

افغانستان آزاد – آزاد افغانستان

AA-AA

چو کشور نباشد تن من مباد بدین بوم و بر زنده یک تن مباد
همه سر به سر تن به کشتن دهیم از آن به که کشور به دشمن دهیم

www.afgazad.com

afgazad@gmail.com

European Languages

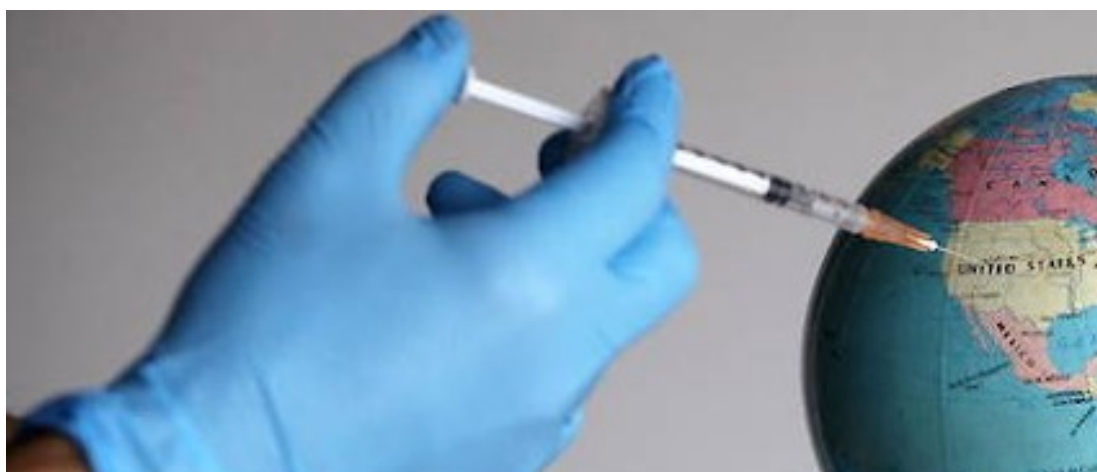
زبانهای اروپایی

Eric Toussaint

22.10.2021

The appropriation of knowledge and the benefits of Big Pharma in times of the coronavirus

The pharmaceutical industry wants us to believe that its patents and their benefits are indispensable ' for research and human health.

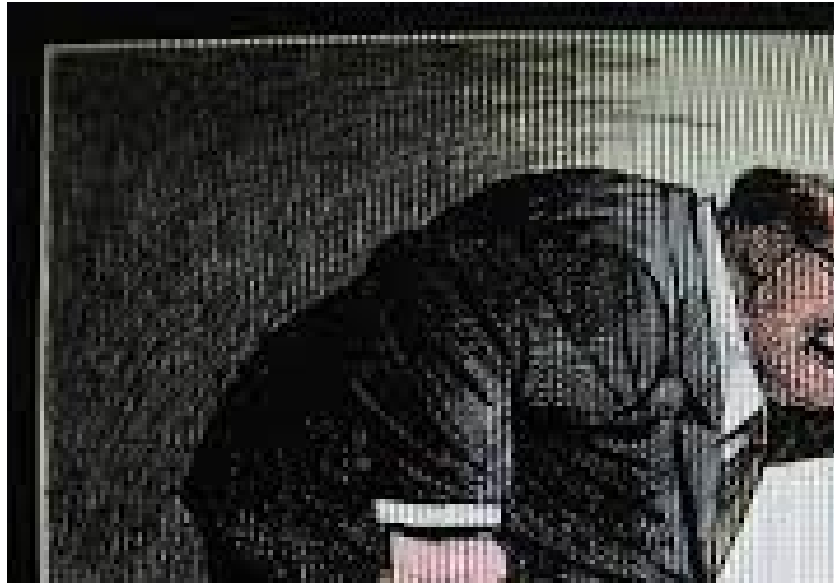


Part One of: Common Goods, Debts and Patents of Pharmaceutical Companies

Summary

- [Patents, TRIPS \(WTO Agreement on Aspects of Property Rights \(...\)\)](#)
- [In the context of the Covid-19 pandemic](#)
- [A double dose of inequality](#)
- [COVAX is not the solution](#)
- [The colossal profits accumulated by Big Pharma](#)
- [Action can produce positive results](#)

Patents, TRIPS (WTO Agreement on Trade-Related Aspects of Intellectual Property Rights), Big Pharma...



« Big Pharma 2 27 20 » by safoocat is licensed with CC BY-NC-ND 2.0. To view a copy of this license, visit <https://creativecommons.org/licenses/by-nc-nd/2.0/>

Knowledge, scientific discoveries, technical procedures should constitute a common good of humanity. The more capitalism spread, the more it favored the private appropriation of knowledge and techniques, especially through the patent system. Because big capital not only does not share the knowledge but appropriates it and then the public has to pay for it. Big capital accounts for the results of research carried out in universities or public research centres. It also patents the seeds that are the result of multiple selections made over the centuries by peasants. As an example, the agribusiness firm Del Monte patented tomatoes produced by the populations of the Andes, and now intends to make them pay a fee on their seeds.

Big capital not only does not share the knowledge, but appropriates it and then the public has to pay for it.

When the World Trade Organization was established in 1995, the *Trade Related Intellectual Property Rights* (TRIPs) Agreement (TRIP's) allowed big capitalist companies to strengthen their power. This agreement concerns such diversified areas as computer programming and printed circuit board design, pharmaceuticals and transgenic crops. It defines minimum standards on patents, copyrights, trademarks and manufacturing secrets. These rules are generated by the legislation of industrialized countries and therefore impose on all WTO members the type and level of protection of those same countries.

The Agreement on Trade-Related Intellectual Property Rights (TRIPS) allowed big capitalist companies to strengthen their power

These rules are clearly stricter than the legislation in force in most developing countries prior to their accession to the WTO, and often conflict with the interests and needs of those countries. It is possible to oblige a country to implement the WTO TRIPS agreement through the integrated dispute settlement system. In practice, that means that if a country does not respect its intellectual property rights obligations, trade sanctions may be imposed on it, and that constitutes a serious threat.

***The IMF, the World Bank,* and the great powers used all their influence, especially through their status as creditors, to force developing countries reluctant to respect the TRIPS**

agreement. Moreover, the European Union, the United States and other rich countries have obtained bilateral agreements that offer even stricter protection of their patents than the "minimum standards" defined in the TRIPS agreement: they are the "TRIPS plus" standards. Within the WTO's TRIPS committee, since 2020, several major powers, including the European Union, the United Kingdom and Japan, oppose the temporary lifting of patents on different vaccines against the coronavirus (Covid-19) (see below). For its part, the Biden administration, which had announced in May 2021 that it was in favor of the temporary lifting of these patents, has so far done nothing concrete to move that issue forward. The main reason lies in the fact that these patents are the source of enormous profits for large private pharmaceutical firms. These industries are protected and favored by governments that allow them to abuse their position.

The IMF, the World Bank, and the great powers used all their influence, especially through their status as creditors, to force reluctant developing countries to sign TRIPS.

As Peter Rossman writes: "Financialised pharmaceutical companies should be regarded as organisations managing their operations in terms of a set of financial assets rather than physical assets. Its main financial [asset](#) is patents, which generate 80% of its profits."

Rossman states that: "In 1980, the United States adopted a law authorizing small businesses and universities to patent their publicly funded inventions. Previously, such inventions or discoveries automatically went to the government that licensed them to generic manufacturers, or were directly introduced into the public domain. Universities

and young entrepreneurs are now integrated into a business-led knowledge complex. 'Technology transfer' transformed public research into private patents." [1]

Patents generate 80% of Big Pharma's profits, according to Peter Rossman

Rossman continues: "Companies are increasingly financialized, reducing expenses linked to production capacities, employees and even R&D, in order to free up liquidity to distribute among shareholders in the form of dividends and by making share buybacks. [2] At two of the largest companies, Pfizer and Johnson & Johnson, expenses linked to share buybacks and dividends between 2006 and 2015 exceeded their total net income.

During the period from 2006 to 2015, Pfizer paid \$131 billion to its shareholders.

These two companies targeted the lending market to finance the growing returns of investors and their senior executives, using intellectual property assets as collateral." During that 2006-2015 period, Pfizer paid \$131 billion to its shareholders, while spending \$82 billion on R&D.[3]

In the context of the Covid-19 pandemic

Since the spread of the pandemic to the whole world, the debate on patents became fundamental. Within the WTO, 62 countries, led by India and South Africa, proposed on 2 October 2020 the waiver of member states' obligations under the TRIPS agreement, and that this determination be applied to all products necessary for the prevention, confinement and treatment of Covid-19. The proposal was blocked in the WTO, especially by the position of the European Commission that refused to adhere to the opinion of the European Parliament, although it had twice voted in favour of the withdrawal of patents on vaccines. [4] As of September 2021, 105 countries supported the proposal from India and South Africa. [5]

At the WTO, 105 countries support India and South Africa in favour of waiving Member States' obligations with regard to Covid-19 patents

A double dose of inequality

It is a literally vital issue. If patents are maintained, a large part of the population of the countries of the global South that wishes to be vaccinated will not be able to do so, since they will not have access to these vaccines within reasonable time frames. In August 2021, less than 2% of Africa's 1.3 billion people had a full vaccination schedule, compared with

60% in Western Europe, the United States and Canada. As of June 2021, of the 2.295 billion doses administered worldwide, a quarter were administered in the G7 countries, where only 10% of the world's population lives. According to data collected by a group of researchers from the University of Oxford, in September 2021, only 2.1% of the population of the 27 poorest countries had received a dose of a Covid-19 vaccine. [6] And only 0.3% went to low-income countries, according to the WHO, although about 700 million people live in them.

Of the 5.76 billion doses injected worldwide, only 0.3% were delivered in low-income countries.

According to Amnesty International, less than 1% of the population received two doses of vaccine in these countries. [Following the report published by that organization on September 22, 2021, of the 5.76 billion doses injected, only 0.3%](#) was in low-income countries. [7] In that suggestively titled report, "A Double Dose of Inequality," AI denounces the behavior of the 6 large private companies that produce the most anti-covid vaccines in rich countries (Astra Zeneca, BioNTech, Johnson & Johnson, Moderna, Novavax and Pfizer). According to Amnesty: "These six companies, at the helm of the rollout of Covid-19 vaccines, fuel an unprecedented human rights crisis by refusing to give up their intellectual property rights and share their technology, and moreover, most of those pharmaceutical industries refrain from shipping vaccines to poor countries." [8]

In August 2021, less than 2% of the 1.3 billion Africans were fully vaccinated against more than 60% of the populations of Western Europe and the United States and Canada

COVAX is not the solution

The governments of the countries of the South will have to borrow if they want to see their population vaccinated, since COVAX-type initiatives are totally insufficient and consolidate the influence of the private sector. COVAX is co-directed by three entities: 1. The GAVI Alliance, a private structure in which companies and States participate. 2. The Coalition for Innovations in Epidemic Preparedness (CEPI), which is another private structure in which capitalist firms and states also participate. 3. The World Health Organization, WHO, which is a specialized agency of the United Nations.

According to Amnesty International, Astra Zeneca, BioNTech, Johnson & Johnson, Moderna, Novavax and Pfizer, at the helm of covid-19 vaccine deployment, fuel an unprecedented human rights crisis

Among the companies that finance and influence GAVI are, especially, the Bill & Melinda Gates Foundation, the Rockefeller Foundation, Blackberry, Coca Cola, Google, the [International Federation of Pharmaceutical Wholesalers](https://www.gavi.org/investing-ga), the Spanish bank CaixaBank, the UBS bank (the main private Swiss bank and the largest wealth management bank in the world), the financial companies Mastercard and Visa, the aircraft engine manufacturer Pratt & Whitney, the American multinational firm specializing in current consumer goods (general and personal hygiene) Procter & Gamble, the Dutch-British agri-food multinational Unilever, the oil company Shell International, the Swedish music streaming firm Spotify, the Chinese firm TikTok, the Toyota car company, ... [<https://www.gavi.org/investing-ga> target="_blank" rel="nofollow noopen noreferer">9]

Among the companies that finance and influence Covax: the Bill & Melinda Gates Foundation, the Rockefeller Foundation, Blackberry, Coca Cola, Google, the main Swiss private bank USB bank and the largest wealth management bank in the world), the financial companies Mastercard and Visa, the oil company Shell

The second structure co-directed by COVAX is the Coalition for Epidemic Preparedness Innovations (CEPI), which was founded in Davos in 2017 on the occasion of a meeting of the World Economic Forum. Among the private companies that finance and strongly influence CEPI, we find, again, the Bill & Melinda Gates Foundation, which invested 460 million dollars.

The composition of the COVAX initiative tells us a lot about the refusal of States and WHO to take responsibility for the fight against the pandemic in particular and with respect to public health in general.

This is part of the wave of neoliberalism that has flooded the planet since the 1980s. The Secretary-General of the United Nations as well as the directorates of the specialized agencies of the UN system (for example the WHO in charge of health and the FAO in charge of agriculture and food) underwent a strong evolution, in the wrong direction, during the last thirty or forty years. Since that time they have increasingly referred to private initiative led by a restricted number of large global [action](#) companies. The heads of state and government took the same path. We could say that it is the governments that took

the initiative but, in doing so, it was accepted that these large companies are associated with the decisions, and are favored in the options chosen. [\[10\]](#)

The composition of the COVAX initiative says a lot about the resignation of States and WHO to take responsibility for the fight against the pandemic and with respect to public health in general.

Recall that more than 20 years ago researchers and social movements, specialized in the field of health, proposed that public administrations invest enough money to produce effective medicines and vaccines against the different viruses of "new generation" linked to the increase in zoonoses. A large majority of States preferred to refer to the private sector for this problem, allowing it to have access to the results of research carried out by public bodies, when, in fact, what was necessary was to invest directly in the production of vaccines and treatments within the framework of a public health service.

We have already seen this: the COVAX initiative is by no means a solution. COVAX had promised to supply, by the end of 2021, 2 billion doses to countries in the South that requested them and are associated with the initiative. In fact, it was found that at the beginning of September 2021, only 243 million doses were sent to the South. [\[11\]](#) So, as a consequence, the target of 2 billion doses is delayed to the first half of 2022.

All the great powers of the North did not keep the promises they had made. For example: The European Union had committed to deliver 200 million doses to the poorest countries before the end of 2021, but, so far only about 20 million were sent, as acknowledged on Tuesday, September 7, 2021, Clement Beaune, Secretary of State in charge of European Affairs within the French government. [\[12\]](#)

C-TAP (Covid-19 Technology Access Pool) is another disappointing initiative taken by WHO. C-TAP includes the same protagonists as COVAX. It was created to pool intellectual property, data and manufacturing processes, encouraging pharmaceutical firms holding patents to grant other companies the right to produce vaccines, medicines or treatments, facilitating the transfer of technology. However, until today, no vaccine manufacturer shared its patents or knowledge through C-TAP. [\[13\]](#)

To date, no vaccine manufacturer shared their patents or knowledge through C-TAP
Faced with the failure of COVAX and C-TAP, the signatories of the [manifesto End the private patent system!](#), launched by the CADTM in May 2021, are right to state that: "Initiatives such as COVAX and C-TAP failed regrettably, not only because of their lack

of adequacy, but, above all, because they respond to the failure of the current system of global governance by initiatives in which rich countries and multinationals, often in the form of foundations, they try to reshape the world order to their liking. Philanthropy and booming public-private initiatives are not the solution. And they are even less so in the face of today's planetary challenges in a world dominated by states and industries guided only by the law of the market and maximum profit." [14] We will return to the alternatives in the second part of this series.

Los colosales beneficios acumulados por el Big Pharma

Los ingresos brutos y los beneficios netos que están acaparando las industrias del *Big pharma* gracias a las patentes son escandalosos. Según el informe de Amnistía Internacional citado antes, tres de las seis grandes firmas producen vacunas anticovid. «BioNTech, Moderna y Pfizer tendrían que obtener 130.000 millones de dólares USD de recaudación desde hoy a fines de 2022» Esa cantidad es dos veces y medio el Producto Interior Bruto de la República Democrática del Congo, que cuenta con 100 millones de habitantes. Otra comparación: 130.000 millones de dólares son 20 veces el presupuesto de la RDC para el año 2021. Esa suma de 130.000 millones de dólares equivale a 2/3 del presupuesto total de la Unión Europea para el año 2021. 130.000 millones de dólares son 10 veces el presupuesto de salud de India del año fiscal 2020-2021. [15]

Tres de las mayores industrias privadas del *Big pharma* tendrán unos ingresos de 130.000 millones de dólares de aquí hasta finales de 2022, o sea, 20 veces más que el presupuesto completo para 2021 de la República Democrática del Congo, que cuenta con cerca de 100 millones de habitantes

Aproximadamente, el coste de producción de una dosis de vacuna anticovid varía entre 1 y 2 euros, mientras que los gobiernos del Norte la compran a un precio entre 10 y 20 veces mayor. [16] Así es como Pfizer vende una dosis al Estado de Israel por 23 euros y a la Unión Europea por 19,50 euros.

Hay que señalar que el precio pagado por la Comisión Europea por una dosis de vacuna Pfizer pasó de 15,50 a 19,50 euros entre fines de 2020 y el verano de 2021. La vacuna de Moderna, que costaba 19 euros pasó a 21,5 euros. [17] Y esos aumentos se producen cuando los costes de producción están disminuyendo, ya que cuando aumenta la producción el coste unitario se reduce.

La acción puede producir resultados positivos

La industria farmacéutica quiere hacernos creer que sus patentes y sus beneficios son indispensables para la investigación y la salud humana. Pero el proceso de Pretoria, en 2001, ¡demuestra lo contrario! Son capaces de aceptar cientos de miles de muertos con tal de defender sus beneficios y sus patentes. Sudáfrica había votado en 1997 una ley que le daba la posibilidad de hacer importaciones paralelas, de licencias obligatorias o de sustitución por genéricos frente a la urgencia del sida. Los 39 mayores grupos farmacéuticos mundiales atacaron esa ley en 1998. Según el *Big Pharma* esa ley contravenía los derechos de exclusividad conferidos por las patentes. Una vigorosa movilización de organizaciones sudafricanas, entre las cuales la TAC, *Treatment Action Campaign*, extendida a todo el mundo por campañas de petición y de denuncia, en particular, por Médicos sin fronteras, Aides, Act-Up, demostró que privados de un tratamiento antiviral desde el bloqueo de esa ley, 400.000 habitantes de Sudáfrica habían muerto de VIH. Ante el escándalo mundial, los laboratorios se vieron obligados a retirar su denuncia en pleno proceso. En esa ocasión, el derecho a la salud prevaleció sobre el derecho de las patentes. [18] Un ejemplo a seguir en estos tiempos de Covid.

Notas:

[1] Peter Rossman: Vacunas / Patentes – Transnacionales y Covid-19. Derechos de propiedad intelectual contra derechos humanos. <https://correspondenciadeprensa.com/?p=20374>

[2] La recompra de acciones reducen la cantidad de acciones en circulación, y eso aumenta el beneficio por acción. Las recompras aumentan la remuneración de los dirigentes, cuyo principal componente reside en las opciones de compra de acciones. Entre 2006 y 2015, las 18 mayores sociedades farmacéuticas de Estados Unidos distribuyeron el 99 % de sus beneficios a los accionistas, de las que la mitad en forma de recompras. Abordé la cuestión de las recompras de acciones y de la distribución de dividendos en Estados Unidos en el artículo: Éric Toussaint, «La montaña de deudas privadas de las empresas estará en el corazón de la próxima crisis financiera», publicado el 13 de abril de 2019., [15480](#)

[3] Las cifras citadas por Rossman provienen de Lazonick et al.:

« “US Pharma’s Financialized Business Model” Institute for New Economic Thinking, julio de 2017. https://www.ineteconomics.org/uploads/papers/WP_60-Lazonick-et-al-US-Pharma-Business-Model.pdf.

[4] Miguel Urbán Crespo, Beatriz Ortiz Martínez, «Que por primera vez haya un texto europeo exigiendo suspender las patentes condiciona a la UE», [19904](#)

[5] Amnesty International, «Covid-19. Il est temps que les États qui bloquent la proposition de dérogation à l'Accord sur les ADPIC appuient la levée des restrictions», publicado el 1 de octubre 2021, <https://www.amnesty.org/fr/latest/news/2021/10/covid-19-time-for-countries-blocking-trips-waiver-to-support-lifting-of-restrictions-2/>

[6] Our World in Data, Coronavirus (Covid-19) Vaccinations – Statistics and Research – (Nuestro mundo en datos, coronavirus (Covid-19), vacunaciones, estadísticas e investigaciones). <https://ourworldindata.org/covid-vaccinations>. Según los datos recogidos por el equipo de la Universidad de Oxford, que elabora esta web, se muestran algunos ejemplos de países donde el porcentaje de vacunación es inferior al 2% en septiembre de 2021: 1,6% de la población en Zambia, 1,6% en Níger, 1,5% en Somalia, 1,5% en Malí, 1,4% en Sudán, 1,4% en Camerún, 1% en Yemen, 0,69% en Madagascar, 0,58% en Chad, 0,57% en Tanzania, 0,11% en la República Democrática del Congo.

[7] EURACTIV.fr, «Covid-19 : les laboratoires pharmaceutiques empêchent un accès au vaccin équitable, selon Amnesty International», publié le 22 septembre 2021, <https://www.euractiv.fr/section/sante-modes-de-vie/news/covid-19-les-laboratoires-pharmaceutiques-empêchent-l'accès-au-vaccin-dans-les-pays-en-voie-de-développement-selon-amnesty-international/> En castellano, se remite a la nota 8

[8] Informe de Amnistía Internacional del 22 de septiembre de 2021 sobre la industria farmacéutica y la vacunación anticovid. <https://www.es.amnesty.org/en-que-estamos/noticias/noticia/articulo/un-nuevo-informe-muestra-que-las-principales-empresas-farmaceuticas-que-desarrollan-las-vacunas-contra-la-covid-19-avivan-una-crisis-sin-precedente-de-derechos-humanos/>

Ver la versión completa en

inglés: https://www.amnesty.be/IMG/pdf/20210922_rapport_vaccins.pdf

[9] GAVI, Donors profiles (Perfiles de donantes) , <https://www.gavi.org/investing-gavi/funding/donor-profiles> (lista de donantes)

[10] En el momento en que se escriben estas líneas se da por finalizada una Cumbre alimentaria convocada por las Naciones Unidas. Las grandes empresas del agroalimentario fueron invitadas y tuvieron un rol importante cuando esas empresas son parte de la causa y

no de la solución a la crisis alimentaria y a la crisis ecológica, y eso lo denuncian una serie de movimientos. Véase CCFD-Terre Solidaire; Food system Summit: alerte sur un sommet coopté par le secteur (...)

<https://ccfd-terresolidaire.org/nos-publications/edm/2021/317-juin-2021/food-system-summit-7109>. Véase también en inglés: *The Guardian*, 'Corporate colonization': small producers boycott UN food summit [Colonización por las corporaciones : Los pequeños productores boicotean la Cumbre alimentaria de la ONU. <https://www.theguardian.com/environment/2021/sep/23/small-producers-boycott-un-food-summit-corporate-interests> Podéis ver también la emisión de televisión que Democracynow.org desde New York dedicó a esa cumbre : <https://www.democracynow.org/shows/2021/9/23>

[11] Véase la página 5 del informe de Amnistía Internacional, https://doc.es.amnesty.org/ms-opac/doc?q=%3A*&start=0&rows=1&sort=fecha%20desc&fq=norm&fv=* &fo=and&fq=mssearch_fld13&fv=POL40470421&fo=and&fq=mssearch_mlt98&fv=gseg01&fo=and. Se puede descargar el documento completo en esta página.

[12] Europa ante la Covid. ¿Cuántas dosis han prometido los países de la UE a Covax? Por ahora la UE solo ha librado 20 millones de dosis. <https://www.lavanguardia.com/vida/20210913/7709017/dosis-han-prometido-paises-ue-covax.html>

[13] *Idem*. Nota 10.

[14] Extracto del Manifiesto «Acabemos con el sistema de patentes privadas» [jAcabemos con el sistema de patentes privadas! \(cadtm.org\)](https://www.cadtm.org/Acabemos-con-el-sistema-de-patentes-privadas)

[15] Those comparisons are the responsibility of the author of this article. For the DRC: <https://www.financialafrik.com/2021/01/02/rdc-promulgation-de-la-loi-de-finances-gestion-2021/>, for the EU budget: [Annual EU budget for 2021](https://www.euractiv.com/en/eu-budget/annual-eu-budget-2021), for India's health budget in 2020-2021 https://www.eldiario.es/economia/india-presenta-presupuesto-aumento-137-gasto-sanidad_1_7182915.html

[16] Mathilde Damgé, "Covid-19: comprendre le prix d'un vaccin, de la recherche au flacon." *Le Monde*, published on June 9, 2021.

https://www.lemonde.fr/les-decodeurs/article/2021/06/09/covid-19-de-la-recherche-au-flacon-comprendre-le-prix-d-un-vaccin_6083481_4355770.html

[17] The coronavirus crisis: Pfizer and Moderna raise vaccine prices for Europe. <https://elpais.com/sociedad/2021-08-01/pfizer-y-moderna-incrementan-el-precio-de-las-vacunas-para-la-union-europea.html>

[18] Fred Eboko, "Le droit contre la morale ? L'accès aux médicaments contre le sida en Afrique» Revue internationale des sciences sociales 2005/4 (n° 186), pages 789 à 798 <https://www.cairn.info/revue-internationale-des-sciences-sociales-2005-4-page-789.htm>

In Spanish:

How the AIDS health crisis in Africa ended the taboo of the suspension of patents on medicines https://www.eldiario.es/sociedad/crisis-sanitaria-sida-africa-acabo-tabu-suspension-patentes-medicamentos_1_7942354.html

Eric Toussaint

Original: [L'appropriation des connaissances et les bénéfices du Big Pharma au temps du coronavirus](#)

Translated by [Griselda Piñero](#)

Edited by [María Piedad Ossaba](#)

Available translations: [English](#) [Português](#)

Soon, the second part will arrive: Coronavirus: Common goods against *Big Pharma*

This second part will have in particular the following points:

■ Most of the research has been funded by the public authorities. The example of Moderna, a champion company of tax ■ evasion. The public authorities could easily produce billions of doses of ■ vaccines. Acting for ■ demands

The author thanks Christine Pagnouille, Frank Prouhet and Claude Quémar for the reading and their advice. The author is fully responsible for any errors contained in this work.

La Pluma.net 16.10.2021