#### The aff causes massive GOP backlash—Biden’s proposed patent waiver proves.

Weixel 5/11 (Nathaniel Weixel [healthcare writer for The Hill], “GOP senator urges Biden to withdraw support for COVID vaccine patent waiver” 11 May 2021, <https://thehill.com/homenews/senate/552956-gop-senator-urges-biden-to-withdraw-support-for-covid-vaccine-patent-waiver?rl=1> Harker NA)

GOP opposition is building to the Biden administration's move to support waiving World Trade Organization patent protections for COVID-19 vaccines. Ahead of a Wednesday Senate Finance Committee hearing with U.S. Trade Representative Katherine Tai, Sen. Steve Daines (R-Mont.) sent a letter to Tai and President Biden, urging the administration to withdraw its support. "Waiving IP protections under this proposal runs counter to long standing American values and will not enable faster vaccination globally," the senator wrote. He also expressed concern that countries like China and Russia would take the protected data and undermine the market for U.S. vaccine manufacturing. "Moreover, proceeding as your administration has proposed provides for a technological windfall for adversaries such as China and Russia by giving away IP that has taken years of hard work and ingenuity by American scientists, not to mention billions in American investment, to perfect," Daines wrote. Tai last week said she will pursue “text-based negotiations” on the WTO waiver, but acknowledged that they "will take time given the consensus-based nature of the institution and the complexity of the issues involved." Daines joins other congressional Republicans in the House and Senate in denouncing the move, which was largely supported by Democrats. During a Senate Health Committee hearing Tuesday, Sen. Richard Burr (R-N.C.) said the waiver was an attack against innovators, who had helped the country immensely to make lifesaving medical products. “Intellectual property protections are part of the reason we have these life-saving products. If these protections are not in place for innovators of life-saving medicines, we will not have them for the next pandemic. It’s that simple," said Burr, the top ranking Republican on the committee. “There is a way to support the manufacturing for vaccines globally and to help countries in need without acting in bad faith against innovators who stepped up when the world needed them most," Burr added.

## CP

#### CP: The member nations of the World Trade Organization ought to enact a COVID-19 Vaccine Investment and Trade Agreement.

#### Precursor supply chain coordination and lack of subsidies is the biggest bottleneck to expanding vaccine production, which the CP solves.

Bown and Bollyky 3/18 (Chad P. Bown [Reginald Jones Senior Fellow since March 2018, joined the Peterson Institute for International Economics as a senior fellow in April 2016. His research examines international trade laws and institutions, trade negotiations, and trade disputes. With Soumaya Keynes, he cohosts Trade Talks, a weekly podcast on the economics of international trade policy.] and Thomas J. Bollyky, “Here’s how to get billions of COVID-19 vaccines to the world” 18 Mar. 2021, <https://www.piie.com/blogs/trade-and-investment-policy-watch/heres-how-get-billions-covid-19-vaccine-doses-world> Harker NA)

OBSTACLES TO SCALING OUT VACCINE MANUFACTURING GLOBALLY Quickly scaling up vaccine manufacturing during a pandemic requires policy support, as the American experience has shown. But the expansion cannot and should not be pursued by America alone.[8] Even spreading production to other wealthy countries is unlikely to result in swift enough action to meet global vaccine needs. Some pharmaceutical companies, such as AstraZeneca and Novavax, have already engaged contract manufacturers in emerging-market economies. But there is even more production capacity to tap, and scaling up vaccine manufacturing in this pandemic will require its use. Finally, the most resilient supply chain for future pandemics will be a distributed one that can survive regional or single-country disruptions. The Coalition for Epidemic Preparedness Innovations (CEPI), Gavi, and the COVAX facility have provided seed funding and led match-making efforts to convince manufacturers to start scaling out global production. The early agreement between Oxford/AstraZeneca and the Serum Institute of India—a company with the capacity to produce billions of doses annually—was the largest and most well-known. Others include Novavax, also a CEPI funding recipient, partnering with the Serum Institute. Novavax also contracted with Takeda in Japan, SK Bioscience in South Korea, Baxter in Germany, and Biofabri in Spain, conditional on its vaccine being approved. CSL in Australia has also agreed to manufacture the Oxford/AstraZeneca vaccine, with subsidies from the Australian government, after the home-grown University of Queensland candidate did not pan out. Despite the efforts of CEPI and its partners, however, a shortage of inputs and the ongoing threat of export restrictions is impeding the necessary expansion of global vaccine production.[9] Establishing new COVID-19 vaccine manufacturing sites also requires new supply chains to provide them with sufficient inputs—capital equipment, raw materials, and ancillary supplies (see again figure)—to make and deliver those vaccines. Bioreactor bags, lipids, and other inputs are already facing shortages, being used up in the United States and Europe. Specialty syringes are scarce in Japan. Further scaling out global manufacturing requires the cooperation of multiple countries to subsidize the production capacity of outputs and inputs. One problem is that many of the countries with reliable contract vaccine manufacturers do not have all the necessary local companies to subsidize capacity expansion of needed inputs.[10] Governments elsewhere may have the input-making companies, but in the absence of policy coordination, they don’t have the public health incentive to provide subsidies to reach the scale needed to satisfy global demand. Those input manufacturing countries would only enjoy the “externality“ benefits—i.e., solving their local public health crisis—if they were guaranteed access to other countries’ vaccine output through trade.[11] For that reason, the ongoing threat of “vaccine nationalism”—in the form of imposing export restrictions on vaccines—is thus another important factor discouraging the subsidization of input capacity. By limiting exports of locally produced vaccines, the United States, European Union, Italy, and India have established a worrisome precedent. The threat that countries with new manufacturing coming online might themselves deploy vaccine export restrictions creates an additional disincentive for other governments to subsidize critical input-providers. PROPOSING A COVID-19 VACCINE INVESTMENT AND TRADE AGREEMENT A COVID-19 Vaccine Investment and Trade Agreement (CVITA) is needed to create the incentives to ensure the timely and sizable scaling up of output and input investments to respond to this pandemic and future pandemic threats. Baby steps toward such an agreement are found in the Trade and Health Initiative that a small, but influential, group of World Trade Organization (WTO) members proposed in late 2020. But much more is required. First, CVITA should be aligned to leverage COVAX, the umbrella for the public and private international organizations that already have joined together for the purchase and distribution of vaccines. Linking the agreement to existing networks of regulators, such as the International Coalition of Medicines Regulatory Authorities, would also help ease concerns and create a more transparent pathway to the licensing of vaccines, instilling global confidence, reducing development costs, and expediting access in poorer markets. Second, the investment component of the agreement must create a framework to subsidize the full vaccine manufacturing supply chain and especially coordinate expansion of input production capacity, including for bioreactors, bags, cellular materials, vials, stoppers, syringes, and other ancillary supplies. Governments would pay into the investment fund on a subscription basis. Participation of the poorest countries should be heavily subsidized or free. Third, the agreement should include an enforceable commitment on the part of participating countries to not place export restrictions on supplies of vaccines and related materials destined for other countries participating in the agreement.[12] In effect, subsidized imported inputs would be exchanged for future doses of an exported vaccine. Countries should agree that imposing export restrictions on vaccine output will be swiftly met with trading partners jointly restricting their supply of inputs to the export-restricting country.[13] This potential mechanism for reciprocity, if made explicit, can be used to convince skeptical domestic audiences that hoarding—while politically tempting—will not work, because everyone will lose. Protections against export restrictions would also provide an incentive for nations to join the CVITA. Fourth, this type of international policy cooperation demands unprecedented levels of transparency. Trust can only be maintained—decreasing the likelihood of hoarding—if access to information on COVID-19 vaccines and inputs reduces uncertainty. In response to dozens of countries imposing export restrictions on staples during a perceived food crisis in 2008-2011, the G20 created the Agricultural Market Information System (AMIS) to improve transparency and coordinate policy in the event of sudden scarcity. That system generated information and trust that arguably reduced the use and duration of agricultural export bans in the early days of the COVID-19 pandemic. A similar informative monitoring system for vaccines and inputs is needed under CVITA.

#### It doesn’t solve – there are tons of barriers to access to vaccines, especially in developing countries. Even if it’s legal to make generics, lack of raw materials, expertise, and production facilities mean the plan is a drop in the bucket for responding to global covid

Herper et al 21 [Matthew Herper Senior Writer, Medicine, Editorial Director of Events at STAT. "Waiver of patent rights on Covid-19 vaccines, in near term, may be more symbolic than substantive." https://www.statnews.com/2021/05/06/waiver-of-patent-rights-on-covid-19-vaccines-in-near-term-may-be-more-symbolic-than-substantive/]

Prashant Yadav, a supply chain expert and senior fellow at the Center for Global Development, said the biggest barrier to increasing the global vaccine supply is a lack of raw materials and facilities that manufacture the billions of doses the world needs. Temporarily suspending some intellectual property, as the U.S. proposes to do, would have little effect on those problems, he said.

“My take is: By itself, it will not get us much benefit in increased manufacturing capacity,” Yadav said. “But as part of a larger package, it can.”

That larger package would include wealthy nations like the U.S. mounting an Operation Warp Speed-style effort to invest in manufacturing in low-income countries, he said, using their vast financial resources to actually produce vaccine doses rather than solely targeting patents.

Lawrence Gostin, director of the O’Neill Institute for National and Global Health Law at Georgetown Law, said the waiver is necessary but hardly sufficient. It will likely take months of international infighting before the proposal would take effect, he said, months during which would-be manufacturers would not have the right to start producing vaccines.

“We’re not talking about any immediate help for India or Latin America or other countries going through an enormous spread of the virus,” Gostin said. “While they’re going to be negotiating the text, the virus will be mutating.”

#### COVID vaccines aren’t like aspirin – they require extraordinarily complicated chemistry, advanced production facilities, and tons of experts – even if making generics became legal, it would be nearly impossible to produce them in developing countries

Herper et al 21 [Matthew Herper Senior Writer, Medicine, Editorial Director of Events at STAT. "Waiver of patent rights on Covid-19 vaccines, in near term, may be more symbolic than substantive." https://www.statnews.com/2021/05/06/waiver-of-patent-rights-on-covid-19-vaccines-in-near-term-may-be-more-symbolic-than-substantive/]

That underscores the drug industry’s case that patents are just one facet of the complex process of producing vaccines.

“There are currently no generic vaccines primarily because there are hundreds of process steps involved in the manufacturing of vaccines, and thousands of check points for testing to assure the quality and consistency of manufacturing. One may transfer the IP, but the transfer of skills is not that simple,” said Norman Baylor, who formerly headed the Food and Drug Administration’s Office of Vaccines Research and Review, and who is now president of Biologics Consulting.

While there are factories around the world that can reliably produce generic Lipitor, vaccines like the ones from Pfizer and Moderna — using messenger RNA technology — require skilled expertise that even existing manufacturers are having trouble sourcing.

“In such a setting, imagining that someone will have staff who can create a new site or refurbish or reconfigure an existing site to make mRNA [vaccine] is highly, highly unlikely,” Yadav said.

There are already huge constraints on some of the raw materials and equipment used to make vaccines. Pfizer, for instance, had to appeal to the Biden administration to use the Defense Production Act to help it cut the line for in-demand materials necessary for manufacturing.

### NC – OFF

#### Drug price controls coming now but Biden PC key

Weisman 8/12 Weisman, Jonathan. Jonathan Weisman is a congressional correspondent, veteran Washington journalist. "Biden Presses Congress to Act on Prescription Drug Prices." N.Y. Times, 12 Aug. 2021, www.nytimes.com/2021/08/12/us/politics/biden-prescription-drugs.html.

WASHINGTON — President Biden implored Congress on Thursday to include strict controls on prescription drug prices in the mammoth social policy bill that Democrats plan to draft this fall, hitting on an issue that his predecessor campaigned on but failed to achieve.

Mr. Biden said he wanted at least three measures included in the $3.5 trillion social policy bill that Democrats hope to pass using budget rules that would protect it from a Republican filibuster. He wants Medicare to be granted the power to negotiate lower drug prices, pharmaceutical companies to face penalties if they raise prices faster than inflation, and a new cap on how much Medicare recipients have to spend on medications.

“There aren’t a lot of things that almost every American could agree on,” the president said at the White House. “But I think it is safe to say that all of us, whatever our background or our age and where we live, could agree that prescription drug prices are outrageously expensive in America.”

The president was pushing on an open door. Congressional Democrats have already said they want to include all three measures in the so-called reconciliation bill that House and Senate committees hope to assemble.

“The Finance Committee will be a central part of the debate when it comes to lowering Americans’ health care costs and making high-quality health care available to more families,” the panel’s chairman, Senator Ron Wyden of Oregon, said as Senate Democrats unveiled the $3.5 trillion budget blueprint that would allow them to pass the legislation without a Republican vote.

#### Passing a WTO patent waver stops split-lobbying efforts from Big Pharma – they’ll focus on fighting drug pricing reform instead

Stacey and Asgari 5/26 Kiran Stacey, Washington correspondent for the FT; Nikou Asgari, reporter covering the US pharmaceutical industry. "How drugmakers went from vaccine heroes to patent villains within weeks." 26 May. 2021, www.ft.com/content/96d10dc8-8158-4cbc-9876-0b7d0a1e774e.

The tone of that call, followed by the decision to support a patent waver proposal at the World Trade Organization, has triggered concerns among some in the pharmaceutical industry, who fear they will lose political capital amassed during the pandemic at a crucial moment in their fight against drug pricing controls in the US. “One day Bourla is being feted by the president for making vaccines which will help end the pandemic, the next he is being lectured by one of Biden’s senior officials for not supplying vaccines to India — even though the Pfizer vaccine hasn’t been approved there,” said one person briefed on the call. “It did shake the industry a bit.” American drugmakers have been the target of political criticism for years, accused of fuelling the US opioid epidemic and making their treatments unaffordable for millions of Americans. The fact that the Biden administration was willing to support the [patent] waiver shows . . . the pharma industry is not going to be as strong as it was in the past Michael Carrier, Rutgers university Many in the industry hoped their response to the pandemic would help to persuade politicians and the wider public that the US benefits from having a well-funded pharmaceutical industry with strong intellectual property protections. The country has carried out one of the fastest Covid-19 vaccine rollouts in the world, largely thanks to steady supplies from Pfizer and its smaller rival Moderna. “The Covid-19 vaccine is a proof point for the powerful combination of breakthrough science and the private sector,” said Sally Susman, chief corporate affairs officer at Pfizer. The public agrees. Surveys conducted by The Harris Poll found that approval of the pharmaceutical industry had almost doubled from 32 per cent in January last year to 62 per cent in February this year. But the decision to support the move at the WTO to waive international intellectual property rights on Covid vaccines suggests the Biden administration is not entirely convinced by the arguments put forward by drugmakers’ well-funded army of lobbyists. “The fact that the Biden administration was willing to support the waiver shows the argument has shifted and that the pharma industry is not going to be as strong as it was in the past,” said Michael Carrier, a law professor at Rutgers university in Camden, New Jersey. The industry spends far more on lobbying than any other — more than $92m this year, according to figures compiled by the Washington-based Center for Responsive Politics. That is more than double the outlay from the electronics industry, which is the next heaviest spender. It also donates liberally, and increasingly to Democrats. CRP figures show that 2020 was the first year in which the industry gave significantly more to Democratic candidates than Republican ones. Pfizer donated $1m to Biden’s inaugural fund, though the money did not buy the kind of high-level access it would have done in previous years due to the virtual nature of many of the inaugural events. The industry is primarily occupied by two issues in Washington: the WTO’s proposed intellectual property waiver and legislation to curb drug prices. On the former, companies are keen to limit the scope of any waiver. On the latter, they want to stop a bill that would allow the government to negotiate the prices for certain drugs prescribed to seniors covered by the publicly-funded Medicare scheme. The industry’s most prominent voice on such issues is Steve Ubl, chief executive of industry group Phrma and a veteran Washington operator. “The Biden administration made a politically expedient decision [on the WTO waiver], but we think we are still able to lean in on other debates such as drug pricing,” he said. Some are concerned that Ubl, a former aide to the Republican senator Chuck Grassley, is too obviously corporate and Republican to make inroads in the Democratically-controlled administration and Congress. Instead, some say Michelle McMurry-Heath, the chief executive of the smaller Biotechnology Innovation Organization, might have more success. “Steve has been very successful for years, but Michelle is a bit more dynamic and less buttoned-up,” said one industry lobbyist. Before rushing to do the WTO waiver, perhaps we should get our own house in order first Debra Dixon, Ferox Strategies Those in the industry who have deep connections within the Democratic party are in strong demand, such as Susman, who worked as a senior official in the commerce department during the Clinton administration. Another is Debra Dixon, a former chief of staff to the health secretary Xavier Becerra. Dixon works for Ferox Strategies and was recently hired by Eli Lilly, which has been criticised for raising the prices of its insulin drugs. Dixon said the industry should focus on how therapeutics can “alleviate health disparities” when discussing drug prices. She added: “While the US vaccine rollout has gone well, there are still people falling through the cracks. Before rushing to do the WTO waiver, perhaps we should get our own house in order first.” Moderna, meanwhile, has hired Brownstein Hyatt Farber Schreck as one of its external lobbying firms. Its team includes Nadeam Elshami, the former chief of staff to Nancy Pelosi, the Democratic Speaker of the House of Representatives, and Carmencita Whonder, a former aide to Chuck Schumer, the Democratic Senate majority leader. There are some signs that their efforts are paying off. Earlier this month 10 Democrats in the House sent a letter to Pelosi urging her to pursue drug pricing reforms on a bipartisan basis. That missive was interpreted as a criticism of the proposal for the government to negotiate drug prices, which has little support among Republicans. Recommended Pharmaceuticals sector Biden urged to oblige US vaccine makers to share technology Scott Peters, the lead signatory on that letter, was the sixth-highest recipient in the House of money from the pharma industry in the last election cycle, according to the CRP. Others in Congress also continue to champion the industry, especially those in New Jersey and Delaware, where many pharma companies have a significant presence. Industry lobbyists say they expect Chris Coons, the senator from Delaware and a longtime friend of Biden, to prove a vital ally. Many lobbyists hope that Biden will prove receptive to the industry’s arguments, in part because he worked closely with pharmaceutical companies as vice-president while developing his “cancer moonshot” to help find a cure for the disease. But they do not necessarily need to win the president round. With both houses of Congress finely balanced, a handful of Democratic supporters could squash the reforms being proposed by those on the left of the party. “We don’t need many people to block HR3,” said one industry lobbyist, referring to the proposed bill that would allow the government to negotiate some drug prices. “The 10 people that signed that letter could be enough to get us what we want.”

#### And a WTO waiver takes time, energy, and political capital away from domestic legislation – big pharma and EU allies

Bhadrakumar 5/9 M K Bhadrakumar is a former Indian diplomat. "Biden’s talk of vaccine IP waiver is political theater." Asia Times, May 9, 2021, asiatimes.com/2021/05/bidens-talk-of-vaccine-ip-waiver-is-political-theater.

On the other hand, Biden, whose political life of half a century was largely spent in the US Congress, is well aware of the awesome clout of the pharmaceutical companies in American politics. From that lobby’s perspective, the patent waiver “amounts to the expropriation of the property of the pharmaceutical companies whose innovation and financial investments made the development of Covid-19 vaccines possible in the first place,” as a senior scholar at the Johns Hopkins Center for Health Security puts it. The US pharmaceutical industry and congressional Republicans have already gone on the offensive blasting Biden’s announcement, saying it undermines incentives for American innovation. Besides, the argument goes, even with the patent waiver, vaccine manufacturing is a complex process and is not like simply flipping a switch. Senator Richard Burr, the top Republican on the US Senate Health Committee, denounced Biden’s decision. “Intellectual property protections are part of the reason we have these life-saving products,” he said. “Stripping these protections only ensures we won’t have the vaccines or treatments we need when the next pandemic occurs.” The Republican senators backed by Republican Study Committee chairman Jim Banks propose to introduce legislation to block the move. Clearly, Biden would rather spend his political capital on getting the necessary legislation through Congress to advance his domestic reform agenda rather than spend time and energy to take on the pharmaceutical industry to burnish his image as a good Samaritan on the world stage. Conceivably, Biden could be counting on the “text-based negotiations” at the WTO dragging on for months, if not years, without reaching anywhere. The US support for the waiver could even be a tactic to persuade pharmaceutical firms to back less drastic steps like sharing technology and expanding joint ventures to boost global production quickly. So far Covid-19 vaccines have been distributed primarily to the wealthy countries that developed them, while the pandemic sweeps through poorer ones such as India, and the real goal is, after all, expanded vaccine distribution. Biden is well aware that there will be huge opposition to the TRIPS waiver from the United States’ European allies as well. The British press has reported that the UK has been in closed-door talks at the World Trade Organization in recent months along with the likes of Australia, Canada, Japan, Norway, Singapore, the European Union and the US, who all opposed the idea.

#### The threat of a waiver to manipulate Pharma is good but an actual waiver wastes political capital on other health issues

Silverman 6/2 Rachel Silverman is a policy fellow at the Center for Global Development. Master’s of philosophy with distinction in public health from the University of Cambridge, which she attended as a Gates Cambridge Scholar. She also holds a BA with distinction in international relations and economics from Stanford University.Argument’, 'The. "Opinion | Could Spilling Big Pharma’s Secrets Vaccinate the World?" N.Y. Times, 2 June 2021, [www.nytimes.com/2021/06/02/opinion/covid-vaccine-ip-waiver.html](http://www.nytimes.com/2021/06/02/opinion/covid-vaccine-ip-waiver.html). [the original podcast was between multiple people, only person carded is Silverman so they’re the only person cited]

[rachel silverman] So I very much agree with Tahir that a lot of this is theater. And I guess that gets to part of my concern about the waiver, which is, I’m not, again, that opposed to the waiver per se. I’m a little bit wishy-washy on it. I think there are people who yell doom about it. I don’t think it will spell doom. But what I really am concerned about is that while I do think the waiver campaign has been helpful in terms of putting pressure on the pharmaceutical industry, you know, that threat of a stick that we’re talking about, what I do worry about is that it’s sucking up a lot of political oxygen. And it’s the kind of thing where the U.S. can come out with a statement and say, oh, yes, we support the waiver. And what that will really mean is we spend the next 12 months negotiating it down in the W.T.O., and we coordinate with the Europeans to weaken it further. And everyone applauds, and everyone says, oh, great, what a great move towards vaccine equity. And nothing really comes of it. And it takes pressure off them to address the more immediate challenges. And I’d say we had a letter out from my institution, the Center for Global Development, and some other think tanks, calling on the Biden administration to do a lot more, generally, more money, more support, more engagement, better dose sharing, more leadership in this space. And we haven’t seen it. The reality of the world we live in is there’s a limited amount of political capital. And I’m worried we’re sucking it up on this, which will maybe, maybe best case scenario, have an impact six to nine months down the road if everything goes right, and not the immediate measures that we could be taking worldwide.

#### Drug price controls massively reduce healthcare costs across the board – even assuming conservative models

Gamba 6/9 Gamba, Tyler. Author at the AJMC. "Adoption of the Lower Drug Costs Now Act May Lead to Billions in Savings." AJMC, 9 June 2021, www.ajmc.com/view/adoption-of-the-lower-drug-costs-now-act-may-lead-to-billions-in-savings.

H.R.3, the Elijah E. Cummings Lower Drug Costs Now Act would improve efficiency and produce billions in savings for the commercial health care market’s employers and end consumers if fully implemented, according to a new study from Milliman commissioned by the West Health Policy Center.

Among its goals, the act’s provisions seek to reduce prescription drug costs, increase drug price transparency, lower member out-of-pocket spending, and increase potential coverage eligibility. Costs for the most expensive brand drugs in the United States would be negotiated between the manufacturers and the HHS secretary. Significant drug cost increases over the rate of inflation would need to be issued back as rebates to CMS.

To predict the effects of such reforms, the Milliman study sought quantitative estimates for the scope of these changes. Milliman’s models incorporated several variables, including current trends and projected spending based on different percentage adjustments to drug prices, rebates, and public vs private cost rates from 2023 through 2029.

The study estimates 46% of drug spending would be subject to negotiation under the legislation’s Title I by 2026, with an average 2.5% reduction in total commercial market claims by 2029.Overall, successful implementation of H.R. 3 means employers may reduce their health care expenditures by $195 billion while employees would save $61 billion. Of this latter amount, reduced premiums would account for $53 billion and out-of-pocket costs, $8 billion.

Overall, the market covered by the Affordable Care Act (ACA) could see savings of $58 billion, comprising $34 billon in reduced beneficiary premiums, $21 billion in federal savings by reduced Advance-Premium Tax Credits, and $2 billion in lower cost-sharing.

The estimates assume manufacturers could make such increases to the prices at a faster rate than the current yearly trends. This possibility still leads to stronger total savings via H.R. 3’s Title I. The study does not factor in further limitations on increases by plan sponsors and pharmacy benefit managers, which could improve savings for employers and employees, because it mainly applies to Medicare.

Under the most conservative pricing model—where manufacturers hypothetically increase supply costs to unprecedented highs to minimize revenue loses—$250 billion in lower costs are still passed on to employers and employees.

Additionally, the study notes that although end consumers are generally responsible for most of their plan premiums, and thus would get most of the savings, the federal government also would save on the significant portion it pays toward member premiums in the individual marketplaces.

#### Collapses the economy

Howrigon, 16 — Ron Howrigon, M.S. in Economics with a focus on Health Economics from North Carolina State University, President and Founder of Fulcrum Strategies, 18 Years of Experience in Healthcare, 12-30-2016, “Flatlining: How Healthcare Could Kill the U.S. Economy,” Greenbranch Publishing, 1st Edition, Accessed via Minnesota Libraries, Date Accessed: 8-10

Ok, let’s shift from looking at individuals to looking at the big picture—from micro- to macroeconomics. It’s important to understand where healthcare **fits into the big picture** when it comes to the economy at large. Most people who don’t work in the industry don’t clearly understand how much of the U.S. economy healthcare makes up. In fact, given the size of the economy, healthcare in the U.S. can be impactful on the ***world* economy**. This is important to understand because future changes in healthcare not only affect ow we get care and how much we pay for it, but could also significantly affect things like **unemployment**, the **national debt**, and **interest rates**. The influences on the U.S. economy will have **a ripple effect** on other countries around the world. In 1960, healthcare as a market accounted for only 5% of the U.S. economy. For every dollar transacted, only 5 cents were spent for healthcare. The entire U.S. economy was $543 billion, and healthcare accounted for about $27 billion. By itself, in 1960, the U.S. healthcare market would rank as the 15th largest world economy, putting it just in front of the GDP (Gross Domestic Product) of Australia and just behind the GDP of Italy. Think about that for a minute: the U.S., **spent more money on healthcare** than the Australians did on everything! To put this further into perspective, in 1960, the U.S. Department of Defense was twice as large as healthcare. The Defense Department consumed 10% of the U.S. economy, which means it would rank as the 11th largest world economy just in front of Japan and just behind China. Now fast-forward 50 years. In 2010, the United States GDP was $15 trillion. The total healthcare expenditures in the United States for 2010 were $2.6 trillion. At $2.6 trillion, the U.S. healthcare market has moved up from 15th and now ranks as the **5th largest world economy**, just behind Germany and just ahead of both France and the United Kingdom. That means that while healthcare was only 5% of GDP in 1960, it has risen to over 17% of GDP in only 50 years. Over that same time, the Defense Department has gone from 10% of GDP to less than 5% of GDP. This means that in terms in terms of its portion of the U.S. economy, defense spending has been reduced by half while healthcare spending has more than tripled. If **healthcare** continues to trend at the same pace it has for the last 50 years, it will consume more than **50% of the U.S. economy** by the year 2060. Every economist worth their salt will tell you that health-care will never reach 50% of the economy. It’s simply not possible because of **all the other things** it would have to **crowd out to reach** that point. So, if we know healthcare can’t grow to 50% of our economy, **where is the breaking point?** **At what point does healthcare consume so much of the economy that it breaks the bank**, so to speak? This is the big question when it comes to healthcare. If something doesn’t happen to reverse the 50-year trend we’ve been riding, when will the healthcare bubble burst? How bad will it be and how exactly will it happen? While no one knows the **exact answers** to those questions, economists and healthcare experts agree that something needs to **happen**, because we simply **can’t continue on this trend** forever. Another way to look at healthcare is to study its impact on the federal budget and the national debt. In 1998, federal healthcare spending accounted for 19% of the revenue taken in by the government. Just eight years later, in 2006, healthcare spending had increased to 24% of federal revenue. In 2010, the Affordable Healthcare Act passed and significantly increased federal spending accounted for almost one-third of all revenue received by the government and surpassed Social Security as the largest single budget category. What makes this trend even more alarming is the fact that revenue to the federal government double from 1998 to 2016. That means healthcare spending by the federal government has almost quadrupled in terms of actual dollars in that same time period. If this trend continues for the next 20 years, healthcare spending will account for over half the revenue received by the government by the year 2035. Again, the simply can’t happen without causing significant issue for the financial wellbeing of out country. In recent history, the U.S. economy has experienced the near catastrophic failure of two major market segments. The first was the auto industry and the second was the housing industry. While each of these reached their breaking point for different reasons, they both required a significant government bailout to keep them from completely melting down. What is also true about both of **those market failures** is that, looking back, it’s easy to see the warning signs. What happens if health care is the next industry to suffer a major failure and collapse? It’s safe to say that a **health care meltdown** would make both the **auto**motive and **housing** industries’ experiences **seem minor** in comparison. While that may be hard to believe, it becomes clear if you look at the numbers. The **auto industry** contributes around 3.5 percent of this country’s GDP and employs 1.7 million people. This industry was deemed **“too big to fail”** which is the rationale the U.S. government used to finance its bail out. From 2009 through 2014, the federal government invested around $80 billion in the U.S. auto industry to keep it from collapsing. Health care is five times larger than the auto industry in terms of its percentage of GDP, and is ten times larger than the auto industry in terms of the number of people it employs. The construction industry (which includes all construction, not just housing) contributes about 6 percent of our country’s GDP and employs 6.1 million people. Again, the health care market dwarfs this industry. It’s **three times larger** in terms of GDP production and, with 18 million people employed in the health care sector, it’s three times larger than construction in this area, too. These comparisons give you an idea of just how significant a portion health care comprises of the U.S. economy. It also begins to help us understand the impact it would have on the economy if health care melted down like the auto and housing industries did. So, let’s continue the comparison and use our experience with the auto and housing industries to suggest to what order of magnitude the impact a failure in the health care market would cause our economy. The bailout in the auto industry cost the federal government $80 billion over five years. Imagine a similar failure in health care that prompted the federal government to propose a similar bailout program. Let’s imagine the government felt the need to inject cash into hospital systems and doctors’ offices to keep them afloat like they did with General Motors. Since health care is five times the size of the auto industry, a similar bailout could easily cost in excess of $400 billion. That’s about the same amount of money the federal government spends on welfare programs. To pay for a bailout of the health care industry, we’d have to eliminate all welfare programs in this country. Can you imagine the impact it would have on the economy if there were suddenly none of the assistance programs so many have come to rely upon? When the housing market crashed, it caused the loss of about 3 million jobs from its peak employment level of 7.4 million in 1996. Again, if we transfer that experience to the health care market, we come up with a truly frightening scenario. If health care lost 40 percent of its jobs like housing did, it would mean 7.2 million jobs lost. That’s more than four times the number of people who are employed by the entire auto industry — an industry that was considered too big to be allowed to fail. The loss of **7.2 million jobs** would increase the unemployment rate by 5 percent. That means we could easily top the **all-time high unemployment rate** for our country. OK, now it’s time to take a deep breath. I’m not convinced that health care is fated to **unavoidable failure** and economic catastrophe. That’s a worst-case scenario. The problem is that at even a fraction the severity of the auto or housing industry crises we’ve already faced, a health care collapse would still be devastating. Health care **can’t be allowed** to continue its current inflationary trending. I believe we are on the verge of some major changes in health care, and that how they’re **implemented** will determine their impact on the overall **economic picture** in this country and around the world. Continued failure to recognize the truth about health care will only cause the resulting market corrections to be worse than they need to be. I don’t want to diminish the pain and anguish that many people caught up in the housing crash experienced. I think an argument can be made, though, that if the health care market crashes and millions of people end up with no health care, the resulting fallout could be could be much worse than even the housing crisis.

#### Economic decline causes nuclear war

Tønnesson, 15 — Stein Tønnesson, Leader of East Asia Peace program at Uppsala University, Research Professor at the Peace Research Institute Oslo, “Deterrence, Interdependence and Sino–US Peace” International Area Studies Review, Review Essay, Volume 18, Issue 3, Pages 297-311, SAGE Journals, Minnesota Libraries, Date Accessed: 8-4

Several recent works on China and Sino–US relations have made substantial contributions to the current understanding of how and under what circumstances a combination of nuclear deterrence and economic interdependence may reduce the risk of war between major powers. At least four conclusions can be drawn from the review above: first, those who say that interdependence may **both inhibit and drive conflict** are right. Interdependence raises the **cost of conflict** for all sides but asymmetrical or unbalanced dependencies and **negative trade expectations** may generate tensions leading to trade wars among inter-dependent states that in turn increase the risk of military conflict (Copeland, 2015: 1, 14, 437; Roach, 2014). The risk may increase if one of the interdependent countries is governed by an inward-looking socio-economic coalition (Solingen, 2015); second, the risk of war between China and the US should not just be analysed bilaterally but include their allies and partners. Third party countries could drag China or the US into confrontation; third, in this context it is of some comfort that the three main economic powers in Northeast Asia (China, Japan and South Korea) are all deeply integrated economically through production networks within a global system of trade and finance (Ravenhill, 2014; Yoshimatsu, 2014: 576); and fourth, decisions for war and peace are taken by very few people, who act on the basis of their future expectations. International relations theory must be supplemented by foreign policy analysis in order to assess the value attributed by national decision-makers to economic development and their assessments of risks and opportunities. If leaders on either side of the Atlantic begin to seriously fear or **anticipate their own nation’s decline** then they may blame this on **external dependence**, appeal to anti-foreign sentiments, contemplate the use of force to gain respect or credibility, adopt protectionist policies, and ultimately **refuse to be deterred by** either **nuclear arms** or prospects of socioeconomic calamities. Such a dangerous shift could happen **abruptly**, i.e. under the instigation of actions by a third party – or against a third party.

Yet as long as there is both nuclear deterrence and interdependence, the tensions in East Asia are unlikely to escalate to war. As Chan (2013) says, all states in the region are aware that they cannot count on support from either China or the US if they make provocative moves. The greatest risk is **not** that **a territorial dispute** leads to war under present circumstances but that **changes in the world economy** alter those circumstances in ways that render **inter-state peace** more precarious. If China and the US fail to rebalance their financial and trading relations (Roach, 2014) then a trade war could result, interrupting transnational production networks, provoking social distress, and exacerbating nationalist emotions. This could have **unforeseen consequences** in the field of security, with nuclear deterrence remaining the only factor to **protect the world from Armageddon**, and **unreliably so**. Deterrence could **lose its credibility**: one of the two great powers might gamble that the other yield in a cyber-war or conventional limited war, or third-party countries might engage in conflict with each other, with a view to obliging Washington or Beijing to **intervene**.

#### Solves nothing since patents aren’t the bottleneck, production and knowledge are

**Drezner 5/10** – Drezner, Daniel W., 10 May 2021. “The end of intellectual property protections?” The Washington Post, <https://www.washingtonpost.com/outlook/2021/05/10/end-intellectual-property-protections/>. Daniel W. Drezner is professor of international politics at the Fletcher School of Law and Diplomacy at Tufts University and a nonresident senior fellow at the Brookings Institution. Prior to Fletcher, he taught at the University of Chicago and the University of Colorado at Boulder. He has previously held positions with Civic Education Project, the RAND Corporation and the U.S. Department of the Treasury, and received fellowships from the German Marshall Fund of the United States, the Council on Foreign Relations, and Harvard University. *(Harker KB)*

This leads us to the libertarian position — that this was a short-term exercise in symbolic politics at the expense of long-term innovation. Libertarians argue, correctly, that this will change very little in terms of vaccine dissemination, because patents have not been the binding constraint. In October, Moderna [announced](https://investors.modernatx.com/news-releases/news-release-details/statement-moderna-intellectual-property-matters-during-covid-19) that it would not enforce its coronavirus-related patents during the pandemic. That did not trigger a tsunami of vaccine generics. As [the Financial Times’s Alan Beattie notes](https://www.ft.com/content/b3c2ae3c-4688-4ea9-a1ed-9e72bc01eedb), “India has all the IP and know-how it needs and yet still can’t produce enough for itself, let alone supply the world.” In addition to patents, a lot of tacit knowledge is required to manufacture mRNA vaccines.

#### Pfizer doesn’t enforce it’s patents on vaccine production for low income countries

**Pfizer 20** –Pfizer, Patent Rights. Issued by Policy, Public Affairs and Corporate Communications, Pfizer Inc. May 2020/ <https://cdn.pfizer.com/pfizercom/Patent-Rights-Final-May2020.pdf> *(Harker KB)*

Pfizer is committed to improving patient health and well-being at every stage of life. Meaningful patent protection worldwide encourages medical progress and further investment in the discovery and development of newer and more effective medicines and vaccines that address unmet medical needs of patients. Pfizer continuously reevaluates its patent filing strategy in all markets to ensure continued innovation and access to medicines for the benefit of patients. Enforcement of patent rights is driven by numerous factors particular to each case; however, Pfizer has a policy of patent non-enforcement in Least Developed Countries.

#### No UQ, Moderna already releases COVID Vaccine IP

**Moderna** On, **10-8-2020**, "Statement by Moderna on Intellectual Property Matters during the COVID-19 Pandemic," Moderna, Inc., <https://investors.modernatx.com/news-releases/news-release-details/statement-moderna-intellectual-property-matters-during-covid-19> *(Harker AM)*

Moderna is a pioneer in the development of messenger RNA (mRNA) vaccines and therapeutics. From its inception in 2010, Moderna saw the potential of this new class of medicines to make a significant difference in patients’ lives. With the support of our investors we have invested billions of dollars into research and development to make mRNA medicines a reality. One of the exciting discoveries advanced by Moderna was the combination of mRNA and lipid nanoparticles (LNPs) to make vaccines, and the demonstration of this potential in human clinical trials for eleven different infectious disease vaccines since 2015. Those discoveries and the expertise we developed have uniquely positioned Moderna to respond to the COVID-19 pandemic quickly. Information on our work toward a COVID-19 vaccine can be found here. As a company committed to innovation, Moderna recognizes that intellectual property rights play an important role in encouraging investment in research. Our portfolio of intellectual property is an important asset that will protect and enhance our ability to continue to invest in innovative medicines. A summary of our intellectual property can be found here. A selection of representative issued US patents relevant to our mRNA-1273 vaccine against COVID-19 is available here. Beyond Moderna’s vaccine, there are other COVID-19 vaccines in development that may use Moderna-patented technologies. We feel a special obligation under the current circumstances to use our resources to bring this pandemic to an end as quickly as possible. Accordingly, while the pandemic continues, Moderna will not enforce our COVID-19 related patents against those making vaccines intended to combat the pandemic. Further, to eliminate any perceived IP barriers to vaccine development during the pandemic period, upon request we are also willing to license our intellectual property for COVID-19 vaccines to others for the post pandemic period. Moderna is proud that its mRNA technology is poised to be used to help end the current pandemic.