As the negative, this case will negate the resolution: The member nations of the World Trade Organization ought to reduce intellectual property protections for medicines.

Value: Common Good

Criterion: The common good is served by negating the resolution because if the resolution is followed, the next new medicine won’t be created.

Contention 1: **If patents for medicines are weakened, pharmaceutical companies will have no reason to create new medicines**

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There are several possible sources of dynamic gains to be had from granting patent protection. The inventor's profits, the square marked 'P', is the most obvious source of dynamic gains. Without protection, **inventors** do not appropriate the benefits of new drug innovations and so **have a sub-optimal incentive to invest in the research and development to discover, test, and bring them to market.** Because patents allow inventors to appropriate more of the consumer surplus from their innovations, **granting patents may increase welfare by stimulating additional R&D investment.**

A second source of potential dynamic gains comes from the disclosure requirement today common to all patent laws: specifications must be written to enable any person "skilled in the art" to make use of the innovation. As patentees reveal their innovations in their patent applications, information about new technologies becomes more quickly available to others as an input into their own R&D.

Finally, the availability of patents may increase the efficiency of the production of drugs and the efficiency of the research to discover and develop new drugs by facilitating contracting between firms. The innovating firm is able to reveal its innovation without losing control and hence may be able to sub-contract parts of the development work at lower cost. Similarly, the firm may be more willing to license the patented innovation to manufacturing firms for production. **Arora** (1996) **points to the role** that **patents play in providing a means to contract for the transfer of the 'know-how' associated with innovations, a component of knowledge which may be particularly important to firms in developing countries.**