV/AIDS..... | 13 |
| 1.7 | The Political Economy of Patents and Global Health Threats..... | 15 |
| 1.8 | Global Diseases, Global Patents and Developing Countries in WTO Law..... | 17 |
| 1.9 | Bilateral and Multilateral Financing of HIV/AIDS Programs..... | 19 |
| 1.10 | The Successes and Failures of Global Health Organizations..... | 20 |
| 1.11 | Prevention, Treatment and Human Rights..... | 21 |
| 1.12 | Increasing the Effectiveness of Global Disease Management..... | 23 |
| | References..... | 24 |
| 2 | HIV/AIDS Prevention and Treatment Strategies in Developed and Developing Countries..... | 25 |
| 2.1 | The Global Statistics..... | 26 |
| 2.2 | The African Epidemic: HIV/AIDS Becomes a Security Issue..... | 30 |
| 2.3 | South Africa: International Politics and Lack of Political Leadership..... | 31 |
| 2.4 | AIDS Strategy in Brazil: Integrating Prevention, Treatment and Human Rights..... | 36 |
| 2.5 | Thailand: Successful Prevention in the Sex Trade..... | 46 |
| 2.6 | Japan: The Xenophobic Denial Strategy..... | 52 |
| 2.7 | Australia: Nondiscriminatory Education and Prevention..... | 55 |
| 2.8 | Implications for Other Global Diseases..... | 57 |
| | References..... | 59 |
| | Appendix..... | 63 |
| 3 | Insurance, Mortality, Treatment Costs and the Business Impact of HIV/AIDS in Developed and Developing Countries..... | 67 |
| 3.1 | HIV/AIDS in Developed Countries..... | 67 |
| 3.1.1 | The Insurance Industry and HIV/AIDS in Developed Countries..... | 68 |
| 3.1.2 | Problems of Mortality Projections and Insurance..... | 68 |
| 3.1.3 | Problems for Insurance Companies in Pricing Risks..... | 70 |

| | | |
|----------|---|------------|
| 3.1.4 | Comparing HIV/AIDS with Diabetes..... | 70 |
| 3.1.5 | The Advent of Effective Treatment..... | 71 |
| 3.1.6 | The Impact of Drugs on Survivability..... | 73 |
| 3.1.7 | Estimating the Cost of HIV/AIDS Treatment in the Developed World..... | 79 |
| 3.2 | HIV/AIDS in Developing Countries..... | 80 |
| 3.2.1 | Errors in Measuring the Prevalence of HIV/AIDS in India..... | 81 |
| 3.2.2 | Problems with Estimating Prevalence Using Antenatal Clinic Data..... | 83 |
| 3.2.3 | Insurance Companies' Problem with HIV/AIDS..... | 85 |
| 3.2.4 | The South African Life Insurance Business and HIV/AIDS..... | 86 |
| 3.3 | Public and Private Sector Health Care Strategies in Developing Countries..... | 90 |
| 3.3.1 | The Cost of Treatment in a Middle Income Country: Mexico | 91 |
| 3.3.2 | Viatical Settlements: A Financial Byproduct of HIV/AIDS..... | 93 |
| 3.3.3 | Economic Incentives for Companies to Pay for Prevention and Treatment..... | 99 |
| 3.3.4 | Business Strategies in High Prevalence Countries..... | 103 |
| 3.4 | Implications for Other Global Diseases..... | 106 |
| | References..... | 107 |
| 4 | The Economics of HIV/AIDS..... | 111 |
| 4.1 | Sexually Transmitted Infections and HIV/AIDS..... | 111 |
| 4.2 | Social Capital and HIV/AIDS..... | 112 |
| 4.3 | Relationships Between HIV/AIDS and Poverty, Inequality and Social Capital Using Global Data..... | 113 |
| 4.4 | The Economic Impact of HIV/AIDS in a Macroeconomic Growth Model..... | 115 |
| 4.5 | Macroeconomic Models: HIV/AIDS and Economic Growth..... | 116 |
| 4.5.1 | The Impact of HIV/AIDS on Per Capita Income..... | 117 |
| 4.5.2 | The Role of Human Capital..... | 117 |
| 4.5.3 | The Transmission of Human Capital..... | 121 |
| 4.5.4 | Fertility, HIV/AIDS and Economic Growth..... | 123 |
| 4.5.5 | Fertility and Human Capital Accumulation..... | 124 |
| 4.5.6 | Summary of Reviewed Literature on Fertility and Human Capital..... | 127 |
| 4.6 | Microeconomic and Epidemiological Models of Behavior..... | 128 |
| 4.6.1 | Do Ugandans Behave Differently?..... | 128 |
| 4.6.2 | An Epidemiological Interpretation of the Ugandan Results..... | 132 |
| 4.6.3 | Do Africans Behave Differently?..... | 134 |
| 4.6.4 | An Economic Explanation of Why Ugandan Results Differ..... | 136 |
| 4.7 | The Cost of Scaling Up Prevention and Treatment in Developing Countries..... | 140 |

| | | |
|----------|--|------------|
| 4.8 | Economic Tradeoffs..... | 142 |
| 4.8.1 | The Zambian Dilemma..... | 142 |
| 4.8.2 | The Tradeoff Among Competing Needs..... | 143 |
| 4.9 | The Economics of SARS..... | 144 |
| 4.10 | Implications for Other Global Diseases..... | 147 |
| | References..... | 149 |
| 5 | The Political Economy of Patents and Global Health Threats..... | 153 |
| 5.1 | The Political Economy of Compulsory Licensing..... | 154 |
| 5.1.1 | The Case of Anthrax..... | 154 |
| 5.1.2 | The WTO Declaration on the TRIPS Agreement and Public Health..... | 156 |
| 5.1.3 | The Problem Identified in Paragraph 6 of the TRIPS Declaration..... | 157 |
| 5.1.4 | Abbott in Thailand..... | 161 |
| 5.1.5 | Foreign Aid, Foreign AIDS and Regulatory Capture..... | 162 |
| 5.1.6 | Undermining TRIPS in Free Trade Agreements..... | 165 |
| 5.2 | Regulatory Capture of the Patent System..... | 166 |
| 5.2.1 | Regulatory Capture of National Patent Law..... | 167 |
| 5.2.2 | Regulatory Capture of International Patent Law..... | 168 |
| 5.3 | The New Economics of Patents..... | 170 |
| 5.3.1 | Two Centuries of Patent Protection in Europe and the United States..... | 171 |
| 5.3.2 | Innovation and Patents..... | 172 |
| 5.4 | Implications for Other Global Diseases..... | 182 |
| | References..... | 183 |
| 6 | Global Diseases, Global Patents and Developing Countries in WTO Law..... | 187 |
| 6.1 | Key TRIPS Exceptions Relating to Patents..... | 188 |
| 6.1.1 | TRIPS Article 30..... | 189 |
| 6.1.2 | TRIPS Article 31..... | 191 |
| 6.1.3 | The Paragraph 6 Decision..... | 192 |
| 6.1.4 | Implementation and Use of the Paragraph 6 Decision by WTO Members..... | 194 |
| 6.2 | Special and Differential Treatment in WTO Law..... | 196 |
| 6.3 | The Economic Impact of Patents and their Effect on Development Needs..... | 202 |
| 6.3.1 | Are Global Patents Necessary to Provide Research Incentives for Neglected Diseases?..... | 203 |
| 6.3.2 | Are Global Patents Necessary to Provide Research Incentives for Global Diseases?..... | 204 |

| | | |
|----------|--|------------|
| 6.4 | Making Patents Effective in Achieving Economic and Development Objectives..... | 205 |
| 6.4.1 | Solving the Problem Through Interpretation or Amendment..... | 206 |
| 6.4.2 | Eligibility for Exemption from Patent Obligations..... | 207 |
| 6.5 | Implications for Other Global Diseases..... | 213 |
| | References..... | 215 |
| 7 | Bilateral and Multilateral Financing of HIV/AIDS Programs: The World Bank, the International Monetary Fund, the Global Fund, Bilateral Donors and the Private Sector..... | 217 |
| 7.1 | Overview of HIV/AIDS Funding..... | 217 |
| 7.2 | The World Bank: A Development Institution..... | 226 |
| 7.2.1 | Nature of World Bank Operations Related to HIV/AIDS..... | 226 |
| 7.2.2 | Scope of World Bank Operations..... | 229 |
| 7.2.3 | The Effectiveness of the World Bank..... | 233 |
| 7.3 | The International Monetary Fund (IMF): A Multilateral Financial Institution..... | 235 |
| 7.3.1 | Nature of IMF Operations..... | 236 |
| 7.3.2 | Scope of IMF Operations..... | 237 |
| 7.3.3 | Effectiveness of the IMF..... | 237 |
| 7.4 | The Global Fund: A Fundraising and Financing Institution..... | 239 |
| 7.4.1 | Nature of Global Fund Operations..... | 239 |
| 7.4.2 | Scope of Global Fund Operations..... | 241 |
| 7.4.3 | Effectiveness of the Global Fund..... | 242 |
| 7.5 | Bilateral Donors..... | 247 |
| 7.6 | The Role of the Private Sector in Funding Prevention and Treatment..... | 249 |
| 7.6.1 | Incentives for Companies to Invest in HIV/AIDS Programs..... | 249 |
| 7.6.2 | Market-Based Initiatives to Increase Private Sector Funding..... | 252 |
| 7.6.3 | Funding from Private Charitable Foundations..... | 255 |
| 7.7 | Implications for Other Global Diseases..... | 257 |
| | References..... | 259 |
| 8 | The Successes and Failures of Global Health Organizations: The World Health Organization, UNAIDS, Médecins sans Frontières and PEPFAR..... | 265 |
| 8.1 | The World Health Organization: A Multilateral Health Institution..... | 265 |
| 8.1.1 | Nature of WHO Operations Related to HIV/AIDS..... | 267 |
| 8.1.2 | Scope of WHO Operations Related to HIV/AIDS..... | 267 |
| 8.1.3 | The 2005 WHO International Health Regulations..... | 273 |
| 8.1.4 | The Effectiveness of the WHO..... | 279 |

| | | |
|----------|---|------------|
| 8.2 | UNAIDS: A Specialized Multilateral Agency..... | 281 |
| 8.2.1 | Scope of UNAIDS Operations..... | 282 |
| 8.2.2 | Effectiveness of UNAIDS..... | 284 |
| 8.3 | Doctors Without Borders (Médecins sans Frontières)..... | 285 |
| 8.3.1 | Operations Related to HIV/AIDS..... | 286 |
| 8.3.2 | Effectiveness of MSF Operations..... | 286 |
| 8.4 | US President's Emergency Plan for AIDS Relief (PEPFAR) | 287 |
| 8.5 | US Centers for Disease Control and Prevention (CDC)..... | 292 |
| 8.6 | Implications for Other Global Diseases..... | 295 |
| | References..... | 296 |
| 9 | The Way Forward: Prevention, Treatment and Human Rights..... | 301 |
| 9.1 | The Importance of HIV/AIDS Prevention..... | 301 |
| 9.1.1 | HIV/AIDS Prevention Strategies..... | 304 |
| 9.1.2 | Barriers to Increasing HIV Prevention..... | 313 |
| 9.2 | The Future of HIV Treatment..... | 314 |
| 9.2.1 | Obstacles to Increasing the Number of People Receiving Treatment..... | 316 |
| 9.2.2 | Second-Line Treatment..... | 322 |
| 9.2.3 | Vaccines for HIV/AIDS..... | 323 |
| 9.3 | Public Health and Human Rights..... | 326 |
| 9.3.1 | Laws that Discriminate Against Vulnerable Groups..... | 327 |
| 9.3.2 | Laws that Discriminate Against HIV-Positive People..... | 332 |
| 9.3.3 | Laws that Prohibit Discrimination Against Vulnerable Groups..... | 341 |
| 9.3.4 | Risk Management: The Tradeoff between Human Rights and HIV Prevention..... | 346 |
| 9.4 | The Future of HIV/AIDS..... | 347 |
| | References..... | 348 |
| | Index | 353 |
| | About the Authors | 391 |

Global Lessons from the AIDS Pandemic

Economic, Financial, Legal and Political Implications

Condon, B.J.; Sinha, T.

2008, XXVI, 366 p. 91 illus., Hardcover

ISBN: 978-3-540-78391-6