### Health Fund

#### Counterplan: High-income country governments, backed by the United States, should provide all necessary funding to purchase COVID-19 vaccines developed by drug companies at any reasonable cost and distribute them as requested world-wide.

Lindsay 6/11 - Brink Lindsay, Brookings, 6-11, 2021, Why intellectual property and pandemics don’t mix, https://www.brookings.edu/blog/up-front/2021/06/03/why-intellectual-property-and-pandemics-dont-mix/

Waiving patent protections is certainly no panacea. What is needed most urgently is a massive drive of technology transfer, capacity expansion, and supply line coordination to bring vaccine supply in line with global demand. Dispensing with patents in no way obviates the need for governments to fund and oversee this effort.¶ Although focusing on these immediate constraints is vital, we cannot confine our attention to the short term. First of all, the COVID-19 pandemic is far from over. Although Americans can now see the light at the end of the tunnel thanks to the rapid rollout of vaccines, most of the world isn’t so lucky. The virus is¶ currently raging in India and throughout South America, overwhelming health care systems and inflicting suffering and loss on a horrific scale. And consider the fact that Australia, which has been successful in suppressing the virus, recently announced it was sticking to plans to keep its borders closed until mid-2022. Criticisms of the TRIPS waiver that focus only on the next few months are therefore short-sighted: this pandemic could well drag on long enough for elimination of patent restrictions to enable new vaccine producers to make a positive difference.¶ Furthermore, and probably even more important, this is almost certainly not the last pandemic we will face. Urbanization, the spread of factory-farming methods, and globalization all combine to increase the odds that a new virus will make the jump from animals to humans and then spread rapidly around the world. Prior to the current pandemic, the 21st century already saw outbreaks of SARS, H1N1, MERS, and Ebola. Everything we do and learn in the current crisis should be viewed from the perspective of getting ready for next time.¶ The Nature of the Patent Bargain¶ When we take the longer view, we can see a fundamental mismatch between the policy design of intellectual property protection and the policy requirements of effective pandemic response. Although patent law, properly restrained, constitutes one important element of a well-designed national innovation system, the way it goes about encouraging technological progress is singularly ill-suited to the emergency conditions of a pandemic or other public health crisis. Securing a TRIPS waiver for COVID-19 vaccines and treatments would thus establish a salutary precedent that, in emergencies of this kind, governments should employ other, more direct means to incentivize the development of new drugs.¶ Here is the basic bargain offered by patent law: encourage the creation of useful new ideas for the long run by slowing the diffusion of useful new ideas in the short run. The second half of the bargain, the half that imposes costs on society, comes from the temporary exclusive rights, or monopoly privileges, that a patent holder enjoys. Under U.S. patent law, for a period of 20 years nobody else can manufacture or sell the patented product without the permission of the patent holder. This allows the patent holder to block competitors from the market, or extract licensing fees before allowing them to enter, and consequently charge above-market prices to its customers. Patent rights thus slow the diffusion of a new invention by restricting output and raising prices.¶ The imposition of these short-run costs, however, can bring net long-term benefits by sharpening the incentives to invent new products. In the absence of patent protection, the prospect of easy imitation by later market entrants can deter would-be innovators from incurring the up-front fixed costs of research and development. But with a guaranteed period of market exclusivity, inventors can proceed with greater confidence that they will be able to recoup their investment.¶ For the tradeoff between costs and benefits to come out positive on net, patent law must strike the right balance. Exclusive rights should be valuable enough to encourage greater innovation, but not so easily granted or extensive in scope or term that this encouragement is outweighed by output restrictions on the patented product and discouragement of downstream innovations dependent on access to the patented technology.¶ Unfortunately, the U.S. patent system at present is out of balance. Over the past few decades, the expansion of patentability to include software and business methods as well as a general relaxation of patenting requirements have led to wildly excessive growth in these temporary monopolies: the number of patents granted annually has¶ skyrocketed roughly fivefold since the early 1980s. One unfortunate result has been the rise of “non-practicing entities,” better known as patent trolls: firms that make nothing themselves but buy up patent portfolios and monetize them through aggressive litigation. As a result, a law that is supposed to encourage innovation has turned into a¶ legal minefield for many would-be innovators. In the pharmaceutical industry, firms have abused the law by piling up patents for trivial, therapeutically irrelevant “innovations” that allow them to¶ extend their monopolies and keep raising prices long beyond the statutorily contemplated 20 years.¶ Patent law is creating these unintended consequences because policymakers have been caught in an ideological fog that¶ conflates “intellectual property” with actual property rights over physical objects. Enveloped in that fog, they regard any attempts to put limits on patent monopolies as attacks on private property and view ongoing expansions of patent privileges as necessary to keep innovation from grinding to a halt. In fact, patent law is a tool of regulatory policy with the usual tradeoffs between costs and benefits; like all tools, it can be misused, and as with all tools there are some jobs for which other tools are better suited. A well-designed patent system, in which benefits are maximized and costs kept to a minimum, is just one of various policy options that governments can employ to stimulate technological advance—including tax credits for R&D, prizes for targeted inventions, and direct government support.¶ Public Health Emergencies and Direct Government Support¶ For pandemics and other public health emergencies, patents’ mix of costs and benefits is misaligned with what is needed for an effective policy response**. The basic patent bargain**, even when well struck, **is to pay for more innovation down the roa**d with slower diffusion of innovation today. In the context of a pandemic, that bargain is a bad one and should be rejected entirely. Here the imperative is to accelerate the diffusion of vaccines and other treatments, not slow it down. Giving drug companies the power to hold things up by blocking competitors and raising prices pushes in the completely wrong direction. What approach to encouraging innovation should we take instead? How do we incentivize drug makers to undertake the hefty R&D costs to develop new vaccines without giving them exclusive rights over their production and sale? **The most effective approach during a public health crisis is direct government support: public funding of R&D, advance purchase commitments** by the government **to buy large numbers of doses at set prices, and other, related payouts.** And when we pay drug makers, **we should not hesitate to pay generously**, even extravagantly**: we want to offer** drug companies **big profits so** that **they prioritize this work above everything else, and so that they are** ready and **eager to come to the rescue again the next time there’s a crisis.** It was direct support via Operation Warp Speed that made possible the astonishingly rapid development of COVID-19 vaccines and then facilitated a relatively rapid rollout of vaccine distribution (relative, that is, to most of the rest of the world). And it’s worth noting that a major reason for the faster rollout here and in the United Kingdom compared to the European Union was the latter’s misguided penny-pinching. The EU bargained hard with firms to keep vaccine prices low, and as a result their citizens ended up in the back of the queue as various supply line kinks were being ironed out. This is particularly ironic since the Pfizer-BioNTech vaccine was developed in Germany. As this fact underscores**, the chief advantage of direct support** isn’t to “get tough” with drug firms and keep a lid on their profits. Instead, it **is to accelerate the end of the public health emergency by making sure drug makers profit** handsomely **from doing the right thing.** Patent law and direct support should be seen not as either-or alternatives but as complements that apply different incentives to different circumstances and time horizons**. Patent law provides a decentralized system for encouraging innovation. The government doesn’t presume to tell the industry which new drugs are needed**; it simply incentivizes the development of whatever new drugs that pharmaceutical firms can come up with by offering them a temporary monopoly. It is important to note that patent law’s incentives offer no commercial guarantees. Yes, you can block other competitors for a number of years, but that still doesn’t ensure enough consumer demand for the new product to make it profitable. The situation is different in a pandemic. Here the government knows exactly what it wants to incentivize: the creation of vaccines to prevent the spread of a specific virus and other drugs to treat that virus. Under these circumstances, the decentralized approach isn’t good enough. There is no time to sit back and let drug makers take the initiative on their own timeline. Instead, the government needs to be more involved to incentivize specific innovations now. As recompense for letting it call the shots (pardon the pun), the government sweetens the deal for drug companies by insulating them from commercial risk. **If pharmaceutical firms develop effective vaccines and therapies, the government will buy large, predetermined quantities at prices set high enough to guarantee a healthy return.** For the pharmaceutical industry, it is useful to conceive of **patent law** as the default regime for innovation promotion. It **improves pharmaceutical companies’ incentives to develop new drugs while leaving them free to decide which new drugs to pursu**e – and also leaving them to bear all commercial risk. In a pandemic or other emergency, however, it is appropriate to shift to the direct support regime, in which the government focuses efforts on one disease. In this regime, it is important to note, the government provides qualitatively superior incentives to those offered under patent law. Not only does it offer public funding to cover the up-front costs of drug development, but it also provides advance purchase commitments that guarantee a healthy return. It should therefore be clear that the pharmaceutical industry has no legitimate basis for objecting to a TRIPS waiver. Since, because of the public health crisis, drug makers now qualify for the superior benefits of direct government support, they no longer need the default benefits of patent support. Arguments that a TRIPS waiver would deprive drug makers of the incentives they need to keep developing new drugs, when they are presently receiving the most favorable incentives available, can be dismissed as the worst sort of special pleading. That said, it is a serious mistake to try to cast the current crisis as a morality play in which drug makers wear the black hats and the choice at hand is between private profits and public health. We would have no chance of beating this virus without the formidable organizational capabilities of the pharmaceutical industry, and providing the appropriate incentives is essential to ensure that the industry plays its necessary and vital role. It is misguided to lament that private companies are profiting in the current crisis: those profits are a drop in the bucket compared to the staggering cost of this pandemic in lives and economic damage. What matters isn’t the existence or size of the profits, but how they are earned. We have good reason to want drug makers to profit from vaccinating the world: the comparative price is minuscule, and the incentive effects are a vital safeguard of public health in the event of future crises. What we want to avoid at all costs is putting drug makers in the position where drug companies can profit from standing in the way of rapid global vaccination. That is why intellectual property rights need to be taken out of the equation. Vaccinating the world in any kind of reasonable time frame will require large-scale technology transfer to drug firms in other countries and rapid expansion of their production capacity. And looking beyond the current pandemic to the longer term, we need ample, redundant global vaccine production capacity that is widely distributed around the planet. To achieve these goals as rapidly as possible will require the active cooperation of the U.S. pharmaceutical industry, which is why the direct support model now needs to be extended. What is needed now is an Operation Warp Speed for the world, in which we make it worth current vaccine producers’ while to share their know-how broadly and ramp up global capacity. Here again, we must recognize that the choice isn’t between people on the one hand and profits on the other. Rather, the key to good pandemic response policy is ensuring that incentives are structured so that drug company profit-seeking and global public health are well aligned. That means opting out of the default, decentralized patent bargain in favor of generous but well-focused direct government support.

### Innovation DA

#### The pharma industry is strong now but patents are key for continued economic growth. Batell and PhRMA 14:

Batell and PhRMA {Battelle is the world’s largest nonprofit independent research and development organization, providing innovative solutions to the world’s most pressing needs through its four global businesses: Laboratory Management, National Security, Energy, Environment and Material Sciences, and Health and Life Sciences. The Pharmaceutical Research and Manufacturers of America (PhRMA) represents the country’s leading pharmaceutical research and biotechnology companies, which are devoted to inventing medicines that allow patients to live longer, healthier, and more productive lives.}, 14 – “The U.S. Biopharmaceutical Industry: Perspectives on Future Growth and The Factors That Will Drive It,” http://phrma-docs.phrma.org/sites/default/files/pdf/2014-economic-futures-report.pdf//marlborough-wr//

Compared to other capital-intensive, advanced manufacturing industries in the U.S., the biopharmaceutical industry is a leader in R&D investment, IP generation, venture capital investment, and R&D employment. Policies and infrastructure that helped foster these innovative activities have allowed the U.S. to seize global leadership in biopharmaceutical R&D over the past 30 years. However, as this report details, other countries are seeking to compete with the U.S. by borrowing and building upon some of these pro-innovation policies to improve their own operating environment and become more favorable to biopharmaceutical companies making decisions about where to locate their R&D and manufacturing activities. A unique contribution of this report was the inclusion of the perspective of senior-level strategic planning executives of biopharmaceutical companies regarding what policy areas they see as most likely to impact the favorability of the U.S. business operating environment. The executives cited the following factors as having the most impact on the favorability of the operating environment and hence, potential growth of the innovative biopharmaceutical industry in the U.S.: • Coverage and payment policies that support and encourage medical innovation • A well-functioning, science-based regulatory system • Strong IP protection and enforcement in the U.S. and abroad The top sub-attribute identified as driving future biopharmaceutical industry growth in the U.S. cited by executives was a domestic IP system that provides adequate patent rights and data protection. Collectively, these factors underscore the need to reduce uncertainties and ensure adequate incentives for the lengthy, costly, and risky R&D investments necessary to develop new treatments needed by patients and society to address our most costly and challenging diseases. With more than 300,000 jobs at stake between the two scenarios, the continued growth and leadership of the U.S. innovative biopharmaceutical industry cannot be taken for granted. Continued innovation is fundamental to U.S. economic well-being and the nation’s ability to compete effectively in a globalized economy and to take advantage of the expected growth in demand for new medicines around the world. Just as other countries have drawn lessons from the growth of the U.S. biopharmaceutical sector, the U.S. needs to assess how it can improve the environment for innovation and continue to boost job creation by increasing R&D investment, fostering a robust talent pool, enhancing economic growth and sustainability, and continuing to bring new medicines to patients.

#### COVID has kept patents and innovation strong, but continued protection is key to innovation by incentivizing biomedical research – it’s also crucial to preventing counterfeit medicines, economic collapse, and fatal diseases, which independently turns case. Macdole and Ezell 4-29:

Jaci Mcdole and Stephen Ezell {Jaci McDole is a senior policy analyst covering intellectual property (IP) and innovation policy at the Information Technology and Innovation Foundation (ITIF). She focuses on IP and its correlations to global innovation and trade. McDole holds a double BA in Music Business and Radio-Television with a minor in Marketing, an MS in Education, and a JD with a specialization in intellectual property (Southern Illinois University Carbondale). McDole comes to ITIF from the Institute for Intellectual Property Research, an organization she co-founded to study and further robust global IP policies. Stephen Ezell is vice president, global innovation policy, at the Information Technology and Innovation Foundation (ITIF). He comes to ITIF from Peer Insight, an innovation research and consulting firm he cofounded in 2003 to study the practice of innovation in service industries. At Peer Insight, Ezell led the Global Service Innovation Consortium, published multiple research papers on service innovation, and researched national service innovation policies being implemented by governments worldwide. Prior to forming Peer Insight, Ezell worked in the New Service Development group at the NASDAQ Stock Market, where he spearheaded the creation of the NASDAQ Market Intelligence Desk and the NASDAQ Corporate Services Network, services for NASDAQ-listed corporations. Previously, Ezell cofounded two successful innovation ventures, the high-tech services firm Brivo Systems and Lynx Capital, a boutique investment bank. Ezell holds a B.S. from the School of Foreign Service at Georgetown University, with an honors certificate from Georgetown’s Landegger International Business Diplomacy program.}, 21 - ("Ten Ways Ip Has Enabled Innovations That Have Helped Sustain The World Through The Pandemic," Information Technology & Innovation Foundation, 4-29-2021, https://itif.org/publications/2021/04/29/ten-ways-ip-has-enabled-innovations-have-helped-sustain-world-through)//marlborough-wr/

To better understand the role of IP in enabling solutions related to COVID-19 challenges, this report relies on 10 case studies drawn from a variety of nations, technical fields, and firm sizes. This is but a handful of the thousands of IP-enabled innovations that have sprung forth over the past year in an effort to meet the tremendous challenges brought on by COVID-19 globally. From a paramedic in Mexico to a veteran vaccine manufacturing company in India and a tech start-up in Estonia to a U.S.-based company offering workplace Internet of Things (IoT) services, small and large organizations alike are working to combat the pandemic. Some have adapted existing innovations, while others have developed novel solutions. All are working to take the world out of the pandemic and into the future. The case studies are: Bharat Biotech: Covaxin Gilead: Remdesivir LumiraDX: SARS-COV-2 Antigen POC Test Teal Bio: Teal Bio Respirator XE Ingeniería Médica: CápsulaXE Surgical Theater: Precision VR Tombot: Jennie Starship Technologies: Autonomous Delivery Robots Triax Technologies: Proximity Trace Zoom: Video Conferencing As the case studies show, IP is critical to enabling innovation. Policymakers around the world need to ensure robust IP protections are—and remain—in place if they wish their citizens to have safe and innovative solutions to health care, workplace, and societal challenges in the future. THE ROLE OF INTELLECTUAL PROPERTY IN R&D-INTENSIVE INDUSTRIES Intangible assets, such as IP rights, comprised approximately 84 percent of the corporate value of S&P 500 companies in 2018.4 For start-ups, this means much of the capital needed to operate is directly related to IP (see Teal Bio case study for more on this). IP also plays an especially important role for R&D-intensive industries.5 To take the example of the biopharmaceutical industry, it is characterized by high-risk, time-consuming, and expensive processes including basic research, drug discovery, pre-clinical trials, three stages of human clinical trials, regulatory review, and post-approval research and safety monitoring. The drug development process spans an average of 11.5 to 15 years.6 For every 5,000 to 10,000 compounds screened on average during the basic research and drug discovery phases, approximately 250 molecular compounds, or 2.5 to 5 percent, make it to preclinical testing. Out of those 250 molecular compounds, approximately 5 make it to clinical testing. That is, 0.05 to 0.1 percent of drugs make it from basic research into clinical trials. Of those rare few which make it to clinical testing, less than 12 percent are ultimately approved for use by the U.S. Food and Drug Administration (FDA).7 In addition to high risks, drug development is costly, and the expenses associated with it are increasing. A 2019 report by the Deloitte Center for Health Solutions concluded that since 2010 the average cost of bringing a new drug to market increased by 67 percent.8 Numerous studies have examined the substantial cost of biopharmaceutical R&D, and most confirm investing in new drug development requires $1.7 billion to $3.2 billion up front on average.9 A 2018 study by the Coalition for Epidemic Preparedness found similar risks and figures for vaccines, stating, “In general, vaccine development from discovery to licensure can cost billions of dollars, can take over 10 years to complete, and has an average 94 percent chance of failure.”10 Yet, a 2010 study found that 80 percent of new drugs—that is, the less than 12 percent ultimately approved by the FDA—made less than their capitalized R&D costs.11 Another study found that only 1 percent (maybe three new drugs each year) of the most successful 10 percent of FDA approved drugs generate half of the profits of the entire drug industry.12 To say the least, biopharmaceutical R&D represents a high-stakes, long-term endeavor with precarious returns. Without IP protection, biopharmaceutical manufacturers have little incentive to take the risks necessary to engage in the R&D process because they would be unable to recoup even a fraction of the costs incurred. Diminished revenues also result in reduced investments in R&D which means less research into cancer drugs, Alzheimer cures, vaccines, and more. IP rights give life-sciences enterprises the confidence needed to undertake the difficult, risky, and expensive process of life-sciences innovation secure in the knowledge they can capture a share of the gains from their innovations, which is indispensable not only to recouping the up-front R&D costs of a given drug, but which can generate sufficient profits to enable investment in future generations of biomedical innovation and thus perpetuate the enterprises into the future.13 THE IMPORTANCE OF INTELLECTUAL PROPERTY TO INNOVATION Although anti-IP proponents have attacked biopharmaceutical manufacturers particularly hard, the reality is all IP-protected innovations are at risk if these rights are ignored, or vitiated. Certain arguments have shown a desire for the term “COVID-19 innovations” to include everything from vaccines, therapeutics, diagnostics, and PPE to biotechnology, AI-related data, and educational materials.14 This could potentially open the floodgates to invalidate IP protection on many of the innovations highlighted in this report. However, much of the current discussion concerning IP focuses almost entirely on litigation fears or R&D incentives. Although R&D is an important aspect of IP, as previously mentioned, these discussions ignore the fact that IP protection can be—and often is—used for other purposes, including generating initial capital to create a company and begin manufacturing and, more importantly, using licensing agreements and IP to track the supply chain and ensure quality control of products. This report highlights but a handful of the thousands of IP-enabled innovations that have sprung forth over the past year in an effort to meet the tremendous challenges brought on by COVID-19 globally. In 2018, Forbes identified counterfeiting as the largest criminal enterprise in the world.15 The global struggle against counterfeit and non-regulated products, which has hit Latin America particularly hard during the pandemic, proves the need for safety and quality assurance in supply chains.16 Some communities already ravaged by COVID-19 are seeing higher mortality rates related to counterfeit vaccines, therapeutics, PPE, and cleaning and sanitizing products.17 Polish authorities discovered vials of antiwrinkle treatment labeled as COVID-19 vaccines. 18 In Mexico, fake vaccines sold for approximately $1,000 per dose.19 Chinese and South African police seized thousands of counterfeit vaccine doses from warehouses and manufacturing plants.20 Meanwhile, dozens of websites worldwide claiming to sell vaccines or be affiliated with vaccine manufacturers have been taken down.21 But the problem is not limited to biopharmaceuticals. The National Intellectual Property Rights Coordination Center has recovered $48 million worth of counterfeit PPE and other products.22 Collaborative efforts between law enforcement and manufacturers have kept numerous counterfeits from reaching the population. In countries with strong IP protection, the chances of counterfeit products reaching the market are significantly lower. This is largely because counterfeiting tends to be an IP-related issue, and these countries generally provide superior means of tracking the supply chain through trademarks, trade secrets, and licensing agreements. This enables greater quality control and helps manufacturers maintain a level of public confidence in their products. By controlling the flow of knowledge associated with IP, voluntary licensing agreements provide innovators with opportunities to collaborate, while ensuring their partners are properly equipped and capable of producing quality products. Throughout this difficult time, the world has seen unexpected collaborations, especially between biopharmaceutical companies worldwide such as Gilead and Eva Pharma or Bharat Biotech and Ocugen, Inc. Throughout history, and most significantly in the nineteenth century through the widespread development of patent systems and the ensuing Industrial Revolution, IP has contributed toward greater economic growth.23 This is promising news as the world struggles for economic recovery. A 2021 joint study by the EU Intellectual Property Office (EUIPO) and European Patent Office (EPO) shows a strong, positive correlation between IP rights and economic performance.24 It states that “IP-owning firms represent a significantly larger proportion of economic activity and employment across Europe,” with IP-intensive industries contributing to 45 percent of gross domestic product (GDP) (€6.6 trillion; US$7.9 trillion).25 The study also shows 38.9 percent of employment is directly or indirectly attributed to IP-intensive industries, and IP generates higher wages and greater revenue per employee, especially for small-to-medium-sized enterprises.26 That concords with the United States, where the Department of Commerce estimated that IP-intensive industries support at least 45 million jobs and contribute more than $6 trillion dollars to, or 38.2 percent of, GDP.27 In 2020, global patent filings through the World Intellectual Property Organization’s (WIPO) Patent Cooperation Treaty (PCT) system reached a record 275,900 filings amidst the pandemic, growing 4 percent from 2019.28 The top-four nations, which accounted for 180,530 of the patent applications, were China, the United States, Japan, and Korea, respectively.29 While several countries saw an increase in patent filings, Saudi Arabia and Malaysia both saw significant increases in the number of annual applications, with the top two filing growths of 73 percent and 26 percent, respectively.30 The COVID-19 pandemic slowed a lot of things, but it certainly couldn’t stop innovation. There are at least five principal benefits strong IP rights can generate, for both developing and developed countries alike.31 First, stronger IP protection spurs the virtuous cycle of innovation by increasing the appropriability of returns, enabling economic gain and catalyzing economic growth. Second, through patents—which require innovators to disclose certain knowledge as a condition of protection—knowledge spillovers build a platform of knowledge that enables other innovators. For instance, studies have found that the rate of return to society from corporate R&D and innovation activities is at least twice the estimated returns that each company itself receives.32 Third, countries with robust IP can operate more efficiently and productively by using IP to determine product quality and reduce transaction costs. Fourth, trade and foreign direct investment enabled and encouraged by strong IP protection offered to enterprises from foreign countries facilitates an accumulation of knowledge capital within the destination economy. That matters when foreign sources of technology account for over 90 percent of productivity growth in most countries.33 There’s also evidence suggesting that developing nations with stronger IP protections enjoy the earlier introduction of innovative new medicines.34 And fifth, strong IP boosts exports, including in developing countries.35 Research shows a positive correlation between stronger IP protection and exports from developing countries as well as faster growth rates of certain industries.36 The following case studies illustrate these benefits of IP and how they’ve enabled innovative solutions to help global society navigate the COVID-19 pandemic.

#### This sets a precedent that spills over to all future diseases – Hopkins 21:

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The Biden administration’s unexpected support for [temporarily waiving Covid-19 vaccine patents](https://www.wsj.com/articles/u-s-backs-waiver-of-intellectual-property-protection-for-covid-19-vaccines-11620243518?mod=article_inline) won’t have an immediate financial impact on the companies making the shots, industry officials and analysts said. Yet the decision could mark a shift in Washington’s longstanding support of the industry’s valuable intellectual property, patent-law experts said. A waiver, if it does go into effect, may pose long-term risks to the vaccine makers, analysts said. [Moderna](https://www.wsj.com/market-data/quotes/MRNA) Inc., [MRNA -4.12%](https://www.wsj.com/market-data/quotes/MRNA?mod=chiclets) [Pfizer](https://www.wsj.com/market-data/quotes/PFE) Inc. [PFE -3.10%](https://www.wsj.com/market-data/quotes/PFE?mod=chiclets) and other vaccine makers weren’t counting on sales from the developing countries that would gain access to the vaccine technology, analysts said. If patents and other crucial product information behind the technology is made available, it would take at least several months before shots were produced, industry officials said. Yet long-term Covid-19 sales could take a hit if other companies and countries gained access to the technologies and figured out how to use it. Western drugmakers could also confront competition sooner for other medicines they are hoping to make using the technologies. A World Trade Organization waiver could also set a precedent for waiving patents for other medicines, a long-sought goal of some developing countries, patient groups and others to try to reduce the costs of prescription drugs. “It sets a tremendous precedent of waiving IP rights that’s likely going to come up in future pandemics or in other serious diseases,” said David Silverstein, a patent lawyer at Axinn, Veltrop & Harkrider LLP who advises drugmakers. “Other than that, this is largely symbolic.”

#### Pharmaceutical innovation is key to protecting against future pandemics, bioterrorism, and antibiotic resistance.

Marjanovic and Fejiao ‘20 Marjanovic, Sonja, and Carolina Feijao. Sonja Marjanovic, Ph.D., Judge Business School, University of Cambridge. Carolina Feijao, Ph.D. in biochemistry, University of Cambridge; M.Sc. in quantitive biology, Imperial College London; B.Sc. in biology, University of Lisbon. "Pharmaceutical Innovation for Infectious Disease Management: From Troubleshooting to Sustainable Models of Engagement." (2020). [Quality Control]

As key actors in the healthcare innovation landscape, pharmaceutical and life sci-ences companies have been called on to develop medicines, vaccines and diagnostics for pressing public health challenges. The COVID-19 crisis is one such challenge, but there are many others. For example, MERS, SARS, Ebola, Zika and avian and swine flu are also infectious diseases that represent public health threats. Infectious agents such as anthrax, smallpox and tularemia could present threats in a **bioterrorism con-text**.1 The general threat to public health that is posed by **antimicrobial resistance** is also **well-recognised** as an area **in need of pharmaceutical innovation**. Innovating in response to these challenges does not always align well with pharmaceutical industry commercial models, shareholder expectations and compe-tition within the industry. However, the expertise, networks and infrastructure that industry has within its reach, as well as public expectations and the moral imperative, make pharmaceutical companies and the wider life sciences sector an **indispensable** partner in the search for solutions that save lives. This perspective argues for the need to establish more sustainable and scalable ways of incentivising pharmaceu-tical innovation in response to infectious disease threats to public health. It considers both past and current examples of efforts to mobilise pharmaceutical innovation in high commercial risk areas, including in the context of current efforts to respond to the COVID-19 pandemic. In global pandemic crises like COVID-19, the urgency and scale of the crisis – as well as the spotlight placed on pharmaceutical companies – mean that contributing to the search for effective medicines, vaccines or diagnostics is **essential** for socially responsible companies in the sec-tor.2 It is therefore unsurprising that we are seeing indus-try-wide efforts unfold at unprecedented scale and pace. Whereas there is always scope for more activity, industry is currently contributing in a variety of ways. Examples include pharmaceutical companies donating existing com-pounds to assess their utility in the fight against COVID-19; screening existing compound libraries in-house or with partners to see if they can be repurposed; accelerating tri-als for potentially effective medicine or vaccine candidates; and in some cases rapidly accelerating in-house research and development to discover new treatments or vaccine agents and develop diagnostics tests.3,4 Pharmaceutical companies are collaborating with each other in some of these efforts and participating in global R&D partnerships (such as the Innovative Medicines Initiative effort to accel-erate the development of potential therapies for COVID-19) and supporting national efforts to expand diagnosis and testing capacity and ensure affordable and ready access to potential solutions.3,5,6 The primary purpose of such innovation is to **benefit patients** and wider **population health**. Although there are also reputational benefits from involvement that can be realised across the industry, there are likely to be rela-tively few companies that are ‘commercial’ winners. Those who might gain substantial revenues will be under pres-sure not to be seen as profiting from the pandemic. In the United Kingdom for example, GSK has stated that it does not expect to profit from its COVID-19 related activities and that any gains will be invested in supporting research and long-term pandemic preparedness, as well as in developing products that would be affordable in the world’s poorest countries.7 Similarly, in the United States AbbVie has waived intellectual property rights for an existing com-bination product that is being tested for therapeutic poten-tial against COVID-19, which would support affordability and allow for a supply of generics.8,9 Johnson & Johnson has stated that its potential vaccine – which is expected to begin trials – will be available on a not-for-profit basis during the pandemic.10 Pharma is mobilising substantial efforts to rise to the COVID-19 challenge at hand. However, we need to consider how pharmaceutical innovation for responding to emerging infectious diseases can best be enabled beyond the current crisis. Many public health threats (including those associated with other **infectious diseases**, **bioterror-ism** agents **and antimicrobial resistance**) are **urgently in need of pharmaceutical innovation**, **even if their impacts are not as visible** to society **as COVID**-19 is in the imme-diate term. The pharmaceutical industry has responded to previous public health emergencies associated with infec-tious disease in recent times – for example those associated with Ebola and Zika outbreaks.11 However, it has done so to a lesser scale than for COVID-19 and with contribu-tions from fewer companies. Similarly, levels of activity in response to the threat of antimicrobial resistance are still **low**.12 There are important policy questions as to whether – and how – industry could engage with such public health threats to an even greater extent under improved innova-tion conditions.

#### Bioterror causes extinction---early response key

Farmer 17 (“Bioterrorism could kill more people than nuclear war, Bill Gates to warn world leaders” http://www.telegraph.co.uk/news/2017/02/17/biological-terrorism-could-kill-people-nuclear-attacks-bill/)

Bioterrorists could one day kill hundreds of millions of people in an attack more deadly than nuclear war, Bill Gates will warn world leaders. Rapid advances in genetic engineering have opened the door for small terrorism groups to tailor and easily turn biological viruses into weapons. A resulting disease pandemic is currently one of the most deadly threats faced by the world, he believes, yet governments are complacent about the scale of the risk. Speaking ahead of an address to the Munich Security Conference, the richest man in the world said that while governments are concerned with the proliferation of nuclear and chemical weapons, they are overlooking the threat of biological warfare. Mr Gates, whose charitable foundationis funding research into quickly spotting outbreaks and speeding up vaccine production, said the defence and security establishment “have not been following biology and I’m here to bring them a little bit of bad news”. Mr Gates will today (Saturday) tell an audience of international leaders and senior officers that the world’s next deadly pandemic “could originate on the computer screen of a terrorist”. He told the Telegraph: “Natural epidemics can be extremely large. Intentionally caused epidemics, bioterrorism, would be the largest of all. “With nuclear weapons, you’d think you would probably stop after killing 100million. Smallpox won’t stop. Because the population is naïve, and there are no real preparations. That, if it got out and spread, would be a larger number.” He said developments in genetic engineering were proceeding at a “mind-blowing rate”. Biological warfare ambitions once limited to a handful of nation states are now open to small groups with limited resources and skills. He said: “They make it much easier for a non-state person. It doesn’t take much biology expertise nowadays to assemble a smallpox virus. Biology is making it way easier to create these things.” The increasingly common use of gene editing technology would make it difficult to spot any potential terrorist conspiracy. Technologies which have made it easy to read DNA sequences and tinker with them to rewrite or tweak genes have many legitimate uses. He said: “It’s not like when someone says, ‘Hey I’d like some Plutonium’ and you start saying ‘Hmmm.. I wonder why he wants Plutonium?’” Mr Gates said the potential death toll from a disease outbreak could be higher than other threats such as climate change or nuclear war. He said: “This is like earthquakes, you should think in order of magnitudes. If you can kill 10 people that’s a one, 100 people that’s a two... Bioterrorism is the thing that can give you not just sixes, but sevens, eights and nines. “With nuclear war, once you have got a six, or a seven, or eight, you’d think it would probably stop. [With bioterrorism] it’s just unbounded if you are not there to stop the spread of it.” By tailoring the genes of a virus, it would be possible to manipulate its ability to spread and its ability to harm people. Mr Gates said one of the most potentially deadly outbreaks could involve the humble flu virus. It would be relatively easy to engineer a new flu strain combining qualities from varieties that spread like wildfire with varieties that were deadly. The last time that happened naturally was the 1918 Spanish Influenza pandemic, which went on to kill more than 50 million people – or nearly three times the death toll from the First World War. By comparison, the recent Ebola outbreak in West Africa which killed just over 11,000 was “a Richter Scale three, it’s a nothing,” he said. But despite the potential, the founder of Microsoft said that world leaders and their militaries could not see beyond the more recognised risks. He said: “Should the world be serious about this? It is somewhat serious about normal classic warfare and nuclear warfare, but today it is not very serious about bio-defence or natural epidemics.” He went on: “They do tend to say ‘How easy is it to get fissile material and how accurate are the plans out on the internet for dirty bombs, plutonium bombs and hydrogen bombs?’ “They have some people that do that. What I am suggesting is that the number of people that look at bio-defence is worth increasing.” Whether naturally occurring, or deliberately started, it is almost certain that a highly lethal global pandemic will occur within our lifetimes, he believes. But the good news for those contemplating the potential damage is that the same biotechnology can prevent epidemics spreading out of control. Mr Gates will say in his speech that most of the things needed to protect against a naturally occurring pandemic are the same things needed to prepare for an intentional biological attack. Nations must amass an arsenal of new weapons to fight such a disease outbreak, including vaccines, drugs and diagnostic techniques. Being able to develop a vaccine as soon as possible against a new outbreak is particularly important and could save huge numbers of lives, scientists working at his foundation believe.

# Aff

### Case

#### 1. No inherency – governments and the WTO are already reducing IP protections for medicines related to COVID-19.

#### 2. No inherency - The Covid vaccine waiver will pass in the status quo—many countries are switching their positions now . Meyer 6/10

David Meyer [senior writer for fortune], 6/10 - ("COVID-19 vaccine-patent pressure grows in Europe as lawmakers back temporary waiver," Fortune, 6-10-2021, accessed 7-5-2021, https://fortune.com/2021/06/10/covid-vaccine-patent-waiver-european-parliament-commission-wto/)//ML

The [temporary suspension of COVID vaccine patents](https://www.keionline.org/wp-content/uploads/W669Rev1.pdf)—a move that's intended to help expand manufacturing and speed up the global vaccination drive, thus [shortening the pandemic](https://fortune.com/2021/05/07/the-vaccine-patent-debate-heats-up/)—was originally proposed by South Africa and India last year. Over recent months, it has gained new supporters like the World Health Organization (WHO), [the Pope](https://www.theguardian.com/world/2021/may/09/pope-adds-voice-to-call-for-pharma-giants-to-waive-vaccine-patents), and, crucially, [the Biden administration](https://fortune.com/2021/05/06/covid-vaccine-patent-waiver-protections-rights-waiver-biden-next/).¶ However, Europe—home to major players such as BioNTech and AstraZeneca—has resisted the waiver. Just last week, the European Commission submitted an [alternative plan](https://www.reuters.com/world/europe/eu-executive-submits-vaccine-access-proposal-wto-2021-06-04/) to the World Trade Organization (WTO), proposing other measures such as limits on export restrictions, and the compulsory licensing of the patents in some circumstances.¶ That doesn't go far enough, said members of the European Parliament on Thursday, as it passed [an amendment](https://www.europarl.europa.eu/doceo/document/RC-9-2021-0306-AM-008-016_EN.pdf) calling for a temporary waiver of the WTO's TRIPS Agreement, the global intellectual-property rulebook, in relation to COVID-19 vaccines, treatments, and equipment.¶ The amendment passed by 355 votes to 263, with 71 abstentions. The European Parliament cannot tell the Commission to change its influential tune on the issue, but the vote sent a strong political message nonetheless: Europe, with its many national votes at the WTO, is gradually shifting to the pro-waiver camp.¶ Within the Parliament—the only EU lawmaking institution whose members are directly elected by citizens—[the split](https://www.europarl.europa.eu/news/en/press-room/20210517IPR04116/meps-split-over-waiver-for-covid-19-vaccine-patents) over the issue has largely followed left-right lines, with leftists such as the Socialists and Democrats (S&D, Parliament's second-biggest voting bloc) backing the waiver and those on the right, such as the European People's Party (EPP, the biggest bloc), opposing it.¶ "With today’s vote, the European Parliament calls on the Commission to finally do the right thing and save lives by supporting the lifting of patents for COVID-19 vaccines and medical equipment," said Kathleen Van Brempt, the S&D's lead negotiator on the subject, in a statement after the vote. "The TRIPS waiver may not prove to be a miracle solution, but it is one of the essential building blocks of a strong global vaccination campaign. Exceptional situations call for exceptional measures.¶ "The alternative proposal submitted by the European Commission to the WTO falls short in the face of the epochal challenge we are facing," she added.¶ But it is not just the European Commission that is becoming more isolated on the issue. Germany, too, is increasingly lonely in its opposition to the waiver.¶ French President Emmanuel Macron, who has [previously sided](https://www.theguardian.com/world/2021/may/07/macron-voices-concerns-over-covid-vaccines-patent-waiver) with Germany, [traveled to South Africa](https://www.voanews.com/covid-19-pandemic/macron-south-africa-talks-covid-vaccine) a couple of weeks ago to discuss the waiver with President Cyril Ramaphosa. On Wednesday, just ahead of the G7 summit, he flipped and joined the patent-suspension camp. That means at least two G7 leaders (also including U.S. President Joe Biden) now favor the waiver.¶ Add to that the fact that the WTO agreed on Wednesday to [fully debate the waiver](https://www.moneycontrol.com/news/business/economy/wto-decides-to-hold-text-based-negotiations-on-indias-global-vaccine-waiver-proposal-7010561.html)—a step that the EU and some other countries had previously resisted—and it seems the tide may be turning.¶ There is still a way to go, though. World Bank President David Malpass [slammed the waiver idea](https://www.reuters.com/business/healthcare-pharmaceuticals/world-bank-chief-says-does-not-support-vaccine-intellectual-property-waiver-wto-2021-06-08/) on Wednesday, saying “it would run the risk of reducing the innovation and the R&D” in the pharmaceutical sector. (Malpass, a Trump appointee, is therefore now in opposition to the current White House.)¶

#### No solvency – the problem is supply. IP has already been voluntarily licensed.

Tabarrok 21 **-** Alex Tabarrok (Bartley J. Madden Chair in Economics at the Mercatus Center and am a professor of economics at George Mason University). “Patents are Not the Problem!” Marginal Revolution. 6 May 2021. JDN. https://marginalrevolution.com/marginalrevolution/2021/05/ip-is-not-the-constraint.html

For the last year and a half I have been shouting from the rooftops, “invest in capacity, build more factories, shore up the supply lines, spend billions to save trillions.” Fortunately, some boffins in the Biden administration have found a better way, “the US supports the waiver of IP protections on COVID-19 vaccines to help end the pandemic.”¶ Waive IP protections. So simple. Why didn’t I think of that???¶ Patents are not the problem. All of the vaccine manufacturers are trying to increase supply as quickly as possible. Billions of doses are being produced–more than ever before in the history of the world. Licenses are widely available. AstraZeneca have licensed their vaccine for production with manufactures around the world, including in India, Brazil, Mexico, Argentina, China and South Africa. J&J’s vaccine has been licensed for production by multiple firms in the United States as well as with firms in Spain, South Africa and France. Sputnik has been licensed for production by firms in India, China, South Korea, Brazil and pending EMA approval with firms in Germany and France. Sinopharm has been licensed in the UAE, Egypt and Bangladesh. Novavax has licensed its vaccine for production in South Korea, India, and Japan and it is desperate to find other licensees but technology transfer isn’t easy and there are limited supplies of raw materials:¶ Virtually overnight, [Novavax] set up a network of outside manufacturers more ambitious than one outside executive said he’s ever seen, but they struggled at times to transfer their technology there amid pandemic travel restrictions. They were kicked out of one factory by the same government that’s bankrolled their effort. Competing with larger competitors, they’ve found themselves short on raw materials as diverse as Chilean tree bark and bioreactor bags. They signed a deal with India’s Serum Institute to produce many of their COVAX doses but now face the realistic chance that even when Serum gets to full capacity — and they are behind — India’s government, dealing with the world’s worst active outbreak, won’t let the shots leave the country.¶ Plastic bags are a bigger bottleneck than patents. The US embargo on vaccine supplies to India was precisely that the Biden administration used the DPA to prioritize things like bioreactor bags and filters to US suppliers and that meant that India’s Serum Institute was having trouble getting its production lines ready for Novavax. CureVac, another potential mRNA vaccine, is also finding it difficult to find supplies due to US restrictions (which means supplies are short everywhere). As Derek Lowe said:¶ Abolishing patents will not provide more shaker bags or more Chilean tree bark, nor provide more of the key filtration materials needed for production. These processes have a lot of potential choke points and rate-limiting steps in them, and there is no wand that will wave that complexity away.¶ Technology transfer has been difficult for AstraZeneca–which is one reason they have had production difficulties–and their vaccine uses relatively well understood technology. The mRNA technology is new and has never before been used to produce at scale. Pfizer and Moderna had to build factories and distribution systems from scratch. There are no mRNA factories idling on the sidelines. If there were, Moderna or Pfizer would be happy to license since they are producing in their own factories 24 hours a day, seven days a week (monopolies restrict supply, remember?). Why do you think China hasn’t yet produced an mRNA vaccine? Hint: it isn’t fear about violating IP. Moreover, even Moderna and Pfizer don’t yet fully understand their production technology, they are learning by doing every single day. Moderna has said that they won’t enforce their patents during the pandemic but no one has stepped up to produce because no one else can.¶ The US trade representative’s announcement is virtue signaling to the anti-market left and will do little to nothing to increase supply.

#### Turn: TRIPS reduces global health inequality

Samir Raheem Alsoodani 15, “"The WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) may offered an access to essential pharmaceutical drugs for developing countries,” Journal Of the College of law /Al-Nahrain University 2015, Volume 17, Issue 2, Pages 393-410, <https://www.iasj.net/iasj/article/109180>

To conclude, it is beyond doubt that the TRIPS Agreement and its later, permanent amendment of 2005 attempted in good faith to address an urgent issue faced by many developing countries with regards to accessing essential medicine. To a certain extent in its basic tenets, it has had a profound and positive effect on the system, as it has made permanently possible the opportunity for the poorest countries to obtain medications more cheaply through manufacture in developing countries under a compulsory licensing system. Certain positive outcomes arguably include the fact that disputes have been brought under the jurisdiction of one regulatory body, and the least developed Members have found some redress in the power balance regarding costs paid to the pharmaceutical industries based in the wealthier, developed countries (even if this redress has only been to the extent of facilitating increased bargaining capability). This can be considered a triumph from the perspective of universal human rights.

### Solvency

#### Turn: Weakening patents is worse – eliminates funds for R&D and halts pharma innovations that prevents an effective development of a right to health.

Sarah Joseph 11, Professor of Human Rights Law, and the Director of the Castan Centre for Human Rights Law at Monash University, Sarah, “Blame it on the WTO?” http://www.oxfordscholarship.com/view/10.1093/acprof:oso/9780199565894.001.0001/acprof-9780199565894-chapter-8#acprof-9780199565894-note-1350

IP protection restricts trade and competition, so IP clauses are somewhat anomalous in trade agreements, which are normally designed to decrease trade barriers. What is the justification for IP protection?44 Due to their relevance to this chapter, I will concentrate on arguments in favour of patents.45 Patents reward people for their inventions, thus encouraging creativity and innovation. Patents operate on the assumption that people are not inherently altruistic, and expect rewards for their endeavours, especially when those endeavours are risky as they may, and often do, result in costly failure.46 Furthermore, the money raised from patent protection is said to be necessary to fund the considerable costs of research and development (R&D).47 Therefore, without patents, innovation in the pharmaceutical field (or any industrial field) might grind to a standstill. While it is true that the high prices generated by patent protection may render access to drugs selective, (p.221) it is nevertheless better that a drug is available to some rather than non-existent and available to no one. The global extension of patent law mandated by TRIPS helps to ensure that patents are not undermined by the sale of competing pirated copies. Furthermore, global IP regimes should theoretically encourage greater technology transfer between countries, greater foreign direct investment, and greater local innovation within compliant states.48 All of these outcomes should accelerate the economic development of poor countries, with positive knock-on effects for human rights. Thus, perhaps it is arguable that pharmaceutical patents are justifiable under international human rights law, as they promote R&D which is essential for the future enhancement of rights to life and health. Furthermore, to the extent that they are held by natural persons, they are one way of protecting that person’s rights under Article 15(1)(c) of the ICESCR.

#### The TRIPS waiver for covid chills future pharmaceutical innovation and won’t be able stop the pandemic because of supply bottle necks. Twes and Rosen 7/21

Shane Tews [Nonresident Senior Fellow at AEI] and Michael Rosen [Adjunct Fellow at AEI], 21 - ("The future of intellectual property policy — COVID-19 and beyond: Highlights from my conversation with Michael Rosen," American Enterprise Institute - AEI, 7-21-2021, accessed 8-18-2021, https://www.aei.org/technology-and-innovation/the-future-of-intellectual-property-policy-covid-19-and-beyond-highlights-from-my-conversation-with-michael-rosen/)//ML

The charitable answer for why this was proposed — and I think there is a lot of truth to it — is that India was ravaged by one of the worst COVID-19 outbreaks in the world and unfortunately did not have enough shots to vaccinate its 1.3 billion people. But there are other explanations as well involving the fact that India and South Africa are the leading countries for producing generic drugs. And what they’re seeking would actually bestow a windfall on the generic industries. So it’s not necessarily coming from a place that’s misguided, but there are other interests there besides just solving the pandemic that’s raging in their countries.¶ Does this proposal seem likely to give us leverage over the problem at hand? You’ve written several pieces for AEI’s Tech Policy Daily on why you think the Biden administration is wrong to support the proposal, so what are your thoughts?¶ The problem with the waiver proposal is that it does too much that’s bad and too little that’s good. First of all, it will take up to at least the end of this year before the WTO in a consensus fashion can actually make progress on this proposal. It’s a long, slow, bureaucratic process to get one of these types of waivers through the WTO. So even though at the beginning of May the Biden administration signaled that would support this motion, there’s still a lot of opposition — especially in Europe, Australia, and Japan.¶ And according to what’s been reported, it’ll likely take until November or December for the WTO to actually reach a decision on that. By that time, of course, the worst of the raging pandemic in India and other places around the world will have passed and hundreds of millions of vaccine doses will be created by them.¶ But it’s not just that. Even after a process has been approved, it will take a significant amount of time for these generic manufacturers to get off the ground, test their products, and obtain the necessary regulatory approvals that they’re as safe and effective as the branded Pfizer, Moderna, etc. vaccines. Even then, the main problem in developing countries right now is not so much the lack of vaccines — although that is a problem — but the lack of infrastructure in terms of supply chain and logistics to get these medicines in the hands of people who need them. We’re talking about in many cases — with Pfizer, at least — deep-freezing capacity, refrigerated or frozen trucks, and transportation. So there are many, many bottlenecks for both the vaccines and raw materials. ¶ The real problem here isn’t that patents are preventing people from being vaccinated; it’s all these other conditions. And that’s where I would say it just does too little that’s good to actually waive these protections.¶ The supply chain is always in there somewhere. Talk more about how that plays into this.¶ That is indeed going to be a problem — not so much for the pioneering drug companies, but for those who are trying to copy what they’re doing, and even more so for patients who are going to be receiving these doses that may not be properly tested or arrive on time if they can’t get the supply chain and all the associated know-how to go with it.¶ Some who are, I think, on the more extreme side of this debate would say: Not only should Pfizer, Johnson & Johnson, AstraZeneca, and Moderna have to suspend their patent enforcement rights, but they need to be compelled to affirmatively hand over all of their know-how and trade secrets about how to actually make, supply, and distribute these products to generic manufacturers.¶ And it’s interesting because Moderna actually agreed last year to not enforce their own COVID-19 vaccine patents. So from their perspective, this is kind of a non-issue because they’ve agreed very altruistically to give up their patents until this pandemic ends. But the waiver would go far beyond that because there are other patents related to the mRNA vector for developing that technology. Since those patents would also fall by the wayside, we could go way too far in that regard.¶ Also, Moderna was literally facing bankruptcy. It went all-in investing billions of dollars in this mRNA technology. Had it not succeeded as it did — thank God — that company would have gone under. It’s very easy, as some activists do, to paint with a broad brush this concept that Big Pharma is evil, profit-hungry, and money-mad. But in fact, these companies are taking real risks with real dollars from real investors. And without the promise of some kind of return there, we wouldn’t have these breakthroughs. It’s that simple: It’s not the place of governments to say who has made too much money.¶ But the bigger problem isn’t so much these companies’ future earnings; the problem is for the next pandemic, which we have to assume is going to happen at some point. What’s going to happen when the next set of vaccine pioneers expect that even when they come up with a terrific cure, they’re going to have to suspend their patents? It’s going to give innovators and investors pause to know they could be pouring billions of dollars into developing and testing these cures only to have it taken away. That’s where, in my view, it does too much.¶ So you’re essentially saying the success of a company like Moderna — which almost went under — speaks to why we need IP-related incentives on the horizon?¶ Yes, absolutely. That’s what our system is all about. Our system of IP protection and innovation relies on a risk-reward benefit in exchange for disclosure. And to me and many who oppose this waiver, there are concrete and effective steps these companies and western countries can take to end the pandemic much faster that don’t involve waiving patents. For instance, the companies can be encouraged to manufacture more doses even faster. And I think because of the threat of the waiver, they are feeling pressure to do this (although there are raw materials constraints).¶ Even more so, this is a golden opportunity for the US, UK, and others to engage in vaccine diplomacy. This is a great opportunity for the government to spend a few tens of billions of dollars on doses and give them away where our influence can be felt to create a sense of gratitude to the US — and also because it’s the right thing to do. ¶ And yes, it will be expensive. There’s no question, but when the Biden administration is talking about spending $1.9 trillion on a so-called infrastructure plan, tens of billions of dollars to actually help put a final nail in the coffin of this pandemic and bolster US influence and strategic goals around the world is a no-brainer. And if the vaccine manufacturers are willing to provide these at cost or at a small markup, this is great bang for the buck for the US taxpayer.

#### Prefer the CP: TRIPs solves innovation

Margaret Kyle and Yi Qian 14, Kyle is Professor of Economics. Center for Industrial Economics, “INTELLECTUAL PROPERTY RIGHTS AND ACCESS TO INNOVATION: EVIDENCE FROM TRIPS,” <https://www.nber.org/papers/w20799>

Our results suggest that the consequences of TRIPS-required patents on access have not been as negative as predicted by many in the global health community. Patents are generally associated with earlier launch of new products and higher sales. The effect of a patent on an innovator’s launch incentive appears to be greater than the effect of removing this barrier to entry for generics, on average. This finding suggests the existence of other important barriers, some of which may be directly linked to regulatory policies. Surprisingly, we find a decrease in the price premium enjoyed by drugs with patents in the post-TRIPS era, although patented drugs are nevertheless still more expensive. Countervailing policies such as price controls or the threat of compulsory licensing may be responsible, either directly or indirectly by inducing different pricing behavior from originators.

### FW

#### We acess the FW better:

#### only IP incentivizes companies to ensure governments get rid of dangerous counterfeit copies and increase quality control - reducing IP protections in one area also spills over and means there is no incentive for research into diseases like cancer and Alzheimers which will continue to kill millions each year – that was also Macdole and Ezell

#### Passing the aff means extinction-- Bioterrorism – genetic engineering makes the spread of deadly pathogens easier, cheaper, and inevitable – the only way to solve an unavoidable outbreak is through quick pharmaceutical innovation – that was Marjanovic and Fejiao and Farmer