### 1

#### 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.

#### 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.

### 2

#### Counterplan text: the member nations of the World Trade Organization should implement and fund a Health Impact Fund as per the Hollis and Pogge 08 card

#### The Health Impact Fund would guarantee patent rights and increase profits, while also equalizing the cost of medicines

Hollis & Pogge ’08 - Aidan Hollis [Associate Professor of Economics, the University of Calgary] and Thomas Pogge [Leitner Professor of Philosophy and International Affairs, Yale University], “The Health Impact Fund Making New Medicines Accessible for All,” *Incentives for Global Health* (2008) AT

We propose the Health Impact Fund as the most sensible solution that comprehensively addresses the problems. Financed by governments, the HIF would offer patentees the option to forgo monopoly pricing in exchange for a reward based on the global health impact of their new medicine. By registering a patented medicine with the HIF, a company would agree to sell it globally at cost. In exchange, the company would receive, for a fixed time, payments based on the product’s assessed global health impact. The arrangement would be optional and it wouldn’t diminish patent rights.¶ The HIF has the potential to be an institution that benefits everyone: patients, rich and poor alike, along with their caregivers; pharmaceutical companies and their shareholders; and taxpayers.¶ HOW THE HEALTH IMPACT FUND WORKS FOR PATIENTS¶ The HIF increases the incentives to invest in developing medicines that have high health impact. It directs research toward the medicines that can do the most good. It can also reward the development of new products, and the discovery of new uses for existing products, which the patent system alone can’t stimulate because of inadequate protection from imitation. All patients, rich and poor, would benefit from refocusing the innovation and marketing priorities of pharmaceutical companies toward health impact.¶ Any new medicines and new uses of existing medicines registered for health impact rewards would be available everywhere at marginal cost from the start. Many patients – especially in poor countries, but increasingly in wealthy ones too – are unable to afford the best treatment because it is too expensive. Even if fully insured, patients oft en lack access to medicines because their insurer deems them too expensive to reimburse. The HIF simply and directly solves this problem for registered drugs by setting their prices at marginal cost.¶ HOW THE HEALTH IMPACT FUND WORKS FOR PHARMACEUTICAL COMPANIES¶ Most proposals for increasing access to medicines would reduce the profits of pharmaceutical companies and hence their ability to fund research. The HIF, however, leaves the existing options of pharmaceutical firms untouched. It merely gives them the opportunity to make additional profits by developing new high-impact medicines that would be unprofitable or less profitable under monopoly pricing. Selling such registered medicines at cost, firms won’t be forced to defend a policy of charging high prices to poor people and they won’t be pressured to make charitable donations. With HIF-registered medicines they can instead “do well by doing good”: bring real benefit to patients in a profitable way. Research scientists of these firms will be encouraged to focus on addressing the most important diseases, not merely those that can support high prices.¶ HOW THE HEALTH IMPACT FUND WORKS FOR TAXPAYERS¶ The HIF will be supported mainly by governments, which are supported by the taxes they collect. Taxpayers want value for their money, and the HIF provides exactly that. Because the HIF is a more efficient way of incentivizing the pharmaceutical R&D we all want, total expenditures on medicines need not increase. However, if they do, the reason is that new medicines that would not have existed without the HIF are being developed. The HIF mechanism is designed to ensure that taxpayers always obtain value for money in the sense that any product regis-tered with the HIF will have a lower cost for a given amount of health impact than products outside the HIF. Taxpayers may also benefit from a reduction in risks of pandemics and other health problems that easily cross national borders.

### 3

#### Dollar centrality high now

Watts 6/21

Watts, William. “Why the U.S. Dollar Is Soaring - and What's next - AFTER Fed's Change in Tone.” MarketWatch, MarketWatch, 17 June 2021, [www.marketwatch.com/story/soaring-u-s-dollar-sparks-forex-market-rethink-after-fed-shifts-tone-11623955943. //](http://www.marketwatch.com/story/soaring-u-s-dollar-sparks-forex-market-rethink-after-fed-shifts-tone-11623955943.%20//) Phoenix

The U.S. dollar was on fire Thursday, extending gains a day after an unexpected shift in the Federal Reserve’s inflation and interest-rate outlook and raising doubts about the consensus view for a weaker currency in 2021.

“Up until yesterday the market consensus was pointing to a moderately softer value of the DXY dollar index over the course of the coming 2 quarters,” said Jane Foley, senior FX strategist at Rabobank, in a note. “The price activity in the USD (U.S. dollar) crosses today suggests that a revaluation of positioning is currently taking place.”

The ICE U.S. Dollar Index [DXY, 0.03%](https://www.marketwatch.com/investing/index/DXY?mod=MW_story_quote), a measure of the currency against a basket of six major rivals, was up 0.9% at 91.94 Thursday afternoon, after trading at its highest since April 13. The dollar is building on a surge versus major rivals scored on Wednesday, after Fed policy makers penciled in [two rate hikes by the end of 2023](https://www.marketwatch.com/story/fed-now-sees-two-interes-trate-hikes-in-2023-11623866824?mod=mw_latestnews) and discussed the eventual tapering of the central bank’s asset buying program.

#### IPR is key for U.S Dollar Centrality – it allows US firms near if not complete monopolies pushing dollars into international markets and stabilizing US financial influence

Schwartz ‘19

Schwartz, Herman Mark (2019). American hegemony: intellectual property rights, dollar centrality, and infrastructural power. Review of International Political Economy, (), 1–30. doi:10.1080/09692290.2019.1597754 // Phoenix

Mechanism one relates to Strange’s (1989) financial power: US current account deficits generate the dollar centrality that network analyses reveal through self-reinforcing dynamics prior to the network. US current account deficits result from deep seated domestic institutional arrangements in current account surplus economies that produce chronic domestic demand shortfalls. The more those export-led economies run surpluses with the United States, the more dollars they accumulate; the more dollars they accumulate, the more dollars flow through their banking systems back into dollar assets and liabilities; the more dollar assets and liabilities those banks hold on their balance sheets, the more those banks both rely on the Federal Reserve Bank (FED) as a lender of last resort or a supplier of outside money during (the inevitable) crises, and the more their staff develop habitus (Bourdieu, 1977) or the routinized behaviors at the heart of infrastructural power (Mann, 1986) that support continued use of the dollar in non-crisis times; the more those banks lend in dollars, the more counterparty debtor economies are drawn into use of the dollar; a parallel habitus emerges among export firms that reinforces use of the dollar in a Hirschman (1945)-like dynamic. If suppliers (or debtors) are borrowing those recycled dollars, they will demand payment in dollars to meet their liabilities. Contemporary late developers similarly need export markets to grow, and the United States constitutes both the biggest import market and biggest net importer in the global economy (netting intra-EU trade). This mechanism originates from institutional responses to the problem of late development and not, via lower transaction costs, the emergent network of dollar claims and liabilities itself. That said, surely dollar acceptability faces limits set by persistent US current account deficits? Prudent actors might well balk at accepting more assets denominated in a currency at risk of sustained depreciation (Bergsten & Williamson, 2004). Indeed, the 1960s Triffin dilemma pitted declining confidence about the dollar as a store of value given rising US inflation rates and a declining productivity gap between the United States and its main competitors against the need for global liquidity supplied by a US current account deficit. Today, as Eichengreen (2010) has argued, centrality for the dollar faces a similar collective action problem among holders of dollar-denominated assets – why do US current account deficits not motivate individual countries with relatively smaller dollar holdings to defect for fear of depreciation or capital losses? In today’s flexible exchange rate world, only above average US economic growth and/or profits for the firms constituting the bulk of equity market capitalization validates confidence in dollar assets. Because economic activity is organized through capitalist markets, the critical issue for differential growth (Nitzan, 1998) and asset validation is always: ‘who gets the profits and in what proportion’? Mechanism two is thus about profits, which corresponds to Strange’s (1989) productive power. US firms capture a disproportionate share of global profits, and within this firms with robust intellectual property rights (IPRs – patent, copyright brand and trademark) capture a disproportionate share of US and global profits. Here compliance with international trade treaties protecting IPRs is the focal point or center of gravity for this disproportionality. IPRs give some US firms monopoly or near monopoly power in the global (and local) commodity chains they construct. The extension of US IPR law through various trade treaties (Drahos & Braithwaite, 2003; Sell, 2003; Sell & Prakash, 2004) allows US IPR firms to capture a disproportionate share of global profits via that monopoly power. This shifts claims on value added towards those firms, concentrating profits into a small number of US firms. Though we explore this below in more depth, US firms account for a disproportionate 33.9% of cumulative profits generated by any firm appearing on the Forbes Global 2000 list from 2006 to 2018 and firms in sectors characterized by robust IPRs account for a disproportionate 26.6% of those profits. Profitability thus also rests on infrastructural power, via compliance with trade treaties and enmeshment in global value chains orchestrated by US firms. As with bank behavior, this compliance is not purely voluntary (Gruber, 2000), but rather reflects a gradient in which mutually beneficial cooperation shades into coercion as the proportion of local firms benefiting from those treaties declines. US firms are not the only ones that possess marketable intellectual property. Non-US firms that also benefit from robust global IPRs broaden the global political coalition for creating and expanding those IPRs. Yet US firms tend to control the commodity chains in which those foreign firms participate. These two mechanisms are connected: the first explains why non-US actors receive dollars

(more precisely, dollar-denominated assets) and the second explains why they opt to hold those assets; put differently, the supply of and demand for dollars. The two mechanisms transform the exorbitant burden – current account deficits associated with use of the dollar as the international reserve currency – back into an exorbitant privilege. They represent a transfer of real resources back to the US economy in exchange for promises to pay back something in the future. Finally, though we will not explore this in depth, these two mechanisms are also linked to the military side of US power, where a similar logic of dominance over potential peer rivals has driven science policy and technological innovation. Put bluntly, a military-innovation complex (c.f. Eisenhower’s military-industrial complex (Hozic, 1999; Hurt, 2010; Mazzucato, 2015; Weiss, 2014)) is the research foundation for the high profit US IPR firms that in turn feed a substantial portion of cash back into the IMS. As with all such systems of power, these structural strengths contain endogenously generated weaknesses and face on-going challenges from the less powerful. Financialization and profit strategies built on IPRs endogenously produce income inequality among firms and people, which erodes compliance, potentially slows growth and destabilizes the global financial system. Domestically, the current account deficits necessary for a dollar-centric IMS (Germain & Schwartz, 2014) generated part of the anger motivating the populist voting bloc that elected Trump. In turn, the Trump Administration’s erratic trade policy, its assaults on parts of the military-innovation complex, and, most significantly, its efforts to eviscerate financial regulation simultaneously threaten the dollar’s role in the IMS and US firms’ ability to capture global profits.3 The Trump administration is one logical consequence of current account deficits that have hollowed out manufacturing employment and limited upward mobility to a narrow slice of the US population. The paper thus has four sections corresponding to the issues: Why does infrastructural power matter? Why the IMS? Why IPRs? The conclusion considers critical endogenous sources of decay.

**Collapse of dollar centrality decks the US economy, prevents stimulus, and undermines security spending which emboldens China aggression.**

**Zoffer 12** - Josh Zoffer (Legal Intern at the IMF, Yale Law), "Future of Dollar Hegemony", Harvard International Review, July 7, 2012. [http://hir.harvard.edu/article/?a=2951] DM

Despite the dollar’s long history as the international reserve currency, the past few years have seen a growing number of calls for the end of dollar hegemony. Countries as diverse as France, Russia, and China have decried the dollar’s monopoly in foreign exchange markets, while in 2009 reports of a shift away from dollar-based oil trading surfaced in the Middle East. Reported plans to move away from the dollar reflected international frustration at a system fueling the United States’ “exorbitant privilege,” as the French have called it, one that rests its stability on the financial conditions of a country mired in debt and facing a financial meltdown. **The implications of a** true **end to dollar hegemony, a shift away from the dollar as** a reserve currency and **pricing** standard **for oil** transactions**, could be catastrophic** for the United States. In the worst case scenario, **a drastic drop in demand for dollar-denominated assets would cause the interest rates** on Treasury Securities **to skyrocket, sending ripples through the US economy as the value of the dollar plummets.** What is certain, however, is that **whatever decrease in demand for US debt occurs will constrain the federal government’s ability to spend and** the ability of the United States **to defend itself.** The United States has built its foreign policy around its vast military capability; **a sudden budgetary shock and drop in military spending would leave the United States vulnerable as it scrambles to regroup** in a new security environment. **The ability** of the United States **to respond to threats** across the globe **would be diminished, and enemies would be incentivized to take aggressive action to take advantage of this new weakness. In particular, a rapidly militarizing China might be emboldened by its** partial **decoupling from US economic fortunes to adopt a bolder stance** in the South China Sea, **threatening US allies and heightening tensions** with the United States. While war with China is all but off the table in the status quo, **an international system devoid of both US military might and Chinese dependence on US debt as a place to park excess liquidity might lead to the conflict feared on both sides of the Pacific.**

# Case

#### Behind the Veil of Ignorance, we would choose util because it’s the only one that regards all people as equal

#### Preventing extinction is the most ethical outcome – a just society can’t exist if we’re all dead

Bostrom 13 (Nick, Professor at Oxford University, Faculty of Philosophy & Oxford Martin School, Director, Future of Humanity Institute, Director, Oxford Martin Programme on the Impacts of Future Technology University of Oxford, “Existential Risk Prevention as Global Priority”, Global Policy Volume 4, Issue 1, February 2013 // AKONG)

Some other ethical perspectives We have thus far considered existential risk from the perspective of utilitarianism (combined with several simplify- ing assumptions). We may briefly consider how the issue might appear when viewed through the lenses of some other ethical outlooks. For example, the philosopher Robert Adams outlines a different view on these matters: I believe a better basis for ethical theory in this area can be found in quite a different direction—in a commitment to the future of human- ity as a vast project, or network of overlapping projects, that is generally shared by the human race. The aspiration for a better society—more just, more rewarding, and more peaceful—is a part of this project. So are the potentially end- less quests for scientific knowledge and philo- sophical understanding, and the development of artistic and other cultural traditions. This includes the particular cultural traditions to which we belong, in all their accidental historic and ethnic diversity. It also includes our interest in the lives of our children and grandchildren, and the hope that they will be able, in turn, to have the lives of their children and grandchil- dren as projects. To the extent that a policy or practice seems likely to be favorable or unfavor- able to the carrying out of this complex of pro- jects in the nearer or further future, we have reason to pursue or avoid it. ... Continuity is as important to our commitment to the project of the future of humanity as it is to our commit- ment to the projects of our own personal futures. Just as the shape of my whole life, and its connection with my present and past, have an interest that goes beyond that of any iso- lated experience, so too the shape of human history over an extended period of the future, and its connection with the human present and past, have an interest that goes beyond that of the (total or average) quality of life of a popula- tion-at-a-time, considered in isolation from how it got that way. We owe, I think, some loyalty to this project of the human future. We also owe it a respect that we would owe it even if we were not of the human race ourselves, but beings from another planet who had some understanding of it (Adams, 1989, pp. 472–473). Since an existential catastrophe would either put an end to the project of the future of humanity or drasti- cally curtail its scope for development, we would seem to have a strong prima facie reason to avoid it, in Adams’ view. We also note that an existential catastrophe would entail the frustration of many strong preferences, sug- gesting that from a preference-satisfactionist perspective it would be a bad thing. In a similar vein, an ethical view emphasising that public policy should be determined through informed democratic deliberation by all stake- holders would favour existential-risk mitigation if we suppose, as is plausible, that a majority of the world’s population would come to favour such policies upon reasonable deliberation (even if hypothetical future peo- ple are not included as stakeholders). We might also have custodial duties to preserve the inheritance of humanity passed on to us by our ancestors and convey it safely to our descendants.23 We do not want to be the failing link in the chain of generations, and we ought not to delete or abandon the great epic of human civili- sation that humankind has been working on for thou- sands of years, when it is clear that the narrative is far from having reached a natural terminus. Further, many theological perspectives deplore naturalistic existential catastrophes, especially ones induced by human activi- ties: If God created the world and the human species, one would imagine that He might be displeased if we took it upon ourselves to smash His masterpiece (or if, through our negligence or hubris, we allowed it to come to irreparable harm).24 We might also consider the issue from a less theoreti- cal standpoint and try to form an evaluation instead by considering analogous cases about which we have defi- nite moral intuitions. Thus, for example, if we feel confident that committing a small genocide is wrong, and that committing a large genocide is no less wrong, we might conjecture that committing omnicide is also wrong.25 And if we believe we have some moral reason to prevent natural catastrophes that would kill a small number of people, and a stronger moral reason to pre- vent natural catastrophes that would kill a larger number of people, we might conjecture that we have an even stronger moral reason to prevent catastrophes that would kill the entire human population.

#### Presume neg – they have no card that says what the aff actually does – what exactly are they reducing? How much? – there are multiple inconsistent ways the aff could be implemented so give 0 weight to their solvency

#### A2 Liu: Concedes that patents are key to innovation in CX

#### No solvency – The Last Mile Problem.

**In the squo, pharmaceutical companies have no incentive to ensure drugs are distributed and used properly. HIF incentivizes them to ensure rational use and positive health outcomes.**

**Hollis & Pogge ’08 -** Aidan Hollis [Associate Professor of Economics, the University of Calgary] and Thomas Pogge [Leitner Professor of Philosophy and International Affairs, Yale University], “The Health Impact Fund Making New Medicines Accessible for All,” *Incentives for Global Health* (2008

As highlighted throughout this book, one main barrier to access to available drugs is price. When manufacturers’ prices are lower, then the prices consumers are charged through both public and private distribution systems will also be lower. Affordable manufacturers’ prices are therefore crucial to improved access. But manufacturers’ prices are not the sole determinant of the cost to the consumer. Import duties, port clearage charges, inspection fees, pharmacy board fees, central and regional government taxes, storage and transportation costs, and wholesale and retail markups add substantially to the manufacturers’ price.1 These supplementary costs are not always passed on to the consumer in their entirety, since the state or the nonprofi t sector may provide subsidies to consumers. But in this case the financial burdens placed on the state or the nonprofi t sector are increased by high prices. Even where supplementary costs are only partially passed on to consumers, they can significantly aff ect the aff ordability of essential medicines. Price, while crucial, is not the only determinant of access. In many low-income countries, weak health infrastructure signifi cantly limits the extent to which essential drugs are accessible. For example, Ministries of Health are often reluctant to distribute drugs to hospitals and health clinics if they believe these facilities lack the trained and motivated medical staff or the physical assets needed to ensure that the drugs are properly stored, prescribed and dispensed.2 Alternatively, a **Ministry of Health**’sadministrative systems **may be** such that it is **not able to manage** the **efficient distribution of** the **drugs** that are available to it**, resulting in shortages, particularly in less accessible parts of the country. Weaknesses in transportation** systems **and drug management** practices can also **result in spoilage**, thereby compromising the quality of available drugs.3 On the demand side, weak infrastructure oft en imposes significant costs and time burdens on poor people in need of health treatment. For example, **patients may have long distances to travel, and in many countries,** “informal payments” or **bribes are required** to obtain access to subsidized medicines (Lewis, 2007). The second main element of the last mile problem is the failure to use correctly the drugs to which patients do have access. The **WHO estimates that worldwide 50 percent of all medicines are** prescribed, **dispensed**, or sold **incorrectly, and that about half of all patients do not take medicines as directed** (WHO 2004b, 75). **This** incorrect use **exacts a huge toll in** increased **morbidity and mortality,** in addition to the toll exacted by lack of access. Estimates suggest that between 60 and 90 percent of household health expenditure in developing countries is on medicines (DFID 2006, 1). **Poor prescribing and dispensing practices, and weak adherence** by patients **to treatment requirements, means that** much of this **spending brings little in the way of health benefits**. It can actually be harmful, increasing the likelihood that certain diseases will develop resistance to the drugs that are used to treat them.5 These problems occur not only in developing, but also developed countries. Common types of incorrect medicine use include (WHO 2004b, 76): • use of too many types of medicines per patient (polypharmacy); • prescription of antimicrobials in inadequate dosage or for inadequate periods or the prescription of antibiotics for non-bacterial infections (the WHO estimates that around two-thirds of all antibiotics worldwide are sold without prescription); • use of injections where oral formulations would be better, increasing the transmission of hepatitis, HIV/AIDS and other blood-borne diseases; • failure to prescribe in accordance with clinical guidelines (survey data show that between 1990 and 2004 only around 40 percent of primary care level patients in Africa, Asia, and Latin America were treated in accordance with clinical guidelines for a number of common conditions, with no improvement over this period; WHO 2006c, 2); and • inappropriate self-medication, oft en of prescription-only drugs. A key cause of incorrect use is the lack of suitably qualifi ed medical personnel available to developing country health systems. Recent fi gures show that the number of health workers per 1,000 people was only 2.3 in Africa and 4.3 in South & East Asia, compared to 18.9 and 24.8 in Europe and the Americas respectively.6 Moreover, many developing-country health workers are poorly trained and paid and are not given adequate administrative support. This in turn contributes to low morale and a high incidence of absenteeism. This problem is especially acute in rural and remote areas. **Health facilities** that **are understaffed** or staffed **by inadequately trained** or motivated **workers** are very poorly placed to meet the requirements of rational drug use (Das, Hammer, and Leonard 2008). The WHO estimates that 57 countries suffer critical shortfalls of doctors, nurses, and midwives that prevent these countries from meeting even the most basic standards of health care (WHO 2006d, 5, 11–12). This human-resource crisis is complicated by the fact that in many low-income countries **staff salaries take up an inordinately large share of the** health **budget, leaving insufficient funds for** non-staff requirements such as **vaccines,** essential **drugs, diagnostic tools and infrastructure maintenance**. Public sector health payrolls are oft en poorly administered, and phenomena such as so-called ghost workers (people who are on payrolls but do not provide the relevant services) result in significant inefficiencies. Resource-constrained countries are confronted with the need to reduce the share of the wage bill in their health budgets while increasing the number and quality of health professionals, particularly in poorer areas. In many cases, greater efficiency in the use of existing resources, while necessary, will not be sufficient to remedy these problems entirely. There is no escaping the need for significantly larger amounts of resources to be made available to developing country health sectors.7 While public sector and not-for-profit private providers are key parts of the health sector in most low-income countries, the for-profit private sector— particularly in the form of private drug outlets—is often the first point of call for large parts of the populations of these countries when they fall sick. In Cambodia, for example, it is estimated that more than 70 percent of the population first approach private drug sellers when they fall sick, and that 75 percent of legal antimalarials are sold through the private sector. In Senegal, four private wholesalers linked to pharmacies and chemists represent nearly 65 percent of all sales of antimalarials (Institute of Medicine 2004, 40–41).8 Worldwide, **an increasing share of health care is being delivered through the private sector** (WHO 2006c, 4). Especially in low-income countries, governments often regulate private-sector drug outlets poorly. Even where suitable regulations and licensing procedures exist, **the supervisory and enforcement support needed to ensure compliance is often lacking.** Coupled with poor training of staff in private drug outlets, these regulatory, supervisory and enforcement shortcomings result in poor diagnosis and dispensing practices, and subsequently in the sale of unnecessary or contra-indicated drugs or incomplete courses of medication. This wastes resources, compromises successful treatment, and can lead to adverse patient reactions and the development of drug-resistant disease forms. **The incentives that private sellers have to maximize sales regardless of clinical requirements add to the likelihood of incorrect use.** These incentives are present not only in the private sector, but apply where the prescribing and dispensing functions are combined, as is sometimes the case in some public health facilities in low-income countries. Th is point notwithstanding, survey data available to the WHO show that, in developing and transition countries, the use of medicines is signifi - cantly worse in the private than in the public sector (WHO 2006c, 4).9 Even where **drugs** are correctly prescribed, they **are often sold in inappropriate packaging, with inadequate instructions** for patient use,or both. Th is creates serious problems when patients are illiterate or ill-informed about the implications of not taking medication as directed. Th is is particularly problematic with respect to medicines whose partial completion is oft en suffi cient to relieve symptoms. The result is a serious problem with patient adherence to the requirements of their drug treatment. Drug prices are also a factor in lack of patient adherence to treatment regimens. Poor patients may purchase insufficient amounts of the medicine, in an attempt to economize. A 2006 WHO report suggests that, unless effective action is taken, the problem of incorrect drug use is likely to get worse. This is so for two reasons. First, an increasing share of health care worldwide is being provided through the private sector. In developing countries and countries in transition to a market economy, provision through the private sector is likely to result in a higher incidence of incorrect drug use than provision through the public sector, which is important given the prominence of private drug sellers as a first point of call. Second, **many large-scale initiatives to treat diseases** of major public health importance, such as malaria, HIV/ AIDS, and tuberculosis, concentrate primarily on access and **give insufficient attention to the problem** of irrational use (WHO 2006c, 4). Irrational use also occurs in developed countries. As Avorn (2004) notes, there is a paucity of reliable clinical trials comparing the risks and benefits of different medicines, and at the same time, pharmaceutical companies’ marketing muscle sometimes leads to poor prescribing choices by clinicians.

#### Decreasing patents will increase counterfeit medicines, which turns case

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As the author of the chapter on illicit trade in counterfeit medicines within the OECD report, I worry that global policymakers may be working against each other when it comes to battling counterfeit drugs, especially in the context of intellectual property rights. While the Senate Hearing and the OECD report highlight the importance of strong IP protection in combating the growing threat of counterfeit goods, their efforts coincide with an initiative by the UN Secretary-General that has the potential to greatly worsen the problems of counterfeit pharmaceuticals. UN Secretary General Ban Ki Moon’s High Level Panel on Access to Medicines proposes “to review and assess proposals and recommend solutions for remedying the policy incoherence between the justifiable rights of inventors, international human rights law, trade rules and public health in the context of health technologies.”[2] The High Level Panel is a thinly veiled attempt to undermine the intellectual property rights architecture that incentivizes pharmaceutical innovation and protects patients from counterfeit medicines. While patents and other forms of intellectual property rights are widely recognized as fostering pharmaceutical innovation, they also serve to inhibit counterfeiting. The World Health Organization has determined that counterfeiting is facilitated where “there is weak drug regulatory control and enforcement; there is a scarcity and/or erratic supply of basic medicines; there are extended, relatively unregulated markets and distribution chains, both in developing and developed country systems; price differentials create an incentive for drug diversion within and between established channels; there is lack of effective intellectual property protection; due regard is not paid to quality assurance”.[3] [Kristina] According to INTERPOL estimates, approximately 30 percent of drugs sold worldwide are counterfeit.[4] However, as is the case with many other counterfeit trade statistics, the origins of this figure are somewhat uncertain, as is the methodology used to make the calculation. Perhaps the most widely-cited statistic originates from the World Health Organization, which estimates that 10 percent of the global market for pharmaceuticals is comprised of counterfeits and reports place the share in some developing countries as high as 50-70%.[5] While difficult to measure, estimates do exist on the extent of the market for counterfeit drugs and the harm done to human health. As noted in my chapter in the OECD report, “INTERPOL estimates that more than one million people die each year from counterfeit drugs.[6] While counterfeit drugs seem to primarily originate in Asia, Asian patients are also significantly victimized by the problem. A 2005 study published in PLoS Medicine estimate that 192,000 people are killed in China each year by counterfeit medicines.[7] According to work done by the International Policy Network, an estimated 700,000 deaths from malaria and tuberculosis are attributable to fake drugs. [8] The World Health Organization presents a much more modest number noting that malaria claims one million lives annually and as many as 200,000 may be attributed to counterfeit medicines which would be avoidable if the medicines available were effective, of good quality and used correctly.[9] Even this number is double that presented by academic researchers Amir Attaran and Roger Bate who claim that each year more than of 100,000 people around the world may die from substandard and counterfeit medications.[10]” [11] Given the devastating impact of counterfeit medicines on patients and the importance of intellectual property protection in combating pharmaceutical counterfeiting, it is troubling that the UN High Level Panel seems poised to prevent a series of recommendations that will undermine public health under the guise of enhancing access. Without the assurance of quality medicines, access is meaningless. Moreover, while falsely presenting intellectual property rights as the primary obstacle to global health care, the High Level Panel downplays a host of other factors that prevent developing country patients from getting the drugs they need: inadequate medical infrastructure, insufficient political will, a shortage of clinical trials in nations where neglected diseases are endemic, poverty, and insufficient market incentives. If the United Nations is serious about addressing the critical need for access to medicines, the Secretary General must come to terms with the reality surrounding the challenges of access to medicine. Although the international patent system may be in need of improvement, it is overly simplistic to blame drug patents, international trade agreements and the global pharmaceutical industry for the access problem. The problem is far more nuanced and complicated than portrayed by the High Level Panel. As the WHO, OECD and Senator Hatch recognize, intellectual property rights are part of the solution. To truly address the access problem, we must move beyond blaming IPRs and begin the difficult work of grappling with structural deficiencies and poverty.