Financial crisis hits developing world disease research

Wealthy nations pull back on funding for research on neglected maladies.

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07 December 2011

As cutbacks continue to bite at home, wealthy nations are reducing the sums they allocate to research on diseases that predominantly affect developing nations.

In 2010, funding for products aimed at 31 neglected diseases fell by $109 million — or 3.5% — to $3.1 billion, according to the Global Funding of Innovation for Neglected Diseases, or 'G-FINDER', report released by the group Policy Cures in Sydney, Australia. The drop resulted from cutbacks by both government agencies and philanthropic organizations. It was, however, partly offset by a 28% boost in funding from the not-for-profit programmes of pharmaceutical companies.

“This is a turning point where we decide whether our response to the global financial crisis is going to include letting neglected disease R&D [research and development] be wiped out or not,” says Mary Moran, the executive director of Policy Cures. “Because you can't cut product-development funding midstream and expect that everything will just start up again when you're ready.”

Others say the cuts could have been worse, given the financial situation in some donor countries. “The research budgets for diseases of poverty over the last decade look very good," says Roger Bate, a health economist at the American Enterprise Institute, a think tank in Washington DC. "The fact we've had a fall off in the last year is to be expected. But that will be reversed when the economies get better.”

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Projects to fight diseases in developing countries have been hit hard by the financial crisis.

Getting over the finish line

The report covers lesser known diseases of the developing world, from Chagas' disease to trachoma, as well as the 'big three' — HIV/AIDS, tuberculosis (TB) and malaria. In 2010, funding for malaria and HIV/AIDS fell (see 'Cutbacks threaten HIV gains'), but funding for the big three still accounted for $2.2 billion, or 72%, of the total. Tuberculosis bucked the trend, with its funding rising by nearly $30 million to $575 million, displacing malaria as the second-best-funded of the 31 diseases.

However, tuberculosis advocates say that is a pittance compared to what's needed, noting that the World Health Organization has called for $9.8 billion in new spending on tuberculosis R&D between 2011 and 2015 to meet the Millennium Development Goal of reversing the disease's incidence by 2015.

Just as dozens of products are nearing the clinic, “the G-FINDER report shows that government and public funding is evaporating,” says Mel Spigelman, the chief executive of the TB Alliance in New York. “Donors who have funded the development of these products, particularly for drugs now in late-stage development, now must commit to taking them over the finish line for their intended health impact.”

The report's authors surveyed funding by 513 funders in 54 countries. To qualify for inclusion in the report, the research spending must have been aimed at an intervention or therapy tailored specifically to developing nations, and for which there are insufficient incentives to attract commercial R&D. So, for example, development of fixed-dose combinations of HIV/AIDS drugs that are relevant in the developing world are included, but research towards pricey therapeutics for Western markets are not.

Of the total funding, $2 billion came from public funders and, of that, $1.9 billion came from the governments of wealthy countries. The only such government to significantly increase its giving was the United Kingdom, by 15%.

The list of governments and philanthropic organizations that cut back “is very long and very worrying”, says Moran. “It’s not just the amounts, it’s the fact that it’s across the board.”

She adds: “This is the first time since World War II where we’ve suddenly had this revitalization, saying that patients in the developing world deserve, need and must have better medicines. It would really turn back the clock to see that commitment disappear down the hole of the financial crisis.”

Nature | doi:10.1038/nature.2011.9550

Nature ISSN 0028-0836 EISSN 1476-4687

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